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TSX.V-RAY

RAYTEC SIGNS LETTER OF INTENT WITH PROPOSED AMALGAMATED ANGUS VENTURES CORP. & ENCANTO POTASH CORP.

June 16, 2009, Vancouver, BC – Raytec Metals Corp. (the “Company” or “Raytec”) (TSX.V – RAY) announces that it has entered into a letter of intent to sell a 100 percent interest in its potash assets, including the Spar Property and KP452, to Angus Ventures Corp. (“Angus”) (TSX.V – AGN.H) and Encanto Potash Corp. (“EPC”). Angus and EPC have agreed to merge by way of an amalgamation (the “Amalgamation”) and the merged company will also have the name Encanto Potash Corp. and is hereinafter referred to as “Encanto”.

Under the letter of intent, Raytec will sell all of its current potash properties including the Spar Property and KP 452 to Encanto. The Company will receive up to 20,680,000 shares of Encanto at a deemed price of \$0.25 per share for a deemed value of up to \$5,170,000, which is approximately equal to the aggregate of Raytec’s acquisition costs and costs incurred to date on its potash properties. The actual number of shares to be issued will be determined based on all expenditures incurred to date by Raytec to acquire its potash properties and all expenditures incurred by Raytec on such properties, subject to the above maximum number of shares being issued.

Furthermore, Raytec will make available \$6.5 million to be spent on the combined potash properties (“Encanto’s Potash Properties”) by December 29, 2009 to earn a 51% interest in Encanto’s Potash Properties. Encanto will have the option to repurchase the 51% Raytec interest in Encanto’s Potash Properties for 26,000,000 shares of Encanto (the “Option”).

Upon exercise of the Option, Raytec will own an aggregate of up to 46,680,000 shares of Encanto which will approximate 29% of the Encanto’s issued and outstanding share capital as it will be constituted on completion of the Angus/EPC Amalgamation.

Additional terms include:

- (i) Raytec will have the right to nominate up to two directors to the board of directors of Encanto; and
- (ii) Raytec will have a pre-emptive right to participate in future financings of Encanto so as to preserve its percentage interest in Encanto.

The proposed transactions are subject to a number of conditions, including:

- a. Completion of the Angus / EPC Amalgamation;
- b. Due diligence investigations by both parties;

- c. The drafting of a formal agreement between the parties;
- d. Regulatory approval; and
- e. The approval of the shareholders of Angus Ventures Corp. and Encanto Potash Corp.

Raytec's President, Mr. Brian Thurston states, "We are extremely pleased to provide Raytec shareholders with the opportunity to be involved with Encanto whose primary focus is to explore our combined properties and develop an economic potash deposit. A key factor in the success of any potash venture is the ability to finance through to production. We believe that Encanto's strategic alliance with Endeavour Financial Ltd. will be a determining factor in our successful development of the next potash mine."

The transactions are subject to TSX-Venture Exchange approval. A finders fee will be payable in accordance with TSX-Venture Exchange policies.

About Encanto:

Encanto is a company that has to date, obtained exploration permits from the Federal Department of Indian and Northern Affairs Canada (INAC) on two first nation band's lands in southeastern Saskatchewan. Preliminary environmental approval has been received and 2-D seismic exploration has been concluded over the respective areas. Encanto has memorandums of understanding with seven bands in total, and is pursuing additional permits to explore on further first nations lands. Encanto has entered into a financial advisory services agreement with Endeavour Financial Ltd. pursuant to which Endeavour has agreed to provide Encanto with certain general corporate financial advice and consulting services, including services with respect to structuring, negotiating and closing of certain transactions, as well as corporate management and administrative services.

About Raytec:

Raytec Metals Corp. is a well-financed, Canadian exploration company with a recently signed Farm-In letter of intent with Africa Oil Corp. and, with over 180,000 acres of potash permits in Saskatchewan, Canada – the largest producing region for potash in the world. The Company holds approximately a 20 per cent interest in Sulphur Solutions Inc., an emerging fertilizer company developing state-of-the-art patented technology for the production of micronized sulphur fertilizer. The Company is further diversified with an iron ore project in Ontario, and a uranium joint venture project in the Athabasca Basin of Saskatchewan.

On behalf of the Board,
RAYTEC METALS CORP.

"Brian Thurston"
President and CEO

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements in this news release include statements regarding the Offering (including the anticipated closing date) and future exploration plans and expenditures. Although, the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration and exploration successes, and continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions, including among others, assumptions regarding general business and economic conditions, the timing and receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for the Company's proposed transactions and programs on reasonable terms, and the ability of third-party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected on the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.