

IC Potash announces strategic investment and off-take agreement

TORONTO, March 30, 2012 /CNW/ - IC Potash Corp. ("ICP" or the "Company") (TSX ICP) (OTCQX: ICPTF) is pleased to announce that Yara International ASA ("Yara"), through a wholly owned subsidiary, has agreed to make a strategic investment of approximately C\$40 million in ICP at a price of \$1.32 per common share and has entered into a committed off-take agreement for the purchase of 30% of all products produced by ICP's Ochoa project in New Mexico for a period of 15 years. ICP and Yara have also agreed to discuss the possibility of establishing a jointly held entity for the purpose of marketing products produced by the Ochoa project.

Mr. Sidney Himmel, President and CEO of ICP, comments, "Yara and ICP share a strategic focus on premium products and adding value in the fertilizer supply chain. As one of the world's largest distributors of plant nutrients, Yara is the ideal partner for ICP's project development and product marketing strategies. This partnership is transformational for ICP and provides the Company with a significant injection of capital and a buyer for 30% of the annual production by the Ochoa project. We look forward to working with Yara in further developing the distribution channels for our premium potash products."

Mr. Jørgen Ole Haslestad, President and CEO of Yara, comments: "This investment fits well with our strategy. Through the ownership in ICP, Yara gets an upstream exposure on potash which reduces and mitigates the financial impact of being structurally short on the nutrient. Furthermore, the partnership with ICP aligns our respective strategies to develop and distribute premium fertilizer products, where Yara already has a leading position globally with its nitrates and nitrate-based NPK portfolio."

Strategic Investment Terms

In connection with the strategic investment, ICP will issue to Yara 30,129,870 common shares at a price of \$1.32 per common share for total gross proceeds of C\$39,771,428. After giving effect to the transaction, this will result in Yara owning 19.9% of the issued and outstanding common shares of ICP on a non-diluted basis. The issue price represents a 41% premium over the 20 day volume weighted average price of ICP's common shares traded on the Toronto Stock Exchange as of the closing on March 30, 2012. The investment has been conducted as a non-brokered private placement.

Upon closing, Yara will receive the right to appoint one representative to ICP's board of directors and the right to participate pro rata in all future equity or equity linked issuances by ICP. Subject to certain exceptions, Yara will be restricted from transferring securities of ICP until the earlier of 24 months following the closing date and the date on which ICP has secured all financing to complete the construction of the Ochoa project and such construction has commenced.

Off-Take Agreement Terms

Under the committed off-take agreement, which will become effective upon closing of the strategic investment, ICP will sell to Yara and Yara will buy from ICP 30% of all products produced by the Ochoa project annually. The term will begin upon the commencement of commercial production for a period of 15 years and will automatically extend every five years thereafter unless either party elects not to extend. All products will be sold to Yara based on market prices.

Closing Information

Closing of the private placement (and the coming into effect of the off-take agreement) is subject to customary closing conditions including the approval of the Toronto Stock Exchange. It is anticipated that the closing will take place on or about April 12, 2012.

Corporate Update

ICP continues to move the Ochoa project forward on schedule with the objective of commercial production in fourth quarter of 2015. Upon completion of the strategic investment, the Company will have approximately \$60 million in cash which it intends to use to complete a definitive bankable feasibility study, all required permitting, deposits for equipment purchases, and pre-construction engineering. ICP intends to launch a definitive bankable feasibility study on the Ochoa project in the coming weeks.

About IC Potash Corp.

ICP intends to become a primary producer of Sulphate of Potash ("SOP") and Sulphate of Potash Magnesia ("SOPM") by mining its 100%-owned Polyhalite Ochoa property in New Mexico, a highly advanced mineral deposit containing proven and probable reserves of more than 400 million tons of ore within the proposed mine plan. SOP is a non-chloride based potash fertilizer that sells at a substantial premium over the price of regular potash known as Muriate of Potash ("MOP"). MOP contains chloride and is therefore not the optimal potash for numerous crops and in situations where there is high soil salinity. ICP is focused on becoming the lowest cost producer of SOP in the world. The SOP market is towards six million tonnes per year. SOP is a significant fertilizer in the fruit, vegetable, tobacco, potato, and horticultural industries. SOP is also applicable in soils where there is substantial agricultural activity with varieties of crops and therefore where the salinity of the soil has increased, and in areas where soils are dry. SOPM is a highly desirable potash product for soils with magnesium deficiency, including those found in Europe and Southeast Asia and has a total global market size of over one million tonnes. ICP's Ochoa property consists of over 100,000 acres of federal subsurface potassium prospecting permits and State of New Mexico Potassium mining leases.

About Yara International ASA

Yara is the world's leading chemical company that converts energy, natural minerals and nitrogen from the air into essential products for farmers and industrial customers. As the number one global supplier of mineral fertilizers, Yara helps provide food for a growing world population. Its industrial product portfolio includes environmental protection agents that prevent air pollution. Yara's global workforce of 7,300 employees represents the great diversity and knowledge that enables Yara to remain a leading performer in the industry.

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of ICP, including, but not limited to, risks associated with mineral exploration and mining activities, the impact of general economic conditions, industry conditions, dependence upon regulatory approvals, and the uncertainty of obtaining additional financing. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

%SEDAR: 00021118E

For further information:

please visit www.icpotash.com or contact Sidney Himmel at +1 (416) 624-3781 or +1 (575) 993-2758.

CO: IC Potash Corp.

CNW 17:42e 30-MAR-12