



## **IC Potash Announces Completion of Strategic Investment and Off-Take Agreement**

TORONTO, ONTARIO, April 12, 2012 /CNW/ - IC Potash Corp. (“ICP” or the “Company”) (TSX: ICP; OTCQX: ICPTF) is pleased to announce that the previously announced investment by Yara International ASA (“Yara”), through a wholly owned subsidiary, of approximately C\$40 million in ICP at a price of \$1.32 per common share has been completed. As previously announced, ICP and Yara have also 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 and have 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: “The closing of this partnership with Yara is a tremendous step forward for ICP. Yara represents an ideal partner for the Company with the financial resources and knowledge of international fertilizer markets required to advance the Ochoa project into production. We look forward to a prosperous relationship with Yara and working together to build the Ochoa project into a world-class Sulphate of Potash production and distribution facility.”

Mr. Jørgen Ole Haslestad, President and CEO of Yara, comments: “We are delighted to finalize this investment and off-take with ICP. Through this partnership, we have further positioned ourselves with a long-term upstream exposure to premium potash. We believe the North American market represents a significant opportunity for Sulphate of Potash and we look forward to working with ICP to bring the Ochoa project into production.”

### **Strategic Investment Terms**

In connection with the strategic investment, ICP issued 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 resulting 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 last completed trading day prior to the announcement of the transaction. Following completion of the investment, ICP has 151,406,384 common shares issued and outstanding. The investment was conducted as a non-brokered private placement.

Yara has 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 is restricted from transferring securities of ICP until the earlier

of April 12, 2014 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, 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.

### **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 delivers solutions for sustainable agriculture and the environment. Our fertilizers and crop nutrition programs help produce the food required for the growing world population. Our industrial products and solutions reduce emissions, improve air quality and support safe and efficient operations. Founded in Norway in 1905, Yara has a worldwide presence with sales to 150 countries. Safety is always our top priority.  
[www.yara.com](http://www.yara.com)

For further information, please visit [www.icpotash.com](http://www.icpotash.com) or contact Sidney Himmel at +1 (416) 624-3781 or +1 (575) 993-2758.

*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.*