



IC Potash Completes Two Deep Groundwater Wells and Initiates Hydraulic Optimization Studies at Ochoa Sulphate of Potash Mine and Processing Sites

TORONTO – (Marketwire) – July 18, 2012 – IC Potash Corp. ("ICP" or the "Company") (TSX: ICP, OTCQX: ICPTF) today announced that the Company has completed its two deep groundwater production wells which will be used to supply water to its Ochoa Sulphate of Potash Project in Lea County of southeast New Mexico.

The Company has also commenced pumping tests at full planned capacity to demonstrate to the New Mexico Office of the State Engineer and to the Bureau of Land Management that the hydraulic properties of the water being drawn from the Capitan Reef satisfy regulatory requirements. The results of the test are expected to be announced within the next 60 days.

Randy Foote, Chief Operating Officer of ICP, stated, "The completion of our two permitted groundwater wells and the commencement of the testing at full production water capacity mark the achievement of critical project development milestones and position us to proceed on our planned timelines for the bankable Feasibility Study and the Environmental Impact Study, both of which are actively underway."

ICP's water for Sulphate of Potash production will come from the Capitan Reef, a water source which is recognized by the New Mexico Office of the State Engineer and U.S. Geological Survey as a significant non-potable brackish water resource with a history of industrial use. In the area of the planned mine and processing facilities, domestic, municipal and agricultural water supplies come from shallow, fresh-water aquifers that are thousands of feet above the Capitan Reef and hydraulically separated from the deeper water. As a result, the Company will be able to secure essential processing water resources without competing with the surrounding communities' use of fresh water.

The data generated by the pumping tests will be used to support the planned water use. The final regulatory assessment of the water supply and the proposed pumping will be evaluated by the Bureau of Land Management and the New Mexico Office of the State Engineer for final permitting purposes.

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 340 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. For more information, please visit www.icpotash.com.

Forward-Looking Statements

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.