

IC Potash Issues Recap of 2012 Ochoa Polyhalite Project In Southeastern New Mexico

CEO Sidney Himmel Comments on 2012 Accomplishments and Anticipated Milestones for 2013

TORONTO--(Marketwire - January 2, 2013) - Sidney Himmel, President and CEO of **IC Potash Corp.** ("ICP" or the "Company") (TSX: **ICP**) (OTCQX: **ICPTF**), today issued a formal recap of the advancement of its Ochoa Polyhalite Project in Lea County, New Mexico; and commented on key milestones expected to be achieved in the coming year. Himmel stated:

"Aristotle said, 'It concerns us to know the purposes we seek in life; for then, like archers aiming at a definite mark, we shall be more likely to attain what we want.' At IC Potash, 'purpose' inspires our actions, motivates us to attain peak performance in every area of our operations, informs our decisions on a daily basis, and empowers us to attain our goals.

"While we are committed to the successful optimization of the commercial potential of our high-quality, low-cost Polyhalite assets in southeastern New Mexico -- creating hundreds of new jobs in the process -- our true purpose is to build an enduring world class industrial minerals company with a mission to nurture the crops that feed the world. We are confident that by remaining focused on this mission, we will prevail in executing our long-range growth strategies, significantly increasing value for our shareholders and providing personal and career growth opportunities for our trusted employees and business partners.

"As ICP's CEO, I am exceptionally proud of our purpose-driven, innovative and hardworking company; the 100+ talented and dedicated professionals who comprise our team; and the strategic insights we have developed over the past four-plus years as we've worked to successfully de-risk our first industrial minerals project. Moreover, I am profoundly enthusiastic about the promising future that lies ahead for IC Potash and, more specifically, the important milestones we remain on track to achieve in the coming year.

REFLECTIONS ON THE PAST YEAR

"Without question, 2012 has proven to be a very exciting year for our Company during which time we accomplished several mission-critical operational goals and objectives. We have materially advanced development of our Ochoa Polyhalite Project and notably enhanced ICP's prospect of future leadership in the global market for superior-quality, high-performance specialty Potash products.

Successful Completion of Prefeasibility Study on Ochoa Polyhalite Project

"We began the year by announcing the noteworthy results of our Prefeasibility Study, a technical report dated December 30, 2011, entitled NI 43-101 Technical Report Prefeasibility Study for the Ochoa Project Lea County, New Mexico, which was prepared for ICP by Gustavson Associates, LLC of Colorado, a leading global mining consulting firm consisting of geologists and engineers.

"Project Highlights from the Prefeasibility Study included:

- Annual production at full capacity of 843,000 tons composed of 568,000 tons of Sulphate of Potash ("SOP") and 275,000 tons of Sulphate of Potash Magnesium ("SOPM");
- Operating cost of \$147 per ton of SOP and SOPM;
- Projected full-capacity capital cost of \$706 million;
- 139 million tons of recoverable Potash reserves in the proven and probable ore category within the ICP 40-Year Mine Plan, and an additional 205 million tons of recoverable Potash reserves in the mine plan area not included in the 40-year economic model;
- Underground mining rate varies with mine grade, with an average planned production rate of 3.5 million tons of ore per year, at an average concentration ratio of 4.15:1; and
- Average metallurgical recovery estimated at 90%.

"Economic Highlights from the Prefeasibility Study included:

- Internal rate of return on a before-tax basis of 32%, on a 100% equity basis, and 26% on an after-tax basis;
- After-tax net present value of \$1.28 billion, using an after-tax discount rate of 10% and no debt; and
- Payback period from the commencement of production is 3.9 years, after tax.

Strategic Investment and Off-Take Agreement with Yara International ASA

"This past spring, Norway-based Yara International ASA, one of the world's leading chemical companies and the number-one global supplier of mineral fertilizers, made a \$40-million equity investment in ICP at a premium to market price of \$1.32 per common share. In addition, Yara committed to a 15-year off-take agreement to purchase 30% of all products produced by our Ochoa Polyhalite Project in New Mexico at fair market value. This was a transformational event for our Company and served as validation of our project development efforts and robust long-term outlook.

"In addition to the investment and off-take agreement, ICP also benefited from the appointment of Jorgen Stenvold, Project Development Director at Yara, to our Board of Directors. Given his proven experience in developing mining projects around the world, Jorgen has brought invaluable expertise and global fertilizer marketing perspective to our Company, which has aided us in further defining our project development and go-to-market strategies. We are immensely proud to have Yara as a strategic partner and look forward to pursuing opportunities to expand our teaming arrangement with them in the future.

Commissioning of Feasibility Study Team

"Mid-summer, ICP announced the team of leading consultants who will conduct a Feasibility Study on the Ochoa Polyhalite Project. Composed of world-renowned experts in potash mine design, chemical engineering, potash processing plant design and project execution, the Feasibility Study team is being led by the globally respected engineering and construction firm SNC-Lavalin, Inc. ("SNC-Lavalin"). In the capable hands of SNC-Lavalin and other industry

specialists, and working in close collaboration with our internal project management team, ICP's Feasibility Study is expected to be completed on or before August 31, 2013.

Status of Geotechnical and Metallurgical Drilling Programs

"In collaboration with Agapito Associates, Inc., one of the world's leading mining engineering firms and a member of ICP's Feasibility Study team, ICP is conducting geotechnical tests on Ochoa core samples to determine mine design criteria. The Company submitted its Geotechnical Testing Program Work Plan to the BLM and received approval in November to conduct geotechnical testing to provide data on subsurface soil, rock and groundwater conditions in key structure locations where the ICP mining and processing facilities will be constructed. The Geotechnical Testing Program includes boreholes, test pits, soil sampling and testing and a seismic survey.

"To collect material for metallurgical and geotechnical testing purposes, the Company commenced its Phase 3A drill program in August. Phase 3A is a 12-hole infill definition drill program designed to increase reserve confidence in the first ten years of the mine plan. There are currently two drill rigs on site which are currently drilling holes nine and ten of the program. In order to collect the maximum amount of material per hole for the metallurgical testing programs, ICP has elected to drill these holes with a six inch core barrel. The holes are also being wedged in order to obtain side track samples for additional testing material. ICP has successfully completed up to four side tracks on one of the drill holes. The remaining two holes to be drilled are located within the proposed shaft and decline area and will provide samples for geotechnical testing for shaft and decline design purposes. Data collected from the drill programs will be included in the Feasibility Study.

Environmental Permitting of Ochoa Polyhalite Project Site

"In early 2012, the U.S. Department of the Interior, Bureau of Land Management ("BLM") commenced the formal public scoping process for the Ochoa Polyhalite Project in connection with ICP's preparation of the Environmental Impact Study ("EIS") required by the BLM to make a decision regarding the award of permits for the construction and operation of ICP's proposed Polyhalite Mine and Processing Plant

"The ICP EIS team has continued to make tangible progress in other regards, as well. On behalf of the Company, Walsh Environmental Scientists and Engineers, LLC ("WESE") conducted two years of biological resource baseline surveys for the Ochoa Polyhalite Project. For the 2012 survey season, WESE conducted additional wildlife and vegetation surveys and also identified additional areas of interest for the baseline surveys, as requested by ICP. Wildlife surveys included lesser prairie-chicken leks, pitfall trapping for lizards, raptor nests and pellet surveys for ungulates. In addition, baseline conditions were evaluated for wildlife within areas proposed for the mine shaft area, processing facility, and loadout facility. The findings of the surveys confirmed that ICP's Ochoa operations will have little, if any, impact on the local wildlife and vegetation.

"In September, following a 30-day aquifer drawdown test conducted by Feasibility Study team member INTERA Incorporated, a geosciences and engineering firm based in Albuquerque; ICP announced the successful completion of hydraulic optimization studies using two of the Company's permitted groundwater supply wells at the Ochoa Polyhalite Project site. The studies demonstrated the desired pumping capacity of these two wells and confirmed the aquifer's suitability to provide the Project with a high-yield, sustainable supply of non-potable, brackish water that will not compete with the surrounding communities' use of fresh water. The final regulatory assessment of the water supply and the proposed pumping plan is being evaluated by the BLM and the New Mexico Office of the State Engineer for permitting purposes.

"Based on our current Project development schedule, we remain on pace to submit the draft EIS to the BLM for final review in late 2013. Notwithstanding any unforeseen delays, BLM clearance to proceed with construction of the mine and processing plant is expected to be granted prior to the end of March 2014.

Confirmation of Processing Protocols

"Last month, ICP successfully performed a batch scale test on five critical processing operations, effectively implementing end-to-end processing of Polyhalite from its Ochoa Polyhalite Project, producing 52% K₂O-grade SOP.

"Led by Hazen Research, Inc.'s consulting team at their facilities in Golden, Colorado, the batch scale test work for the Ochoa Polyhalite Project progressed through a series of processing steps, including comminution, washing, calcination, leaching and crystallization. The test work proved very successful and confirmed that the process is capable of producing a high-quality SOP product from the Company's Polyhalite resources. A key member of ICP's Feasibility Study team, Hazen's mandate is to assist in the determination and confirmation of basic process chemistry and to conduct bench-scale tests to demonstrate the practical application of this chemistry.

"The next step in process development is larger scale, longer duration pilot testing with a process equipment supplier to provide data required for the commercial scale equipment. During this testing, sufficient quantities of SOP will be produced to permit design level testing for the granulation, or compaction, equipment necessary to produce SOP while meeting market physical specifications.

"In related news, the Company has recently contracted with HPD Systems, LLC, a global leader in evaporation and crystallization technologies and a part of the Veolia Water Solutions & Technologies family. HPD has been tasked with the design/build of the product crystallization equipment that will be used in ICP's commercial SOP and SOPM processing operations.

DEFINING AND IMPLEMENTING OUR CAPITAL PLAN

"Having succeeded in materially de-risking the Ochoa Polyhalite Project from an operational perspective over the past year, ICP's executive management team is now concentrating its efforts on defining and implementing a capital plan to support our project funding requirements. To that

end, I, along with ICP's COO Randy Foote, and Terre Lane, Senior Vice President of Engineering and Project Development, have been traveling the globe meeting with a broad range of capital market specialists and direct funding sources, including many of the world's largest investment banks, private equity groups, institutional money managers, family offices, hedge funds and sovereign wealth funds, among others.

"The level of interest expressed by many of these groups for our Ochoa Polyhalite Project has been strong, fortifying confidence in our ability to raise the capital required to construct and support commercialization of our mining and SOP and SOPM processing facilities in New Mexico. At this point in time, and given the prevailing depressed price of our common shares, we intend to focus our initial efforts on qualifying and pursuing non-dilutive strategic sources of project equity and/or structured debt. If/as the equity markets respond to positive developments at ICP and reward us with a notably higher valuation, we may then consider a more traditional equity offering.

"Today, our balance sheet remains strong with sufficient cash to see us through the completion of the Feasibility Study and beyond. As we progress through the coming year, I look forward to providing you with much greater detail on our overall financing strategies and the relationships that we choose to form with those investors and investment professionals who share our vision and enthusiasm for the future of ICP.

ICP TEAM EXPANSION

"Nothing is more important to delivering on our mission and future potential than our people. We have recruited the best talent in the industry, both at the leadership level and deeper in our organization. We are also recruiting new talent where and when we need it.

"With our Ochoa Polyhalite Project development progressing and commercialization in view, this past summer we felt the time was right to begin formulating long-term marketing plans and distribution strategies. We struck proverbial gold when industry veteran Art Roth joined our team in July as Director of Marketing. With more than 50 years' experience in domestic and international marketing, transportation and distribution of fertilizer products, Art has proven instrumental in winning ICP audiences with key strategic industry players around the world.

"Because ICP is committed to developing our existing talent through leadership training and team building programs, we appointed former Ford Motor Company and Vanto Group executive Bob Mueller as Senior Vice President of Internal Development this past October. Bob is leading an exciting corporate initiative designed to foster a culture in which our employees, Board members, consultants and advisors collaborate as an engaged and unified team -- each committed to the success of our Company and to the success of each other.

"As a team, ICP's extended family of professionals helped draft and are committed to the following corporate declaration: Because we care, through engaged communication and integrity, we distinguish IC Potash Corp. as a world class company. We've made this declaration the centerpiece of our leadership agenda because we believe a purpose-inspired communications strategy -- which provides clear definition of who we are and what we stand for -- is intrinsically

rewarding and motivating. Moreover, we believe it unleashes creativity, commitment and peak performance in ICP's people. This strategy also attracts remarkable talent and partners, and builds goodwill with external stakeholders.

CONCLUSION

"In closing, I'd like to give my thanks to ICP's shareholders. We recognize that through your investment in our Company, you are expressing confidence in our ability to build ICP into a world class industrial minerals company. Your commitment creates trust, and that trust unites us all: you, our shareholders; our employees; our partners in business, government and the investment community; and, above all, the countless people around the globe who will ultimately benefit from our success. You can rest assured that we take this responsibility to heart and will be relentless in our efforts to deliver. ICP may be a young company, but we are led by a team of seasoned veterans who know this business and what it takes to succeed and flourish.

"Here's wishing you all a safe and prosperous New Year."

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 southeast 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, a market that is towards six million tonnes per year. SOP is a significant fertilizer in horticultural industries, particularly fruits, vegetables, tobacco and potatoes. SOP is applicable for soils where there is substantial agricultural activity, high soil salinity, and in arid regions. SOPM is a highly desirable potash product for soils with magnesium deficiency, 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.

All scientific and technical disclosures in this press release have been prepared under the supervision of Terre Lane, an employee of ICP who is a Qualified Person within the meaning of National Instrument 43-101.

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.

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