

## **IC Potash announces commencement of preparation of the Ochoa Project Prefeasibility Study**

TORONTO, February 2, 2011 /CNW/ - IC Potash Corp. ("ICP" or the "Company") (TSXV: ICP; OTCQX: ICPTF) is pleased to announce the commencement of the Ochoa Project Sulphate of Potash ("SOP") Pre-feasibility Study. Through this study and concurrent environmental work, the Company will establish the engineering basis for the Ochoa Project for mining, processing, and SOP marketing.

This announcement complements recent operating progress including two successful drill programs, the establishment of substantial measured and indicated resources, and the completion of the Preliminary Economic Assessment, which indicated that the project has a projected Net Present Value of \$1.4 billion with a discount rate of 10% and production level of 660,000 short tons.

Mr. Sidney Himmel, President and Chief Executive Officer of IC Potash stated: "I am very pleased with the operational progress made to date. We are on plan with our primary strategic goal to be in production for 2014. To achieve that, we have assembled an excellent team of accomplished professionals to complete this study and will now move quickly to establish the economic engineering parameters for the Project."

### **Pre-Feasibility Team:**

- **Lead Engineering Firm and Project Manager:** The lead engineering firm will be Gustavson Associates, LLC. of Colorado ("Gustavson"). Gustavson will provide the mining and processing plans, and initial detailed engineering. Gustavson is a global consulting firm consisting of mining engineers, geologists, economists and geophysicists.
- **Mineral Processing:** Process optimization and confirmation will be carried out by a team of highly experienced potash processing chemical engineers. This highly experienced team has worked with numerous global corporations as consultants and represents some of the leading authorities on the processing of potassium salts. Collectively, the team has over 100 years of experience directly related potash salt processing.
- **Pilot Testing:** Hazen Research, Inc. ("Hazen") of Golden, Colorado, will perform bench scale and pilot process testing, including the evaluation of prior work carried out by the Bureau of Mines, and prior corporate pilot plant testing of polyhalite to SOP processing. The objectives will include the optimization of SOP recovery, including the minimization of water usage and required acreage for solar evaporation. Hazen's professional staff includes over 150 highly trained professionals in the fields of chemical and metallurgical engineering. Hazen has

internationally recognized expertise in pilot plants, minerals beneficiation, physical separations, thermal processing, and hydrometallurgy.

- **Hydrology and Environmental Work:** The hydrology work will be managed by Intera Geosciences and Engineering (“Intera”) of New Mexico. Intera is highly experienced in water resource management related to water supply, quality, rights, transfers, and management. Intera has expertise in the south-western United States with clients including industry and state, federal, and municipal agencies, and has expertise in providing models of hydrologic system conditions.
- **Processing Equipment Design and Selection:** This work will be carried out by FLSmidth, a leading supplier of equipment and services to the global minerals industry, employing more than 10,000 people world-wide. Product expertise includes ore feeding, sizing, crushing, and milling, automation and control systems including mix optimization, conveyor engineering, and expertise in emissions and water systems.
- **Rock Mechanics:** This work will be carried out by Advanced Terra Testing of Colorado (“ATT”). ATT has expertise in the provision of physical test data for mining engineering projects world wide, including rock mechanics and geosynthetics.
- **SOP Marketing and Pricing:** This work will be carried out by CRU. CRU, formerly known as British Sulphur Consultants, is the leading business consultancy and publisher for the fertilizer and chemical industries. The company forecasts fertilizer markets internationally. CRU has established a worldwide reputation in minerals and chemicals consulting over a period of 50 years.

Randy Foote, Chief Operating Officer of the Company stated: “With the team of engineering, hydrological, processing, and marketing professionals in place, I am fully confident that we are on the right path towards the development of a major Sulphate of Potash production facility. We believe that this study should be completed within approximately 9 months. I am very excited to be managing the engineering planning and design with this team of professionals, with many of whom I have worked with in the past in potash production.”

**All scientific and technical disclosures in this press release have been prepared under the supervision of William J Crowl, a consultant to IC Potash who is a Qualified Person within the meaning of National Instrument 43-101.**

**About IC Potash Corp.**

IC Potash intends to become a primary producer of Sulphate of Potash ("SOP") by mining its 100%-owned Polyhalite Ochoa property in New Mexico. SOP is a non-chloride based potash fertilizer that sells at a substantial premium over the price of Muriate of Potash ("MOP"), the most widely used fertilizer in the world. Typically SOP sells at a premium of over 40% to MOP. ICP is focused on being the lowest cost producer of SOP in the world. The SOP market is approximately six million tonnes per year and SOP is a significant fertilizer in the fruit, vegetable, tobacco, potato, and horticultural industries, and for agriculture in saline and dry soils and soils in which there is much agriculture with varieties of crops, such as for example in China, India, the Mediterranean, and the United States. ICP's Ochoa property consists of over 100,000 acres of federal subsurface potassium prospecting permits and State of New Mexico Potassium mining leases.

#### **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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**For further information:**

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