IC POTASH CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2014

(Unaudited – expressed in Canadian dollars)

IC POTASH CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

		September 30, 2014		December 31, 2013
ASSETS				
Current				
Cash	$	3,386,130	$	12,656,992
Receivables (note 3)		20,345		62,930
Prepaid expenses		325,660		78,154
		3,732,135		12,798,076
Property, plant and equipment (note 4)		140,853		190,388
Project advances (note 5)		2,377		114,622
Deposits (note 6)		97,709		89,524
Exploration and evaluation assets (note 5)		61,902,841		58,418,645
Deferred financing costs		92,520		-
	$	65,968,435	$	71,611,255
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities (note 7)	$	503,364	$	1,466,353
Provision (note 8)		117,131		-
		620,495		1,466,353
Decommissioning liabilities (note 9)		329,443		764,659
		949,938		2,231,012
Shareholders' equity				
Share capital (note 10)		94,616,655		94,551,009
Reserves (note 10)		9,149,647		8,574,890
Deficit		(38,747,805)		(33,745,656)
		65,018,497		69,380,243
	$	65,968,435	$	71,611,255

Nature of operations and going concern (note 1)
Basis of presentation (note 2 b)
Commitments (note 14)

On behalf of the Board:

Signed "George Poling" **Director**

Signed "Sidney Himmel" **Director**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IC POTASH CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited - Expressed in Canadian Dollars)

	Three Month Period Ended Sept 30, 2014	Three Month Period Ended Sept 30, 2013	Nine Month Period Ended Sept 30, 2014	Nine Month Period Ended Sept 30, 2013
EXPENSES				
Administration	**$ 112,824**	$ 141,767	**$ 381,844**	$ 501,356
Business and market development	**382,912**	125,742	**1,335,487**	629,652
Consulting fees	**23,754**	232,003	**71,723**	837,911
Depreciation	**16,548**	21,421	**48,728**	62,824
Foreign exchange (gain) loss	**(68,199)**	112,325	**(93,423)**	(469,852)
Investor relations	**155,934**	98,570	**536,697**	357,732
Professional fees	**123,821**	206,773	**406,807**	869,262
Regulatory fees	**9,529**	14,701	**58,451**	66,761
Rent and storage	**18,124**	25,452	**58,814**	76,112
Share-based compensation (note 11)	**83,877**	-	**574,757**	-
Travel	**72,270**	80,592	**231,174**	350,727
Wages and benefits	**451,258**	511,186	**1,426,239**	1,701,922
Operating loss	**(1,382,652)**	(1,570,532)	**(5,037,298)**	(4,984,407)
Interest income	**5,466**	24,069	**38,378**	83,051
Loss on asset disposal	**-**	(2,395)	**(3,229)**	(2,395)
Write-off deferred financing costs	**-**	(406,729)	**-**	(406,729)
Loss and comprehensive loss for the period	**(1,377,186)**	(1,955,587)	**(5,002,149)**	(5,310,480)
Basic and diluted loss per common share	**(0.01)**	(0.01)	**(0.03)**	(0.02)
Weighted average number of common shares outstanding	**172,774,654**	152,528,084	**172,641,886**	152,137,749

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IC POTASH CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited - Expressed in Canadian Dollars)

	Nine Months Ended September 30, 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (5,002,149)	$ (5,310,480)
Items not affecting cash:		
Depreciation	48,728	62,824
Loss on disposal of equipment	3,229	2,395
Unrealized foreign exchange loss (gain)	(34,673)	(89,760)
Share-based compensation	574,757	-
Share issued for consulting fees	70,766	-
Write-off of deferred financing costs	-	406,729
Changes in non-cash working capital items:		
Decrease (increase) in receivables	52,985	(556)
Increase (decrease) in prepaid expenses	(247,506)	62,616
Decrease (increase) in accounts payable and accrued liablilities	(305,385)	262,251
Net cash used in operating activities	(4,839,248)	(4,603,981)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of equipment	(5,198)	(45,256)
Disposal of asset for cash	2,777	-
Deposits	(3,592)	(1,852)
Expenditures on exploration and evaluation assets	(4,023,692)	(19,469,612)
Project advances	-	(92,659)
Reclamation payments	(364,603)	-
Net cash used in investing activities	(4,394,308)	(19,609,379)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	729,105
Share issuance costs	(5,120)	-
Deferred financing costs	(92,520)	(319,238)
Net cash provided by financing activities	(97,640)	409,867
Change in cash for the period	(9,331,196)	(23,803,493)
Effect of foreign exchange rate changes on cash	60,334	87,062
Cash, beginning of period	12,656,992	36,394,591
Cash, end of period	$ 3,386,130	$ 12,678,160

Supplemental disclosure with respect to cash flows (note 13)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

IC POTASH CORP.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian Dollars)

	Share Capital				
	Number of Shares	Amount	Reserves	Accumulated Deficit	Total
Balances as at December 31, 2012	151,406,384	$89,456,817	$8,502,712	$(27,342,315)	$70,617,214
Exercise of warrants and stock options	1,121,700	729,105	-	-	$ 729,105
Loss and comprehensive loss	-	-	-	(5,310,480)	(5,310,480)
Balances as at September 30, 2013	152,528,084	$90,185,922	$8,502,712	$(32,652,795)	$66,035,839
Balances as at December 31, 2013	172,528,084	$94,551,009	$8,574,890	$(33,745,656)	$69,380,243
Share issued for consulting services	246,570	70,766	-	-	70,766
Share issue costs	-	(5,120)	-	-	(5,120)
Grant of stock options	-	-	574,757	-	574,757
Loss and comprehensive loss	-	-	-	(5,002,149)	(5,002,149)
Balances as at Septermber 30, 2014	172,774,654	$94,616,655	$9,149,647	$(38,747,805)	$65,018,497

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

IC Potash Corp. ("IC Potash" or the "Company") was incorporated under the Canada Business Corporations Act on November 8, 2002. IC Potash's primary business is the acquisition and exploration of exploration and evaluation assets and it is considered to be in the advanced exploration stage. The Company is involved in exploration for potash and potash-related minerals that can be processed and converted into Sulphate of Potash ("SOP") and other fertilizers. The Company's registered head office is First Canadian Place, Suite 5600, 100 King Street West, Toronto, ON M5X 1C9. The Condensed Consolidated Interim Financial Statements ("Interim Financial Statements") are comprised of the Company and its subsidiaries. To date, the Company has not earned operating revenue.

The Company completed and filed the NI 43-101 Technical Report, Ochoa Project Feasibility Study, in March 2014.

The recovery of the amounts comprising exploration and evaluation assets are dependent upon the ability of the Company to obtain necessary financing to successfully complete the development of those reserves and upon future profitable production or, alternatively, upon the Company's ability to dispose of its interest on an advantageous basis.

The Company will need to raise capital in order to fund its operations and development of the Ochoa Project. This may be adversely impacted by uncertain market conditions and regulatory approvals. To address its financing requirements, the Company may seek financing through debt and equity financings, asset sales, joint ventures, off-take agreements, and rights offerings to existing shareholders. The outcome of these matters cannot be predicted at this time.

The Company's continuation as a going concern is dependent on the successful results from its mineral property exploration activities and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. There can be no assurances that management's plans for the Company will be successful. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of assets and liabilities. The Company intends to raise additional funds in the future so that all project plans can be fully executed.

2. SIGNIFICANT ACCOUNTING POLICIES

a) **Statement of compliance:**

These Interim Financial Statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The Interim Financial Statements were authorized by the audit committee and board of directors of the Company on October 30, 2014.

b) **Basis of presentation:**

The Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. In addition, these Interim Financial Statements have been prepared using the accrual basis of accounting, except for cash flow information. The comparative figures presented in these Interim Financial Statements are in accordance with IFRS and have not been audited.

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

The preparation of interim financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These Interim Financial Statements do not include all of the information required for annual financial statements.

The significant accounting policies for the quarter are consistent with those disclosed in the audited annual financial statements for the year-ended December 31, 2013. The Interim Financial Statements should be read in conjunction with the Company's audited annual financial statements for the year-ended December 31, 2013.

c) New standards, amendments and interpretations:

Financial instruments
IFRS 9 - Financial Instruments: Classification and Measurement, IASB has tentatively decided to require an entity to apply IFRS for annual periods beginning in or after January 1, 2018, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning January 1, 2018, and has not yet considered the potential impact of the adoption of IFRS 9.

Revenue Recognition
IFRS 15 - Revenue from Contracts with Customers: IASB has tentatively decided to require an entity to apply IFRS for annual periods beginning on or after January 1, 2017, with early adoption permitted, establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning January 1, 2017, and has not yet considered the potential impact of the adoption of IFRS 15.

d) Significant accounting estimates and judgments:

The preparation of these Interim Financial Statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected. The most significant estimates relate to the value of stock options granted, recoverability of capitalized amounts regarding the Ochoa project, and decommissioning liabilities.

3. RECEIVABLES

Receivables are comprised of the following:

	September 30, 2014	December 31, 2013
HST receivable	$14,741	$60,696
Other receivables	5,604	2,234
Total	$20,345	$62,930

(Expressed in Canadian Dollars)

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

Cost	Furniture and fixtures	Computer equipment	Exploration equipment	Vehicles	Total
As at December 31, 2012	$ 62,296	$ 106,516	$ 51,929	$ 119,948	$ 340,689
Additions	-	48,417	-	-	48,417
Disposals	-	(18,969)	(14,585)	-	(33,554)
As at December 31, 2013	62,296	135,964	37,344	119,948	355,552
Additions	-	5,198	-	-	5,198
Disposals	(8,929)	-	-	-	(8,929)
As at September 30, 2014	$ 53,367	$ 141,162	$ 37,344	$ 119,948	$ 351,821

Depreciation	Furniture and fixtures	Computer equipment	Exploration equipment	Vehicles	Total
As at December 31, 2012	$ 10,620	$ 41,460	$ 15,507	$ 30,988	$ 98,575
Additions	10,536	39,276	7,944	27,430	85,186
Disposals	-	(11,864)	(6,733)	-	(18,597)
As at December 31, 2013	21,156	68,872	16,718	58,418	165,164
Additions	5,225	24,572	3,633	15,298	48,728
Disposals	(2,924)	-	-	-	(2,924)
As at September 30, 2014	$ 23,457	$ 93,444	$ 20,351	$ 73,716	$ 210,968

Net book value:	Furniture and fixtures	Computer equipment	Exploration equipment	Vehicles	Total
As at December 31, 2012	$ 51,676	$ 65,056	$ 36,422	$ 88,960	$ 242,114
As at December 31, 2013	$ 41,140	$ 67,092	$ 20,626	$ 61,530	$ 190,388
As at September 30, 2014	$ 29,910	$ 47,718	$ 16,993	$ 46,232	$ 140,853

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

Period ended September 30, 2014	**Ochoa**
Acquisition costs	
Balance, beginning of period	$ 4,802,864
Additions during the period	
Landman costs	7,322
Permit application and acquisition	891,076
Total acquisition costs	5,701,262
Deferred exploration costs	
Balance, beginning of period	53,615,781
Additions during the period	
Bulk sampling	17,390
Detailed engineering	883,200
Feasibility study	575,310
Field expenses	5,448
Geology	126,523
Mining engineering	2,560
Office support	1,079,666
Water reclamation costs	(104,299)
Total deferred exploration costs	56,201,579
TOTAL	$ 61,902,841

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Year ended December 31, 2013	**Ochoa**
Acquisition costs	
Balance, beginning of year	$ 3,563,280
Additions during the year	
Landman costs	32,117
Permit application and acquisition	1,207,467
Total acquisition costs	4,802,864
Deferred exploration costs	
Balance, beginning of year	33,661,934
Additions during the year	
Bulk sampling	15,742
Drilling	2,670,959
Feasibility study	13,377,688
Field expenses	8,474
Geology	227,968
Mining engineering	759,632
Office support	2,370,513
Water reclamation costs	522,871
Total deferred exploration costs	53,615,781
TOTAL	$ 58,418,645

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and to the best of its knowledge, title to the properties are in good standing.

a) Ochoa property

The Ochoa Project contains approximately 102,271 acres comprised of New Mexico State Land Office mining leases ("NMSLO Leases") covering approximately 27,804 acres and U.S. Department of the Interior Bureau of Land Management ("BLM") federal potassium prospecting permits ("Prospecting Permits") covering approximately 74,467 acres.

Each BLM Prospecting Permit has a term of two years, renewable for an additional two years, and is convertible to a Preference Right Potassium Lease ("PRPL") upon demonstration to the satisfaction of BLM proving a valuable deposit has been discovered and that the land is more valuable for the development of its potassium content than for any non-mineral land use. The Company applied to convert 58,227 acres of Prospecting Permitted lands to PRPLs, which do not expire, but are subject to renewal by the BLM every 20 years. These PRPLs will be issued after the BLM reviews the environmental assessment documents for the deposit that the Company intends to mine. ICP's rights to the land covered by these Prospecting Permits do not lapse while the permits are under application for conversion to PRPLs. 16,240 acres are still being reviewed by the company to determine mineral potential. Of the 16,240 acres still being investigated, 3,757 acres expire in May 2015 and 12,483 acres were acquired in August 2014. The new acres can be held for up to four years and require annual rent payments of approximately $6,242 each August to maintain these permits. The Company also paid US$50,000 into a statewide permit bond (the "Permit Bond") that will be refunded when certain prospecting permit and reclamation requirements are satisfied. The Permit Bond is the only bond required by the BLM at this time for the PRPLs and Prospecting Permits, subject to re-evaluation by the BLM in the future.

The NMSLO Leases have a term of ten years with subsequent ten year renewals if, over three consecutive years during the term, the average annual production is not below the amount necessary to generate the minimum royalty required. A minimum advance royalty payment of US$8 per acre is payable to the State of New Mexico Commissioner of Public Lands on 17 NMSLO Leases that commenced in 2010 and on one NMSLO Lease that commenced in 2013 along with an annual rental charge of US$1 per acre. The minimum advance royalty and annual rent payments that were due in 2014 were made and the next minimum advance royalty and rent payments are due on or before January 15, 2015 ($1,915) and May 24, 2015 ($26,000). Once the Ochoa Project comes into production, minimum royalties of US$8 per acre or 5% of the gross value of production after processing, whichever is greater, are will be due on the NMSLO Leases. The Company has entered the period of "Operations After Discovery", as acknowledged in letters from the NMSLO on February 7, 2012 and July 26, 2013, which indicate that the Company has sufficiently demonstrated discovery of minerals in commercial quantities and that no further exploration is required to maintain the NMSLO Leases. The Company posted a US$25,000 MegaBond in respect to the NMSLO Leases. The bond will be released when certain reclamation requirements related to the Company's prospecting activities are satisfactorily completed.

On October 20, 2014, the BLM issued the Company PRPLs with an effective date of November 1, 2014 covering 14,734 acres. PRPLs have a term of 20 years and for so long thereafter as the Company complies with the terms and conditions of the leases which are subject to readjustment at the end of each 20 year period. PRPLs require production royalty payments of 5% of the gross value at the point of shipment to market payable 30 days after sale. Also, once the Ochoa Project comes into production, but no later than six years from obtaining federal BLM PRPLs, minimum royalty payments of US$3 per acre are payable in advance before January 1 of each year. In addition, annual rent payments are due annually and in advance

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

for each for each BLM PRL acre in the amount of $0.25 for the first partial year (approximately $3,684 due by January 1, 2015), $0.50 for second, third, fourth and fifth calendar years and $1.00 for each year thereafter. The minimum advance royalty and the annual rental payments can be credited to production royalties for that year.

Pursuant to private agreements, a 3% Overriding Royalty ("ORR") is payable on the Ochoa Project for a term of 25 years commencing from the initiation of production of which 1% of the royalty is payable to an officer and director of the Company. The Company may acquire, at its option, up to one-half of the ORR at a price of $3,000,000 per 0.5% royalty interest. The ORR is not payable until all capital required to build the project is repaid. An additional royalty of US$1.00 per ton of polyhalite mined for the first 1,000,000 tons and US$0.50 per ton thereafter is also payable on the Ochoa Project pursuant to an agreement with an arm's length third party.

As at September 30, 2014, the Company has made an advance of $2,377 (2013 - $149,479) towards the regulatory review of the environmental impact statement and an advance of $nil (2013 - $10,400) towards the feasibility study, which was completed in March 2014.

In April 2014, the Company received notice that the U.S. Department of the Interior, Bureau of Land Management ("BLM") has published a Record of Decision ("ROD") that authorizes the Company to construct and operate its Ochoa Project, including all mining and processing facilities.

6. DEPOSITS

	September 30, 2014	December 31, 2013
BLM permit bond	$ 56,040	$ 53,180
MegaBond	28,020	26,590
Office security deposits	13,649	9,754
Total	$ 97,709	$ 89,524

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2014	December 31, 2013
Trade payables	$ 223,644	$ 792,734
Accrued liabilities	253,198	655,620
Other	26,522	17,999
Total	$ 503,364	$ 1,466,353

(Expressed in Canadian Dollars)

8. PROVISION AND CONTINGENT LIABILITY

In January 2013, the Company signed an Advanced Works Agreement with Veolia Water Solutions and Technologies North America, Inc. (the "Contractor") in which the Company would have to pay the Contractor USD$522,533 to terminate the contract for convenience or if the Company fails to award a contract to the Contractor for the purchase of the evaporation and/or crystallization equipment for the Ochoa Project within twelve (12) months of the completion of the Services.

The Company has amended the terms of the Advanced Works Agreement, which extended the completion date specified under the Agreement. In exchange for this extension, the Company is required to pay a fee of USD$104,507 by the end of 2014, which was recorded as a Provision in second quarter of 2014. Also, under the terms of this amendment, a fee in the amount of USD$418,026 is payable if the Company fails to award a contract to the Contractor for the purchase of the evaporation and/or crystallization equipment for the Ochoa Project by December 31, 2015.

Provision schedule

Period ended September 30, 2014		USD
Balance, beginning of period	$	-
Additions during the period		
Veolia Water Solutions		104,507
		-
Total	$	104,507

9. DECOMMISSIONING LIABILITIES

		Septermber 30, 2014		December 31, 2013
Reclamation obligation				
Balance beginning of period	$	764,659	$	268,299
Change in obligation		(100,868)		525,365
Payments during the period		(364,603)		(61,626)
Effect of foreign exchange		30,255		32,621
Balance end of period	$	329,443	$	764,659

9. DECOMMISSIONING LIABILITIES (cont'd…)

Site Restoration: Ochoa Project – New Mexico

The Company completed drilling two water wells during fiscal 2012. The decommissioning of these water wells and associated drilling pits and drilling pads in New Mexico is subject to legal and regulatory requirements. The drilling pits were reclaimed and decommissioned in the first quarter of 2014 at a cost of $364,603. Estimates of the costs of decommissioning are calculated based on guidance from the New Mexico Department of Energy Minerals and Natural Resources, Mining and Minerals Division. Estimates of the costs of decommissioning are reviewed periodically by authorized officers of the Company. The long-term liability represents the Company's best estimate of the present value of future decommissioning costs, discounted at 8%.

As at September 30, 2014, the undiscounted amount of estimated future decommissioning costs in 2068 based on today's costs with 6% inflation for 54 years is USD$1,298,548 (2013 - $1,298,548). Decommissioning costs are expected to be incurred between 2014 and 2068.

10. SHARE CAPITAL AND RESERVES

Authorized: The Company is authorized to issue an unlimited number of common shares without par value.

Please refer to the Condensed Consolidated Interim Statements of Changes in Equity for a summary of changes in share capital and reserves for the nine month period ended September 30, 2014. Reserves relate to stock options, agent or finder's warrants, and compensatory warrants that have been issued by the Company (note 11).

During the nine month period ended September 30, 2014, the Company issued the following common shares:

- On May 27, the Company issued 246,570 common shares of the Company at $0.287 per share to an arm's length consultant for consulting services at a value of $70,766. The costs associated with this share issuance were $5,120.

During the nine month period ended September 30, 2013, the Company issued the following common shares:

- On April 5, the Company issued 1,121,700 common shares of the Company at $0.65 per share pursuant to the exercise of warrants for gross proceeds of $729,105.

11. STOCK OPTIONS AND WARRANTS

Stock options

The Company has an incentive stock option plan (the "Plan") whereby the Company may grant stock options to eligible employees, officers, directors and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue less any discount allowed by the stock exchange upon which the common shares are listed. The Plan provides for the issuance of up to 10% of the Company's issued common shares as at the date of grant with each stock option having a maximum term of ten years. The board of directors has the exclusive power over the granting of options and their vesting provisions.

As at September 30, 2014, the Company had stock options outstanding, enabling the holders to acquire the following number of common shares:

(Expressed in Canadian Dollars)

11. STOCK OPTIONS AND WARRANTS (cont'd…)

Number of Options		Exercise Price	Average Contractual Life Remaining (years)	Expiry Date	
250,000	$	0.58	0.50	March 31, 2015	
650,000		0.45	0.56	April 22, 2015	
1,102,245		0.40	0.84	August 4, 2015	
172,255		0.40	0.97	September 19, 2015	
950,000		0.50	0.97	September 19, 2015	
56,000		0.35	1.07	October 24, 2015	
450,000		0.58	1.11	November 8, 2015	
100,000		0.80	1.15	November 22, 2015	
1,000,000		1.40	1.46	March 17, 2016	
335,000		1.06	1.61	May 9, 2016	
806,250		1.07	2.05	October 17, 2016	
100,000		1.03	2.40	February 23, 2017	
1,400,000		0.90	2.57	April 26, 2017	
100,000		0.71	3.18	December 5, 2017	
200,000		0.35	4.57	April 24, 2019	*
3,025,500		0.40	4.72	June 18, 2019	
600,000		0.35	4.93	September 2, 2019	
11,297,250					

* 100,000 options will vest on April 24, 2015

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding at December 31, 2012	13,803,250	$ 0.75
Cancelled/expired	(640,000)	0.81
Outstanding at December 31, 2013	13,163,250	0.75
Cancelled/expired	(5,747,500)	0.70
Granted	3,881,500	0.39
Outstanding September 30, 2014	11,297,250	$ 0.65
Number of options exercisable at September 30, 2014	11,197,250	$ 0.65

During the nine month period ended September 30, 2014, the Company granted 3,881,500 (2013 - nil) options to consultants, officers, employees, and directors of the Company, of which 3,781,500 options vested immediately and with the remaining 100,000 vesting in one year.

(Expressed in Canadian Dollars)

11. STOCK OPTIONS AND WARRANTS (cont'd…)

The fair value of the options granted and vested, as determined by the Black-Scholes option pricing model, was $574,757 (2013 - $nil) or $0.15 per option (2013 - $nil).

The following weighted-average assumptions were used for the Black-Scholes valuation of stock options granted during the nine month periods ended September 30, 2014 and September 30, 2013:

	Period ended September 30, 2014	Period ended September 30, 2013
Risk-free interest rate	1.52%	-
Expected life of options	4.67 years	-
Annualized volatility	62%	-
Dividend rate	-	-
Forfeiture rate	-	-

Volatility was determined using weekly closing share prices over the expected life of the options.

Warrants

As at September 30, 2014, the Company had warrants outstanding, enabling the holders to acquire the following number of common shares:

Number of Warrants	Exercise Price	Average Contractual Life Remaining	Expiry Date
10,000,000	$ 0.35	0.72 year	June 18, 2015

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding as at December 31, 2013 and September 30, 2014	10,000,000	$ 0.35

(Expressed in Canadian Dollars)

11. STOCK OPTIONS AND WARRANTS (cont'd…)

Finder's warrants

As at September 30, 2014, the Company had finder's warrants outstanding enabling the holders to acquire the following number of common shares:

Number of Finder's Warrants	Exercise Price	Average Contractual Life Remaining	Expiry Date
1,336,000	$ 0.26	0.22 year	December 18, 2014

Finder's warrants are summarized as follows:

	Number of Unit Options	Weighted Average Exercise Price
Outstanding at December 31, 2013 and September 30, 2014	1,336,000	$ 0.26

12. RELATED PARTY TRANSACTIONS AND BALANCES

The accounts payable and accrued liabilities of the Company include the following amounts due to related parties:

	September 30, 2014	December 31, 2013
Key management personnel	$ 5,882	$ 141,252
	$ 5,882	$ 141,252

Key management personnel compensation (including senior officers and directors of the Company):

	Nine month period ended	
	September 30, 2014	September 30, 2013
Short-term employee benefits	$ 1,100,655	$ 1,469,072
Directors' fees (included in administration costs)	140,625	182,290
Share-based compensation	567,849	-
Total remuneration	$ 1,809,129	$ 1,651,362

(Expressed in Canadian Dollars)

13. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Supplemental disclosure with respect to cash flows		Period ended September 30, 2014		Period ended September 30, 2013
Cash paid for interest	$	-	$	-
Cash paid for income taxes	$	-	$	-
Accrued deferred financing costs	$	-	$	-
Accrued exploration and evaluation assets	$	345,712	$	1,095,079
Advances reclassified to exploration and evaluation assets	$	101,845	$	65,980
Provision included in exploration and evaluation assets	$	117,131	$	-
Reserves transferred on exercise of options and agents' unit options	$	-	$	-
Reclamation obligation	$	(100,868)	$	296,281
Shares issued for consulting services	$	70,766	$	-

14. COMMITMENTS

Lease

The Company has entered into four operating lease agreements for premises, with annual lease commitments as follows:

2014	$	40,524	USD	$	9,846	CAD
2015	$	126,671	USD	$	13,128	CAD
Total	$	167,195	USD	$	22,974	CAD

Production

After commencement of commercial production, the Company shall deliver and sell to Yara Balderton Ltd. (“Yara”) and Yara will buy from the Company 30% of all products produced by the Ochoa project annually for a period of 15 years and will automatically extend every five years thereafter unless either party elects not to extend. Under certain circumstances, Yara has the option to purchase up to an additional 20% (for an aggregate maximum of 50%) of annual production during the term of the agreement. All products will be sold to Yara based on market prices, subject to terms of the off-take agreement dated March 30, 2012.

(Expressed in Canadian Dollars)

15. SEGMENTED INFORMATION

The Company has one reportable business segment being the acquisition and exploration of exploration and evaluation assets. Geographical information is as follows:

	September 30, 2014			December 31, 2013		
	Canada	USA	Total	Canada	USA	Total
Property, plant, and equipment	$ 2,853	$ 138,000	$ 140,853	$ 4,306	$ 186,082	$ 190,388
Exploration and evaluation assets	-	61,902,841	61,902,841	-	58,418,645	58,418,645
	$ 2,853	$ 62,040,841	$ 62,043,694	$ 4,306	$ 58,604,727	$ 58,609,033

16. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing, exploration, and development of its exploration and evaluation assets. The Company does not have any externally imposed capital requirements to which it is subject. The capital of the Company consists of share capital, options and warrants. The Company had no bank indebtedness at period-end. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

As at September 30, 2014, the Company had capital resources consisting of cash and receivables. The Company manages the capital structure and makes adjustments to it in light of changes in available funds, economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, borrow money, or dispose of assets to adjust the amount of cash.

The Company's investment policy is to invest its cash in demand investment instruments in high credit quality financial institutions to provide liquidity over the expected time of expenditures from continuing operations.

The Company will need to raise additional funds to continue operations at the current existing levels. The Company intends to raise additional funds during the next year so that all project plans can be fully executed however, if additional funds are not raised during the period, the Company will operate at reduced activity levels to conserve cash. There were no significant changes in the Company's approach to capital management during the nine month period ended September 30, 2014.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash, receivables, deposits, and accounts payable and accrued liabilities.

Financial instruments

Cash is measured at fair value using level one as the basis for measurement in the fair value hierarchy. The carrying value of receivables, deposits, payables and accrued liabilities approximate fair value because of the short-term nature of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Cash is held at reputable financial institutions, from which management believes the risk of loss to be remote. Receivables consist primarily of amounts due from government agencies.

Liquidity risk

The Company intends to raise additional funds during the next year so that all project plans can be fully executed during the next 12 months and full operating capacity maintained. As at September 30, 2014, the Company had a cash balance of $3,386,130 to settle current liabilities of $620,495.

Interest rate risk

The Company has cash balances subject to fluctuations in the prime rate. The Company's current policy is to invest excess cash in investment-grade demand deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management believes that interest rate risk is remote as cash deposits are payable on demand and the Company currently does not carry interest bearing debt at floating rates. A 1% change in the interest rate would have had a $29,167 impact on interest income for the period.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd…)

Foreign currency risk

The Company's functional currency is the Canadian dollar; however there are transactions in US dollars. The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility in these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. A 1% change in the foreign exchange rate would have had an approximate $13,823 impact on foreign exchange gain or loss.

Price risk

The Company is exposed to price risk with respect to commodity prices, specifically potash and other fertilizer products. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company's future mining operations will be significantly affected by changes in the market prices for potash and other fertilizer products. Commodity prices fluctuate on a daily basis and are affected by numerous factors beyond the Company's control. The supply and demand for commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities, economic growth in developed and developing countries and stability of exchange rates can all cause significant fluctuations in commodity prices.

18. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three month period ended September 30, 2014, was based on the loss attributable to common shareholders of $1,377,186 (2013 – $1,955,587) and the weighted average number of common shares outstanding of 172,774,654 (2013 – 152,528,084). The diluted loss per share did not include the effect of share purchase options or warrants as they are anti-dilutive.