

IC Potash Closes Initial Draw of US\$2.5 Million under the Strategic Investment Commitment of up to US\$45 Million by Cartesian Capital Group

TORONTO--(BUSINESS WIRE)--February 29, 2016--IC Potash Corp. (TSX:ICP; OTCQX:ICPTF) ("ICP" or the "**Company**") announced today that it has closed the initial draw down of US\$2.5 million under the strategic investment commitment by Cartesian Capital Group, LLC ("**Cartesian**") of up to US\$45 million, as previously announced on December 17, 2015. Cartesian agreed to make strategic investments of up to US\$45 million in ICP's subsidiary, Intercontinental Potash Corp. (USA) ("**ICPUSA**"), funded in two tranches. The strategic investment commitment represents Cartesian's second investment in ICPUSA. The first tranche consists of an investment of up to US\$10 million to fund completing pre-DBOM (Design, Build, Operate and Maintain) phase 1 work for a technical update program on the Company's sulfate of potash mining and processing project (the "**Ochoa Project**") located in Lea County, New Mexico. The second tranche consists of an investment of up to US\$35 million that would close upon certain conditions and fund completion of the engineering and design work for a DBOM plan to construct the Ochoa Project Mine.

Mr. Randy Foote, President and Chief Executive Officer of ICP, stated, "We are extremely pleased that the Cartesian Capital Group has given IC Potash and the Ochoa Project a second vote of confidence with this significant funding commitment, which should allow us to move forward to find a strategic partner to assist in funding the construction of the project. We are excited to continue the development of the Ochoa Project, which is expected to create new American jobs, contribute to the economic growth and create value for our shareholders."

Mr. Peter Yu, Founder and Managing Partner of Cartesian, commented, "The Ochoa Project presents a unique and valuable opportunity to develop a leading producer of a preferred fertilizer in the United States, and we are proud to contribute to its development."

The first investment tranche will consist of up to US\$5 million in new convertible Series B Preferred Stock of ICPUSA ("**Series B Shares**") and up to US\$5 million in senior secured notes ("**Secured Notes**") issued by ICPUSA. The parties entered into definitive agreements and closed the initial draw of US\$2.5 million by issuing Secured Notes. The second draw down will consist of US\$2.5 million in Series B Shares, and ICPUSA may issue up to two subsequent draw down notices, each to draw down up to US\$2.5 million by issuing Series B Shares and/or Secured Notes, in allocations determined by Cartesian, subject to satisfaction of closing conditions.

ICPUSA Board Changes

Following the first tranche and new appointments to ICPUSA's board of directors, it will be comprised of Peter Yu, Paul Hong, Ernest Angelo and John Stubbs, with a fifth to be appointed by these four directors.

Operational Updates

In an effort to improve efficiency and reduce costs in the challenging economic environment for resource companies, ICP has reduced its overall general and administrative cash expenses by nearly 45% through a number of cost reduction initiatives, including suspension of all cash based compensation for directors, significant compensation reductions or expanded responsibilities for executive officers, renegotiated or terminated contracts with service providers, terminated certain non-essential contracts and significantly reduced budgets for general and administrative expenses. Randy Foote is stepping down from his positions in ICPUSA, but will remain as ICP's Chief Executive Officer and President on a reduced salary, and Kenneth Kramer will be appointed as President of ICPUSA.

As previously disclosed, Paradigm Capital Inc. provided an opinion that the terms and conditions of the Transaction are within what would be considered acceptable market terms in the context of the current market environment, and is therefore fair to ICP from a financial point of view.

About IC Potash Corp. ICP has demonstrated a low-cost method to produce sulfate of potash ("**SOP**") from its Ochoa polyhalite deposit in southeast New Mexico and seeks to become a primary, long-term producer of SOP. SOP is a non-chloride potash fertilizer widely used in the horticultural industry and for high value crops, such as fruits, vegetables, tobacco and potatoes. It is applicable for soils where there is substantial agricultural activity, high soil salinity, and in arid regions. The Ochoa Project has access to excellent local labor resources, low-cost electricity and natural gas, an approved non-potable water source, rail lines, and the Port of Galveston, Texas. ICP's land holdings consist of approximately 98,500 acres of federal preference right potassium leases, federal subsurface potassium prospecting permits and State of New Mexico potassium mining leases. For more information, please visit www.icpotash.com.

About Cartesian Capital Group Cartesian Capital Group, LLC is a global private equity firm with proven expertise in assisting closely-held companies to expand. Cartesian manages more than US\$2 billion in capital and has offices in New York, Sao Paulo, Shanghai, Warsaw, and Bermuda.

Note to Investors: The information in this news release is qualified in its entirety to the material change report and agreements filed on SEDAR. All statements in this news release, other than statements of historical fact, may be "forward-looking statements", including, without limitation, the estimated proceeds from the financings and the projections for use of proceeds; the expectation that ICP will successfully fund the required contribution to the financings; expectations for the result of the pre-DBOM and DBOM reports; plans for and intentions with respect to capital requirements, construction and other development activities on the Ochoa Project; expectations related to project financing; expectations related to management and operation of ICP and ICPUSA and future contemplated mining operations on the Ochoa Project. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from statements in this news release regarding our intentions include, without limitation, risks and uncertainties regarding: failure to meet all the conditions for funding; failure to fund ICP's pro rata portion of the financings; extreme resulting dilution in ICPUSA; high additional capital requirements; development and operation risks at the Ochoa Project, including accidents, equipment breakdowns and non-compliance with environmental and permit requirements; and other risks and uncertainties disclosed in the section entitled "Risk Factors" contained in our Annual Information Form for the year ended December 31, 2014 and our Quarterly Reports. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors should not put undue reliance on forward-looking statements. Any forward-looking statement made by us in this news release is based only on information currently available to us and speaks only as of the date on which it is made.

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