

IC Potash Announces Update on Optimization of Feasibility Study Review

TORONTO--(BUSINESS WIRE)--June 2, 2016--IC Potash Corp. (TSX: ICP) (OTCQX: ICPTF) (“ICP” or the “Company”) has provided an update today regarding the review of the feasibility study (as filed on SEDAR on March 7, 2014) announced on February 29, 2016. In the feasibility study ICP provided information regarding the status of construction capital costs for the federally permitted Sulfate of Potash mining and processing project, (the “Ochoa Project”) located in Lea Country, New Mexico.

ICP has focused on options that could potentially reduce the capital cost of any proposed development. The Company will expand the review of its feasibility study which may demonstrate if successful, a significant cost reduction. As part of this study, ICP intends to investigate the feasibility of the production of Polyhalite as a direct application fertilizer.

The Company notes that in its original Preliminary Economic Assessment mandate of 2009 (press release, July 21, 2009), the production of Polyhalite as a direct application fertilizer was carefully considered. It was anticipated that Polyhalite, a potash mineral, could be developed as slow release, low-chloride, and multi-nutrient potash fertilizer. At that time no market for Polyhalite had been established, and therefore it was not considered as a feasible development option for the Ochoa Project. However, at the time there was a well-developed market for Sulfate of Potash, and the Company’s strategy to date has been to become a significant producer of Sulfate of Potash for use with chloride sensitive crops and in conditions where soils have a high salinity index.

Mehdi Azodi, President and Chief Executive Officer of ICP stated, “Over the past few years the growth of the Polyhalite Direct Application market has seen a series of significant offtake agreements concluded between suppliers and distributors. ”

There are strong indications that the market for this product could grow significantly in the future, particularly as a low-chloride substitute for Muriate of Potash, Sulfate of Potash and Langbeinite (SOPM). The Company therefore believes it is prudent to further assess its business model with respect to Polyhalite production for the Ochoa Deposit. It is anticipated that the preliminary results of this assessment will take several months to complete. ICP is going to provide a series of updates and timelines in Q3 2016 on the status of the review.

About IC Potash Corp.

ICP has previously demonstrated a method to make Sulfate of Potash (“SOP”) from its 100%-owned Ochoa Polyhalite deposit in Southeast New Mexico and is currently examining ways to become a low cost fertilizer producer. The current review ICP’s existing feasibility report is being extended to determine a viable positive economic path to the production of direct application Polyhalite. The Ochoa Project has access to excellent local labor resources, low-cost electricity and natural gas, water, rail lines, and the Port of Galveston, Texas. ICP’s land holdings consist of nearly 90,000 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 and other factors which may cause the actual results, performance or achievements of ICP to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include statements that use forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “believe”, “continue”, “potential” or the negative thereof or other variations thereof or comparable terminology. Such forward-looking statements include, without limitation statements regarding trends in the markets for Sulfate of Potash and Polyhalite, the completion of an update review of the feasibility study by the Company, the Company’s intention to investigate the feasibility of Polyhalite product production and the Company’s intention to complete such studies by the end of Q3 2016 and other statements that are not historical facts. 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, changes in market trends, the completion, results and timing of studies undertaken by ICP, risks associated with mineral exploration and mining activities, the impact of general economic conditions, industry conditions, dependence upon regulatory approvals, the uncertainty of obtaining additional financing, and risks associated with turning reserves into product. 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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