Form 51-102F1 – For the Period Ended March 31, 2017

Management Discussion and Analysis

IC Potash Corp.

(Hereafter called "IC Potash", the "Company", or the "Corporation")

(Containing information up to and including May 3, 2017)

Description of Management Discussion and Analysis

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed consolidated financial statements of the Corporation for the period ended March 31, 2017 and the audited consolidated financial statements of the year ended December 31, 2016. This MD&A contains forward-looking information and statements, which are based on the conclusions of management. The forward-looking information and statements are only made as of the date of this MD&A.

All financial information is presented in United States dollars unless otherwise stated. All references to a year refer to the year-ended on December 31st of that year, and all references to a quarter refer to the quarter ended on March 31th of that year. The Corporation is a reporting issuer in Alberta, British Columbia, Ontario, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and the Northwest Territories. The Corporation's common shares trade on the TSX under the symbol "ICP" and on the OTCQB venture market under the symbol "ICPTF".

Unless otherwise noted, financial results are reported in accordance with International Financial Reporting Standards ("IFRS"). Further details are included in Note 2 of the condensed consolidated interim financial statements for the three months ended March 31, 2017.

Additional information related to the Corporation is available on SEDAR at www.sedar.com and on the Corporation's website at www.icpotash.com.

Company Overview

IC Potash is a Canadian-based company in the business of investing in the organic fertilizer and cannabis industries as well as mineral exploration and development companies. The Company plans to conduct research and development on the effectiveness of polyhalite as an organic fertilizer as well as the effectiveness of other organic fertilizers in the medical cannabis cultivation space.

It is the intention of the Corporation to obtain financing through access to public and private equity markets, debt and partnerships or joint ventures.

IC Potash owns 100% of Intercontinental Potash Corp. ("ICP"), a Canadian company that has invested in Intercontinental Potash Corp. (USA) ("ICP(USA)"), a company involved in resource exploration and mine development. On November 30, 2009, the Corporation completed a reverse-takeover ("RTO") with ICP. Legally, IC Potash is the parent of ICP, but for financial reporting purposes, IC Potash is considered to be a continuation of ICP. IC Potash was consolidated commencing on December 1, 2009.

The Company now indirectly owns 85.3% of the common shares of ICP(USA) and on a fully-diluted basis owns 56.4% and determined that it no longer controlled ICP(USA) in the Quarter and accordingly deconsolidated the financial reporting

Forward-Looking Statements

This MD&A includes certain statements that may be deemed "forward-looking statements" as defined under applicable securities law. Other than statements of historical facts, statements in this discussion including, but not limited to, statements that address future production, reserve & resource potential, exploration drilling, exploration activities, capital costs, operating production costs, the base case information in the Preliminary Economic Assessment ("PEA") (as defined herein) and expected or anticipated events or developments are forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, market prices, demand for fertilizer products, exploration and evaluation successes or delays, continued availability of capital and financing, general economic, market or business conditions, the risk factors identified herein as well as those risk factors identified in the Corporation's Annual Information Form (AIF) dated March 28, 2017 and the fact that the PEA by its nature includes only estimates and projections, the certainty and accuracy of which can only be determined once actual production commences and results are obtained. Although the Corporation believes the expectations expressed in any forward-looking statement are based on reasonable assumptions, investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements.

Management's Responsibility for Financial Statements

The Company's management is responsible for the presentation and preparation of interim financial statements and the MD&A. The consolidated financial statements have been prepared in accordance with IFRS. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Description of Properties

Ochoa Project

The Company no longer has any resource properties on its statement of financial position.

Through its indirect investment in ICP(USA), the Company holds an 85.3% interest in the Ochoa Project. ICP(USA) has issued convertible preferred shares, which mature on February 28, 2018 or upon certain deemed liquidation events and which provide one shareholder the option to convert them into an additional undiluted 28.9% of the common shares of ICP(USA) then outstanding.

ICP(USA) is focused on the development of a polyhalite mine and fertilizer processing and distribution facility at its Ochoa property in Lea County, New Mexico (the "Ochoa Project").

Polyhalite is an evaporite mineral that is a viable direct application fertilizer containing potassium, magnesium, sulphate and calcium, all important plant nutrients. Market demand for this new product is being developed in Europe and the United States. Please see below for more information on the recently completed PEA.

Prior engineering work focused on converting Polyhalite into Sulphate of Potash ("SOP"). ICP(USA)'s initial analysis was that polyhalite can also be used as a feedstock to produce SOP on a profitable basis. ICP(USA) estimates that SOP has an established market size of approximately six million tonnes per year, of which approximately four million tonnes are outside China. SOP is a widely used fertilizer and is preferred for the fruit, vegetable, tobacco and horticultural industries as well as in saline and dry soils. ICP(USA) retains the ability to produce SOP as financing and market conditions permit to maximize the profits from the Ochoa Project.

Preliminary Economic Assessment for direct application Polyhalite

ICP(USA) is investigating the feasibility of the production of Polyhalite as a direct application fertilizer.

In the 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, markets for Polyhalite are being created by others and ICP(USA) is reinvestigating the possible opportunities.

Accordingly, on November 9, 2016 the results of its Preliminary Economic Assessment (the "PEA") and the related National Instrument 43-101 ("**NI 43-101**") compliant Technical Report (effective date October 28, 2016) (the "PEA TR") was filed on SEDAR on November 30, 2016. ICP(USA) has revised the Project to consider direct application of polyhalite as a crop nutrient product rather than producing Sulphate of Potash through a chemical processing plant. The resulting Project has a reduced capital cost, a shorter ramp-up time, improved financial metrics, and reduced environmental impact.

The PEA is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

The Mineral Resource estimates presented in the PEA supersede the Mineral Resource estimate for the Project presented in the 2014 Feasibility Study titled Technical Report Ochoa Project Feasibility Study, Lea County, New Mexico, USA dated March 7, 2014 compiled by Agapito Associates, Inc. and SNC-Lavalin (the "2014 Feasibility Study"). All resources produced as polyhalite will reduce the Reserves stated in the 2014 Feasibility Study.

ICP(USA)'s 2 million ton per year mine with a production life of 42 years and initial capex of $368 million USD is the preferred development option that still retains the option to produce a SOP product at a later date. The current work plan is focused on the development of a Project Execution Plan, refining the cost and schedule estimate, and developing the market for a polyhalite product.

Based on the PEA TR by Golder, the Ochoa polyhalite bed is accessible at a bench depth of some 1,525 feet (465 metres) below surface. The polyhalite domain of the Ochoa bed are estimated to contain approximately 330 million tons of measured plus indicated polyhalite mineral resources as described in Table 1. Estimation of Mineral Reserves requires additional modifying factors studies performed to a minimum of a PFS level of study.

Table 1: Mineral Resource Statement (effective October 28th 2016)

Resource Class	Thickness (ft)	Mass (tons x10^6)	Polyhalite (wt.%)	Anhydrite (wt.%)	Halite (wt.%)	Magnesite (wt.%)
Measured	4.65	150	89.92	2.13	3.25	6.41
Indicated	4.61	180	88.83	2.11	2.79	6.92
Mea + Ind	*4.63*	*330*	*89.33*	*2.12*	*3.00*	*6.69*
Inferred	4.60	40	88.70	2.11	2.77	7.00

Note: Mass rounded to nearest ten million; ft = feet; wt.% = weight percent

Discounted cash flow modeling of the Project base case in the PEA yields an after-tax internal rate of return ("IRR") of 28%, a Net Present Value ("NPV") of $1,197 million at a discount rate of 8%, and a payback period of 2.6 years from the start of production.

Based on the results of the PEA, the Ochoa Project demonstrates potential economic viability. The PEA recommends that the Company complete a prefeasibility study to assess various trade-off options and advance the project to a higher level of confidence to reduce Project risk.

All scientific and technical disclosure within this document is based on the PEA TR that summarizes the PEA. The PEA and PEA TR were prepared under the supervision of co-author Daniel A. Saint Don, P.Eng., Underground Mining Practice Leader at Golder Associates Inc. (Golder), who is an independent Qualified Person within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Saint Don has reviewed and consented to the scientific and technical disclosures contained within the AIF that are based on the technical report.

Please see the AIF dated March 28, 2017 and the PEA TR for more information.

Summary of Quarterly Results

Selected quarterly financial information of the Corporation for the quarters ended March 31, 2017 is as follows:

Table of Results for the Quarters to March 31, 2017

	Mar 31 2017	Dec 31 2016	Sep 30 2016	Jun 30 2016
Total assets	$ 1,040,655	$ 23,085,495	$ 60,068,282	$ 58,119,309
Property, plant and equipment	$ 1,598	$ 19,775,768	$ 58,013,565	$ 56,997,381
Working capital	$ 122,004	$ 588,405	$ 523,535	$ (288,534)
Shareholders’ equity (deficiency)	$ 123,603	$ (10,984)	$ 40,561,338	$ 42,356,662
Interest income	$ 1,063	$ 878	$ 553	$ 15
Net loss	$ (8,243,066)	$ (41,699,800)	$ (1,828,485)	$ (1,332,806)
Basic loss per share	$ (0.04)	$ (0.20)	$ (0.01)	$ (0.01)
Fully diluted loss per share	$ (0.04)	$ (0.20)	$ (0.01)	$ (0.01)

Selected quarterly financial information of the Corporation for the quarters ended March 31, 2016 is as follows:

Table of Results for the Quarters to March 31, 2016

	Mar 31 2016	Dec 31 2015	Sep 30 2015	Jun 30 2015
Total assets	$ 58,064,268	$ 57,203,000	$ 57,796,301	$ 67,705,148
Property, plant and equipment	$ 56,484,381	$ 56,197,065	$ 55,436,237	$ 62,618,031
Working capital	$ 125,021	$ (836,213)	$ 1,501,383	$ 4,495,282
Shareholders’ equity	$ 43,100,456	$ 44,665,602	$ 46,015,512	$ 57,112,271
Interest income	$ 18	$ 96	$ 274	$ 1,714
Net loss	$ (1,565,146)	$ (1,349,910)	$ (3,432,656)	$ (3,035,532)
Basic loss per share	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)
Fully diluted loss per share	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)

Results of Operations for the Quarter ended March 31, 2017

The Corporation did not generate operating revenue during the quarter ended March 31, 2017, as all of the operating activities of the Corporation were directed towards investment, acquisition, exploration and development during the quarter.

Ochoa property – Development Phase

Total costs incurred on the project during the quarter, up to the date of deconsolidation, amounted to $1,038,906 (2016 - $295,826) of which $14,202 (2016 - $36,165) was for acquisition costs and $1,024,704 (2016 - $259,661) was for development costs.

At December 31, 2016, the Company determined there were indicators of potential impairment on its non-current assets, including the decline in the Company’s market capitalization, uncertainty of polyhalite future pricing and market used in the 2016 Preliminary Economic Assessment, and the consequential impact on the Company’s future cash flows. Based on the Company’s assessment of the recoverable amounts of its CGU, the Company concluded that the Ochoa Project had an estimated recoverable value, based on its FVLCTS, below its carrying value and an impairment charge was required. Based on its assessment, the Company recorded during the year ended December 31, 2016 a non-cash impairment charge of $40,426,247, using a discount rate of 26.6% along with a long-term polyhalite price assumption increasing from $162/ton to $218/ton over the first 20 years and then fixed at $224/ton over the remaining life of the mine. As at December 31, 2016, the fair value of the project was $19,733,000 (2015 - $56,122,518).

Investment in Associate

On March 16, 2017, the Company determined it no longer has the power to govern the financial and operating policies of its subsidiary ICP(USA). As a result, the Company ceased to consolidate the assets, liabilities and results of operations of ICP(USA) on that date and began recognizing its investment retained in ICP(USA) as an investment in an associated company accounted for under the equity method. The net liabilities that is deconsolidated on loss of control of ICP(USA), based on March 16, 2017 balances, are:

Current assets	$	838,784
Non-current assets		20,890,813
Current liabilities		(1,733,891)
Non-current liabilities		(21,112,640)
Net liabilities of former subsidiary		(1,116,934)
Investment in associate		1
Gain on deconsolidation	$	1,116,935

In addition to the above gain on deconsolidation, the Company is required, under IFRS 10, to account for amounts recognized in accumulated other comprehensive loss in relation to the subsidiary. The Company has reclassified $7,663,216 (Dec 31, 2016 - $nil) from accumulated other comprehensive income and recorded a loss through profit or loss.

As at March 31, 2017, the associated company's aggregate assets, aggregate liabilities and net losses from the period of loss of control are as follow:

		ICP(USA)
Current assets		539,339
Non-current assets		21,660,140
Current liabilities		(1,382,525)
Non-current liabilities		(21,184,352)
Net loss for period after deconsolidation		(216,361)
The Company's ownshership percentage		93.4%
The Company's share of loss for the period	$	Nil

As at March 31, 2017, the Company's investment in ICP(USA) was $1, The Company's unrecognized share of the loss was $202,081. The Company has a minority position on the board of its associated company ICP(USA) and does not control operation decisions. The Company's judgment is that it has significant influence, but not control and therefore equity accounting is appropriate. The Company's effective ownership of ICP(USA) is 64.5% due to convertible preferred shares issued by ICP(USA).

Office and Administration Expenses

In general, the Company has reduced its spending to conserve cash.

Administration and related costs amounted to $59,785 (2016 – $28,323) for the quarter. This included directors fees, telephone, postage and courier, dues and subscriptions, stationery, repairs and maintenance, utilities and related costs. The increase is because the Company did not pay directors fees in quarter 1 last year.

Business development and market development spending for the quarter was $215,870 (2016 - $4,943). Business development costs included activities related to the search for joint venture partners and product distributors as well as political contributions and public/community relations. The increase is due to the Company having more focus on business development this year and exploring new investment strategies and partnering opportunities.

Non-project related consulting fees in the quarter were $102,146 (2016 – $103,100); this was mostly in respect of IT consulting and management consulting.

Depreciation during the quarter amounted to $4,739 (2016 - $8,217). This relates to depreciation in respect of furniture and fixtures, computer equipment, exploration equipment, and vehicles.

Fundraising activities for the quarter was $143,746 (2016 – $145,151). This amount is for expenses related to identifying and meeting with potential companies and investors. Some of these related activities were coded as business development and investor relations in the quarter.

Investor relations cost in the quarter was $97,457 (2016 – $7,254). The increase is due to the Company having more activities in financing and investor relations this year.

Professional fees of $38,615 (2016 – $34,876) for the quarter were incurred mostly in respect of auditing costs, other accounting costs, and legal costs.

Regulatory fees including transfer agent and filing fees and TSX fees were $33,989 (2016 - $27,898).

Rent and storage in the quarter were $9,191 (2016 - $14,392). The decrease is due to reducing the storage rental in the subsidiary.

Royalties and property leases for the quarter amounted to $nil (2016 - $239,089). There was no payment of royalties and property leases before the deconsolidation of ICP(USA).

Share-based compensation for the quarter was $246,988 (2016 – $nil) for stock options granted in the quarter.

Travel, including related costs, for the quarter amounted to $60,249 (2016 – $12,868) and were composed of such costs not specifically related to exploration projects or investor relations and business development.

Wages and benefits for the quarter amounted to $245,663 (2016 – $363,989). This amount included the salaries and employment related costs of the President and Chief Executive Officer, Chief Financial Officer, Controller, Vice President, and management and administrative staff in Canada and in USA in IC Potash and ICP and their subsidiaries. $34,529 (2016 - $64,380) of wages were capitalized to the Ochoa Project in the quarter. Some positions were cut to reduce costs. ICP(USA) salaries were only included up to the date of deconsolidation.

Derivative expense adjustment for the quarter was $214,193 (2016 – ($2,850)), which increased due to additional warrants being issued in a currency other than the functional currency of the Company.

Finance costs for the quarter were $661,313 (2016 - $520,294) related to convertible preferred shares Series A of $441,647 (2016 – $480,117), related to convertible preferred shares Series B of $123,288 (2016 – $nil), related to secured notes of $91,725 (2016 - $37,849), and related to accretion of decommissioning liability of $4,653 (2016 - $2,328). The expenses related to the convertible preferred shares Series A issued by ICP(USA) in November 2014 includes the accrual for the dividend and the amortization of the deferred financing costs that relate to convertible preferred shares liability. The expenses related to the convertible preferred shares Series B issued by ICP(USA) in

July 2016 and November 2016 includes the accrual for the dividend. The expenses related to the secured notes issued by ICP(USA) in February 2016 includes the accrual for the interest and the amortization of the issuance costs of the secured notes. Finance costs are no longer accrued subsequent to deconsolidation.

Financings

During the period ended March 31, 2017, the Company issued the following common shares:

- On January 24, 2017, the Company issued 200,000 shares at CAD$0.08 for gross proceeds of CAD$16,000 pursuant to the exercise of warrants.
- On March 1, 2017, the Company issued 6,573,333 units pursuant to a non-brokered offering at CAD$0.105 per unit for gross proceeds of CAD$690,200. Each unit consists of one common share of the Company and one-half common share purchase warrant. Each warrant entitles the holder to acquire one common share of the Company for CAD$0.16 per share until March 1, 2018, provided that if, at any time after the date which is four months and one day following the closing date, the volume weighted average price of the common shares is equal to or exceeds CAD$0.21 for 18 consecutive trading days, the Company may accelerate the expiry date of the warrants, in which event the warrants will expire upon the date (the "Accelerated Expiry Date") which is 30 days following of a press release by the Company announcing the Accelerated Expiry Date. The Company paid finder's fees to certain qualified eligible persons assisting the Company in the offering in the aggregate amount of CAD$504.

During the period ended March 31, 2016 the Company did not issue any common shares.

Preferred Shares

On November 25, 2014, ICP(USA) issued 500,000 convertible Series A Preferred Shares at a purchase price of $10,000,000 to Cartesian Capital Group, LLC ("Cartesian"). The Series A Preferred Shares accrue dividends at a rate of 12% per year and were to mature on November 25, 2016, at which time they can be redeemed by the holder for the purchase price plus accrued dividends or converted into a non-diluted 7.8% interest of the common shares of ICP(USA). The terms of the Series A Preferred Shares were amended in February 2016 to extend the maturity date of the Series A Preferred Shares from November 25, 2016 to February 28, 2018 and to increase the dividend rate from 12% to 15% effective on February 29, 2016.

During the year ended December 31, 2016, ICP(USA) issued 250,000 of convertible Series B Preferred Shares. Under the terms of the Securities Purchase Agreement signed on February 29, 2016, the Series B Preferred Shares were issued by ICP(USA) for $2,500,000 on July 13, 2016 and $2,500,000 on November 21, 2016. The Series B Preferred Shares bear a 12% dividend rate and mature on February 28, 2018, at which point they can be redeemed by the holder for the purchase price plus accrued dividends or converted into an additional non-diluted 21.1% interest of the common shares of ICP(USA).

Due to the deconsolidation of ICP(USA) the Company no longer has preferred shares on its balance sheet.

Secured Notes

During the year ended December 31, 2016, ICP(USA) issued Secured Notes for $2,500,000. The Secured Notes were issued on March 1, 2016 and are due on February 28, 2018, bear interest at 11% per annum.

The Secured Notes are secured by a first priority security interest in all of the assets of ICP(USA), including ICP(USA)'s interest and rights in the Ochoa Project.

Cartesian has certain protective provisions and contractual rights to, among other things, appoint 2 of the 5 directors of ICP(USA), participate in future financings on an anti-dilutive basis, and approve certain subsequent debt and equity financings and certain other activities of ICP(USA).

The Securities Purchase Agreement expired during 2016.

Due to the deconsolidation of ICP(USA) the Company no longer has secured notes on its balance sheet.

Liquidity and Capital Resources at March 31, 2017

At March 31, 2017, the Corporation's working capital was $122,004 (2016 – $125,021). The sources of cash in the period included cash from issuing common shares, warrants exercised, interest earned on cash in the bank accounts.

The Corporation's continuation as a going concern is dependent on 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 Corporation will be successful. These material uncertainties may cast significant doubt upon the Corporation's ability to continue as a going concern.

The condensed consolidated interim financial statements for the period ended March 31, 2017 have been prepared on a going concern basis, which contemplates the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future. This MD&A does not give effect to any adjustment which would be necessary should the Corporation be unable to continue as a going concern and therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in this MD&A.

Transactions with Related Parties

In July 2015, the Company signed a Termination and Settlement Agreement that included a severance payment to be paid to the former President and Chief Executive Officer:

The full amount of the severance of $1,603,910 ($2,100,000 CAD) was expensed during the year ended December 31, 2015. As at March 31, 2017, the balance of employment liability is $428,249 (2016 - $886,593) ($570,000 CAD; 2016 - $1,150,000 CAD) and is included in current liabilities.

During the period ended March 31, 2017, the Company entered into the following transactions with related parties:

a) Paid or accrued short-term employee benefits of $141,364 (2016 - $259,687), of which $58,961 (2016 - $nil) was paid to Mehdi Azodi, $nil (2016 - $142,875) was paid to Randy Foote, $46,875* (2016 - $51,000) was paid to Ken Kramer, $nil (2016 - $65,812) was paid to Tom Cope and $35,528 (2016 - $nil) was paid to Kevin Strong.
   * short-term benefit before deconsolidation.

b) Paid or accrued consulting fees of $87,500* (2016 - $nil) to Graham Wheelock.
   * short-term benefit before deconsolidation.

c) Paid or accrued directors' fees, included in administrative costs, of $27,852 (2016 - $nil), $8,412 (2016 - $ nil) was for Ernest Angelo, $9,345 (2016 - $nil) was for John Stubbs, $3,365 (2016 - $nil) was for Knute Lee, $3,365 (2016- $nil) was for Pierre Pettigrew and $3,365 (2016 - $nil) was for Grant Sawiak.

d) Incurred share-based compensation in the form of stock options valued at $171,626 (2016 - $nil), of which $32,506 (2016 - $nil) was to Mehdi Azodi, $32,506 (2016 - $nil) was to John Stubbs, $20,317 (2016 - $nil) was to Pierre Pettigrew, $32,506 (2016 - $nil) was to Ernest Angelo, $20,317 (2016 - $nil) was to Knute Lee, $13,157 (2016- $nil) was to Kevin Strong and $20,317 (2016 - $nil) to Grant Sawiak.

e) Included in accounts payable as at March 31, 2017 is $2,497 (2016- $185) due to key management personnel, which includes officers and directors and corporations controlled by officers and directors.

f) Included in prepaid expenses as at March 31, 2017 is $46,061 (2016- $nil) prepaid to key management personnel, which includes officers and directors and corporations controlled by officers and directors.

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

	Quarter-ended	
	March 31, 2017	March 31, 2016
Short-term benefits *	$ 141,364	$ 259,687
Consulting fees *	87,500	-
Directors' fees **	27,852	-
Share-based compensation	171,626	-
Total remuneration	$ 428,342	$ 259,687

* Amounts are included within wages and benefits on the statement of loss and comprehensive loss.
** Amounts are included within administration on the statement of loss and comprehensive loss.

Financial Instruments

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, investments, receivables, accounts payable and accrued liabilities, employment liability and warrant liability.

Cash is measured at fair value using level one as the basis for measurement in the fair value hierarchy. Investments in public companies are measured at level one while investments in private companies are measured at level three. The warrant liability and embedded derivative are categorized as level three. The carrying value of receivables, accounts payable and accrued liabilities and employment liability approximate fair value because of the short-term nature of these instruments.

Other

Outstanding Share data as at May 3, 2017:

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No Par Value	Unlimited	220,413,467

(b) Summary of Options outstanding as at May 3, 2017:

Number of Options	Exercise Price (CAD)	Expiry Date
100,000	$ 0.08	January 12, 2018
500,000	0.08	July 12, 2019
250,000	0.12	November 14, 2019
500,000	0.10	November 24, 2019
2,150,000	0.10	February 14, 2020
200,000	0.10	March 1, 2020
9,650,000	0.08	June 6, 2021
300,000	0.08	July 12, 2021
200,000	0.09	September 2, 2021
3,900,000	0.10	February 14, 2022
17,750,000		

(c) Warrants outstanding as at May 3, 2017:

As at May 3, 2017, the Company had warrants outstanding, enabling the holders to acquire the following number of common shares:

Number of Warrants	Exercise Price (CAD)	Expiry Date
13,798,891	$ 0.08	May 20, 2017
9,760,000	0.11	June 18, 2017
16,950,000	0.11	December 14, 2017
3,286,666	0.16	March 1, 2018
43,795,557		

(d) Broker warrants outstanding as at May 3, 2017:

As at May 3, 2017, the Company had broker warrants outstanding, enabling the holders to acquire the following number of common shares:

Number of Warrants	Exercise Price (CAD)	Average Contractual Life Remaining	Expiry Date
38,889	$ 0.065	0.05 years	May 20, 2017
1,071,000	$ 0.110	0.62 years	December 14, 2017
1,109,889			

Broker warrant transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price (CAD)
Outstanding as at December 31, 2016	1,926,478	$	0.09
Exercised	(816,589)		0.065
Outstanding March 31, 2017	1,109,889	$	0.11

Accounting Principles

The financial statements have been prepared in accordance with IFRS.

The policies and estimates are considered appropriate under the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process. See also Note 2 in the condensed consolidated interim financial statements for the period ended March 31, 2017 and also the consolidated financial statements for the year ended December 31, 2016 for additional detail on accounting principles.

Foreign currency translation

The consolidated financial statements are presented in U.S. dollars. Prior to January 1, 2015, the functional currency of the Company and its subsidiaries was the Canadian dollar. The Company and its subsidiaries functional currency changed on a prospective basis from the Canadian dollar to the U.S. dollar as management determined that the currency of the primary economic environment in which the entities operate changed with the planned development of the Ochoa property and the recent U.S. dollar financing.

Transactions in foreign currencies are translated into the entities functional currency at the exchange rates at the date of the transactions. Monetary assets and liabilities of the Company's operations denominated in a currency other than the U.S. dollar are translated using the exchange rates prevailing at the date of the statement of financial position. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates in effect at the date of the underlying transaction, except for depreciation related to non-monetary assets, which is translated at historical exchange rates. Exchange differences are recognized in the statements of loss and comprehensive loss in the year in which they occur.

New standards, amendments and interpretations:

Effective January 1, 2018

IFRS 9 - Financial Instruments: Classification and Measurement. IFRS 9 is a new standard that will replace IAS 39. The IASB has tentatively decided to require an entity to apply IFRS 9 for annual periods beginning on or after January 1, 2018, with early adoption permitted. IFRS 9 introduces new requirements for the classification and measurement of financial instruments as well as de-recognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value and a debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows in the form of principal and interest otherwise it is at fair value through profit or loss ("FVTPL"). 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.

IFRS 15 - Revenue from Contracts with Customers: IFRS 15 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, 2018, and has not yet considered the potential impact of the adoption of IFRS 15.

Effective January 1, 2019

IFRS 16 – Leases: IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting models. Management anticipates that this standard will be adopted in the Company's financial statements for the period beginning January 1, 2019, and has not yet considered the potential impact of the adoption of IFRS 16.

Risks and Uncertainties

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

As at March 31, 2017, the Company had a cash balance of $906,973 to settle current liabilities of $917,053. The Company is subject to significant liquidity risk.

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 highly liquid 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.

Foreign currency risk

The Company's functional currency is the US dollars; however there are transactions in Canadian 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 10% change in the foreign exchange rate would have had an approximate $30,000 impact on foreign exchange gain or loss.

Equity Price risk

The Company holds investments in private and public traded equity securities. Market prices for equity securities are subject to fluctuation and consequently the amount realized in the subsequent sale of an investment may significantly differ from the reported market value.

Corporate Governance Practices

The disclosure required pursuant to National Instrument 58-101-Disclosure of Corporate Governance Practices was made by the Corporation in its Management Information Circular which was mailed to shareholders and is accessible via the Internet for public viewing on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported year. Actual results could differ from those estimates.

Subsequent Event

On April 28, 2017, ICP(USA) issued 1,010,764 common shares to Cartesian for $512,500. This decreased the Company’s common share ownership of ICP(USA) to 85.3% and effective ownership, due to convertible preferred shares held by Cartesian (note 9), to 56.4%.

Other Information

The Corporation’s web site address is www.icpotash.com. Other information relating to the Corporation may be found on SEDAR at www.sedar.com.