

**POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2013**

The following Management's Discussion and Analysis ("MD&A") of Potash Ridge Corporation ("Potash Ridge" or the "Corporation") is intended to enable the reader to assess material changes in the financial condition of the Corporation between March 31, 2013 and December 31, 2012 and results of operations for the three months ended March 31, 2013 and March 31, 2012.

This MD&A has been prepared as of May 9, 2013. It is intended to supplement and complement the condensed interim consolidated financial statements and notes thereto as at and for the three months ended March 31, 2013 (collectively the "Financial Statements"). The reader should review the Financial Statements in conjunction with the review of this MD&A. This MD&A should be read in conjunction with both the condensed interim consolidated financial statements for the three months ended March 31, 2013, the annual audited consolidated financial statements for the year ended December 31, 2012, and the Annual Information Form ("AIF") for the year ended December 31, 2012. These documents can be found at www.sedar.com. The Company prepares and files its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The currency referred to in this document is the Canadian dollar, unless otherwise specified.

Overview of the Corporation's Business

Potash Ridge Corporation (the "Corporation") is a corporation operating under the Ontario Business Corporation Act. Its registered office is located in Toronto, Canada at 3 Church Street, Suite 600, Toronto, Ontario, M5E 1M2. The Corporation became a reporting issuer in all the provinces of Canada on November 27, 2012. On December 5, 2012 the Corporation closed its initial public offering (the "IPO") of Common Shares. The Common Shares were listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol "PRK" on December 5, 2012. The Common Shares commenced trading on the OTCQX on April 29, 2013 under the symbol "POTRF".

The principal activity of the Corporation is the evaluation, exploration and development of its Blawn Mountain alunite property in Utah, USA ("Blawn Mountain Project" or the "Project"). The Blawn Mountain Project is located on lands belonging to the State of Utah, managed by the State of Utah School and Institutional Trust Lands Administration ("SITLA"). The Blawn Mountain Project is the Corporation's only material property.

Overall Performance

Highlights of the three months ended March 31, 2013

The Corporation continued exploration, evaluation and development activities at the Blawn Mountain Project. During the first quarter of 2013, and to the date of this MD&A, the Corporation achieved the following significant milestones:

- The Corporation commenced a metallurgical testing program in February 2013 with Hazen Research in support of the pre-feasibility and feasibility studies, using a bulk sample collected during the Phase 1 drilling program and drill core samples collected during the Phase 2 drilling program. The testing program will include bench and pilot scale tests. The objective of the program will be to confirm the most favourable process flowsheet and to develop process design parameters, including required particle size, flotation, roasting and leaching conditions, for the selection of process equipment types and sizes. Pilot scale testing is expected to commence in mid-May 2013.
 - The Phase 3 drilling program was completed in February 2013. An additional 18 holes in Areas 1 and 2 were drilled with the objective to move inferred resources into measured and indicated. The results of the drilling campaign are being analyzed and will be used for the pre-feasibility study currently underway; and
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- During the first three months of 2013 the Corporation substantially built up its local presence in Utah. Five individuals joined the Project development team on a full time basis to assume various Project development roles including a senior metallurgist, 2 senior permitting resources and a Project controls manager. As at May 9, 2013 the Corporation had sixteen full-time employees and 2 full-time contractors working on the Project.
- Potash Ridge has commenced trading on the OTCQX on April 29, 2013 under ticker symbol POTRF.
- Subsequent to the quarter end, the Corporation received confirmation from SITLA that it has been granted the unconditional right to convert its Exploration Lease on the Project into a Mining Lease. The Corporation has until March 31, 2014 to exercise its option, at which time it is required to pay SITLA US\$1,020,000.

Outlook

Efforts towards several key milestones, expected to be achieved in 2013 and beyond, are underway that will further advance the development the Blawn Mountain Project.

- In January 2013 the Corporation commenced work on a pre-feasibility study ("PFS"). The PFS is expected to be completed during the second quarter of 2013. The estimated cost of the PFS, related Technical Report and ancillary work-steps is expected to be \$4.0 million. On the basis that the forthcoming PFS is positive, the Corporation plans to shortly thereafter commence a feasibility study, subject to cash availability;
- The Corporation continues to advance its permitting strategy. The water rights application, submitted jointly with SITLA in late 2012, is currently being reviewed by the Utah Division of Water Rights. The approval of this application is expected in the second half of 2013. Additionally, air monitoring systems have been in place for several months and an air permit application is expected to be submitted before the end of 2013. The Corporation anticipates that it will be in a position to file an application for a mining permit with the Utah Division of Oil, Gas and Mining by the end of 2013. The anticipated target date for receipt of all construction and operating permits is mid-2014; and
- The Corporation is seeking to secure off-take, partnership and financing arrangements.

Blawn Mountain Project

Potash Ridge continues its efforts to explore and develop a potassium and alumina-based mineral called Alunite. The Corporation intends to develop an Alunite mine, at surface, and construct a processing plant on its Blawn Mountain Property that could produce 680,000 MT per year of a premium-priced sulphate of potash ("SOP"), 3.3 million MT per year of a bauxite-type material, containing alumina, and 1.6 million MT per year of co-product sulphuric acid.

The Blawn Mountain Project is comprised of 18 sections of land owned by SITLA and covering approximately 11,550 acres (4,674 hectares) of land located in Beaver County, Utah. The Corporation owns, through its wholly owned subsidiary, Utah Alunite Corporation ("UAC"), an exclusive right, until March 31, 2014, to explore and an option to convert into a mining lease the Blawn Mountain Project (the "Exploration Agreement"). Under the terms of the Exploration Agreement, as amended in June 2012 and August 2012, the Corporation owns an unconditional option (the "Lease Option") to convert its exclusive exploration right into a mineral lease at any time before March 31, 2014. The Corporation can exercise its Lease Option upon payment to SITLA of US\$1,020,000 and on exercise, the Corporation will be granted a mineral lease over the Blawn Mountain Project for an initial term of ten years and will remain in effect beyond the initial ten years as long as the Corporation demonstrates diligent exploration, development or operations on the property.

The original Exploration Agreement was executed in April 2011 and was amended in June 2012 to expand the acreage from 10,394 to 11,550 acres. The Exploration Agreement was further amended on August 21, 2012 to include a water rights application with the Utah Division of Water Rights.

On January 7, 2013, the Corporation entered into new exploration leases with SITLA and acquired the exclusive right to explore an additional 480 acres (194 hectares) of land adjacent to the Project for metalliferous minerals and water.

Financial Capability

The Corporation is an exploration and development stage entity and has not yet achieved profitable operations. It is subject to risks and challenges similar to companies in a comparable stage of development. These risks include, but are not limited to, the challenges of securing adequate capital to fund its activities, operational risks inherent in the mining industry, and global economic and commodity price volatility. The underlying value of the Blawn Mountain Property and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop the Blawn Mountain Property by, among other things, developing an economic process to mine

and process alunite into sulphate of potash, bauxite-type material and co-product sulphuric acid, securing necessary permits, obtaining the required financing to complete the development and construction, and upon future profitable production from, or the proceeds from the disposition of its mineral property.

The Corporation incurred a comprehensive loss for the three months ended March 31, 2013 of \$957,292 (three months ended March 31, 2012 - \$747,425) and reported an accumulated comprehensive deficit of \$6,865,641 as at March 31, 2013 (December 31, 2012 - \$5,908,349). The Corporation's sole source of funding has been the issuance of equity securities for cash. As at March 31, 2013, the Corporation had \$18,648,339 (December 31, 2012 - \$22,775,890) in cash and cash equivalents and short term deposits. There are no sources of operating cash flows. Consistent with the use of proceeds in the prospectus dated November 27, 2012, the Corporation intends to use its existing cash resources to complete the PFS, continue execution of its permitting strategy, complete metallurgical confirmation test work and pilot-scale test-work, and incur project management and general corporate and operating expenditures. The Corporation will continue to seek and evaluate various financing alternatives to address future development funding requirements, including the completion of an expected feasibility study. The Corporation forecasts that it will require additional funding of approximately \$15 million in the second half of 2013 to allow for timely completion of permitting activities and a contemplated feasibility study. Although the Corporation has been successful in its past fundraising activities, there are no assurances as to the success or timing of future fundraising efforts or as to the sufficiency of funds raised. The Corporation is managing its existing cash resources prudently to meet all of its existing financial commitments for the foreseeable future.

Selected Financial Information

	Three months ended	
	March 31, 2013	March 31, 2012
Net Loss		
Total comprehensive loss	\$ (957,292)	\$ (747,425)
Per Common Share, basic and fully diluted	\$ (0.01)	\$ (0.01)
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Financial Position as at	March 31 2013	December 31 2012
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ASSETS		
Current		
Cash and cash equivalents	\$ 18,648,339	\$ 17,800,890
Short term deposits	-	4,975,000
Restricted cash	359,223	212,353
Receivables	504,726	361,386
Other current assets	221,619	227,434
	19,733,907	23,577,063
Exploration and evaluation assets	13,906,639	10,300,480
Property, plant and equipment	455,676	368,734
Other non-current assets	239,849	108,708
	\$ 34,336,071	\$ 34,354,985
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LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 2,260,579	\$ 1,677,517
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SHAREHOLDERS' EQUITY		
Capital stock	33,428,933	33,267,933
Contributed surplus	5,512,200	5,317,884
Deficit	(6,867,841)	(5,902,684)
Accumulated other comprehensive (loss) income	2,200	(5,665)
	32,075,492	32,677,468
	\$ 34,336,071	\$ 34,354,985

Results of Operations

Revenue

The Corporation did not generate any revenue during the three months ended March 31, 2013 or March 31, 2012, as all of the operating activities of the Corporation were directed towards the exploration and evaluation of mining properties. Interest income of \$22,786 was earned for the three months ended March 31, 2013 (March 31, 2012 - \$28,357) on the Corporation's cash, cash equivalents and short-term deposits.

Expenses

During the three months ended March 31, 2013, the Corporation incurred professional fees of \$314,858 (three months ended March 31, 2012 - \$198,774), including legal and audit fees of \$81,969 (three months ended March 31, 2012 - \$170,963) and consulting fees of \$120,339 (three months ended March 31, 2012 - \$27,811). The increased professional fees in Q1, 2013 related to the increased advisors and consultants engaged by the Corporation and fees associated the public listing status of the Corporation which were not incurred in the prior year period when the Corporation was private, offset against reduced legal and audit fees. In the prior year, the Corporation commenced incurring additional legal and audit fees in anticipation of an IPO.

During the three months ended March 31, 2013, the Corporation had general and administrative costs of \$966,380 (three months ended March 31, 2012 - \$305,176). The increase of \$463,044 was related to the salaries of management, employees, and director costs (three months ended March 31, 2012 - \$127,834) and \$503,336 was related to other general and administrative expenses (three months ended March 31, 2012 - \$177,342). As at March 31, 2013, the Corporation had twelve full-time employees (March 31, 2012 - two full-time and one part-time employee).

As a result of the above, the Corporation recognized a net comprehensive loss of \$957,292 for the three months ended March 31, 2013 (three months ended March 31, 2012 - \$747,425).

Exploration and Evaluation Assets

In accordance with the Corporation's accounting policies, expenditures incurred on exploration and evaluation of the Blawn Mountain Project have been capitalized and recorded as exploration and evaluation assets. A summary of the exploration and evaluation expenditures capitalized as at March 31, 2013 and December 31, 2012 is presented below:

	As at March 31, 2013	As at December 31, 2012
Drilling	\$ 5,108,953	\$ 3,983,522
Preliminary economic assessment	2,714,455	2,712,990
Pre-feasibility study	1,903,865	-
Professional and labour	1,268,329	1,125,222
Employee salary and benefits	901,897	570,171
Employee share based compensation (non-cash)	854,231	790,166
Acquisition of land mineral lease	502,696	495,496
Transportation	201,332	183,888
Equipment rentals	179,811	176,095
Data acquisition	140,802	135,337
Field expenditures	102,901	100,792
Permit application and acquisition	21,174	20,736
Other	6,193	6,065
Total exploration and evaluation assets	\$ 13,906,639	\$ 10,300,480

During the first quarter of 2013, the main expenditure activities on exploration and evaluation assets were as follows:

1. Pre-feasibility study of \$1,903,865.
2. Phase 3 drilling program of \$1,125,431.
3. Employee salary and benefits of \$331,726.
4. Professional and labour of \$143,107

Summary of Quarterly Results

Selected financial statement information for the 8 most recent quarters:

	2013 Mar 31	2012 Dec 31	2012 Sept 30	2012 June 30	2012 March 31	2011 Dec 31	2011 Sept 30	2011 June 30
Exploration and evaluation assets	13,906,639	10,300,480	8,384,943	5,555,246	4,781,669	2,292,127	585,309	409,474
Total assets	34,336,071	34,354,985	17,434,560	17,274,401	18,526,763	19,114,421	6,196,992	1,246,116
Working capital	17,473,328	21,899,546	6,668,061	10,685,470	12,253,677	14,901,596	5,352,813	638,094
Shareholders' equity	32,075,492	32,677,468	15,523,215	16,574,683	17,107,641	17,263,980	6,005,418	1,112,137
Interest income	22,786	11,542	27,418	36,520	28,357	313	281	0
Expenses	1,511,825	2,178,626	1,148,358	689,829	732,742	1,003,145	128,526	14,940
Net comprehensive loss	(957,292)	(2,104,116)	(1,395,617)	(532,208)	(747,425)	(1,053,016)	(53,381)	(16,364)
Basic and diluted loss per share	(0.01)	(0.03)	(0.02)	(0.01)	(0.01)	(0.03)	0.00	0.00

(1) Working capital is defined as being current assets minus current liabilities.

Comparison of expenses and operations between all periods is difficult due to the start up nature of the Corporation. However, general trends can be summarized as follows:

Net losses were driven primarily by salaries, general and administrative expenses, non-cash share based compensation and professional fees relating to legal expenses and the use of specialist consultants.

The decreased losses can be attributed to activities in establishing operations, staff and office support costs and other general costs associated with the activities of the Corporation.

Total assets are comprised of two main categories: cash, cash equivalents and short term deposits from financings still available to the Corporation and the capitalized evaluation and exploration expenditures related to the Blawn Mountain Project. Total assets decreased \$18,914 as at March 31, 2013 compared to December 31, 2012 due to a

reduction in cash, cash equivalents and short term deposits of \$4,127,551, offset against an increase of \$3,606,159 in exploration and evaluation assets due to work on the pre-feasibility study and the Phase 3 drilling program.

Liquidity and Capital Resources

Cash Resources and Liquidity

At March 31, 2013, the Corporation had working capital of \$17,473,328 (December 31, 2012 - \$21,899,546) comprising of cash, cash equivalents and short term deposits of \$18,648,339 (December 31, 2012 - \$22,775,890) and receivables, restricted cash, prepaid expenditures and other assets of \$1,085,568 (December 31, 2012 - \$801,173) offset by current liabilities of \$2,260,579 (December 31, 2012 - \$1,677,517).

With the proceeds from the IPO and the Private Placement Units (as defined below), the Corporation intends to use its existing cash resources to complete the PFS, continue execution of its permitting strategy, complete metallurgical confirmation test work and pilot-scale test-work, and incur project management and general corporate and operating expenditures. The Corporation will continue to seek and evaluate various financing alternatives to address future development funding requirements, including the completion of an expected feasibility study. The Corporation forecasts that it will require additional funding of approximately \$15 million in the second half of 2013 to allow for timely completion of permitting activities and a contemplated feasibility study. Although the Corporation has been successful in its past fundraising activities, there are no assurances as to the success or timing of future fundraising efforts or as to the sufficiency of funds raised. The Corporation is managing its existing cash resources prudently to meet all of its existing financial commitments for the foreseeable future. The Corporation does not generate any operating cash flows and is reliant on external sources of equity funding.

Uses of Cash

The Corporation used \$2,504,042 in operating activities during the three months ended March 31, 2013 primarily for the payment of operating expenses. In addition, during the three months ended March 31, 2013, the Corporation generated \$2,986,507 in investing activities, as a result of cash received of \$4,975,000 for a matured term deposit, offset against \$1,874,816 of expenditure for the continuing exploration activities at the Blawn Mountain Project. During the three months ended March 31, 2012, the Corporation used cash of \$528,410 for operating activities and \$6,825,839 for investing activities, of which \$1,823,103 was for exploration activities at the Blawn Mountain Project. The Corporation also generated \$87,500 in financing activities, which was the net proceeds received from 350,000 share options exercised.

Disclosure of Outstanding Share Data

As at the date of this MD&A, the Corporation has 81,653,778 Common Voting Shares and 5,055,254 Non-voting shares issued and outstanding.

Commitments and Contingencies

Under the terms of the Exploration Agreement with SITLA, an annual acreage rental fee is due to SITLA for US\$11,550.

Under the terms of the Exploration Agreement, the Corporation owns an unconditional option (the "Lease Option") to convert its exploration right into a long-term mining lease upon written notice and payment to SITLA of US\$ 1,020,000. The Lease Option is available to the Corporation until March 31, 2014. In addition, SITLA is entitled to a production royalty of 5% of the gross value of potash and clay minerals and 4% of the gross value for metalliferous minerals (including alumina) as a result of the mining of alunite from the Blawn Mountain Project.

The future minimum payments under various operating leases including the Exploration and Option Agreement are as follows:

	Lease Payments
For the years ending:	
2013	\$ 213,132
2014	173,082
2015 and beyond	335,991
Total	\$ 722,205

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Convertible Securities

As at March 31, 2013, the Corporation has the following convertible securities outstanding:

Expiry date	Type	Fair value (\$) (at issuance)	Exercise price (\$)	Issued	Exercised	Outstanding
November 27, 2014	Subscriber warrants	0.04	0.50	10,787,500	40,000	10,747,500
November 27, 2014	Broker unit options	0.15	0.25	1,685,600	-	1,685,600
November 27, 2014	Broker warrants	0.42	0.75	839,458	-	839,458
December 5, 2014	Warrants (Non – voting shares)	0.30	1.00	5,055,254	-	5,055,254
				18,367,812	40,000	18,327,812

Incentive Stock Options (Share Based Compensation)

The Corporation has an incentive stock option plan (the “Plan”) whereby the Corporation may grant stock options to eligible employees, officers and directors at an exercise price to be determined by the Board of Directors.

During the three months ended March 31, 2013, the Corporation granted a total of 110,000 stock options to certain employees. These stock options were granted with a term of 10 years from the date of grant and are exercisable at a price of \$1.00. These options vest on the following schedule: 1/3 on grant, 1/3 a year after grant, 1/3 two years after grant.

As at March 31, 2013 the Corporation has committed to the issuance of 700,000 stock options in a subsequent period to certain officers. The estimated share based compensation of these committed stock option grants recorded in the three months ended March 31, 2013 was \$40,503.

The fair value of options issued was \$267,816 determined by using the Black Scholes option-pricing model.

Key assumptions used were as follows:

Grant	March 2013
Exercise price.....	\$1.00
Risk-free interest rate.....	0.97%
Annualized expected volatility	100%
Expected life of options.....	7.5 years
Dividend rate.....	0%
Forfeiture rate	0%
Value per option.....	\$0.39

(1) These assumptions were used for stock options that are committed for issuance at a future date (subsequent to March 31, 2013).

The Corporation has capitalized \$64,065 as exploration and evaluation assets and recognized an expense of \$203,751 in the consolidated statement of loss and comprehensive loss during the three month period.

The following table summarizes incentive stock options outstanding at March 31, 2013:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2011	2,850,000	0.25
Granted	3,980,000	0.94
Cancelled/expired	-	-
Balance, December 31, 2012	6,830,000	0.65
Granted (a)	110,000	1.00
Exercised (b)	(350,000)	0.25
Cancelled/expired (b)	(350,000)	0.75
Balance, March 31, 2013	6,240,000	0.67
Exercisable, March 31, 2013	4,186,667	0.51

In January 2013, 350,000 stock options were exercised and 350,000 stock options were cancelled by the Corporation. The Corporation received gross proceeds of \$87,500 for the exercised stock options.

Transactions with Related Parties

The Corporation's related parties as defined by International Accounting Standard 24 "Related Party Disclosures" ("IAS 24"), include the Corporation's subsidiary, UAC, executive and non-executive directors, senior officers (Chief Executive Officer and Chief Financial Officer), and entities controlled or jointly-controlled by the Corporation's directors or senior officers. Transactions with related parties during the three months ended March 31, 2013:

Three months ended March 31, 2013

Compensation (excluding share-based compensation) to senior officers and directors of the Corporation totalled \$428,049 for the three months ended March 31, 2013 (three months ended March 31, 2012 – \$148,558), of this amount, \$186,758 has been capitalized as exploration and evaluation assets. The Corporation's Chief Executive Officer was paid through his wholly-owned corporation.

During the three months ended March 31, 2013, share-based compensation with an estimated fair value of \$262,690 (three months ended March 31, 2012 – \$636,300) was issued to the Corporation's senior officers and directors, of this amount, \$64,065 has been capitalized as exploration and evaluation assets (three months ended March 31, 2012 - \$415,800) with the remainder recorded in the consolidated statements of loss and comprehensive loss.

Indemnities Provided to Directors and Officers

The Corporation agreed to indemnify each of its directors and officers in respect of certain liabilities or expenses which such directors and officers may incur as a result of acting as a director or officer of the Corporation or its

related corporate entities. The indemnity agreements include an indemnification for all costs, charges, expenses, losses, damages, fees (including any legal, professional or advisory fees or disbursements), liabilities and amounts paid to settle or dispose of any civil, criminal or administrative proceeding. The Corporation believes it carries sufficient Directors and Officers insurance to cover any potential claims for indemnity.

Internal Control Over Financial Reporting and Disclosure Controls

Management, including the President and Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), is responsible for designing, establishing, and maintaining a system of internal controls over financial reporting (“ICFR”) to provide reasonable assurance that all information prepared by the Corporation for external purposes is reliable and timely. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS.

The Corporation’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately reflect the transactions of the Corporation; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the Corporation’s Financial Statements. Due to its inherent limitations, internal control over financial reporting and disclosure may not prevent or detect all misstatements.

The CEO and CFO have evaluated whether there were changes to the ICFR during the three months ended March 31, 2013 that have materially affected, or are reasonably likely to materially affect, the ICFR. Based on this assessment and evaluation, there have been no material changes in the Corporation’s internal control over financial reporting during the three months ended March 31, 2013 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Disclosure controls and procedures (“DC&P”) have been designed to provide reasonable assurance that all material information related to the Corporation is identified and communicated on a timely basis. Management of the Corporation, under the supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operations of DC&P. There have been no changes in the Corporation’s DC&P during the three months ended March 31, 2013.

Future Accounting Standards and Pronouncements

IFRS 10 ‘Consolidation’ (“IFRS 10”)

Effective for annual periods beginning on or after January 1, 2013, IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 ‘Consolidation — Special Purpose Entities’ and parts of IAS 27 ‘Consolidated and Separate Financial Statements’. The Corporation has adopted IFRS 10 but it has had no impact to date on the financial statements as the Corporation continues to hold a 100% ownership in its subsidiary, Utah Alunite Corporation.

IFRS 11 ‘Joint Arrangements’ (“IFRS 11”)

Effective for annual periods beginning on or after January 1, 2013, IFRS 11 requires an entity to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the entity will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 will supersede IAS 31 ‘Interests in Joint Ventures’ and SIC-13 ‘Jointly Controlled Entities — Non-monetary Contributions’. Based on

the Corporation's existing operations, this standard has no impact on the Corporation's condensed interim consolidated financial statements.

IFRS 12 'Disclosure of Interests in Other Entities' ("IFRS 12")

Effective for annual periods beginning on or after January 1, 2013, IFRS 12 establishes disclosure requirements for interest in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. IFRS 12 carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interest in other entities. Based on the Corporation's existing operations, this standard has no impact on the Corporation's condensed interim consolidated financial statements.

IFRS 13 'Fair Value Measurement' ("IFRS 13")

Effective for annual periods beginning on or after January 1, 2013, IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. IFRS 13 clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the various standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. Management believes that this standard has no impact currently, on the Corporation's condensed interim consolidated financial statements.

IAS 28 'Investments in Associates and Joint Ventures' ("IAS 28")

Effective for annual periods beginning on or after January 1, 2013, IAS 28 will be amended to provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. Based on the Corporation's existing operations, this standard has no impact on the Corporation's condensed interim consolidated financial statements.

Risks and Uncertainties

The Corporation is subject to the following risks and uncertainties which are described in greater detail in the Corporation's AIF:

- Potash Ridge has negative operating cash flow and might not be able to continue as a going concern;
- The Corporation will require additional capital in the future and no assurance can be given that such capital will be available at all or on terms acceptable to the Corporation;
- Potash Ridge has a limited operating history and no history of mineral production;
- The Corporation has not yet demonstrated the economic feasibility of the Project;
- Dependence on the Blawn Mountain Project;
- Uncertainty of inferred and estimated mineral resources and historical information;
- The Corporation will employ a combination of technologies;
- The Corporation requires approvals, licenses, and permits in connection with its current exploration and development activities that may be delayed or may not be obtained;
- The Corporation requires the necessary water rights and water sources to support the proposed Blawn Mountain Project and those rights and sources may not be obtained;
- Governmental and regulatory requirements could adversely impact the development of the Corporation's projects;
- Title to the Corporation's mineral properties cannot be assured;
- Infrastructure and logistic requirements have not been fully determined;

- Resource exploration and development is a speculative business and involves a high degree of risk;
- The extraction of minerals from a deposit may not be economically viable;
- Commodity prices may affect the Corporation's value;
- The Corporation may have difficulty recruiting and retaining key employees;
- Environmental risks and hazards;
- The Corporation may become subject to litigation which may have a material adverse effect on its performance;
- Construction delays may adversely impact the financial position of the Corporation;
- Climate conditions may cause delays and cost over-runs and inhibit future production;
- The Corporation does not maintain insurance against all possible risks;
- Certain directors and officers may have conflicts of interest;
- Global financial conditions may adversely affect the Corporation's financial position;
- The Corporation has a foreign subsidiary;
- Some of the Corporation's directors, officers and experts are resident outside of Canada;
- Future sales of Common Shares by existing shareholders;
- If securities or industry analysts do not publish research or reports about the Corporation, if they change their recommendations regarding the Corporation adversely, or if the Corporation's operating results do not meet their expectations, the share price and trading volume could decline;
- The Corporation has no record of paying dividends and does not expect to do so in the foreseeable future;
- Risks and hazards inherent in the mining industry;
- Competition in the mining industry may adversely affect the Corporation;
- Demand for commodities tends to be cyclical in nature;
- Weather patterns and natural disasters may affect future demand.

Other Information

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

A CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This management discussion and analysis ("**MD&A**") contains forward-looking statements reflecting management's expectations regarding future growth, results of operations, performance and business prospects of the Corporation. These forward-looking statements may include statements that are predictive in nature, or that depend upon or refer to future events or conditions, and can generally be identified by words such as "may", "will", "expects", "anticipates", "intends", "plans", "believes", "estimates", "guidance" or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to, the future financial or operating performance of the Corporation and its subsidiaries and its mineral projects; the anticipated results of exploration activities; the estimation of mineral resources; the realization of mineral resource estimates; capital, development, operating and exploration expenditures; costs and timing of the development of the Corporation's mineral projects; timing of future exploration; requirements for additional capital; climate conditions; government regulation of mining operations; anticipated results of economic and technical studies; environmental matters; receipt of the necessary permits, approvals and licenses in connection with exploration and development activities; appropriation of the necessary water rights and water sources; changes in commodity prices; recruiting and retaining key employees; construction delays; litigation; competition in the mining industry; reclamation expenses; reliability of historical exploration work; reliance on historical information acquired by the Corporation; optimization of technology to be employed by the Corporation; title disputes or claims, dilution to the Common Shares and the limitations of insurance coverage and other factors described under the heading "*Risk Factors*" in the

Corporation's Annual Information Form dated March 27, 2013 to which reference should be made.

In addition, if any of the assumptions or estimates made by management prove to be incorrect, actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained herein. Such assumptions include, but are not limited to, the following: that general business, economic, competitive, political and social uncertainties remain favourable; that agriculture fertilizers are expected to be a major driver in increasing yields to address demand for premium produce, such as fruits and vegetables, as well as diversified protein rich diets necessitating grains and other animal feed; that actual results of exploration activities justify further studies and development of the Corporation's mineral projects; that the future prices of minerals remain at levels that justify the exploration and future development and operation of the Corporation's mineral projects; that there is no failure of plant, equipment or processes to operate as anticipated; that accidents, labour disputes and other risks of the mining industry do not occur; that there are no unanticipated delays in obtaining governmental approvals or financing or in the completion of future studies, development or construction activities; that the actual costs of exploration and studies remain within budgeted amounts; that regulatory and legal requirements required for exploration or development activities do not change in any adverse manner; that input cost assumptions do not change in any adverse manner, as well as those factors discussed in the section entitled "*Risk Factors*" in the Corporation's Annual Information Form dated March 27, 2013. Accordingly, readers are cautioned not to place undue reliance on such statements.

All forward-looking information herein is qualified by these cautionary statements. Forward-looking information contained herein is made as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law.