

POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 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 September 30, 2013 and December 31, 2012 and results of operations for the three months and nine months ended September 30, 2013 and September 30, 2012.

This MD&A has been prepared as of November 5, 2013. It is intended to supplement and complement the condensed interim consolidated financial statements and notes thereto as at and for the three and nine months ended September 30, 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 and nine months ended September 30, 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 nine months ended September 30, 2013

The Corporation continued exploration, evaluation and development activities at the Blawn Mountain Project. During the first nine months 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 included bench scale testing that was completed earlier in the year and resulted in the production of sulphate of potash ("SOP"). Pilot scale testing is on-going. The objective of the program is 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. The results will be incorporated into the up-coming pre-feasibility study ("PFS") currently nearing completion.
 - 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
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the drilling campaign are being analyzed and will be used for the pre-feasibility study currently nearing completion.

- During the first nine 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 November 5, 2013 the Corporation had sixteen full-time employees and 3 full-time contractors working on the Project.
- Potash Ridge commenced trading on the OTCQX on April 29, 2013 under ticker symbol POTRF.
- During April, 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.
- In late May, the Corporation commenced pilot scale test work for its Blawn Mountain Project. The primary objectives of the pilot scale test work are to confirm the results of historic pilot plant testing, confirm the results of current bench scale testing on a continuous basis, process optimization, and generation of concentrate and products for material characterization and downstream metallurgical testing. This test work is on-going.
- In June, the Corporation confirmed that it has produced Sulphate of Potash (“SOP”) from alunite as part of its ongoing metallurgical testing program.
- In July, the Corporation was informed by Beaver County that the right-of-way for access to its Blawn Mountain Project was granted.
- On the permitting front, approximately 90% of the field studies, including air monitoring, required for permitting the Project has been completed. Completion of field studies will occur over the next few months in preparation of filing a large mine permit application in late Q4 2013, followed by applications for other state permits.
- In September 2013 the Corporation received the results of an SOP market study that it commissioned earlier in the year. The results of the market study confirmed the excellent market potential for SOP.

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 soon. The Corporation completed initiatives to optimize the preferred processing options and has concluded its evaluation on other improvement initiatives. These initiatives included working with major equipment vendors to finalize key operating parameters, economic evaluation of the most favourable process and infrastructure options and selection of the most favourable combination for inclusion in the upcoming PFS. 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 may occur by the end of 2013. The Corporation anticipates that it will be in a position to file an application for a large mining permit with the Utah Division of Oil, Gas and Mining by the end of 2013. Air monitoring data collection activities ended in October. The data is now being analyzed so that the air permit application may be filed in mid-2014; and
- The Corporation is seeking to secure off-take, partnership and financing arrangements. The Corporation will seek to raise a target amount of \$20-\$25 million in the coming months for purposes of funding its feasibility study, subject to equity market conditions.

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 an alumina rich material, 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 15,404 acres (6,234 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.

In the first half of 2013, the Corporation entered into new exploration leases with SITLA and acquired the exclusive right to explore an additional 3,855 acres (1,560 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 SOP, 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 nine months ended September 30, 2013 of \$3,647,445 (nine months ended September 30, 2012 - \$2,675,250) and reported an accumulated comprehensive deficit of \$9,555,794 as at September 30, 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 September 30, 2013, the Corporation had \$10,464,736 (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 \$20-\$25 million in the coming months 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

	Nine months ended		Three months ended	
	September 30, 2013	September 30, 2012	September 30 2013	September 30 2012
Net Loss				
Total comprehensive loss	\$ (3,647,445)	\$ (2,675,250)	\$ (1,878,967)	\$ (1,395,617)
Per Common Share, basic and fully diluted	\$ (0.04)	\$ (0.04)	\$ (0.02)	\$ (0.02)

Financial Position as at	September 30 2013	December 31 2012
ASSETS		
Current		
Cash and cash equivalents	\$ 10,464,736	\$ 17,800,890
Short term deposits	-	4,975,000
Restricted cash	393,643	212,353
Receivables	16,836	361,386
Other current assets	244,795	227,434
	11,120,010	23,577,063
Exploration and evaluation assets	18,635,301	10,300,480
Property, plant and equipment	620,689	368,734
Restricted cash	359,975	-
Other non-current assets	122,144	108,708
	\$ 30,858,119	\$ 34,354,985
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 909,966	\$ 1,677,517
SHAREHOLDERS' EQUITY		
Capital stock	33,428,933	33,267,933
Contributed surplus	6,075,014	5,317,884
Deficit	(9,554,377)	(5,902,684)
Accumulated other comprehensive loss	(1,417)	(5,665)
	29,948,153	32,677,468
	\$ 30,858,119	\$ 34,354,985

Results of Operations

Revenue

The Corporation did not generate any revenue during the nine months ended September 30, 2013 or September 30, 2012, as all of the operating activities of the Corporation were directed towards the exploration and evaluation of mining properties. Interest income of \$50,929 was earned for the nine months ended September 30, 2013 (nine months ended September 30, 2012 - \$92,295) on the Corporation's cash, cash equivalents and short-term deposits. During the three months ended September 30, 2013, interest income was \$19,409 (three months ended September 30, 2012 - \$27,418).

Expenses

Three months ended September 30, 2013 and September 30, 2012

During the three months ended September 30, 2013, the Corporation incurred management, employee, director, general and administrative costs of \$810,810 (three months ended September 30, 2012 - \$693,910). Spending in 2013 of \$464,461 was related to the salaries of management, employees, and director costs (three months ended September 30, 2012 - \$478,299). As at September 30, 2013, the Corporation had sixteen full-time employees (September 30, 2012 - eight full-time employees). Spending in 2013 of \$346,349 was related to other general and administrative expenses (three months ended September 30, 2012 - \$215,611). Other general and administrative expenses increased for the three month period year on year by \$130,313 due to the Corporation spending more on rent and office expenses related to the new Toronto and Salt Lake City offices. The Corporation also incurred increased travel expenses and increased investor relations activities, including the costs associated with the recent TSX listing (December 2012) and OTCQX listing (April 2013).

During the three months ended September 30, 2013, the Corporation incurred professional fees of \$276,764 (three months ended September 30, 2012 - \$291,236), including legal and audit fees of \$69,231 (three months ended September 30, 2012 - \$230,305) and consulting fees of \$190,121 (three months ended September 30, 2012 - \$101,224). The decreased professional fees in Q3, 2013 related to reduced legal and audit fees. In 2012, the Corporation incurred significant legal and audit fees in anticipation of its IPO, while these services were not required in 2013 since the Corporation became publicly listed in Q4, 2012. The decrease in professional fees was partially offset by an increase in consulting fees of \$88,897 which primarily related to engagement of strategic and financial advisors by the Corporation to assist in the development of the Project.

During the three months ended September 30, 2013, the Corporation incurred a foreign exchange loss of \$580,925 which was the result of a weakening US dollar against the functional currency of the Corporation which is the Canadian dollar.

As a result of the above, the Corporation recognized a net comprehensive loss of \$1,878,967 for the three months ended September 30, 2013 (three months ended September 30, 2012 - \$1,395,617).

Nine months ended September 30, 2013 and September 30, 2012

During the nine months ended September 30, 2013, the Corporation incurred management, employee, director, general and administrative costs of \$2,895,074 (nine months ended September 30, 2012 - \$1,369,827). Increased spending in 2013 of \$1,498,582 was related to the salaries of management, employees, and director costs (nine months ended September 30, 2012 - \$855,374). As at September 30, 2013, the Corporation had sixteen full-time employees (September 30, 2012 - eight full-time employees). Increased spending in 2013 of \$1,396,492 was related to other general and administrative expenses (nine months ended September 30, 2012 - \$514,453). Other general and administrative expenses increased for the nine month period year on year by \$881,614 due to the Corporation spending more on rent and office expenses related to the Toronto and Salt Lake City offices. The Corporation also incurred increased travel expenses and increased investor relations activities, including the costs associated with the TSX listing (December 2012) and OTCQX listing (April 2013).

During the nine months ended September 30, 2013, the Corporation incurred professional fees of \$881,827 (nine months ended September 30, 2012 - \$804,379), including legal and audit fees of \$123,081 (nine months ended September 30, 2012 – \$569,252) and consulting fees of \$618,515 (nine months ended September 30, 2012 - \$217,559). The increased professional fees in 2013 related to increased consulting fees which primarily related to the engagement of strategic and financial advisors by the Corporation to assist in the anticipated development of the Project. The increase in professional fees was partially offset by a decrease in legal and audit fees. In 2012, the Corporation commenced incurring significant legal and audit fees in anticipation of its IPO, while these services were not required in 2013 since the Corporation became publicly listed in Q4, 2012.

During the nine months ended September 30, 2013, the Corporation incurred a foreign exchange gain of \$838,538 due to the strengthening of the US dollar in the year to date against the functional currency of the Corporation which is the Canadian dollar.

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 September 30, 2013 and December 31, 2012 is presented below:

	As at	As at
	September 30, 2013	December 31, 2012
Drilling	\$ 5,105,959	\$ 3,983,522
Pre-feasibility study	4,254,548	-
Professional and labour	2,773,315	1,125,222
Preliminary economic assessment	2,714,456	2,712,990
Employee salary and benefits	1,568,150	570,171
Employee share based compensation (non-cash)	971,651	790,166
Acquisition of land mineral lease	546,121	495,496
Transportation	245,310	183,888
Equipment rentals	182,024	176,095
Data acquisition	139,894	135,337
Field expenditures	104,165	100,792
Permit application and acquisition	23,438	20,736
Other	6,270	6,065
Total exploration and evaluation assets	\$ 18,635,301	\$ 10,300,480

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

1. Pre-feasibility study of \$4,254,548.
2. Professional and labour of \$1,648,093.
3. Phase 3 drilling program of \$1,122,437.
4. Employee salary and benefits of \$997,979.

Summary of Quarterly Results

Selected financial statement information for the 8 most recent quarters:

	2013			2012				2011
	Sep 30	Jun 30	Mar 31	Dec 31	Sept 30	June 30	March 31	Dec 31
Exploration and evaluation assets	18,635,301	17,297,307	13,906,639	10,300,480	8,384,943	5,555,246	4,781,669	2,292,127
Total assets	30,858,119	33,337,972	34,336,071	34,354,985	17,434,560	17,274,401	18,526,763	19,114,421
Working capital ¹	10,210,044	13,196,821	17,473,328	21,899,546	6,668,061	10,685,470	12,253,677	14,901,596
Shareholders' equity	29,948,153	31,590,011	32,075,492	32,677,468	15,523,215	16,574,683	17,107,641	17,263,980
Interest income	19,409	8,734	22,786	11,542	27,418	36,520	28,357	313
Expenses	1,331,898	1,697,437	1,511,825	2,178,626	1,148,358	689,829	732,742	1,003,145
Net comprehensive loss	(1,878,967)	(811,186)	(957,292)	(2,104,116)	(1,395,617)	(532,208)	(747,425)	(1,053,016)
Basic and diluted loss per share	(0.02)	(0.01)	(0.01)	(0.03)	(0.02)	(0.01)	(0.01)	(0.03)

(1) Working capital is a non-IFRS measure and is defined as being current assets minus current liabilities.

Meaningful comparison of expenses and operations between recent quarters is not practical 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, auditors and the engagement of specialist industry consultants.

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 \$3,496,866 as at September 30, 2013 compared to December 31, 2012 due to a reduction in cash, cash equivalents and short term deposits of \$12,311,154, offset against an increase of \$8,334,821 in exploration and evaluation assets due to expenditures on the pre-feasibility study, Phase 3 drilling program and permitting initiatives.

Liquidity and Capital Resources

Cash Resources and Liquidity

At September 30, 2013, the Corporation had working capital of \$10,210,044 (December 31, 2012 - \$21,899,546) comprising of cash, cash equivalents and short term deposits of \$10,464,736 (December 31, 2012 - \$22,775,890) and receivables, restricted cash, prepaid expenditures and other assets of \$655,274 (December 31, 2012 - \$801,173) offset by current liabilities of \$909,966 (December 31, 2012 - \$1,677,517).

With the proceeds from the IPO and the Private Placement Units (as defined below), the Corporation has and intends to continue 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 commencement of an expected feasibility study. The Corporation forecasts that it will require additional funding of approximately \$20-\$25 million 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 funding.

Uses of Cash

The Corporation used \$4,919,813 in operating activities during the nine months ended September 30, 2013 primarily for the payment of operating expenses. In addition, during the nine months ended September 30, 2013, the Corporation used \$2,936,138 in investing activities, as a result of cash received of \$4,975,000 for a matured term deposit, offset against \$7,549,354 of expenditures for the continuing exploration and development activities of 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.

During the nine months ended September 30, 2012, the Corporation used cash of \$2,476,688 for operating activities and \$6,311,430 for investing activities, of which \$5,055,652 was for exploration activities at the Blawn Mountain Project and \$5,000,000 was invested in short term deposits. This was offset by proceeds from the maturity of a short-term deposit in the amount of \$4,026,236. The Corporation spent \$986,282 in share issuance costs.

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	\$ 75,312
2014	366,387
2015 and beyond	1,696,879
Total	\$ 2,138,578

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Convertible Securities

As at September 30, 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 nine months ended September 30, 2013, the Corporation granted a total of 140,000 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 September 30, 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 nine months ended September 30, 2013 was \$37,976.

The Corporation uses the Black Scholes option-pricing model to determine the fair value of options granted.

Key assumptions used for grants in 2013 were as follows:

Grant	
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

These assumptions were also used for stock options that are committed for issuance at a future date (subsequent to September 30, 2013).

The total share-based compensation for the nine months ended September 30, 2013 was \$830,630 (2012 - \$980,443). In 2013, the Corporation has capitalized \$181,485 as exploration and evaluation assets and recognized an expense of \$649,145 in the consolidated statement of loss and comprehensive loss during the nine month period.

In 2012, the Corporation has capitalized \$601,305 as exploration and evaluation assets and recognized an expense of \$379,138 in the consolidated statement of loss and comprehensive loss during the nine month period.

The following table summarizes incentive stock options outstanding at September 30, 2013:

Grant date	Number outstanding	Number vested and exercisable	Exercise price	Expiry date	Weighted average remaining actual life
December 9, 2011	2,500,000	2,500,000	\$ 0.25	December 9, 2021	8.1 years
January 26, 2012	600,000	600,000	0.75	January 26, 2022	8.3 years
February 1, 2012	60,000	60,000	0.75	February 1, 2022	8.3 years
December 5, 2012	2,970,000	990,000	1.00	December 5, 2022	9.1 years
March 27, 2013	110,000	36,667	1.00	March 27, 2023	9.4 years
May 9, 2013	30,000	10,000	1.00	May 9, 2023	9.4 years
	6,270,000	4,196,667			

In January 2013, 350,000 stock options were exercised and 350,000 stock options expired. 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 (including 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 nine months ended September 30, 2013 were as follows:

Nine months ended September 30, 2013

Compensation (excluding share-based compensation) to senior officers and directors of the Corporation totalled \$1,282,751 for the nine months ended September 30, 2013 (nine months ended September 30, 2012 – \$620,920). The Corporation's Chief Executive Officer was paid through his wholly-owned corporation.

During the nine months ended September 30, 2013, share-based compensation with an estimated fair value of \$780,410 (nine months ended September 30, 2012 – \$980,443) was incurred by the Corporation to its senior officers and directors.

Indemnities Provided to Directors and Officers

In 2012 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 ICFR 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 nine months ended September 30, 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 nine months ended September 30, 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 CEO and the CFO, is responsible for the design and operations of DC&P. There have been no changes in the Corporation's DC&P during the nine months ended September 30, 2013.

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.