



POTASH RIDGE CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2015
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim consolidated financial statements of Potash Ridge Corporation (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Potash Ridge Corporation

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

Unaudited

	As at March 31, 2015	As at December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	\$ 516,104	\$ 1,026,771
Restricted cash (note 4)	402,086	592,085
Receivables	8,682	35,835
Other current assets	57,175	173,518
Total current assets	984,047	1,828,209
Non-current assets		
Exploration and evaluation assets (note 5)	29,236,005	26,465,738
Property, plant and equipment	392,358	429,938
Restricted cash (note 4)	227,988	279,688
Other non-current assets	16,234	29,209
Total non-current assets	29,872,585	27,204,573
Total assets	\$ 30,856,632	\$ 29,032,782
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 857,341	\$ 709,771
Other current liabilities (note 10)	682,887	421,537
Total current liabilities	1,540,228	1,131,308
Non-current liabilities		
Other non-current liabilities (note 10)	415,445	570,770
Total liabilities	1,955,673	1,702,078
Shareholders' equity		
Capital stock (note 6)	33,428,933	33,428,933
Contributed surplus (note 6)	6,409,713	6,416,018
Deficit	(10,573,193)	(12,341,807)
Accumulated other comprehensive loss	(364,494)	(172,440)
Total shareholders' equity	28,900,959	27,330,704
Total liabilities and shareholders' equity	\$ 30,856,632	\$ 29,032,782

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Natural of operations and going concern (note 1)

Approved on behalf of the Board:

"Guy Bentinck", Director

"Rahoul Sharan", Director

Potash Ridge Corporation

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Expressed in Canadian Dollars)

Unaudited

	Three months ended March 31, 2015	Three months ended March 31, 2014
Expenses		
Management, employee, director, general and administrative expenses	\$ 586,184	\$ 822,473
Professional fees	145,607	307,324
Share-based compensation (note 7)	(10,352)	85,248
Depreciation	52,909	49,409
Total expenses	(774,348)	(1,264,454)
Other Items		
Interest income	357	6,690
Foreign exchange gain	2,542,605	1,049,023
Net income (loss) for the period	1,768,614	(208,741)
Other comprehensive income (loss)		
Foreign currency translation adjustment	(192,054)	(52,079)
Net income (loss) and comprehensive income (loss) for the period	\$ 1,576,560	\$ (260,820)
Basic and diluted net income (loss) per share	\$ 0.02	\$ (0.00)
Weighted average number of common shares outstanding	86,709,032	86,709,032

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Potash Ridge Corporation

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

Unaudited

	Three months ended March 31, 2015	Three months ended March 31, 2014
Operating activities		
Net income (loss) for the period	\$ 1,768,614	\$ (208,741)
Items not involving cash:		
Depreciation	52,909	49,409
Share based compensation	(10,352)	85,248
Foreign exchange gain	(2,509,849)	(979,248)
Changes in non-cash working capital items:		
Decrease in receivables	27,153	18,251
Decrease in other current assets	116,343	39,020
Decrease (increase) in operating restricted cash	241,699	(54,338)
Increase (decrease) in accounts payable and accrued liabilities	108,298	(753,990)
Decrease in other non-current assets working capital	12,975	-
Net cash used in operating activities	(192,210)	(1,804,389)
Investing activities		
Acquisition of property, plant and equipment	-	(44,612)
Exploration and evaluation assets	(352,777)	(846,173)
Net cash used in investing activities	(352,777)	(890,785)
Net change in cash and cash equivalents for the period	(544,987)	(2,695,174)
Effect of foreign exchange rate changes on cash and cash equivalents	34,320	143,864
Cash and cash equivalents, beginning of period	1,026,771	8,031,855
Cash and cash equivalents, end of period	\$ 516,104	\$ 5,480,545

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Potash Ridge Corporation

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

Unaudited

	Number of Voting Shares	Number of Non-voting Shares	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total
Balance, January 1, 2014	81,653,778	5,055,254	\$ 33,428,933	\$ 6,271,378	\$(10,435,305)	\$ (33,569)	\$ 29,231,437
Stock-based compensation (note 7)		-	-	113,169	-	-	113,169
Effect on foreign currency transaction			-	-	-	(52,079)	(52,079)
Net loss for the period			-	-	(208,741)	-	(208,741)
Balance, March 31, 2014	81,653,778	5,055,254	\$ 33,428,933	\$ 6,384,547	\$(10,644,046)	\$ (85,648)	\$ 29,083,786
Balance, January 1, 2015	81,653,778	5,055,254	\$ 33,428,933	\$ 6,416,018	\$(12,341,807)	\$ (172,440)	\$ 27,330,704
Stock based compensation (note 7)			-	(6,305)	-	-	(6,305)
Effect on foreign currency translation			-	-	-	(192,054)	(192,054)
Net income for the period			-	-	1,768,614	-	1,768,614
Balance, March 31, 2015	81,653,778	5,055,254	\$ 33,428,933	\$ 6,409,713	\$(10,573,193)	\$ (364,494)	\$ 28,900,959

The accompanying notes to the unaudited condensed interim consolidated financial statements are an integral part of these statements.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2015

(Expressed in Canadian Dollars Except As Otherwise Indicated)

Unaudited

1. Natural of operations and going concern

Potash Ridge Corporation (the "Corporation") is a corporation operating under the Ontario Business Corporation Act. Its registered office is located in Toronto, Canada at 36 Toronto Street, Suite 1000, Toronto, Ontario, M5C 2C5. The Common Shares are listed on the Toronto Stock Exchange (the "TSX") under the symbol "PRK" and on OTCQX under the symbol "POTRF".

The principal activity of the Corporation is the exploration and development of its Blawn Mountain alunite property in Utah, USA (the "Blawn Mountain Project" or "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") and initially leased to the Corporation through a Mining Exploration Agreement with option to Lease (the "Exploration Agreement"). On March 24, 2014, the Corporation exercised an option (the "Lease Option") in the Exploration Agreement to convert it into a long-term mining lease (Note 10). The Blawn Mountain Project is the Corporation's only material development property.

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 Project and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop the Project by, among other things, 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 earned a comprehensive income for the three months ended March 31, 2015 of \$1,576,560 (three months ended March 31, 2014 - a comprehensive loss of \$260,820), however, has reported an accumulated comprehensive deficit of \$10,937,687 as at March 31, 2015 (December 31, 2014 - \$12,514,247). The Corporation's sole source of funding has been the issuance of equity securities for cash. As at March 31, 2015, the Corporation had \$516,104 in cash and cash equivalents (December 31, 2014 - \$1,026,771) to settle current liabilities of \$1,540,228 (December 31, 2014 - \$1,131,308). There are no sources of operating cash flows and as at March 31, 2015 the Corporation incurred an event of default under the terms of the Mining Lease (refer to note 10). The Corporation intends to use its existing cash resources prudently on basic project management and essential, non-discretionary, general corporate and operating expenditures while further capital is sought. The Corporation has implemented cost reduction actions to further reduce its expenditures in 2015. The Corporation is seeking to raise additional capital through equity issuances or other available means in order to continue funding its operating, exploration and evaluation activities, and eventual development of the Project. Although the Corporation has been successful in its past fundraising activities, there is no assurance as to the success of future fundraising efforts or as to the sufficiency of funds raised in future fundraisings.

These circumstances, along with other risks relevant to exploration companies, such as continuing losses, result in material uncertainty which lends significant doubt as to the ability of the Corporation to settle current obligations and meet commitments as they become due and, accordingly, the appropriateness ultimately of the use of the accounting principles applicable to a going concern.

These unaudited condensed interim consolidated financial statements have been prepared under the assumption that the Corporation will continue as a going concern. The going concern basis of presentation assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future. Different bases of measurement may be appropriate when a company is not expected to continue operations for the foreseeable future.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2015

(Expressed in Canadian Dollars Except As Otherwise Indicated)

Unaudited

1. Natural of operations and going concern (continued)

These unaudited condensed interim consolidated financial statements do not give effect to adjustments to the carrying values of assets, liabilities and the reported expenses and classifications that would be necessary should the Corporation be unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

There unaudited condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors of the Corporation on May 12, 2015.

2. Basis of preparation and significant accounting policies

a) Statement of compliance

These unaudited condensed interim consolidated financial statements were prepared in accordance with (IAS) 34 International Financial Reporting Standards (IFRS), including International Accounting Standards for Interim Financial Statements. The condensed interim consolidated financial statements do not include all of the information and disclosures required in the annual financial statements, and should be read in conjunction with the Corporation's annual financial statements at December 31, 2014. Any subsequent changes to IFRS that are reflected in the Corporation's consolidated financial statements for the year ended December 31, 2015 could result in restatement of these condensed interim consolidated financial statements.

b) Basis of preparation

The unaudited condensed interim consolidated financial statements have been prepared using the historical cost convention, modified by the revaluation of any financial assets and financial liabilities at fair value through profit and loss. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Corporation's accounting policies.

The significant accounting policies used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2014.

c) Basis of consolidation

The unaudited condensed interim consolidated financial statements incorporate the financial statements of the Corporation and its wholly-owned subsidiary Utah Alunite Corporation ("UAC"). Consolidation is required when the Corporation 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. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2015

(Expressed in Canadian Dollars Except As Otherwise Indicated)

Unaudited

2. Basis of preparation and significant accounting policies (continued)

d) Future accounting standards and pronouncements

This standard is the first step in the process to replace IAS 39, Financial Instruments: Recognition & Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets. IFRS 9 establishes two primary measurement categories for financial assets: (i) amortized cost, and (ii) fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics; and eliminates existing held for trading, held to maturity, available for sale, loans and receivable and other financial liabilities categories. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of IFRS 9 and add new requirements to address the impairment of financial assets and hedge accounting. IFRS 9 has an effective date of January 1, 2018, with early adoption permitted. The Corporation continues to monitor and assess the impact of this standard.

3. Cash and cash equivalents

Cash and cash equivalents consisted of \$107,936 (December 31, 2014 - \$76,345) in Canadian dollar denominated current accounts, and \$408,168 (December 31, 2014 - \$950,426) in U.S. dollar denominated current accounts.

All accounts and deposits are with a Canadian chartered bank with a AA- rating from Standard & Poor's except US\$57,137, which is held in an account with a Utah-based commercial bank.

4. Restricted cash

The Corporation has set aside \$630,074 (December 31, 2014 - \$871,773) comprising reclamation surety bonds and collateral requirements (\$186,764), and a Letter of Credit posted in accordance with the lease of the Corporation's Salt Lake City office (\$443,310). The funds relating to the reclamation surety bonds are to be released upon the Corporation meeting all of its commitments to SITLA relating to its on-site Project activities and have therefore been classified as current or non-current assets on the consolidated statements of financial position according to management's estimated timing of completing such commitments.

During the first quarter of 2015, the Corporation reduced its reclamation bonds and collateral requirement by an aggregate amount of \$241,699.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements
 Three Months Ended March 31, 2015
 (Expressed in Canadian Dollars Except As Otherwise Indicated)
 Unaudited

5. Exploration and evaluation assets

The following is a summary of exploration and evaluation expenditures related to the Corporation's Blawn Mountain Project that have been capitalized.

	As at March 31, 2015	As at December 31, 2014
Drilling	\$ 6,288,000	\$ 5,759,285
Pre-feasibility study	5,872,665	5,378,870
Professional and labour	4,835,712	4,365,469
Employee salary and benefits	4,411,495	3,741,548
Preliminary economic assessment	3,455,392	3,164,850
Mineral leases	2,117,188	1,935,136
Employee share based compensation (non-cash)	1,050,414	1,046,369
Transportation	379,267	342,098
Equipment rentals	224,163	205,313
Feasibility study	209,749	192,113
Data acquisition	196,547	157,794
Field expenditures	128,280	117,494
Other	67,133	59,399
	\$ 29,236,005	\$ 26,465,738

6. Issued capital

a. Authorized

The Corporation is authorized to issue an unlimited number of common shares ("Common Shares") and 50,000,000 non-voting shares.

b. Summary of securities issued:

Common shares

	Number of Voting Shares Issued	Number of Non-Voting Shares Issued	Share Capital
Balance, January 1, 2014, March 31, 2014, December 31, 2014 and March 31, 2015	81,653,778	5,055,254	\$ 33,428,933

Convertible Securities

	Number of Subscriber Warrants	Number of Broker Options	Number of Incentive Options	Number of Broker Warrants	Number of Non-Voting Warrants	Contributed Surplus
Balance, January 1, 2014	10,747,500	1,685,600	6,990,000	839,458	5,055,254	\$ 6,271,378
Share-based compensation	-	-	-	-	-	113,169
Balance, March 31, 2014	10,747,500	1,685,600	6,990,000	839,458	5,055,254	\$ 6,384,547
Balance, January 1, 2015	-	-	6,530,000	-	-	\$ 6,416,018
Share options - forfeited	-	-	(46,667)	-	-	(6,305)
Balance, March 31, 2015	-	-	6,483,333	-	-	\$ 6,409,713

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements
 Three Months Ended March 31, 2015
 (Expressed in Canadian Dollars Except As Otherwise Indicated)
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7. Share-based compensation

The Corporation maintains a stock option plan under which the Board of Directors, or a committee appointed for such purpose, may from time to time grant to employees, officers, directors, or consultants of the Corporation, options to acquire common shares in such numbers, for such terms and at such exercise prices, as may be determined by the Board of Directors or such committee. The stock option plan provides that the total number of common shares that may be reserved for issuance for all purposes under the stock option plan cannot be more than 10% of the outstanding Common Shares at the time of any grant of stock options. The terms of the options, including when they vest, are determined by the Board of Directors as they are granted.

The following table reflects the continuity of stock options for the three months ended March 31, 2015 and for the year ended December 31, 2014:

	Number of options	Weighted average exercise price per share
Balance, December 31, 2013	6,990,000	0.62
Options granted	240,000	0.33
Options expired	(350,000)	0.71
Options forfeited	(350,000)	0.43
Balance, December 31, 2014	6,530,000	\$ 0.61
Options forfeited	(46,667)	1.00
Balance, March 31, 2015	6,483,333	\$ 0.59

Three months ended March 31,	2015	2014
Share-based compensation	\$ (10,352)	\$ 85,248
Exploration and evaluation assets	4,047	27,921
	\$ (6,305)	\$ 113,169

The following table summarizes incentive stock options outstanding at March 31, 2015:

Number of stock outstanding	Number of stock options vested and exercisable	Exercisable price (\$)	Expiry date	Weighted average remaining actual life (years)
2,500,000	2,500,000	0.25	December 9, 2021	6.7
600,000	600,000	0.75	January 26, 2022	6.8
60,000	60,000	0.75	February 1, 2022	6.9
2,590,000	2,590,000	1.00	December 5, 2022	7.7
73,333	73,333	1.00	March 27, 2023	8.0
30,000	20,000	1.00	May 9, 2023	8.1
390,000	266,667	0.14	November 22, 2023	8.7
240,000	120,000	0.33	May 13, 2024	9.1
6,483,333	6,230,000	0.59		7.34

8. Segmented information

The Corporation operates in one reportable segment, that being the exploration, evaluation and development of mineral properties. The Corporation's development property is located in the United States of America.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2015

(Expressed in Canadian Dollars Except As Otherwise Indicated)

Unaudited

9. Related party transactions

The Corporation's related parties as defined by IAS 24 "Related Party Disclosures", include the Corporation's subsidiary, executive and non-executive directors, senior officers and entities controlled or jointly controlled by the Corporation's directors or senior officers.

The compensation expense incurred by the Corporation including its subsidiary is summarized in the table below:

	Short term compensation and benefits or fee	Share-based awards	Total
Three months ended March 31, 2015			
Senior officers	\$ 239,118	\$ -	\$ 239,118
Three months ended March 31, 2014			
Senior officers	\$ 340,810	\$ 52,464	\$ 393,274
Directors	\$ 58,407	\$ 52,500	\$ 110,907

The Corporation entered into indemnity agreements with all of its directors and officers in 2012 in respect of possible 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 entities. No liability has been incurred during the three months ended March 31, 2015 or 2014.

10. Other current and non-current liabilities

On March 24, 2014, the Corporation exercised the Lease Option in the Exploration Agreement to convert into a long-term mining lease (the "Mining Lease"). The Corporation made an initial payment to SITLA of US\$200,000 and has entered into an arrangement whereby it will make further payments, as follows:

- March 31, 2015(i) US\$164,000
- August 31, 2015 US\$164,000
- March 31, 2016 US\$164,000
- August 31, 2016 US\$164,000
- March 31, 2017 US\$164,000

(i) The Corporation did not make the payments due to SITLA under the terms of the Mining Lease by March 31, 2015 totalling \$164,000. The Corporation is seeking a waiver of this event of default.

The Corporation classified this agreement as 'other financial liabilities' and recorded it at fair value on initial recognition. The Corporation has agreed to pay a finance charge of 5.75% per annum on the outstanding balance during this three year period.

Potash Ridge Corporation

Notes to Condensed Interim Consolidated Financial Statements

Three Months Ended March 31, 2015

(Expressed in Canadian Dollars Except As Otherwise Indicated)

Unaudited

10. Other current and non-current liabilities (continued)

Under the terms of the mining lease, a minimum annual royalty payment of US\$46,200 and an annual rental payment of US\$11,500 is due to SITLA. The first annual royalty and rental payments were made on March 24, 2014.

	As at March 31, 2015	As at December 31, 2014
Other current liabilities	\$ 682,887	\$ 421,537
Other non-current liabilities	415,445	570,770
	\$ 1,098,332	\$ 992,307

11. Commitments and contingencies

The future minimum payments under various lease arrangements and other contractual obligations are as follows, as at March 31, 2015:

	Less than 1 year	1 - 5 years	After 5 years	Total
Mining lease	\$ 73,147	\$ 307,214	\$ 497,394	\$ 877,755
Exploration leases	7,377	24,570	14,724	46,671
Operating leases	370,050	1,472,400	282,429	2,124,879
Total	\$ 450,574	\$ 1,804,184	\$ 794,547	\$ 3,049,305