POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of financial position and results of operations of Potash Ridge Corporation ("Potash Ridge" or the "Corporation") has been prepared based upon information available to Potash Ridge as at May 11, 2017 and should be read in conjunction with Potash Ridge's unaudited consolidated financial statements and related notes as at and for the three months ended March 31, 2017 and 2016. The unaudited condensed interim financial statements and MD&A are presented in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Standards Board ("IASB") applicable to the preparation of interim financial statements in accordance with IAS 34, Interim Financial Reporting.

Readers are cautioned that this MD&A contains certain scientific and technical information regarding the Corporation's Blawn Mountain project that is derived from the Corporation's technical report entitled "Technical Report – The Blawn Mountain Project, Updated Prefeasibility Report, Revised, dated effective April 5, 2017" prepared for the Corporation by Steven B. Kerr, Jason N. Todd and Deepak Malhotra of Millcreek Mining Group (the "Technical Report").

The following MD&A includes forward-looking information. Readers are cautioned to review the Cautionary Note Regarding Forward-Looking Information found on page 14 of this MD&A. This MD&A may contain statistical data, market research and industry forecasts that were obtained from government or other industry publications, publicly available sources and reports purchased and commissioned by the Corporation or based on estimates derived from such publications and reports and management's knowledge of, and experience in, the markets in which the Corporation operates. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. Further, certain of these organizations are advisors to participants in the fertilizer and mining and minerals industries, and they may present information in a manner that is more favourable to that industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although management of the Corporation believes that these sources are generally reliable, the accuracy, currency and completeness of such information is not guaranteed and has not been independently verified. Further, market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

Additional information related to Potash Ridge, including its Annual Information Form ("AIF"), which outlines key risks the Corporation is exposed to, and Financial Statements is available on SEDAR at www.sedar.com or on its website at www.potashridge.com.

Overview

Potash Ridge is a Canadian based exploration and development company with two potassium sulphate ("SOP") development projects located in Valleyfield, Quebec and Beaver County, Utah. SOP is a premium priced low chloride fertilizer used predominantly in the growing of fruits, vegetables, nuts and tobacco. The objective of the Corporation is to become the lowest cost producer and supplier of SOP in North America.

The Corporation's near-term Valleyfield Project intends to produce SOP utilizing well-known Mannheim technology which converts muriate of potash ("MOP") into SOP using a chemical process which uses MOP, sulphuric acid and heat to create SOP and hydrochloric acid. Initial production is estimated to be 40,000 tonnes per annum of SOP.

The Blawn Mountain Project ("Blawn") in Utah involves the exploration, development and production of mineral resources and is currently focused on the exploration of alunite in order to produce SOP, co-product sulphuric acid, and potentially, alumina. Blawn comprises 23.5 sections of land owned by the State of Utah, acting by and through the School and Institutional Trust Lands Administration ("SITLA"), and covers approximately 15,404 acres (6,233 hectares) of land located in Beaver County, Utah.

Highlights

Q1 2017

- Updated independent NI 43-101 compliant prefeasibility technical report on Blawn completed and released on January 18, 2017;
- Closed convertible debt financing of US$2.6 million;
- Secured long-term supply of sulphuric acid for Valleyfield;
- NI 43-101 prefeasibility amended to include alumina resources released on April 26, 2017;

Corporate

(a) Convertible Security

On December 16, 2016, the Corporation announced a convertible security funding agreement (the "Lind Agreement") with Lind Asset Management VIII, LLC, managed by The Lind Partners, LLC, a New York-based institutional fund manager (together, "Lind") for the issue of convertible securities. The Lind Agreement provides for up to US$11,757,000 by way of two separate convertible securities. On January 4, 2017, the Corporation closed the first convertible security (the "First Tranche") of US$2,640,000, of which US$2,250,000 was received on December 28, 2016. The First Tranche has a twenty-four month term from date of issuance, and interest is prepaid and added to its principal amount; accordingly, the initial face value of the First Tranche is US$3,168,000, and yield of the First Tranche (if held, unconverted, to maturity) will be 10% per annum, or $528,000. Lind has the option to increase the First Tranche by up to US$871,000 at any time. In addition, the Corporation paid a US$132,000 closing fee to Lind and granted Lind 6,511,326 common share purchase warrants ("Lind Warrants") with each Lind Warrant entitling Lind to purchase one additional common share at a price of C$0.50 per Common Share for a five year period.

The First Tranche is convertible into common shares at a conversion price equal to 85% of the volume weighted average trading price of the Common Shares (In Canadian dollars) for the five consecutive trading days immediately prior to the date on which Lind provides the Corporation with notice of its intention to convert an amount of the First Tranche. The First Tranche was completed under private placement rules of the TSX with a four-month plus one day hold period. The Corporation has the right to buy-back the First Tranche at any time for a 5% premium, or for no premium during the first six months following the closing.

The First Tranche is subject to customary events of default, which if they occur, make the First Tranche immediately payable and includes if, after the first four months, the Corporation's cash balance is less than C$1,000,000 or its market capitalization falls below C$25,000,000.

Subject to certain conditions, the Lind Agreement also provides for the issuance of a second convertible security on mutual agreement of the Corporation and Lind, in which Lind may fund up to another US$6,200,000. Lind may also increase the funding under the second convertible security by up to US$2,046,000 million.

On May 8, 2017, Lind converted US$100,000 of the First Tranche and received 729,927 common shares.

(b) Supply Agreement

On March 23, 2017, the Corporation and Jones-Hamilton Co. ("JL") executed a supply agreement whereby JH committed to purchasing the hydrochloric acid by-product from the Valleyfield Project in addition to committing to fund approximately 15% of the capital cost of the Valleyfield Project. Upon execution of the agreement, JH made a payment of US$500,000 to the Corporation.

(c) SITLA Forbearance

On March 16, 2017, SITLA agreed to an extension of the forbearance period from April 1, 2017 to June 30, 2017. As part of the extension, the Corporation made a US$500,000 payment to SITLA on March 24, 2017.

Outlook

Valleyfield Project

The Corporation's focus is progressing the development of its wholly-owned Valleyfield Project, including the negotiation of an off-take agreement for SOP and securing the estimated capital cost of $50.0 million, with approximately 15% being secured through the Jones-Hamilton agreement. As part of the SOP off-take arrangement, it is expected that the supply of MOP will also be secured. In January 2017, the Corporation secured the supply of sulphuric acid for a five year period for the Valleyfield Project.

The Corporation continues to focus on achieving key milestones for advancing the Valleyfield Project which include:

- completion of engineering;
- obtaining the requisite regulatory construction permits and environmental certifications;

- negotiating SOP off-take and marketing agreements; and
- securing financing.

Once the requisite regulatory construction permits and environmental certifications have been obtained, construction of the Valleyfield Project is expected to take twelve months with full commissioning within approximately one month of completion and generate cash-flow of $14.0 million per year.

Blawn

On January 18, 2017, the Corporation released an updated technical report on Blawn which reflects average annual SOP production of 232,000 tons over a 46 year mine life with a capital cost of approximately $458.0 million (the "Blawn Technical Report"). The Blawn Technical Report incorporates results of trade-off and scaling studies performed by SNC Lavalin for the processing facility from a previous technical report prepared in 2013. The results of the lower production profile include lower capital costs while retaining similar level of returns. The technical report reflects robust economics and is available on SEDAR at www.sedar.com.

On April 26, 2017, the Corporation released an updated technical report on Blawn, which updated the Blawn Technical Report, to include approximately 19.4 million tons of measured and indicated alumina resources contained in the alunite ore. The United States Geological Survey reports that in 2015, bauxite which is 50% alumina and 50% other materials, sold for US$28 per ton in the United States, while processed alumina sold for US$410 per ton. Based on the recommendations from the April 2017 PFS, Potash Ridge intends to undertake additional metallurgical testing to determine the most economic means to extract alumina from the residual waste material.

The Corporation will continue to focus on advancing Blawn to a production decision with the following being key milestones for the project:

- completion of engineering which includes additional metallurgical test work;
- obtaining the final permit (Air Quality Emissions);
- obtaining Engineering Procurement Construction quotes;
- finalizing terms of the co-product agreement;
- negotiation an SOP off-take agreement; and
- securing the necessary financing.

There is no guarantee that the Corporation will be successful in its fund raising initiatives and the timing is uncertain. An inability to raise additional financing may materially impact the future assessment of the Corporation to continue as a going concern.

Financial

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 and fertilizer industries, and global economic and commodity price volatility. The underlying value of Blawn and the Valleyfield Project, and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop Blawn and Valleyfield Projects 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 incurred a comprehensive loss for the three months ended March 31, 2017 of $2,581,560 (Q1 2016 – $2,019,941). The Corporation's sole source of funding has been the issuance of equity securities and a convertible security funding arrangement. As at March 31, 2017, the Corporation had $1,570,304 (December 31, 2016 - $3,497,094) in cash. There are no sources of operating cash flows. 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 continues to seek and evaluate various financing alternatives to address future development funding requirements, including for the advancement of both the Valleyfield Project and Blawn. The Corporation will require additional capital to fund the development and construction of the Valleyfield Project, the detailed engineering and development of Blawn and for working capital requirements. The Corporation is focused on obtaining the capital throughout 2017. The Corporation expects that this additional funding would fund the development of Blawn and the Valleyfield Project to the commencement of detailed engineering and beginning of the execution phase. 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.

SOP Market Overview

SOP is a fertilizer of choice when the presence of chloride is undesirable. SOP sells at a premium over MOP due to its delivery of high analysis potassium nutrient (K2O content at min. 50%), low chloride formula, availability of sulphur and limited domestic SOP production. For the period of 2000-2016, SOP premium over MOP in North American markets has increased from approximately US$120/tonne to US$480/tonne.

The primary users of SOP are specialty crops, broadly defined as tree nuts, fruits and vegetable crop categories. The major demand market (and markets with significant production) of SOP are the US, Europe and China. SOP consumption in the US is largely constrained by the availability of product and substantially higher premium over MOP. There is currently one producer of SOP in the US, with the US market being historically underserved. Specialty crops are best suited for using SOP and account for approximately 40% of total crop revenues. SOP is a fertilizer of choice with tree nuts, fruits and vegetable growers in California.

Valleyfield Project

The Corporation intends to develop a SOP production facility in Valleyfield, Quebec. The project contemplates initially producing 40,000 tonnes per year of SOP utilizing Mannheim technology, and has the ability to be expanded by increments of 10,000 production units.

The Corporation's Valleyfield strategy is to become the first SOP producer in North America utilizing the proven Mannheim process. The Mannheim process is extensively used in Europe and Asia, and currently accounts for approximately 50% of the world's SOP supply. Valleyfield represents an exciting opportunity for Potash Ridge, as it has a low capital cost, near term production, and a robust rate of return. The process combines muriate of potash (potassium chloride) with sulphuric acid at high temperatures to produce SOP and by-product hydrochloric acid.

The city of Valleyfield is located 50km west of Montreal and contains the only self-managed port in Canada. The port is home to warehousing, storage, and handling services available to port customers. It is expected that the majority of the Corporation's SOP will be shipped through the port facilities. Rail lines from Canadian rail company CN run through Valleyfield, and US-based CSX Corporation, a leading rail-based transportation company, recently built a new depot in the city. The Corporation plans to utilize the existing inter-modal installations for efficient access to road, rail, and the St. Lawrence Seaway. Valleyfield is also home to many industrial companies, including several complimentary service providers, customers, and suppliers. Valleyfield is well suited because of its local supply of sulphuric acid and close proximity to customers for hydrochloric acid. Funding of hydrochloric acid equipment and a ten-year off-take agreement for hydrochloric acid was signed with Jones-Hamilton Co. The primary raw material, MOP, can be delivered from Saskatchewan to the planned production facility. SOP can be shipped through the St. Lawrence River from the port facilities, which are located within two kilometres of the planned production facility.

Blawn

The Corporation intends to continue to develop a surface mine at Blawn and to construct a processing plant large enough to produce an average of 232,000 tons per annum of a premium-priced SOP over a 46 year mine life. The Corporation is also evaluating the potential for marketability of Blawn's alumina rich residue material, currently not included in Blawn's economics contained within the Blawn Technical Report.

Summary of Quarterly Results

Selected financial statement information for the eight most recent quarters:

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Cash and cash equivalents	1,570,304	3,497,094	1,033,536	2,336,864	153,675	410,877	26,062	112,879	516,104
Working capital (deficit)	241,998	(3,381,728)	(1,020,533)	20,595	(2,242,243)	(1,776,923)	(1,728,895)	(1,459,706)	(556,181)
Total assets	35,800,262	38,254,106	33,292,074	33,370,533	31,148,414	33,180,463	31,535,168	29,742,368	30,856,632
Total liabilities	5,759,126	7,183,412	2,332,712	2,506,901	2,570,947	2,600,965	2,337,471	2,201,284	1,955,673
Total shareholders' equity	30,041,136	31,070,694	30,959,362	30,863,632	28,577,467	30,579,498	29,197,697	27,541,084	28,900,959
Net income (loss)	(2,611,029)	(17,704)	(60,653)	(983,516)	(2,222,534)	869,292	1,851,822	(1,391,511)	1,768,614
Earnings (loss) per share - basic	(0.02)	-	-	(0.01)	(0.02)	0.01	0.02	(0.02)	0.02
Earnings (loss) per share - diluted	(0.02)	-	-	(0.01)	(0.02)	0.01	0.02	(0.02)	0.02

Results of Operations

Revenue

The Corporation did not generate any revenue during the three months ended March 31, 2017 and 2016, as the Corporation is a development-staged resource company focusing all its operating activities on the exploration of Blawn and the development of the Valleyfield Project.

Expenses

Q1 2017 to Q1 2016

During the three months ended March 31, 2017, the Corporation incurred general and administrative costs of $109,609 (2016 - $96,787). Salaries of management, employees, and director in the period were a credit of $7,641 (2016 – $31,719) due to the reversal of accrued bonuses. As at March 31, 2017, the Corporation had four full-time employees (2016 – three full-time employees). Travel and marketing expenses, associated with investor relations activities, totaled $81,485 (2016 - $5,900) in the quarter.

Professional fees for the quarter were $257,814 (2016 - $86,533), which included legal and audit fees of $26,402 (2016 - $26,687) and consulting fees of $59,820 (2016 - $22,500). The increase in spending for the period occurred primarily due to higher consulting fees. Current period spending on professional fees was in line with the Corporation's budget estimates.

Share-based compensation expense of $78,731 (2016 - $17,910) was associated with previously granted but unvested stock options.

Finance costs of $1,788,056 were expensed in the first quarter of 2017 (2016 - $Nil), which was mainly attributable the fair value of the Lind warrants and closing fees associated with the closing of the First Tranche.

Accretion expense was $109,830 (2016 - $Nil) which was related to the convertible debt component under the Lind Agreement. There was a decrease in the fair value of the derivative liability component of the First Tranche which resulted in income of $26,963 in the quarter.

For Q1 2017, the Corporation recorded a foreign exchange loss of $315,386 (2016 - $2,021,574) due to the weakening of the Canadian dollar relative to the US dollar.

The Corporation recognized a net comprehensive loss of $2,581,560 for the first quarter of 2017 (2016 - $2,019,941) due to higher expenses and lower foreign exchange gains when compared to Q4 2015.

Statement of Financial Position

Exploration and Evaluation Assets

In accordance with the Corporation's accounting policies, expenditures incurred on exploration and evaluation of Blawn have been capitalized and recorded as exploration and evaluation assets.

A continuity schedule and description of the exploration and evaluation costs incurred and capitalized cumulatively as at March 31, 2017, is presented in the table below:

Blawn		January 1, 2017		Additions		Exchange Differences		**March 31, 2017**
Drilling	$	6,666,628	$	-	$	(58,085)	$	**6,608,543**
Pre-feasibility study		6,955,610		33,544		(60,428)		**6,928,726**
Professional and labour		5,435,690		30,947		(47,197)		**5,419,440**
Employee salary and benefits		5,188,750		(349,583)		(47,116)		**4,792,051**
Preliminary economic assessment		3,662,999		-		(31,918)		**3,631,081**
Mineral leases		2,477,311		91,740		(19,744)		**2,549,307**
Share-based compensation		1,050,414		-		-		**1,050,414**
Transportation		402,054		-		(3,504)		**398,550**
Equipment rentals		237,631		-		(2,071)		**235,560**
Feasibility study		251,328		-		(2,190)		**249,138**
Data acquisition		182,631		-		(1,592)		**181,039**
Field expenditures		136,351		-		(1,190)		**135,161**
Other		151,597		28,383		(1,167)		**178,813**
Total	$	32,798,994	$	(164,969)	$	(276,202)	$	**32,357,823**

Expenditures on Blawn in the first quarter of 2017 included pre-feasibility study, professional fees and other offset by a reversal of bonus accruals. These expenditures were offset by foreign exchange translation losses of 276,202 on prior and current period expenditures. Expenditures are recorded in the US$ functional currency of the subsidiary that holds the majority of these assets (Utah Alunite Corporation) and are translated to the C$ presentation currency of the Corporation at each period end at the spot foreign exchange rate.

Other Liabilities

On March 24, 2014, the Corporation exercised the Lease Option in the Exploration and Option Agreement to commence the Blawn Mountain Mining Lease (the "Mining Lease"). The Corporation made an initial payment to SITLA of US$200,000 and entered into an arrangement whereby it would make further payments, as follows:

(i)	March 31, 2015	US$164,000
(ii)	August 31, 2015	US$164,000
(iii)	March 31, 2016	US$164,000
(iv)	August 31, 2016	US$164,000
(v)	March 31, 2017	US$164,000

The Corporation classified the Mining Lease 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. Also 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.

In June 2015, the Corporation entered into a modification of the Mining Lease Agreement with SITLA. The modification cures the event of default under the Mining Lease that occurred on March 31, 2015.

Under the terms of the modification, SITLA has agreed to forbear from exercising its rights and remedies resulting from Potash Ridge's failure to make lease and minimum royalty payments to SITLA under the terms of the Mining Lease. The forbearance period is from March 31, 2015 to April 1, 2017. On March 16, 2017, SITLA agreed to extend the forbearance period from April 1, 2017 to June 30, 2017. On March 24, 2017, the Corporation made a US$500,000 payment to SITLA.

The Corporation was obligated to pay accrued and unpaid interest by March 31, 2016 or when it raised US $1.5 million in new funds for the development of Blawn, whichever arose first. Once the Corporation raises US$3.0 million or more of new funds for the development of Blawn, then all outstanding amounts currently due under the Mining Lease, plus accrued interest, will become due.

The Corporation will pay interest to SITLA on unpaid lease and minimum royalty payments, which will accrue annually at a rate of SITLA's published prime rate plus two percent (currently equivalent to 5.25%) or 6.0%, whichever is greater, with the first interest payment having been due on March 31, 2016. The Corporation made the required accrued interest payments to SITLA on March 30, 2016 and August 30, 2016, and is current on all lease obligations.

Income Taxes

Since inception, the Corporation has not incurred any current income tax expenses. Due to the nature of its exploration and development activities, the Corporation does not expect to incur current income tax expenses for the foreseeable future.

Financial Position, Liquidity and Capital Resources

Cash Resources and Liquidity

At March 31, 2017, the Corporation had working capital[1] of $241,998 (December 31, 2016 – working capital deficit of $3,381,728). Cash was $1,570,304 (December 31, 2016 - $3,497,094) and current assets totaled $1,735,751 (December 31, 2016 - $3,801,684).

The Corporation intends to use its existing cash resources prudently on basic project management and on essential non-discretionary general corporate and operating expenditures while further capital is sought. The Corporation continues to seek and evaluate various financing alternatives to address future development funding requirements. The Corporation will require financing to fund the development of Blawn and the Valleyfield Project and for nearer term working capital requirements. The Corporation is targeting to complete this financing in the coming months. 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. The Corporation does not generate any operating cash flows and is reliant on external sources of funding. An inability to raise additional financing may materially impact the future assessment of the Corporation to continue as a going concern.

[1] "Working capital deficit" is a non-IFRS measure and is defined by the Corporation as current assets less current liabilities. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures presented by other companies. These measures are intended to provide additional information and should not be considered in isolation or as a substitute for indicators prepared in accordance with IFRS.

Convertible Security

On December 16, 2016, the Corporation announced a convertible security funding agreement (the "Lind Agreement") with Lind Asset Management VIII, LLC, managed by The Lind Partners, LLC, a New York-based institutional fund manager (together, "Lind") for the issue of convertible securities. The Lind Agreement provides for up to US$11,757,000 by way of two separate convertible securities. On January 4, 2017, the Corporation closed the first convertible security (the "First Tranche") of US$2,640,000, of which US$2,250,000 was received on December 28, 2016. The First Tranche has a twenty-four month term from date of issuance, and interest is prepaid and added to its principle amount; accordingly, the initial face value of the First Tranche is US$3,168,000, and yield of the First Tranche (if held, unconverted, to maturity) will be 10% per annum, or $528,000. Lind has the option to increase the First Tranche by up to US$871,000 at any time. In addition, the Corporation granted Lind 6,511,326 common share purchase warrants ("Lind Warrants") with each Lind Warrant entitling Lind to purchase one additional Common Share at a price of C$0.50 per Common Share for a five year period.

The First Tranche is convertible into Common Shares at a conversion price equal to 85% of the volume weighted average trading price of the Common Shares (In Canadian dollars) for the five consecutive trading days immediately prior to the date on which Lind provides the Corporation with notice of its intention to convert an amount of the First Tranche. The First Tranche was completed under private placement rules of the TSX with a four-month plus one day hold period. The Corporation has the right to buy-back the First Tranche at any time for a 5% premium, or for no premium during the first six months following the closing.

The First Tranche is subject to customary events of default, which if they occur, make the First Tranche immediately payable and includes if, after the first four months, the Corporation's cash balance is less than C$1,000,000 or its market capitalization falls below C$25,000,000.

Subject to certain conditions, the Lind Agreement also provides for the issuance of a second convertible security on mutual agreement of the Corporation and Lind, in which Lind may fund up to another US$6,200,000. Lind may also increase the funding under the second convertible security by up to US$2,046,000 million.

Operating Cash-Flow

Cash used in operating activities was $1,120,572 for the first quarter of 2017 (2016 - $9,313) due to an increase in expenses and changes in non-cash working capital.

Investing Activities

Cash used in investing activities for the first quarter of 2017 was $1,784,211 (2016 - $246,305) due to higher exploration and evaluation expenses related to updating a technical report on Blawn and technical and engineering work completed on the Valleyfield Project.

Financing Activities

Cash generated from financing activities totaled $1,017,792 (2016 - $Nil). On January 4, 2017, the Corporation closed the First Tranche under the Lind Agreement. Lind advanced the Corporation US$2,225,000, on December 28, 2016, with the balance of the First Tranche being funded upon closing.

In addition, the Corporation received US$500,000 upon execution of the supply agreement with JH.

Outstanding Share Data

Potash Ridge is authorized to issue an unlimited number of common shares and 50,000,000 non-voting shares. A detailed description of the rights, privileges, restrictions and conditions attached to the authorized shares is included in our Annual Information Form for the year ended December 31, 2016, a copy of which can be found on SEDAR at www.sedar.com.

As at May 11, 2017, the number of common shares outstanding or issuable pursuant to other outstanding securities is as follows:

Common Shares	**Number**
Outstanding	128,362,732
Issuable upon the exercise of warrants[1]	23,989,968
Issuable upon the exercise of options[2]	10,575,000
Diluted common shares	162,927,700

(1) The warrants have exercise prices ranging from $0.08 to $0.50 per share and expiry dates between November 2017 and January 2022.

(2) There were 10,575,000 stock options under the Corporation's stock option plan outstanding to directors, officers, employees and others with exercise prices ranging from $0.04 to $1.00 per share.

Commitments and Contingencies

The future minimum payments under various lease arrangements and other contractual obligations are as follows, as at March 31, 2017:

	Less than 1 year	**1 - 5 years**	**After 5 years**	**Total**
Mining lease	$ 76,865	$ 399,699	$ 292,088	$ 768,652
Exploration leases	7,752	20,631	5,158	33,541
Operating leases	113,379	28,965	-	142,344
Total	**$ 197,996**	**$ 449,295**	**$ 297,246**	**$ 944,537**

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Transactions with Related Parties

The Corporation's related parties, as defined by IASB 24 "Related Party Disclosures", include the Corporation's subsidiaries (Utah Alunite Corporation and Valleyfield Fertilizer Corporation), executive and non-executive directors, senior officers, and entities controlled or jointly-controlled by the Corporation's directors or senior officers. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. All related party transactions entered into by the Corporation have been approved by the Board of Directors.

Transactions with related parties were as follows:

		Q1 2017		Q1 2016
Compensation and fees	$	90,000	$	60,000
Share-based awards		43,779		15,671
	$	133,779	$	75,671

Critical Accounting Estimates

The preparation of the Financial Statements in accordance with IFRS requires the Corporation to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience. However, actual outcomes may differ from the amounts included in the Financial Statements.

In particular, the areas which require management to make significant judgments, estimates and assumptions as the following:

Exploration and evaluation expenditures

Exploration and evaluation expenditures such as, but not limited to, the acquisition and carrying costs of rights to explore (including the Exploration Agreement and Mining Lease), topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, technical feasibility studies and other costs directly attributable to exploration and evaluation of Blawn are capitalized. Exploration and evaluation expenditures are carried at cost less any assessed impairment losses.

Where the Corporation is incurring costs to prospect or where it is preparing for or applying for prospecting rights, the Corporation expenses those costs as incurred.

Impairment of long-term assets

Assessment of impairment of the Corporation's exploration and evaluation assets requires the use of judgments, estimates and assumptions when assessing whether there are any indicators that could give rise to the requirement to conduct a formal impairment test on the Corporation's exploration and evaluation assets and/or property, plant and equipment.

Share based compensation and subscriber warrants

Management estimated the fair value of convertible securities such as warrants and options using the Black Scholes option pricing valuation model which requires significant estimation around assumptions and inputs such as expected term to maturity, expected volatility and expected forfeiture rates. Note 13 of the Financial Statements describes the significant assumptions applied to these areas of estimation.

New Accounting Standards Issued But Not Yet Effective

IFRS 9, Financial Instruments

On July 24, 2014, the IASB published the final version of IFRS 9 *"Financial Instruments"*, ("IFRS 9") which brings together the classification, measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 "*Financial Instruments: Recognition and Measurement*". IFRS 9 includes a loss impairment model, amends the classification and measurement model for financial assets by adding a new fair value through comprehensive income category for certain debt instruments and provides additional guidance on ow to apply the business model and contractual cash-flow characteristics test. The final version of IFRS 9 supersedes all previous versions of IFRS 9 and is effective for periods beginning on or after January 1, 2018.

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 "Leases" ("IFRS 16"), which requires lessees to recognize assets and liabilities for most leases. IFRS 16 becomes effective for annual periods beginning on or after January 1, 2019 and is to be applied retrospectively.

Internal Control Over Financial Reporting and Disclosure Controls and Procedures

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 public disclosure is reliable and timely. ICFR 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 Corporation's assets that could have a material effect on the Corporation's Financial Statements. Due to its inherent limitations, ICFR and disclosure controls and procedures may not prevent or detect all misstatements.

The CEO and CFO have evaluated whether there were changes to ICFR during the three months ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, ICFR. Based on this assessment and evaluation, there have been no material changes in the Corporation's ICFR during the three months ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, ICFR.

The Corporation's CEO and CFO have concluded that ICFR are appropriately designed and are operating effectively to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

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 operation of DC&P. There have been no changes in the Corporation's DC&P during the three months ended March 31, 2017.

The Corporation's CEO and CFO have concluded that DC&P are appropriately designed and are operating effectively to provide reasonable assurance that all material information related to the Corporation is identified and communicated on a timely basis.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws which reflect management's expectations regarding future growth, results of operations, performance and business prospects of the Corporation. This forward-looking information 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

AIF 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 AIF. 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.