POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2014

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 June 30, 2014 and December 31, 2013 and results of operations for the three and six months ended June 30, 2014 and June 30, 2013.

This MD&A has been prepared as of July 29, 2014. It is intended to supplement and complement the unaudited condensed interim consolidated financial statements and notes thereto as at and for the three and six months ended June 30, 2014 (collectively the "Financial Statements"). The reader should review the Financial Statements in conjunction with the review of this MD&A. This MD&A should also be read in conjunction with both the condensed interim consolidated financial statements for the three and six months ended June 30, 2014, the annual audited consolidated financial statements for the year ended December 31, 2013, and the Annual Information Form ("AIF") for the year ended December 31, 2013. Certain scientific and technical information regarding the Corporation's Blawn Mountain project contained in this MD&A is derived from the Corporation's technical report entitled "Technical Report – Resources and Reserves of the Blawn Mountain Project dated effective November 6, 2013" prepared for the Corporation by Steven B. Kerr, Lawrence D. Henchel, Jason N. Todd, Robert I. Nash and L. Ravindra Nath of Norwest Corporation (the "Technical Report"). The Financial Statements, AIF and the Technical Report can be found at *www.sedar.com*. The Corporation prepares and files its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). The currency referred to herein is the Canadian dollar, unless otherwise specified.

There are financial measures included in this MD&A that do not have a standardized meaning under IFRS as prescribed by the IASB. 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.

Overview of the Corporation's Business

Potash Ridge is a corporation existing under the *Business Corporations Act* (Ontario). Its registered office is located at 3 Church Street, Suite 600, Toronto, Ontario, M5E 1M2. On December 5, 2012, Potash Ridge's common shares were listed on the Toronto Stock Exchange (the "TSX"), under the symbol "PRK", in connection with the closing of its initial public offering (the "IPO"). The Corporation's common shares commenced trading on the OTCQX on April 29, 2013 under the symbol "POTRF".

The principal activity of the Corporation is the exploration, development and production of mineral resources and is currently focused on the exploration of alunite in order to produce sulphate of potash ("SOP"), co-product sulphuric acid and, potentially, alumina. The Corporation's principal mineral project is the Blawn Mountain project (the "Blawn Mountain Project" or the "Project"), comprised of 23.5 sections of land owned by the State of Utah, acting by and through the School and Institutional Trust Lands Administration ("SITLA"), and covering approximately 15,403 acres (6,233 hectares) of land located in Beaver County, Utah. The Blawn Mountain Project is the Corporation's only material property.

Overall Performance

Highlights of the six months ended June 30, 2014

During the first six months of 2014, and to the date of this MD&A, the Corporation has continued exploration and development activities at the Blawn Mountain Project including achieving the following significant milestones:

- In February 2014, the Corporation filed its ground water discharge permit application.

- The Corporation was notified that the Utah office of the U.S. Army Corp of Engineers ("ACOE") concurred with the Corporation's findings that no jurisdictional waters or wetlands will be impacted by the Project. The Corporation received final confirmation from ACOE and a letter stating that a "Department of the Army Permit" is not required for the Project in March 2014.

- In March 2014, the Corporation converted its exclusive exploration right into a Mining Lease. As a result, the Corporation became obligated to make a payment to SITLA in the amount of US$1,020,000. This upfront payment requirement was replaced with an initial payment of US$200,000 plus five equal semi-annual installments of US$164,000 commencing in March 2015, with the final instalment payment in March 2017. The Corporation will incur a financing charge of 5.75% per annum on these future payments. The Corporation also made a minimum annual royalty payment of US$46,200 and an annual rental payment of US$11,500 to SITLA as required under the terms of the Mining Lease.

- In May 2014, the Corporation received the approval of its application to appropriate the required water rights for the Project.

- In July 2014, the Corporation received final approval for its Ground Water Discharge Permit from the Utah Division of Water Quality for the Project.

- On July 8, 2014, the Utah Division of Oil, Gas and Mining approved the Corporation's Notice of Intention to Commence Large Mining Operations at its Blawn Mountain Project, subject to a 30 day public comment period that will end on August 8, 2014.

Outlook

Efforts towards several key milestones, expected to be achieved in 2014 and beyond, are underway with the goal of further advancing the development of the Blawn Mountain Project.

- The Corporation continues to advance its permitting strategy:

  - Following the receipt of the Large Mine permit, the only major permit required by the Corporation is the air permit. Air monitoring data was collected over a one year period that ended in October 2013. Modeling for the air permit application will continue in parallel with a feasibility study.

- The Corporation is currently working on offtake, infrastructure and commercial arrangements in line with the ongoing development of the Project.

- The Corporation is seeking to raise financing to fund its feasibility study and for nearer term working capital requirements. The Corporation is targeting to complete this financing in 2014. The Corporation currently expects that this additional funding will bring the development of the Project to the beginning of the execution phase and the commencement of detailed engineering, assuming receipt of a positive feasibility study.

Blawn Mountain Project

The Corporation intends to continue to develop a surface mine at the Blawn Mountain Project and to construct a processing plant large enough to produce an average of 645,000 tons per annum of a premium-priced SOP, and 1.4 million tons per annum of co-product sulphuric acid. The Corporation is also evaluating the marketability of the Project's alumina rich residue material, currently not included in the Project economics.

Pursuant to an agreement dated April 1, 2011 as amended on June 4, 2012 and August 21, 2012 (the "Exploration and Option Agreement") covering 11,550 acres (4,674 hectares), the Corporation acquired from SITLA the exclusive right until March 31, 2014 (the "Option Period") to explore the Blawn Mountain Project for potash, metalliferous minerals and clay minerals. Pursuant to the Exploration and Option Agreement, the Corporation acquired an option (the "Lease Option") to convert its exclusive exploration right into the Mining Lease at any time during the Option Period. The Mining Lease, which was entered into on March 24, 2014, has an initial term of 10 years and will remain in effect beyond the initial term as long as the Corporation is producing minerals profitably from, or demonstrates diligent exploration, development or operation on, the Project. The Corporation holds the Mining Lease through its wholly owned subsidiary, Utah Alunite Corporation ("UAC").

In 2013, the Corporation entered into new exploration leases with SITLA and acquired the exclusive right to explore an additional 3,854 acres (1,559 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 Project and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop the Blawn Mountain 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 incurred a comprehensive loss for the six months ended June 30, 2014 of $2,301,333 (six months ended June 30, 2013 - $1,768,478) and reported an accumulated comprehensive deficit of $12,770,207 as at June 30, 2014 (December 31, 2013 - $10,468,874). The Corporation's sole source of funding has been the issuance of equity securities for cash. As at June 30, 2014, the Corporation had $3,740,470 (December 31, 2013 - $8,031,855) in cash and cash equivalents. There are no sources of operating cash flows. The Corporation intends to use its existing cash resources to continue the execution of its permitting strategy, pursue commercial and infrastructure arrangements for the development of the Blawn Mountain Project, and incur project management and general corporate and operating expenditures.

The Corporation continues to seek and evaluate various financing alternatives to address future development funding requirements, including the completion of an expected feasibility study. The Corporation expects that it will require financing to fund its feasibility study and for nearer term working capital requirements. The Corporation is targeting to complete this financing in 2014. The Corporation currently expects that this additional funding will bring the development of the Project to the beginning of the execution phase and the commencement of detailed engineering, assuming receipt of a positive 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.

Selected Financial Information

	Potash Ridge Corporation			
	Three months ended		Six months ended	
	June 30 2014	June 30 2013	June 30 2014	June 30 2013
Revenue				
Interest income	$ 5,027	$ 8,734	11,717	31,520
Expenses				
Management, employee and director	$ 467,710	$ 571,077	911,174	1,034,121
General and administrative	338,426	546,807	717,435	1,050,143
	$ 806,136	$ 1,117,884	1,628,609	2,084,264
Professional fees	$ 210,627	$ 290,205	517,951	605,063
Foreign exchange gain/(loss)	$ (952,210)	$ 895,581	96,813	1,419,463
Net Loss				
Total comprehensive loss	$ (2,040,513)	$ (811,186)	(2,301,333)	(1,768,478)
Per Common Share, basic and fully diluted	$ (0.02)	$ (0.01)	(0.03)	(0.02)

Financial Position as at	June 30 2014	December 31 2013
ASSETS		
Current		
Cash and cash equivalents	$ 3,740,470	$ 8,031,855
Restricted cash	294,239	268,041
Receivables	10,862	28,979
Other current assets	195,291	240,490
	4,240,862	8,569,365
Exploration and evaluation assets	23,557,143	21,107,864
Property, plant and equipment	517,034	578,458
Restricted cash	512,191	510,272
Other non-current assets	45,006	45,006
	$ 28,872,236	$ 30,810,965
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 796,822	$ 1,579,528
Other current liabilities	187,671	-
	984,493	1,579,528
Other non-current liabilities	700,346	-
	1,684,839	1,579,528
SHAREHOLDERS' EQUITY		
Capital stock	33,428,933	33,428,933
Contributed surplus	6,528,671	6,271,378
Deficit	(12,741,960)	(10,435,305)
Accumulated other comprehensive loss	(28,247)	(33,569)
	27,187,397	29,231,437
	$ 28,872,236	$ 30,810,965

Results of Operations

Revenue

The Corporation did not generate any revenue during the six months ended June 30, 2014 and June 30, 2013, as all of the operating activities of the Corporation were directed towards the exploration and development of the Blawn Mountain Project. Interest income of $11,717 was earned for the six months ended June 30, 2014 (six months ended June 30, 2013 - $31,520) on the Corporation's cash, cash equivalents and short-term deposits. During the three months ended June 30, 2014, interest income was $5,027 (three months ended June 30, 2013 - $8,734).

Expenses

Three months ended June 30, 2014 and June 30, 2013

During the three months ended June 30, 2014, the Corporation incurred management, employee, director, general and administrative costs of $806,136 (three months ended June 30, 2013 - $1,117,884). Salaries of management, employees, and director costs in the period were $467,710 (three months ended June 30, 2013 – $571,077). As at June 30, 2014, the Corporation had sixteen full-time employees (June 30, 2013 – sixteen full-time employees) which resulted in no significant changes in salaries and wages period on period, with savings made through the non recurrence of one time expenses incurred in Q2 2013. Spending of $338,426 was related to other general and administrative expenses (three months ended June 30, 2013 – $546,807) and it decreased period over period by $208,381 due to reduced travel and other corporate expenses, partially offset against higher rent and office expenses related to the Corporation's Salt Lake City office which opened in July 2013.

During the three months ended June 30, 2014, the Corporation incurred professional fees of $210,627 (three months ended June 30, 2013 - $290,205), including legal and audit fees of $53,767 (three months ended June 30, 2013 – $13,101) and consulting fees of $135,669 (three months ended June 30, 2013 - $270,649). The decrease in spending for the period occurred primarily due to reduction in consulting fees on contracts that lapsed in the first half of 2014. Current period spending on professional fees was in line with the Corporation's budget estimates.

During the three months ended June 30, 2014, the Corporation incurred a share-based compensation expense of $82,549 (three months ended June 30, 2013 - $250,206) which is associated with previously granted but unvested stock options.

During the three months ended June 30, 2014, the Corporation incurred a foreign exchange loss of $952,210 (three months ended June 30, 2013 – gain of $895,581) which was the result of a weakening US dollar against the reporting currency of the Corporation which is the Canadian dollar.

As a result of the above, the Corporation recognized a net comprehensive loss of $2,040,513 for the three months ended June 30, 2014 (three months ended June 30, 2013 - $811,186).

Six months ended June 30, 2014 and June 30, 2013

During the six months ended June 30, 2014, the Corporation incurred management, employee, director, general and administrative costs of $1,628,609 (six months ended June 30, 2013 - $2,084,264). Decreased spending in 2014 of $911,174 was related to the salaries of management, employees, and director costs (six months ended June 30, 2013 – $1,034,121). As at June 30, 2014, the Corporation had sixteen full-time employees (June 30, 2013 – sixteen full-time employees) but savings were made for the six month period year on year through the non recurrence of one time expenses incurred in 2013. Decreased spending in 2014 of $717,435 was related to other general and administrative expenses (six months ended June 30, 2013 – $1,050,143). Other general and administrative expenses decreased for the six month period year on year by $332,708 due to the Corporation spending less on travel and other corporate expenses, partially offset against higher rent and office expenses related to the Corporation's Salt Lake City office which opened in July 2013.

During the six months ended June 30, 2014, the Corporation incurred professional fees of $517,951 (six months ended June 30, 2013 - $605,063), including legal and audit fees of $120,163 (six months ended June 30, 2013 – $95,112) and consulting fees of $335,894 (six months ended June 30, 2013 - $428,394). The decrease in spending for the period occurred primarily due to reduction in consulting fees on contracts that lapsed in the first half of 2014. Current period spending on professional fees was in line with the Corporation's budget estimates.

During the six months ended June 30, 2014, the Corporation incurred a share-based compensation expense of $167,797 (six months ended June 30, 2013 - $453,957) which is associated with previously granted but unvested stock options.

During the six months ended June 30, 2014, the Corporation incurred a foreign exchange gain of $96,813 (six months ended June 30, 2013 – gain of $1,419,463) which was the result of a weakening US dollar against the reporting currency of the Corporation which is the Canadian dollar.

As a result of the above, the Corporation recognized a net comprehensive loss of $2,301,333 for the six months ended June 30, 2014 (six months ended June 30, 2013 - $1,768,478).

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 continuity schedule and description of the exploration and evaluation costs incurred and capitalized in the six months ended June 30, 2014 is presented in the table, below:

	As at June 30, 2014	As at December 31, 2013
Drilling	**$ 5,300,072**	$ 5,280,213
Pre-feasibility study	**4,949,988**	4,923,590
Professional and labour	**3,745,951**	3,436,164
Preliminary economic assessment	**2,912,504**	2,901,591
Employee salary and benefits	**2,910,336**	2,200,445
Mineral leases	**1,756,965**	579,300
Employee share based compensation (non-cash)	**1,102,673**	1,013,177
Transportation	**300,249**	275,140
Equipment rentals	**188,943**	188,235
Data acquisition	**145,211**	144,668
Field expenditures	**108,125**	107,721
Feasibility study	**101,149**	26,897
Other	**34,977**	30,723
Total exploration and evaluation assets	**$ 23,557,143**	$ 21,107,864

During the six months ended June 30, 2014, the Corporation incurred $1,177,665 on the acquisition of land mineral leases due to the exercising of the Mining Lease and payment of annual rental payments. Professional and labour incurred during the six months ended June 30, 2014 of $309,787 was primarily related to the engagement of legal counsel and external service providers working on the regulatory, environmental and permitting aspects of the Project.

During the first six months of 2014, the main expenditure activities on exploration and evaluation assets were as follows:

1. Acquistion of land mineral lease of $1,177,665.
2. Employee salary and benefits of $709,891.
3. Professional and labour of $309,787.

Summary of Quarterly Results

	2014		2013				2012	
	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Exploration and evaluation assets	23,557,143	23,724,184	21,107,864	18,635,301	17,297,307	13,906,639	10,300,480	8,384,943
Total assets	28,872,236	30,866,798	30,810,965	30,858,119	33,337,972	34,336,071	34,354,985	17,434,560
Working capital[1]	3,256,369	4,937,181	6,989,837	10,210,044	13,196,821	17,473,328	21,899,546	6,668,061
Shareholders' equity	27,187,397	29,083,786	29,231,437	29,948,153	31,590,011	32,075,492	32,677,468	15,523,215
Interest income	5,027	6,690	9,254	19,409	8,734	22,786	11,542	27,418
Expenses	1,150,731	1,264,454	1,736,549	1,331,898	1,697,437	1,511,825	2,178,626	1,148,358
Net comprehensive loss	(2,040,513)	(260,820)	(883,080)	(1,878,967)	(811,186)	(957,292)	(2,104,116)	(1,395,617)
Basic and diluted loss per share	(0.02)	(0.00)	(0.01)	(0.02)	(0.01)	(0.01)	(0.03)	(0.02)

Selected financial statement information for the eight most recent quarters:

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

- Net losses over the quarters 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; and

- Total assets decreased by $1,938,729 as at June 30, 2014 compared to December 31, 2013 mainly as a result of a reduction in cash, cash equivalents of $4,291,385, offset against an increase of $2,449,279 in exploration and evaluation assets related to expenditures on the mineral lease acquisitions and permitting initiatives.

Liquidity and Capital Resources

Cash Resources and Liquidity

At June 30, 2014, the Corporation had working capital[1] of $3,256,369 (December 31, 2013 - $6,989,837) comprising of cash, cash equivalents of $3,740,470 (December 31, 2013 - $8,031,855) and receivables, restricted cash, prepaid expenditures and other assets of $500,392 (December 31, 2013 - $537,510) offset by current liabilities of $984,493 (December 31, 2013 - $1,579,528).

The Corporation intends to use its existing cash resources to continue execution of its permitting strategy, pursue commercial and infrastructure arrangements for the development of the Blawn Mountain project, and incur project management and general corporate and operating expenditures. The Corporation continues to seek and evaluate various financing alternatives to address future development funding requirements, including the commencement of an expected feasibility study. The Corporation expects that it will require financing to fund its feasibility study and for nearer term working capital requirements. The Corporation is targeting to complete this financing in 2014. 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.

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1 "Working capital" 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.

Uses of Cash

The Corporation used $2,893,907, for operating activities during the six months ended June 30, 2014 primarily for the payment of operating expenses. In addition, during the six months ended June 30, 2014, the Corporation used $1,408,768 for investing activities, as a result of $1,370,372 of expenditures for the continuing exploration and development activities at the Blawn Mountain Project and $38,396 on the acquisition of property, plant and equipment.

The Corporation used $4,321,950 in operating activities during the six months ended June 30, 2013 primarily for the payment of operating expenses. In addition, during the six months ended June 30, 2013, the Corporation used $119,439 in investing activities, as a result of cash received of $4,975,000 for a matured term deposit, offset against $4,889,856 of expenditure for the continuing exploration activities at the Blawn Mountain Project.

Disclosure of Outstanding Share Data

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

Commitments and Contingencies

The future minimum payments under various lease arrangements and other contractual obligations are as follows, as at June 30, 2014:

	Less than 1 year	1 - 5 years	After 5 years	Total
Mining Lease	$ 61,655	$ 258,946	$ 419,247	$ 739,848
Exploration leases	14,541	58,163	74,833	147,537
Operating leases	451,502	1,373,227	365,943	2,190,672
Purchase obligations	68,750	-	-	68,750
Total	**$ 596,448**	**$ 1,690,336**	**$ 860,023**	**$ 3,146,807**

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Convertible Securities

As at June 30, 2014, the Corporation had the following convertible securities outstanding:

Expiry date	Type	Fair value ($) (at issuance)	Exercise price ($)	Issued	Exercised	Outstanding
November 27, 2014 (a)	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 (b)	Warrants	0.30	1.00	5,055,254	-	5,055,254
				18,367,812	40,000	18,327,812

a) Subscriber Warrants

On August 8, 2011, the Corporation issued 10,787,500 subscriber warrants, each warrant entitling the holder thereof to purchase one common share of the Corporation at a price of $0.50 per common share. The warrants expire on November 27, 2014.

b) Private Placement Unit Warrants

On December 5, 2012, the Corporation issued 5,055,254 warrants, each warrant entitling the holder thereof to purchase one non-voting share of the Corporation at a price of $1.00 per non-voting share. The warrants expire on December 5, 2014.

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.

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

The total share-based compensation for the six months ended June 30, 2014 was $257,293 (six months ended June 30, 2013 - $593,521). In the first six months of 2014, the Corporation capitalized $89,496 as exploration and evaluation assets and recognized an expense of $167,797 in the consolidated statement of loss and comprehensive loss.

In the first six months of 2013, the Corporation capitalized $139,564 as exploration and evaluation assets and recognized an expense of $453,957 in the consolidated statement of loss and comprehensive loss.

The following table summarizes incentive stock options outstanding as at June 30, 2014:

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	7.4 years
January 26, 2012	600,000	600,000		0.75	January 26, 2022	7.6 years
February 1, 2012	60,000	60,000		0.75	February 1, 2022	7.6 years
December 5, 2012	2,940,000	1,960,000		1.00	December 5, 2022	8.4 years
March 27, 2013	110,000	73,333		1.00	March 27, 2023	8.8 years
May 9, 2013	30,000	20,000		1.00	May 9, 2023	8.9 years
November 22, 2013	750,000	250,000		0.14	November 22, 2023	9.4 years
May 13, 2014	240,000	120,000		0.33	May 13, 2024	9.9 years
	7,230,000	5,583,333				

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, 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:

		Short term compensation and benefits or fee		Share-based awards		Total
Six months ended June 30, 2014						
Senior officers	$	680,041	$	139,482	$	819,523
Directors		111,611		105,000		216,611
Six months ended June 30, 2013						
Senior officers		702,150		239,811		941,961
Directors		118,000		315,000		433,000

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 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 six months ended June 30, 2014 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 six months ended June 30, 2014 that have materially affected, or are reasonably likely to materially affect, ICFR.

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 six months ended June 30, 2014.

Changes in Accounting Policies

IFRS 32 'Financial Instruments: Presentation' ("IAS 32")

This IASB published amendments to IAS 32 to provide clarifications on the requirements for offsetting financial assets and financial liabilities on the balance sheet. The amendments are effective for annual periods beginning on or after January 1, 2014 and should be applied retrospectively. Management determined that, based on the Corporation's existing operations, this standard has no impact on the Corporation's financial statements.

IFRIC 21 'Levies' ("IFRIC 21")

IFRIC 21 is an interpretation on IAS 37, Provisions, Contingent Liabilities and Contingent Assets, with respect to the accounting for levies imposed by governments. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event. The interpretation clarifies that the obligating event is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014, with early adoption permitted. Management determined that, based on the Corporation's existing operations, this standard has no impact on the Corporation's financial statements.

IAS 36 'Impairment of Assets' ("IAS 36")

The IASB published amendments to the disclosures required by IAS 36, when the recoverable amount is determined based on fair value less costs of disposal. The amendments are effective for annual periods beginning on or after January 1, 2014 and should be applied retrospectively. Management determined that, based on the Corporation's existing operations, this standard has no impact on the Corporation's financial statements.

Future Accounting Standards and Pronouncements

IFRS 9 'Financial Instruments' ("IFRS 9")

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, 2015, with early adoption permitted. The Corporation continues to monitor and assess the impact of this standard.

IFRS 2 'Share Based Payment' ("IFRS 2")

This IASB published amendments to IFRS 2 to provide clarifications on the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. The Corporation continues to monitor and assess the impact of this amendment to the standard.

IFRS 3 'Business Combinations' ("IFRS 3")

The IASB published amendments to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32, 'Financial instruments: Presentation'. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss. The amendments are effective for business combinations where the acquisition date is on or after July 1, 2014. The Corporation continues to monitor and assess the impact of this amendment to the standard.

IAS 16 'Property, Plant and Equipment' ("IAS 16")

The IASB published amendments to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to the revalued amount. The amendments to IAS 16 are effective for annual periods beginning on or after July 1, 2014. The Corporation continues to monitor and assess the impact of this amendment to the standard.

IAS 24 'Related Party Disclosures' ("IAS 24")

The IASB published amendments to IAS 24 to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity'). The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided. The Corporation continues to monitor and assess the impact of this amendment to the standard.

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;
- Infrastructure, capital and operating costs and production estimates;
- Dependence on the Blawn Mountain Project;
- Uncertainty of estimated mineral resources and mineral reserves;
- 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 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 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.