POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012

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 December 31, 2012 and December 31, 2011 and results of operations for the three months ended December 31, 2012 and 2011 and year ended December 31, 2012 and period from February 16 to December 31, 2011.

This MD&A has been prepared as of March 27, 2013. It is intended to supplement and complement the audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2012 (collectively the "Financial Statements"). The reader should review the Financial Statements in conjunction with the review of this MD&A. This MD&A should be read in conjunction with both the annual audited consolidated financial statements for the year ended December 31, 2012, and the Annual Information Form ("AIF") for the year ended December 31, 2012. These documents can be found at www.sedar.com. The Company prepares and files its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS"). The currency referred to in this document is the Canadian dollar, unless otherwise specified.

Overview of the Corporation's Business

Potash Ridge Corporation (the "Corporation") is a corporation operating under the Ontario Business Corporation Act. Its registered office is located in Toronto, Canada at 3 Church Street, Suite 600, Toronto, Ontario, M5E 1M2. The Corporation was originally incorporated on February 16, 2011 in British Columbia as 0903095 B.C. Ltd., and did not become operational until April 1, 2011. On May 24, 2011 the Corporation changed its name to New Earth Potash Corp. On October 21, 2011 the Corporation was continued in Ontario under the name Potash Ridge Corporation. The Corporation became a reporting issuer in all the provinces of Canada on November 27, 2012. On December 5, 2012 the Corporation closed its initial public offering (the "IPO") of Common Shares. The Common Shares were listed for trading on the Toronto Stock Exchange (the "TSX") under the symbol "PRK" on December 5, 2012.

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

On April 18, 2011, the Corporation purchased 100% of the interest in Utah Alunite, LLC ("UAL") a limited liability corporation in Utah. On April 17, 2012, Utah Alunite Corporation ("UAC"), a wholly-owned subsidiary of the Corporation, was incorporated in Delaware. All assets and liabilities of UAL were amalgamted with the newly formed UAC on May 8, 2012. Subsequent to the amalgamation UAL ceased to exist.

Overall Performance

Highlights of the year ended December 31, 2012

The Corporation continued exploration, evaluation and development activities at the Blawn Mountain Project. During 2012, and to the date of this MD&A, the Corporation achieved the following significant milestones:

- Early in 2012, the Corporation appointed Norwest Corporation ("Norwest") to prepare and issue a technical report in compliance with NI 43-101;

- Early in 2012, the Corporation completed an initial Phase 1 confirmation drilling program on Area 1 totaling 34 drill holes for a total of 6,764 feet of core drilling and 8,050 feet of reverse-circulation drilling;

- Early in 2012, the Corporation engaged Hazen Research to develop and perform bench testing on the process to recover sulphate of potash ("SOP") and sulphuric acid;

- In April 2012, Norwest issued the Project's initial NI 43-101 Technical Report using results from the Phase 1 confirmation drilling program and historical data;

- In June 2012 the Exploration Agreement (as defined below) was amended to include an additional parcel of land totaling 669 acres bringing the total leased land to 11,550 acres;

- In August 2012 the water rights application was submitted to the Utah Division of Water Rights;

- In September 2012 air monitoring equipment was installed and the one-year baseline air quality study commenced. This study is required prior to submission of the application for an air quality permit;

- In October 2012 the Corporation completed a Phase 2 confirmation drilling program consisting of 88 holes using core and reverse ciruculation drilling. The total depth drilled during the program was 32,000 feet;

- In November 2012, Norwest issued a NI 43-101 Preliminary Economic Assessment ("PEA") including a 30 year measured and indicated mine plan. The economic returns in the PEA included a Project net present value of $1.3 billion at 10% and an after-tax internal rate of return of 21.3%;

- The Corporation completed its IPO in December 2012, raising in aggregate $20 million dollars, which included a concurrent private placement entered into with Sprott Resource Partnership ("SRP"). The common shares commenced trading on the TSX on December 5, 2012 under the symbol "PRK";

- The Corporation commenced a metallurgical testing program in February 2013 with Hazen Research in support of the pre-feasibility and feasibility studies, using a bulk sample collected during the Phase 1 drilling program and drill core samples collected during the Phase 2 drilling program. The testing program will include bench and pilot scale tests. The objective of the program will be to confirm the most favourable process flowsheet and to develop process design parameters, including required particle size, flotation, roasting and leaching conditions, for the selection of process equipment types and sizes. Pilot scale testing is expected to commence in April 2013;

- The Phase 3 drilling program was completed in February 2013. An additional 18 holes in Areas 1 and 2 were drilled with the objective to move inferred resources into measured and indicated. The results of the drilling campaign are being analyzed and will be used for the pre-feasibility study currently underway; and

- During the first three months of 2013 the Corporation substantially built up its local presence in Utah. Five individuals joined the Project development team on a full time basis to assume various Project development roles including a senior metallurgist, 2 senior permitting resources and a Project controls manager. As at March 27, 2013 the Corporation had twelve full-time employees and 2 full-time contractors working on the Project.

Outlook

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

- In January 2013 the Corporation commenced work on a pre-feasibility study ("PFS"). The PFS is expected to be completed and the results to be issued in a new NI 43-101 Technical Report during the second quarter of 2013. The estimated cost of the PFS, related Technical Report and ancilliary work-steps is expected to be $4.0 million. On the basis that the forthcoming PFS is positive the Corporation plans to shortly thereafter commence a feasibility study;

- The Corporation continues to advance its permitting strategy. The water rights application, submitted jointly with SITLA in late 2012, is currently being reviewed by the Utah Division of Water Rights. The approval of this application is expected in the second half of 2013. Additionally, air monitoring systems have been in place for several months and an air permit application is expected to be submitted before the end of 2013. The Corporation anticipates that it will be in a position to file an application for a mining permit with the Utah Division of Oil, Gas and Mining by the end of 2013. The anticipated target date for receipt of all construction and operating permits is mid-2014 prior to planned commencement of construction of the Project; and

- The Corporation will seek to secure off-take, partnership and financing arrangements.

Blawn Mountain Project

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

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

Financial Capability

The Corporation is an exploration and development stage entity and has not yet achieved profitable operations. It is subject to risks and challenges similar to companies in a comparable stage of development. These risks include, but are not limited to, the challenges of securing adequate capital to fund its activities, operational risks inherent in the mining industry, and global economic and commodity price volatility. The underlying value of the Blawn Mountain Property and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop the Blawn Mountain Property by, among other things, developing an economic process to mine and process alunite into sulphate of potash, bauxite and co-product sulphuric acid, securing necessary permits, obtaining the required financing to complete the development and construction, and upon future profitable production from, or the proceeds from the disposition of its mineral property.

The Corporation incurred a comprehensive loss for the year ended December 31, 2012 of $4,779,366 (period from February 16 to December 31, 2011 - $1,128,983) and reported an accumulated comprehensive deficit of $5,902,684 as at December 31, 2012 (December 31, 2011 - $1,129,365). The Corporation's sole source of funding has been the

issuance of equity securities for cash. As at December 31, 2012, the Corporation had $22,775,890 (December 31, 2011 - $16,707,246) in cash and cash equivalents and short term deposits. There are no sources of operating cash flows. Consistent with the use of proceeds in the prospectus dated November 27, 2012, the Corporation intends to use its existing cash resources to complete the PFS, continue execution of its permitting strategy, complete metallurgical confirmation test work and pilot-scale test-work, and incur project management and general corporate and operating expenditures. The Corporation will continue to seek and evaluate various financing alternatives to address future development funding requirements, including the completion of an expected feasibility study. The Corporation forecasts that it will require additional funding of approximately $15 million in the second half of 2013 to allow for timely completion of permitting activities and a contemplated feasibility study. Although the Corporation has been successful in its past fundraising activities, there are no assurances as to the success or timing of future fundraising efforts or as to the sufficiency of funds raised. The Corporation is managing its existing cash resources prudently to meet all of its existing financial commitments for the foreseeable future.

Selected Financial Information

	Potash Ridge Corporation			
	Three months ended		Twelve months ended	Period from
	December 31, 2012	December 31, 2011	December 31, 2012	February 16 to December 31, 2011
Net Loss				
Total comprehensive loss	**$ (2,104,116)**	$ (1,053,016)	**$ (4,779,366)**	$ (1,128,983)
Per Common Share, basisc and fully diluted	**$ (0.03)**	$ (0.02)	**$ (0.07)**	$ (0.04)

Financial Position as at	**December 31, 2012**	**December 31, 2011**
ASSETS		
Current		
Cash and cash equivalents	**$ 17,800,890**	$ 16,707,246
Short term deposits	**4,975,000**	-
Restricted cash	**212,353**	-
Receivables	**361,386**	41,671
Other current assets	**227,434**	3,120
	23,577,063	16,752,037
Exploration and evaluation assets	**10,300,480**	2,292,127
Property, plant and equipment	**368,734**	5,688
Restricted cash	-	64,569
Other non-current assets	**108,708**	-
	$ 34,354,985	$ 19,114,421
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 1,677,517**	$ 1,850,441
SHAREHOLDERS' EQUITY		
Capital stock	**33,267,933**	16,398,381
Contributed surplus	**5,317,884**	1,994,582
Deficit	**(5,902,684)**	(1,129,365)
Accumulated other comprehensive (loss) income	**(5,665)**	382
	32,677,468	17,263,980
	$ 34,354,985	$ 19,114,421

Results of Operations

Throughout this MD&A, comparisons of expenses between all periods is difficult due to the start up nature of the Corporation. The Corporation was incorporated on February 16, 2011 and minimal activity occurred prior to April 2011, when the Corporation acquired UAL. For this reason, comparisons to the periods ended December 31, 2011 will not provide meaningful information or valid comparison. During the period from February 16, 2011 (date of incorporation) to December 31, 2011, the Corporation incurred expenses of $1,147,833, where the majority was comprised of administrative expenses, share-based compensation and professional fees.

Revenue

The Corporation did not generate any revenue during the year ended December 31, 2012 or the period from February 16 to December 31, 2011, as all of the operating activities of the Corporation were directed towards the exploration and evaluation of mining properties. Interest income of $103,837 was earned for the year ended December 31, 2012 (period from February 16 to December 31, 2011 - $594) on the Corporation's cash, cash equivalents and short-term deposits. During the three months ended December 31, 2012, interest income was $11,542 (three months ended December 31, 2011 - $313).

Expenses

Three months ended December 31, 2012 and December 31, 2011

During the three months ended December 31, 2012, the Corporation incurred professional fees of $544,574 (three months ended December 31, 2011 - $75,947), including legal and audit fees of $367,305 (three months ended December 31, 2011 – $60,616). The increased professional fees incurred in 2012 related to the Corporation's IPO and the filing of a preliminary and final prospectus with the Ontario Securities Commission.

During the three months ended December 31, 2012, the Corporation had general and administrative costs of $895,338 (three months ended December 31, 2011 - $224,414). $785,526 was related to management, employee, and director costs (three months ended December 31, 2011 – $116,209) (excluding non-cash share based compensation), of which $269,273 has been capitalized as exploration and evaluation assets (three months period ended December 31, 2011 – Nil) and $516,253 was related to other general and administrative expenses (three months ended December 31, 2011 – $116,209). As at December 31, 2012, the Corporation had eight full-time employees (December 31, 2011 – two full-time and one part-time employee).

As a result of the above, the Corporation recognized a net comprehensive loss of $2,104,116 for the three months ended December 31, 2012 (three months ended December 31, 2011 - $1,053,016).

Year Ended December 31, 2012 and period from February 16 to December 31, 2011

During the year ended December 31, 2012, the Corporation incurred professional fees of $1,351,126 (period ended December 31, 2011 - $120,004), including legal and audit fees of $930,107 (period ended December 31, 2011 - $61,729). The increased professional fees incurred in 2012 related to the Corporation's IPO and the filing of a preliminary and final prospectus with the Ontario Securities Commission.

In addition the Corporation had general and administrative costs of $2,276,022 (period ended December 31, 2011 - $420,292). A total of $1,927,024 was related to management, employee, and director costs (period ended December 31, 2011 – $158,917) (excluding non-cash share based compensation), of which $555,397 has been capitalized as exploration and evaluation assets (period ended December 31, 2011 – Nil), and $1,371,627 was related to other general and administrative expenses which mainly comprised of rent, travel and office administrative costs (period ended December 31, 2011 - $158,917). Furthermore, non-cash share-based compensation of $1,809,926 (period ended December 31, 2011 – 598,500) was charged during the twelve month period, of which $769,166 has been capitalized as exploration and evaluation assets. The increased expenditures realized in 2012 were all reflective of the substantial increase in the operating activities of the Corporation over the 2011 period.

As a result of the above, the Corporation recognized a net comprehensive loss of $4,779,366 for the year ended December 31, 2012 (period ended December 31, 2011 - $1,128,983).

Exploration and Evaluation Assets

On April 18, 2011, the Corporation acquired all of the interests in UAL from its founding members for an aggregate purchase price of US$347,370. At the time of its acquisition, UAL had no assets or liabilities other than the exclusive right to explore and an option to lease the Blawn Mountain Project pursuant to the Exploration Agreement. Accordingly, the purchase of UAL was considered an asset acquisition with the payments being allocated to exploration and evaluation assets. The purchase price for UAL consisted of US$262,370 advanced to UAL on April 1, 2011 to acquire the Exploration Agreement and US$85,000 payable to the vendors of UAL. The Corporation paid US$60,000 to the vendors on April 18, 2011 and the remaining US$25,000 being payable on April 18, 2012. A further US$75,000 was to be payable if and when UAL signed a mineral lease with SITLA in respect of the Blawn Mountain Project. On March 15, 2012, the Corporation and the vendors agreed to waive the conditions for the payment and US$75,000 became immediately payable. This amount, along with the US$25,000 owing was paid to the vendors on April 12, 2012.

Subsequent to the acquisition of UAL, and in accordance with the Corporation's accounting policies, expenditures incurred on exploration and evaluation of the Blawn Mountain Project have been capitalized and recorded as exploration and evaluation assets. A summary of the exploration and evaluation expenditures capitalized as at December 31, 2012 and December 31, 2011 is presented below:

	As at December 31, 2012	As at December 31, 2011
Drilling	$ **3,983,522**	$ 1,271,000
Preliminary economic assessment	**2,712,990**	100,002
Professional and labour	**1,125,222**	265,825
Acquisition of land mineral lease	**495,496**	351,845
Employee share based compensation (non-cash)	**790,166**	21,000
Employee salary and benefits	**570,171**	-
Data acquisition	**135,337**	137,295
Transportation	**183,888**	41,463
Equipment rentals	**176,095**	56,848
Field expenditures	**100,792**	23,465
Permit application and acquisition	**20,736**	20,737
Other	**6,065**	2,647
Total exploration and evaluation assets	$ **10,300,480**	$ 2,292,127

Under the terms of the Exploration Agreement, a payment of US$69,300 is required to be made to SITLA on April 1, 2013. In addition, a further contingent payment of US$1,020,000 is due to SITLA if and when a mining lease is granted to the Corporation in relation to the Blawn Mountain Project as well as US $11,550 in annual acreage rental fees. SITLA is also entitled to a production royalty of 5% of the gross value of potash and clay minerals and 4% of the gross value for metalliferous minerals (including bauxite) as a result of the mining of alunite from the Blawn Mountain Project. On March 9, 2012, the Corporation paid SITLA the US$62,370 due on April 1, 2012. This was capitalized as exploration and evaluation expenditure and is included in the above table.

Summary of Quarterly Results

Selected financial statement information for the quarters since the Corporation's inception:

	2012				2011			
	Dec 31	Sept 30	June 30	March 31	Dec 31	Sept 30	June 30	March 31
Exploration and evaluation assets	10,300,480	8,384,943	5,555,246	4,781,669	2,292,127	585,309	409,474	0
Total assets	34,354,985	17,434,560	17,274,401	18,526,763	19,114,421	6,196,992	1,246,116	249,480
Working capital	21,899,546	6,668,061	10,685,470	12,253,677	14,901,596	5,352,813	638,094	(1,222)
Shareholder's equity	32,677,468	15,523,215	16,574,683	17,107,641	17,263,980	6,005,418	1,112,137	(1,222)
Interest income	11,542	27,418	36,520	28,357	313	281	0	0
Expenses	2,178,627	1,148,358	689,829	732,742	1,003,145	128,526	14,940	1,222
Net comprehensive loss	(2,104,116)	(1,395,617)	(532,208)	(747,425)	(1,053,016)	(53,381)	(16,364)	(1,222)
Basic and diluted loss per share	(0.03)	(0.02)	(0.01)	(0.01)	(0.03)	0.00	0.00	(1,222)

As previously noted, comparison of expenses and operations between all periods is difficult due to the start up nature of the Corporation. However, general trends can be summarized as follows:
Net losses were driven primarily by general and administrative expenses, non-cash share based compensation and IPO related costs relating to common shares that were outstanding prior to the IPO. The increasing losses resulted from increased activities in establishing operations, increases in staff and office support costs and other general costs associated with the expanding activities of the Corporation.

Total assets are comprised of two main categories: cash, cash equivalents and short term deposits from financings still available to the Corporation and the capitalized evaluation and exploration expenditures related to the Blawn Mountain Project. Total assets increased $15.2 million as at December 31, 2012 compared to December 31, 2011. During the year the Corporation received $13.5 million in net proceeds from the IPO and $5 million from the SRP private placement.

Liquidity and Capital Resources

Cash Resources and Liquidity

At December 31, 2012, the Corporation had working capital of $21,899,546 (December 31, 2011 - $14,901,596) comprising of cash, cash equivalents and short term deposits of $22,775,890 (December 31, 2011 - $16,707,246) and receivables, prepaid expenditures and other assets of $588,820 (December 31, 2011 - $44,791) offset by current liabilities of $1,677,517 (December 31, 2011 - $1,850,441).

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

Financing Activities

On December 5, 2012, the Corporation closed its IPO of 14,944,746 Common Shares of the Corporation at $1.00 per common share for aggregate gross proceeds of $14,944,746. The Corporation incurred $1,655,310 of underwriters' commission and other issuance costs directly relating to the issuance of new common shares upon completion of the

IPO. As partial compensation for the underwriters' commission the Corporation issued 103,066 Common Shares to the underwriters.

On December 5, 2012, concurrent with the IPO, the Corporation issued 5,055,254 units of the Corporation (the "Private Placement Units") to Sprott Resource Partnership ("SRP") pursuant to an exemption from the prospectus requirements under applicable securities laws for an aggregate subscription price of $5,055,254. Each Private Placement Unit consists of one Non-voting Share and one warrant to acquire one Non-voting Share exercisable at a price of $1.00 until December 5, 2014 being two years following the closing date of the IPO. $0.70 of the $1.00 received per unit has been allocated to non-voting share capital (before consideration of issue costs), or $3,538,678 in aggregate, with the remaining $0.30 per unit or $1,516,576 in aggregate allocated to the warrants (before consideration of issuance costs) based on their relative fair values at the time of issuance. The Corporation incurred $84,828 of issuance costs for the Private Placement Units.

During 2011 the Corporation raised $19,019,475 in gross proceeds ($17,794,463 in net proceeds after $1,225,012 of issue costs but before taking into account $604,729 in non-cash issue costs) in a series of five rounds of financing.

i. "First Round" of financing: On February 16, 2011, the Corporation was incorporated with the issuance of one common share for $0.05. On April 5, 2011 and May 2, 2011 collectively, the Corporation issued 22,649,999 common shares at $0.05 per share for total proceeds of $1,129,723, net of other issue costs of $2,777. No finder's fees (cash or otherwise) were paid or otherwise incurred on the financing.

ii. "Second Round" of financing: On August 8, 2011 the Corporation completed a private placement of 21,575,000 units at $0.25 per unit for gross proceeds of $5,393,750. Each unit consisted of one common share and one-half of a warrant, with each whole warrant exercisable by the holder thereof to purchase one common share at an exercise price of $0.50 for a period of two years beginning after the date the Corporation becomes a reporting issuer. Finder's fees and other issue costs of $447,796 were incurred. In addition, 1,685,600 broker unit options were issued to the agents. Each broker unit option allows the holder to exercise the option at a price of $0.25 per unit in exchange for one common share and one-half warrant to purchase a common share for $0.50 per share. The warrants expire on the second anniversary of the date on which the Corporation becomes a reporting issuer. $0.21 of the $0.25 received per unit has been allocated to share capital (before consideration of issue costs) or $4,530,750 in aggregate with the remaining $0.04 per unit or $863,000 in aggregate allocated to the subscriber warrants (before consideration of issue costs) based on their relative fair values at the time of issuance.

iii. "Third Round" of financing: On November 17, 2011 and December 5, 2011 collectively, the Corporation issued 8,000,000 common shares at $0.25 per common share for $2,000,000 in gross proceeds. A finder's fee of $120,000 (or 6% of the gross proceeds raised) was incurred by the Corporation to the agent involved in the financing.

iv. "Fourth Round" of financing: On December 29, 2011, the Corporation completed a private placement of 13,990,966 common shares at $0.75 per share for gross proceeds of $10,493,225. The Corporation incurred $654,439 of finder's fees and other issue costs relating to the issuance. In addition, 839,458 broker warrants were issued to the agents. Each broker warrant entitles the holder to purchase one common share of the Corporation at an exercise price of $0.75 per common share. The broker warrants expire on the earlier of the second anniversary of the date on which the Corporation becomes a reporting issuer or ten years from the date of issuance.

Uses of Cash

The Corporation used $5,097,945 in operating activities during the year ended December 31, 2012 primarily for the payment of operating expenses and IPO costs relating to shares issued prior to the IPO. In addition, during the year ended December 31, 2012, the Corporation used $12,329,416 in investing activities, of which $6,986,615 was for the continuing exploration activities at the Blawn Mountain Project and $4,975,000 was invested in a short-term deposit. During the period from February 16, 2011 to December 31, 2011, the Corporation used cash of $518,205 for operating activities and $1,333,112 for investing activities, of which $1,001,141 was for 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 Voting Shares and 5,055,254 Non-voting shares issued and outstanding.

Commitments and Contingencies

Under the terms of the Exploration Agreement with SITLA, a payment of US$69,300 is required on the second anniversary (April 1, 2013) of executing the original Exploration Agreement. Annual acreage rental fee is also due to SITLA for US$ 11,550.

A contingent payment of US$1,020,000 is due to SITLA if and when a mining lease is granted to the Corporation in relation to the Project. A mining lease is contingent on, amongst other things, a Positive PFS (as defined in the Exploration Agreement) being completed by the Corporation. In addition, SITLA is entitled to a production royalty of 5% of the gross value of potash and clay minerals and 4% of the gross value for metalliferous minerals (including bauxite) as a result of the mining of alunite from the Blawn Mountain Project.

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

		Lease Payments
For the year ending:		
2013	$	213,132
2014		173,082
2015 and beyond		377,927
Total	**$**	**764,141**

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Convertible Securities

As at December 31, 2012, the Corporation has 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 (b)	Broker unit options	0.15	0.25	1,685,600	-	1,685,600
November 27, 2014 (c)	Broker warrants	0.42	0.75	839,458	-	839,458
December 5, 2014 (d)	Warrants	0.30	1.00	5,055,254	-	5,055,254
				18,367,812	40,000	18,327,812

a) Subscriber Warrants

10,787,500 subscriber warrants to purchase one Common Share each in the Corporation at a price of $0.50 per Common Share were issued as part of the Second Round of financing of August 8, 2011.

The warrants expire on the second anniversary of the date on which the Corporation becomes a reporting issuer. The allocated fair value of the warrants issued was $863,000 or $0.04 per warrant and was determined by using the Black Scholes option-pricing model. Key assumptions used were as follows:

Risk-free interest rate	0.81%
Annualized expected volatility	100%
Expected life of subscriber warrants	2.5 years
Dividend rate	0%

b) Broker Unit Options

1,685,600 broker options were issued as a finder’s fee on the closing of the Second Round of financing on August 8, 2011. Each broker option allows the holder to exercise the option at a price of $0.25 per option in exchange for one Common Share as well as one-half warrant, with each whole warrant exercisable by the holder thereof to purchase one Common Share for $0.50 per warrant.

The broker unit options expire on the second anniversary of the date on which the Corporation becomes a reporting issuer. The fair value of the broker unit options issued was $252,840 or $0.15 per option determined by using the Black Scholes option-pricing model. Key assumptions used were as follows:

Risk-free interest rate	0.81%
Annualized expected volatility	100%
Expected life of broker unit options	2.5 years
Dividend rate	0%

There were no other issuances of broker unit options during the period.

c) Broker Warrants

839,458 broker warrants, each exercisable to purchase one Common Share at a price of $0.75 per Common Share were issued on December 29, 2011 as a finder's fee on the Fourth Round of financing.

The fair value of broker warrants issued was $351,889 or $0.42 per broker warrant determined by using the Black Scholes option-pricing model. Key assumptions used were as follows:

Risk-free interest rate	0.82%
Annualized expected volatility	100%
Expected life of broker warrants	2.33 years
Dividend rate	0%

d) Private Placement Unit Warrants

5,055,254 warrants to purchase one Non-voting Share in the Corporation at a price of $1.00 per Non-voting Share were issued on December 5, 2012. The warrants expire on December 5, 2014.

The fair value of warrants issued was $1,516,576 or $0.30 per warrant determined by using the Black Scholes option-pricing model. Key assumptions used were as follows:

Risk-free interest rate	0.97%
Annualized expected volatility	100%
Expected life of broker unit options	2 years
Dividend rate	0%

Incentive Stock Options (Share Based Compensation)

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

During the year ended December 31, 2012 the Corporation granted a total of 3,980,000 stock options to directors, officers and certain employees. 1,010,000 stock options were granted with a term of 10 years from the date of grant and are exercisable at a price of $0.75. These stock options vested fully on grant. A further 2,970,000 stock options were granted with a term of 10 years and are exercisable at a price of $1.00. These options vest on the following schedule: 1/3 on grant, 1/3 a year after grant, 1/3 two years after grant.

As at December 31, 2012 the Corporation has committed to the issuance of 700,000 stock options in a subsequent period to certain officers. The estimated share based compensation of these committed stock option grants recorded in the year ended December 31, 2012 was $103,075.

The fair value of options issued was $1,809,926 determined by using the Black Scholes option-pricing model.

Key assumptions used were as follows:

Grant	January 2012	February 2012	December 2012 (1)
Exercise price	$0.75	$0.75	$1.00
Risk-free interest rate	0.86%	0.89%	0.97%
Annualized expected volatility	100%	100%	100%
Expected life of options	7.5 years	7.5 years	7.5 years
Dividend rate	0%	0%	0%
Forfeiture rate	0%	0%	0%
Value per option	$0.63	$0.63	$0.84

(1) These assumptions were used for stock options that are committed for issuance at a future date (subsequent to December 31, 2012).

The Corporation has capitalized $769,166 as exploration and evaluation assets and recognized an expense of $1,040,760 in the consolidated statement of loss and comprehensive loss during the twelve month period.

The following table summarizes incentive stock options outstanding at December 31, 2012:

Number outstanding	Number vested and exercisable	Exercise price	Expiry date	Weighted average remaining actual life (years)
2,500,000	2,500,000	$0.25	December 9, 2021	8.9
350,000	350,000	0.25	January 5, 2013	0.0
600,000	600,000	0.75	January 26, 2022	9.1
350,000	350,000	0.75	January 5, 2013	0.0
60,000	60,000	0.75	February 1, 2022	9.1
2,970,000	990,000	1.00	December 5, 2022	9.9
6,830,000	4,850,000			

In January 2013, 350,000 stock options were exercised. The Corporation received gross proceeds of $87,500.

Income Taxes

Since inception, the Corporation has not incurred any current income taxes. By nature of its activities to date and for the foreseeable future, the Corporation does not expect to incurred current income taxes. As at December 31, 2012 the Corporation has available Canadian tax losses of $4,073,960 and U.S. tax losses of $432,518. These tax losses will expire between 2031 and 2032. The Corporation also has other deductible temporary differences of $3,397,353 as at December 31, 2012. The Corporation has not recognized the benefits of these tax losses or other deductible temporary differences in the 2012 audited consolidated financial statements because the recoverability of these future tax benefits is not assured.

Transactions with Related Parties

The Corporation's related parties as defined by International Accounting Standard 24 "Related Party Disclosures" ("IAS 24"), include the Corporation's subsidiary, UAC, executive and non-executive directors, senior officers (Chief Executive Officer and Chief Financial Officer), and entities controlled or jointly-controlled by the Corporation's directors or senior officers. Transactions with related parties during the year ended December 31, 2012:

Year ended December 31, 2012

Compensation (excluding share-based compensation) to senior officers and directors of the Corporation totalled $1,513,149 for the year ended December 31, 2012 (period ended December 31, 2011 – $175,088), of this amount, $555,574 has been capitalized as exploration and evaluation assets. The Corporation's Chief Executive Officer was paid through his wholly-owned corporation.

During the year ended December 31, 2012, share-based compensation with an estimated fair value of $1,777,702 (period ended December 31, 2011 – $577,500) was issued to the Corporation's senior officers and directors, of this amount, $769,216 has been capitalized as exploration and evaluation assets (period ended December 31, 2011 - $21,000) with the remainder recorded in the consolidated statements of loss and comprehensive loss.

Indemnities Provided to Directors and Officers

The Corporation agreed to indemnify each of its directors and officers in respect of certain liabilities or expenses which such directors and officers may incur as a result of acting as a director or officer of the Corporation or its related corporate entities. The indemnity agreements include an indemnification for all costs, charges, expenses, losses, damages, fees (including any legal, professional or advisory fees or disbursements), liabilities and amounts paid to settle or dispose of any civil, criminal or administrative proceeding. The Corporation believes it carries sufficient Directors and Officers insurance to cover any potential claims for indemnity.

Financial Instruments and Risk Management

The Corporation has classified its cash, cash equivalents, short-term deposits and receivables as loans and receivables, which are measured at amortized cost. Payables and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The carrying value of cash, cash equivalents, short-term deposits, receivables, accounts payable and accrued liabilities reflected in the consolidated statement of financial position approximate fair value because of the short term nature of these instruments.

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized below:

Credit Risk Management

The Corporation's main credit risk arises from its cash, cash equivalents and short-term deposits with banks. Substantially all of the Corporation's cash, cash equivalents and short-term deposit balances are with one major Canadian chartered bank, from which management believes the risk of loss to be remote. The Corporation maintains a current account with a Utah based regional bank. The Corporation limits its counterparty credit risk on its deposits by dealing only with highly rated financial institutions.

Liquidity Risk Management

The Corporation's ability to remain liquid over the long term depends on its ability to obtain additional financing through the issuance of additional securities, entering into credit facilities or entering into joint ventures, partnerships or similar arrangements. The Corporation manages liquidity risk by maintaining adequate cash balances in order to meet liabilities as they come due. As at December 31, 2012, the Corporation had cash and cash equivalents balance of $17,800,890 (December 31, 2011 - $16,707,246) and short-term deposits of $4,975,000 (December 31, 2011 – nil) to settle liabilities of $1,677,517 (December 31, 2011 - $1,850,441).

None of the Corporation's financial liabilities or commitments are interest bearing.

The Corporation regularly monitors actual cash flows to budgets and updates projected cash forecasts as needed. The Corporation will defer discretionary expenditures, as required, in order to manage and conserve its available cash balances for current liabilities and commitments. The Corporation will need to raise additional capital through equity issuances or other available means in order to continue funding its operations, exploration and evaluation activities and eventual development of its properties.

Foreign Currency Risk Management

Cash and cash equivalents are comprised of cash at banks and on hand, and short term money market instruments with an original maturity of three months or less. The Corporation's cash and cash equivalents and short term deposits are denominated in the following currencies:

	As at December 31,	
	2012	2011
Cash and cash equivalents		
Denomination in Canadian dollars	**$7,601,688**	$15,477,140
Denomination in U.S. dollars	**10,199,202**	$1,230,106
Short term deposits		
Denomination in U.S. dollars	**4,975,000**	-
Cash and cash equivalents and short term deposits	**$22,775,890**	$16,707,246

The Corporation is exposed to foreign exchange rate fluctuations between the Canadian and U.S. dollars. Based on the balances at December 31, 2012, net income will increase or decrease by approximately $759,000 (December 31, 2011 - $62,000) given a 5% increase or decrease in the U.S. dollar relative to the Canadian dollar.

The Corporation's expenditures on the evaluation, exploration and development of the Project are expected to be incurred primarily in U.S. dollars. The Corporation's administrative and head office expenditures are primarily expected to be incurred primarily in Canadian dollars. Historically, the Corporation has raised equity denominated in Canadian dollars. The Corporation partially mitigates its exposure to foreign exchange rate fluctuations by purchasing a level of U.S. denominated cash to fund activities expected to be incurred by the Project. The Corporation does not engage in and has no plans to engage in foreign currency hedging activities.

Interest Rate Risk Management

The Corporation has cash balances that earn interest subject to fluctuations in the prime rate. The Corporation's current policy is to invest excess cash in investment-grade deposit certificates issued by its banking institutions. The Corporation periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. Management believes the interest rate risk is remote as investments generally have maturities of one year or less and the Corporation currently does not carry interest bearing debt at floating rates.

Capital Risk Management

The Corporation defines capital as total shareholders' equity including share capital, other reserves, deficit and accumulated other comprehensive loss. The Corporation manages its capital to ensure that adequate funds are available or are scheduled to be raised to carry out the Corporation's exploration and development programs and to meet its ongoing administrative costs.

This is achieved by the Board of Directors' review and acceptance of budgets that are achievable within existing resources and the timely matching and release of the next stage of expenditures with the resources made available from private placements or other fund raisings.

The Corporation is not subject to any externally imposed capital requirements imposed by a regulator or lending institution.

Critical Accounting Estimates

The Corporation's significant accounting policies are described in Note 2 to the audited consolidated financial statements for the year ended December 31, 2012. The preparation of the Corporation's consolidated financial statements, in conformity with IFRS, requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. The following is a list of the accounting policies that the Corporation believes are critical, due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported:

- Exploration and evaluation expenditures;
- Share based compensation; and
- Subscriber warrants

Exploration and evaluation expenditures

Exploration and development expenditures related to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, technical feasibility studies for extracting alunite and other costs directly attributable to exploration and development projects are capitalized. Mineral rights for exploration and evaluation are carried at cost less any accumulated 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.

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 model which requires significant estimation around assumptions and inputs such as expected term to maturity, expected volatility and expected forfeiture rates. Notes 11 and 12 of the Corporation's December 31, 2012 year-end consolidated financial statements describe the significant assumptions applied to these areas of estimation.

Internal Control Over Financial Reporting and Disclosure Controls

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

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

The CEO and CFO have evaluated whether there were changes to the ICFR during the year ended December 31, 2012 that have materially affected, or are reasonably likely to materially affect, the ICFR. Based on this assessment and evaluation, there have been no material changes in the Corporations’s internal control over financial reporting during the year ended December 31, 2012 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Disclosure controls and procedures (“DC&P”) have been designed to provide reasonable assurance that all material information related to the Corporation is identified and communicated on a timely basis. Management of the Corporation, under the supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operations of DC&P. There have been no changes in the Corporation’s DC&P during the year-ended December 31, 2012.

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 Company continues to monitor and assess the impact of this standard.

IFRS 10 ‘Consolidation’ (“IFRS 10”)

Effective for annual periods beginning on or after January 1, 2013, IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 ‘Consolidation — Special Purpose Entities’ and parts of IAS 27 ‘Consolidated and Separate Financial Statements’. Based on the Corporation’s existing operations, management does not believe that this standard will have a material impact on the Corporation’s consolidated financial statements.

IFRS 11 'Joint Arrangements' ("IFRS 11")

Effective for annual periods beginning on or after January 1, 2013, IFRS 11 requires an entity to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the entity will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 will supersede IAS 31 'Interests in Joint Ventures' and SIC-13 'Jointly Controlled Entities — Non-monetary Contributions'. Based on the Corporation's existing operations, management does not believe that this standard will have a material impact on the Corporation's consolidated financial statements.

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

Effective for annual periods beginning on or after January 1, 2013, IFRS 12 establishes disclosure requirements for interest in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. IFRS 12 carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interest in other entities. Management does not believe that, based on the Corporation's existing operations, that this standard will have a material impact on the Corporation's consolidated financial statements.

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

Effective for annual periods beginning on or after January 1, 2013, IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. IFRS 13 clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the various standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. Management is currently analyzing the impact that any future implementation of this standard will have on the consolidated financial statements.

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

Effective for annual periods beginning on or after January 1, 2013, IAS 28 will be amended to provide the accounting guidance for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The amended IAS 28 will be applied by all entities that are investors with joint control of, or significant influence over, an investee. Management does not believe that, based on the Corporation's existing operations, that this standard will have a material impact on the Corporation's consolidated financial statements.

Risks and Uncertainties

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

- Potash Ridge has negative operating cash flow and might not be able to continue as a going concern;
- The Corporation will require additional capital in the future and no assurance can be given that such capital will be available at all or on terms acceptable to the Corporation;
- Potash Ridge has a limited operating history and no history of mineral production;
- The Corporation has not yet demonstrated the economic feasibility of the Project;
- Dependence on the Blawn Mountain Project;
- Uncertainty of inferred and estimated mineral resoureces and historical information;

- The Corporation will employ a combination of technologies;
- The Corporation requires approvals, licenses, and permits in connection with its current exploration and development activities that may be delayed or may not be obtained;
- The Corporation requires the necessary water rights and water sources to support the proposed Blawn Mountain Project and those rights and sources may not be obtained;
- Governmental and regulatory requirements could adversely impact the development of the Corporation's projects;
- Title to the Corporation's mineral properties cannot be assured;
- Infrastructure and logistic requirements have not been fully determined;
- Resource exploration and development is a speculative business and involves a high degree of risk;
- The extraction of minerals from a deposit may not be economically viable;
- Commodity prices may affect the Corporation's value;
- The Corporation may have difficulty recruiting and retaining key employees;
- Environmental risks and hazards;
- The Corporation may become subject to litigation which may have a material adverse effect on its performance;
- Construction delays may adversely impact the financial position of the Corporation;
- Climate conditions may cause delays and cost over-runs and inhibit future production;
- The Corporation does not maintain insurance against all possible risks;
- Certain directors and officers may have conflicts of interest;
- Global financial conditions may adversely affect the Corporation's financial position;
- The Corporation has a foreign subsidiary;
- Some of the Corporation's directors, officers and experts are resident outside of Canada;
- Future sales of Common Shares by existing shareholders;
- If securities or industry analysts do not publish research or reports about the Corporation, if they change their recommendations regarding the Corporation adversely, or if the Corporation's operating results do not meet their expectations, the share price and trading volume could decline;
- The Corporation has no record of paying dividends and does not expect to do so in the foreseeable future;
- Risks and hazards inherent in the mining industry;
- Competition in the mining industry may adversely affect the Corporation;
- Demand for commodities tends to be cyclical in nature;
- Weather patterns and natural disasters may affect future demand.

Other Information

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

A CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to, the future financial or operating performance of the Corporation and its subsidiaries and its mineral projects; the anticipated results of exploration activities; the estimation of mineral resources; the realization of mineral

resource estimates; capital, development, operating and exploration expenditures; costs and timing of the development of the Corporation's mineral projects; timing of future exploration; requirements for additional capital; climate conditions; government regulation of mining operations; anticipated results of economic and technical studies; environmental matters; receipt of the necessary permits, approvals and licenses in connection with exploration and development activities; appropriation of the necessary water rights and water sources; changes in commodity prices; recruiting and retaining key employees; construction delays; litigation; competition in the mining industry; reclamation expenses; reliability of historical exploration work; reliance on historical information acquired by the Corporation; optimization of technology to be employed by the Corporation; title disputes or claims, dilution to the Common Shares and the limitations of insurance coverage and other factors described under the heading "*Risk Factors*" in the Corporation's Annual Information Form dated March 27, 2013 to which reference should be made.

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

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