POTASH RIDGE CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015

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, 2014 and December 31, 2015 and results of operations for the three and twelve months ended December 31, 2014 and December 31, 2015.

This MD&A has been prepared as of March 28, 2016. It is intended to supplement and complement the audited consolidated financial statements and notes thereto as at and for the year ended December 31, 2015 (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 the Corporation's Annual Information Form ("AIF") dated March 28, 2015. 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.

The following MD&A includes forward-looking information. Readers are cautioned to review the Cautionary Note Regarding Forward Looking Information found on page 18. This MD&A contains statistical data, market research and industry forecasts that were obtained from government or other industry publications, publicly available sources and reports purchased and commissioned by the Corporation or based on estimates derived from such publications and reports and management's knowledge of, and experience in, the markets in which the Corporation operates. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. Further, certain of these organizations are advisors to participants in the fertilizer and mining and minerals industries, and they may present information in a manner that is more favourable to that industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications, and the prospect for material variation can be expected to increase as the length of the forecast period increases. Although management of the Corporation believes that these sources are generally reliable, the accuracy, currency and completeness of such information is not guaranteed and has not been independently verified. Further, market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey.

Overview of the Corporation's Business

Potash Ridge is a corporation existing under the *Business Corporations Act* (Ontario). Its registered office is located at 36 Toronto Street, Suite 1000, Toronto, Ontario, M5C 2C5. 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 principal activity of the Corporation is to develop projects focused on the production of sulphate of potash ("SOP").

Located in Valleyfield, Quebec, the Valleyfield Project intends to utilize well-known Mannheim technology to produce SOP at an initial rate of 40,000 tonnes per annum .

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

Highlights of the year ended December 31, 2015

- In January 2015, the Corporation entered into a construction and service rail arrangement with Watco Companies LLC ("Watco"). Under the terms of a memorandum of understanding ("MOU"), Watco will undertake the development, financing and operation of a short-line railroad connecting the Blawn Mountain Project to the Union Pacific railroad main line near Milford, Utah, and a loading facility for its SOP, sulphuric acid and alumina rich material saleable products. Initial work contemplated under the MOU will begin after the commencement of a feasibility study, subject to the Corporation successfully raising additional financing.

- In February 2015, in light of the challenging capital markets for junior resource issuers, the Corporation announced that it has implemented various cost reduction initiatives, with the objective of significantly reducing its cash outgoings and managing its cash position. These initiatives included a reduction in headcount, salary reductions for all of senior management, and an elimination of all non-critical expenditures.

- Also in February 2015, the Corporation announced changes to its Board of Directors. As part of an initiative to streamline its operations, the Board of Directors reduced its size from seven to four, with Mr. Phillip Williams, Mr. Rocco Rossi and Mr. Navin Dave voluntarily resigning from the Board of Directors. There is no current intention to replace these directors. In addition, Mr. Robert C. Gross replaced Mr. Rahoul Sharan as Chairman of the Board. Mr. Sharan continued to serve as a director of the Corporation and was appointed Chairman of the Audit Committee. The Audit Committee was re-constituted with Mr. Sharan as its Chairman and with Mr. Gross and Mr. Stephen Harapiak as its members. The Audit Committee continued to meet all requirements set out in National Instrument 52-110 – *Audit Committees.*

  In February 2016 the Corporation announced that Mr. Rahoul Sharan resigned from the Board of Directors for personal reasons. Mr. Robert C. Gross has been appointed as Chairman of the Audit Committee. The Corporation intends to appoint a new independent director at or before the Annual General Meeting of Shareholders to meet all requirements set out in National Instrument 52-110 – *Audit Committees*

- In June 2015, the Corporation entered into a modification of the Blawn Mountain Project Mining Lease Agreement (the "Blawn Mountain Lease") with SITLA. The modification cures the event of default under the Lease that occurred on March 31, 2015. Under the terms of the modification, SITLA has agreed to forbear from exercising its rights and remedies resulting from Potash Ridge's failure to make lease and minimum royalty payments under the terms of the Lease. The forbearance period is from March 31, 2015 to April 1, 2017.

Potash Ridge is obligated to pay accrued and unpaid interest by March 31, 2016 or when it raises U.S.$1.5 million in new funds for the development of the Blawn Mountain Project, whichever arises first. Once Potash Ridge raises U.S.$3 million or more of new funds for the development of the Blawn Mountain Project, then all outstanding amounts currently due under of the Lease, plus accrued interest, will become due.

Potash Ridge will pay interest to SITLA on unpaid lease and minimum royalties payments, which will accrue annually at a rate at SITLA's published prime rate plus two percent (currently equivalent to 5.25%) or 6.0%, whichever is greater, with the first interest payment due on March 31, 2016.

Potash Ridge will continue to be required to meet all other obligations under the terms of the Lease.

- In August 2015, the Corporation announced the acquisition of the Valleyfield Fertilizer Corporation ("Valleyfield") and its only asset, the Valleyfield Project located in Valleyfield, Quebec.

  Over the last two years under the leadership of Mr. Jay Hussey, Valleyfield has advanced development of the Valleyfield Project that plans to utilize the Mannheim Process for the production of SOP. For nine years, Mr. Hussey was a Vice-President at Migao Corporation ("Migao"), a TSX-listed company that produces SOP in China using the Mannheim Process.

  Under the terms of the transaction, Mr. Hussey received 200,000 common shares of the Corporation, together with a royalty from future revenue generated by the Corporation utilizing the Mannheim Process. Mr. Hussey has been engaged as a consultant of Potash Ridge and continue to work on the development of the Valleyfield Project, as well as other potential Mannheim opportunities already identified.

  Developed in Germany over a century ago, the Mannheim Process is one of the most commonly used SOP production processes in the world, primarily occurring in China and Europe. The process combines muriate of potash (potassium chloride) with sulphuric acid at high temperatures to produce SOP and by-product hydrochloric acid. In the year ended March 31, 2015, Migao's annual SOP production capacity in China was approximately 360,000 tonnes from four facilities in China. Based on published reports, Tessanderlo Chemia, Yara and other European producers have a combined annual SOP production capacity using the Mannheim Process of 930,000 tonnes per year.

  Mr. Hussey's knowledge and experience of the Mannheim Process from his time at Migao enabled him to advance development of the Valleyfield Project. A preliminary internally developed financial study utilizing this information projected an after-tax/royalty Net Present Value of $40.8 million, assuming a 10% discount rate, with an unlevered Internal Rate of Return of 32%, based on a preliminary capital cost estimate of $25 million, operating costs of $495 per tonne, net of acid credit, and a realized SOP price of U.S.$570 per tonne. The project economics noted above are preliminary internally developed estimates, and will need to be confirmed with the next stage of engineering. It is anticipated that construction of the facility could commence within six months of raising the capital necessary to complete engineering and permitting, with construction expected to take one year.

- In November 2015 the Corporation closed a non-brokered private placement offering of units (the "Units") at a price of $0.03 per Unit, for gross proceeds of $600,000 (the "Private Placement"). Each Unit is comprised of one common share in the capital of the Corporation (a "Common Share") and one half of one Common Share purchase warrant (a "Warrant"). Each Warrant is exercisable to acquire one Common Share at an exercise price of $0.08 per Common Share for a period of two years from the date of issuance.

  The proceeds from the Private Placement will be used to address immediate liquidity concerns, advance certain aspects of its Valleyfield Project in Quebec as well as general working capital, including working capital for the Blawn Mountain Project.

  In connection with the Private Placement, the Corporation has agreed to pay fees to certain individuals that include cash commissions totaling $39,083 and the issuance of 1,302,750 finder warrants. Each finder warrant is exercisable to acquire one Common Share at an exercise price of $0.08 per Common Share for a period of two years from the date of issuance.

Outlook

The Corporation's primary focus is raising additional financing to fund the advancement of the Valleyfield and Blawn Mountain Projects and for nearer term working capital requirements, as well as on minimizing cash spending.

Assuming sufficient financing is obtained, the Corporation will resume efforts towards several key milestones, with the goal of further advancing the development of the Valleyfield and Blawn Mountain Projects. These include:

- Completion of engineering for the Valleyfield Project, advancing it to the execution phase.
- Acquiring the requisite regulatory permits for the Valleyfield Project.
- Assessment of the potential to develop the Blawn Mountain Project at a more modest scale than what was contemplated in the December, 2013 Blawn Mountain Project Prefeasibility Study 43-101 Technical Report.
- Completion of a feasibility study for Blawn Mountain Project, including additional metallurgical test work.

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

Valleyfield Project

The Corporation intends to develop a SOP production facility in Valleyfield, Quebec. The project contemplates initially producing 40,000 tonnes per year of SOP utilizing Mannheim technology, and has the potential to be expanded to produce an additional 80,000 tonnes per year.

Developed in Germany over a century ago, the Mannheim Process is one of the most commonly used SOP production processes in the world, primarily occurring in China and Europe. The process combines muriate of potash (potassium chloride) with sulphuric acid at high temperatures to produce SOP and by-product hydrochloric acid.

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 sulphuric acid. The Corporation is currently assessing the potential for commencing production at Blawn Mountain at a smaller scale than the 645,000 tons per annum production rate contemplated in the Prefeasibility 43-101 Technical Report issued on December 3, 2013. The Corporation is also evaluating the potential for marketability of the Blawn Mountain Project's alumina rich residue material, currently not included in the Project economics contained within the Technical Report.

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 and fertilizer industries, and global economic and commodity price volatility. The underlying value of the Blawn Mountain Project and the Valleyfield Project, and the recoverability of the related capitalized costs are entirely dependent on the Corporation's ability to successfully develop the Blawn Mountain and Valleyfield Projects by, among other things, securing necessary permits, obtaining the required financing to complete the development and construction, and upon future profitable production from, or the proceeds from the disposition of its mineral property.

In light of the current challenging capital market conditions for junior resource issuers, the Corporation implemented various cost reduction initiatives in early 2015, with the objective of significantly reducing its cash outgoings and managing its cash position. These initiatives include a reduction in headcount, salary reductions for all of senior management, and an elimination of all non-critical expenditures.

The Corporation incurred a comprehensive income for the year ended December 31, 2015 of $2,643,029 (year ended December 31, 2014 – comprehensive loss of $2,045,373) and reported an accumulated comprehensive deficit of $9,871,218 as at December 31, 2015 (December 31, 2014 - $12,514,247). The Corporation's sole source of funding has been the issuance of equity securities for cash. As at December 31, 2015, the Corporation had $410,877 (December 31, 2014 - $1,026,771) in cash and cash equivalents. There are no sources of operating cash flows. The Corporation intends to use its existing cash resources prudently on basic project management and essential, non-discretionary, general corporate and operating expenditures while further capital is sought. The Corporation expects that it will be able to operate on this basis until Q3 2016 without making further spending reductions and without the receipt of additional financing.

The Corporation continues to seek and evaluate various financing alternatives to address future development funding requirements, including for the advancement of both the Valleyfield Project and the Blawn Mountain Project. 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 the coming months. The Corporation currently expects that this additional funding could advance the development of the Projects to the commencement of detailed engineering and beginning of the execution phase. Although the Corporation has been successful in its past fundraising activities, there are no assurances as to the success or timing of future fundraising efforts or as to the sufficiency of funds raised.

Board of Directors

In February 2015, the Corporation announced changes to its Board of Directors. As part of an initiative to streamline its operations the Board of Directors reduced its size from seven to four, with Mr. Phillip Williams, Mr. Rocco Rossi and Mr. Navin Dave voluntarily resigning from the Board of Directors. There is no current intention to replace these directors. In addition, Mr. Robert C. Gross replaced Mr. Rahoul Sharan as Chairman of the Board. Mr. Sharan continued to serve as a director of the Corporation and was appointed Chairman of the Audit Committee. The Audit Committee was re-constituted with Mr. Sharan as its Chairman and with Mr. Gross and Mr. Stephen Harapiak as its members.

In February 2016 the Corporation announced that Mr. Rahoul Sharan resigned from the Board of Directors for personal reasons. Mr. Robert C. Gross has been appointed as Chairman of the Audit Committee. The Corporation intends to appoint a new independent director at or before the Annual General Meeting of Shareholders to meet all requirements set out in National Instrument 52-110 – *Audit Committees*

Selected Financial Information

	Potash Ridge Corporation			
	Three months ended		Years ended	
	December 31 2015	December 31 2014	December 31 2015	December 31 2014
Revenue				
Interest income	**$ 41**	$ 1,028	**$ 718**	$ 15,785
Expenses				
Management, employee and director	**36,091**	398,397	**660,194**	1,699,650
General and administrative	**89,025**	389,425	**974,689**	1,388,607
	125,116	787,822	**1,634,883**	3,088,257
Professional fees	**51,820**	176,615	**248,563**	889,083
Foreign exchange gain	**1,171,304**	949,119	**5,320,489**	2,369,163
	-			
Net Loss				
Total comprehensive income (loss)	**$ 858,729**	$ 6,897	**$ 2,643,029**	$ (2,045,373)
Basic net income (loss) per share	**$ 0.01**	**$ (0.01)**	**$ 0.03**	$ (0.02)
Diluted net income (loss) per share	**$ 0.01**	**$ (0.01)**	**$ 0.03**	$ (0.02)

Financial Position as at	December 31 2015	December 31 2014
ASSETS		
Current		
Cash and cash equivalents	**$ 410,877**	$ 1,026,771
Short term deposits	**-**	-
Restricted cash	**89,673**	592,085
Receivables	**24,308**	35,835
Other current assets	**72,208**	173,518
	597,066	1,828,209
Exploration and evaluation assets	**32,563,219**	26,465,738
Property, plant and equipment	**20,178**	429,938
Restricted cash	**-**	279,688
Other non-current assets	**-**	29,209
Future income tax assets	**-**	-
	$ 33,180,463	**$ 29,032,782**
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 1,273,514**	$ 709,771
Other current liabilities	**1,100,473**	421,537
	2,373,987	1,131,308
Other non-current liabilities	**226,975**	570,770
	2,600,965	1,702,078
SHAREHOLDERS' EQUITY		
Capital stock	**33,828,074**	33,428,933
Contributed surplus	**6,622,642**	6,416,018
Deficit	**(9,243,590)**	(12,341,807)
Accumulated other comprehensive loss	**(627,628)**	(172,440)
	30,579,498	27,330,704
	$ 33,180,463	$ 29,032,782

Results of Operations

Revenue

The Corporation did not generate any revenue during the year ended December 31, 2015 and December 31, 2014, as all of the operating activities of the Corporation were directed towards the exploration and development of the Blawn Mountain Project. Interest income of $718 was earned for the year ended December 31, 2015 (year ended December 31, 2014 - $15,785) on the Corporation's cash and cash equivalents. During the three months ended December 31, 2015, interest income was $41 (three months ended December 31, 2014 - $1,028).

Expenses

Three months ended December 31, 2015 and December 31, 2014

During the three months ended December 31, 2015, the Corporation incurred management, employee, director, general and administrative costs of $125,116 (three months ended December 31, 2014 - $787,822). Salaries of management, employees, and director costs in the period were $36,091 (three months ended December 31, 2014 – $398,397). As at December 31, 2015, the Corporation had three full-time employees (December 31, 2014 – sixteen full-time employees), which resulted in savings in salaries and wages period on period. Spending of $89,025 was related to other general and administrative expenses (three months ended December 31, 2014 – $389,425) and it decreased period over period by $300,400 due to reduced travel and other corporate expenses.

During the three months ended December 31, 2015, the Corporation incurred professional fees of $51,820 (three months ended December 31, 2014 - $176,615), including legal and audit fees of $28,139 (three months ended December 31, 2014 – $37,403) and consulting fees of $7,951 (three months ended December 31, 2014 - $126,401). The decrease in spending for the period occurred primarily due to reduction in consulting fees on contracts that lapsed in 2015. Current period spending on professional fees was in line with the Corporation's budget estimates.

During the three months ended December 31, 2015, the Corporation incurred a share-based compensation expense of $48,385 (three months ended December 31, 2014 - $55,844) which is associated with previously granted but unvested stock options and options granted during 2015.

During the three months ended December 31, 2015, the Corporation incurred a foreign exchange gain of $1,171,304 (three months ended December 31, 2014 – gain of $949,119) which was the result of a strengthening US dollar against the reporting currency of the Corporation which is the Canadian dollar.

As a result of the above, the Corporation recognized net comprehensive income of $858,729 for the three months ended December 31, 2015 (three months ended December 31, 2014 - net comprehensive income of $6,897).

Years ended December 31, 2015 and December 31, 2014

During the year ended December 31, 2015, the Corporation incurred management, employee, director, general and administrative costs of $1,634,883 (year ended December 31, 2014 - $3,088,257). Decreased spending in 2015 of $660,194 was related to the salaries of management, employees, and director costs (year ended December 31, 2014 – $1,699,650). As at December 31, 2015 the Corporation had a reduced headcount of three full-time employees (December 31, 2014 – sixteen full-time employees). Decreased spending in 2015 of $974,689 was related to other general and administrative expenses (year ended December 31, 2014 – $1,388,607). Other general and administrative expenses decreased year on year by $413,918 due to the Corporation spending less on travel and other corporate expenses.

During the year ended December 31, 2015, the Corporation incurred professional fees of $248,563 (year ended December 31, 2014 - $889,083), including legal and audit fees of $106,157 (year ended December 31, 2014 – $205,810) and consulting fees of $42,254 (year ended December 31, 2014 - $600,921). The decrease in spending for the period occurred primarily due to reduction in consulting fees on contracts that lapsed in the first half of 2015. Current period spending on professional fees was in line with the Corporation's budget estimates.

During the year ended December 31, 2015, the Corporation incurred a share-based compensation expense of $44,340 (year ended December 31, 2014 - $305,589) which is associated with previously granted but unvested stock options and options granted during 2015.

During the year ended December 31, 2015, the Corporation incurred a foreign exchange gain of $5,320,489 (year ended December 31, 2014 – gain of $2,369,163) which was the result of a strengthening 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 income of $2,643,029 for the year ended December 31, 2015 (year ended December 31, 2014 - net comprehensive loss $2,045,373).

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 cumulatively as at December 31, 2015 and December 31, 2014 is presented in the table, below:

	As at December 31, 2015	As at December 31, 2014
Blawn Mountain Project		
Drilling	**$ 6,871,662**	$ 5,759,285
Pre-feasibility study	**6,416,996**	5,378,870
Professional and labour	**5,355,163**	4,365,469
Employee salary and benefits	**5,255,741**	3,741,548
Preliminary economic assessment	**3,775,670**	3,164,850
Mineral leases	**2,506,363**	1,935,136
Employee share based compensation (non-cash)	**1,050,414**	1,046,369
Transportation	**414,420**	342,098
Equipment rentals	**244,939**	205,313
Feasibility study	**243,562**	192,113
Data acquisition	**214,765**	157,794
Field expenditures	**140,171**	117,494
Other	**73,353**	59,399
Total exploration and evaluation assets	**$ 32,563,219**	$ 26,465,738

During the year ended December 31, 2015, the Corporation incurred $6,097,481 in expenses related to exploration and evaluation, primarily due to the foreign exchange translation gains of $4,881,041 on prior and current period expenditures. During the year ended December 31, 2015 the main expenditure activities on exploration and evaluation assets were on professional services ($147,156) and employee salary and benefits ($792,073).

Other Liabilities

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

- March 31, 2015 US$164,000

- August 31, 2015 US$164,000
- March 31, 2016 US$164,000
- August 31, 2016 US$164,000
- March 31, 2017 US$164,000

The Corporation classified this agreement as 'other financial liabilities' and recorded it at fair value on initial recognition. The Corporation has agreed to pay a finance charge of 5.75% per annum on the outstanding balance during this three year period. Also under the terms of the Mining Lease, a minimum annual royalty payment of US$46,200 and an annual rental payment of US$11,500 is due to SITLA. The first annual royalty and rental payments were made on March 24, 2014.

In June 2015, the Corporation entered into a modification of the Blawn Mountain Project Mining Lease Agreement with SITLA. The modification cures the event of default under the Lease that occurred on March 31, 2015. Under the terms of the modification, SITLA has agreed to forbear from exercising its rights and remedies resulting from Potash Ridge's failure to make lease and minimum royalty payments to SITLA under the terms of the Lease. The forbearance period is from March 31, 2015 to April 1, 2017.

Potash Ridge is obligated to pay accrued and unpaid interest by March 31, 2016 or when it raises US $1.5 million in new funds for the development of the Blawn MountainProject, whichever arises first. Once Potash Ridge raises US $3 million or more of new funds for the development of the Blawn Mountain Project, then all outstanding amounts currently due under the Lease, plus accrued interest, will become due.

Potash Ridge will pay interest to SITLA on unpaid lease and minimum royalties payments, which will accrue annually at a rate of SITLA's published prime rate plus two percent (currently equivalent to 5.25%) or 6.0%, whichever is greater, with the first interest payment due on March 31, 2016.

Potash Ridge will continue to be required to meet all other obligations under the terms of the Blawn Mountain Lease.

Summary of Annual Results

Selected financial statement information for the three most recent years:

	December 31 2015	December 31 2014	December 31 2013
Exploration and evaluation assets	32,563,219	26,465,738	21,107,864
Total assets	33,180,463	29,032,782	30,810,965
Working capital[1]	(1,776,921)	696,901	6,989,837
Shareholders' equity	30,579,498	27,330,704	29,231,437
Interest income	718	15,785	60,183
Expenses	2,033,077	4,485,591	6,307,709
Net comprehensive income/(loss)	2,643,029	(2,045,373)	(4,560,525)
Basic and diluted income / (loss) per share	0.03	(0.02)	(0.05)

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 years 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: the capitalized evaluation and exploration expenditures related to the Blawn Mountain Project and cash, cash equivalents from financings still available to the Corporation; and

- Total assets increased by $4,147,681 as at December 31, 2015 compared to December 31, 2014 mainly as a result of foreign exchange translation gains.

Liquidity and Capital Resources

Cash Resources and Liquidity

At December 31, 2015, the Corporation had working capital[1] deficiency of $1,776,923 (December 31, 2014 - $696,901) comprising of cash and cash equivalents of $410,877 (December 31, 2014 - $1,026,771) and receivables, restricted cash, prepaid expenditures and other current assets of $186,189 (December 31, 2014 - $801,438), offset by current liabilities of $2,373,989 (December 31, 2014 - $1,131,308). During 2015, the Corporation reduced its restricted cash by an aggregate amount of US$645,998 by decreasing its reclamation bonds and other collateral requirements. This amount became available to the Corporation for general purposes.

The Corporation intends to use its existing cash resources prudently on basic project management and on essential non-discretionary general corporate and operating expenditures while further capital is sought. The Corporation expects that it will be able to operate on this basis into Q3 2016 without making further spending reductions and without the receipt of additional financing. The Corporation continues to seek and evaluate various financing alternatives to address future development funding requirements. The Corporation will require financing to fund the development of the Blawn Mountain Project and Valleyfield Project and for nearer term working capital requirements. The Corporation is targeting to complete this financing in the coming months. Although the Corporation has been successful in its past fundraising activities, there are no assurances as to the success or timing of future fundraising efforts or as to the sufficiency of funds raised. The Corporation is managing its existing cash resources prudently. The Corporation does not generate any operating cash flows and is reliant on external sources of funding. An inability to raise additional financing may materially impact the future assessment of the Corporation to continue as a going concern.

Financing Activities

On November 27, 2015, the Corporation closed a non-brokered private placement of 20,000,000 Units at a price of $0.03 per Unit, for gross proceeds of $600,000. Each Unit is comprised of one common share in the capital of the Corporation and one half of one Common Share purchase Warrant. Each Warrant is exercisable to acquire one Common Share at an exercise price of $0.08 per Common Share for a period of two years from the date of issuance.

In connection with the Private Placement, the Corporation has agreed to pay fees to certain individuals that include cash commissions totaling $39,083 and the issuance of 1,302,750 finder warrants. Each finder warrant is exercisable to acquire one Common Share at an exercise price of $0.08 per Common Share for a period of two years from the date of issuance.

These warrants and finder warrants were assigned values of $140,000 and $18,239, respectively using the Black- Scholes valuation model. The key assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

Exercise price	$0.08
Risk-free interest rate	0.63%
Annualized expected volatility	100%
Expected life of options	2 years

[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.

Value per warrant $0.014

Uses of Cash

The Corporation used $368,278, for operating activities during the year ended December 31, 2015 primarily for the payment of operating expenses. In addition, during the year ended December 31, 2015, the Corporation used $722,584 for investing activities, as a result of $861,010 of expenditures for the continuing exploration and development activities at the Blawn Mountain Project, partially offset by $150,604 in proceeds from the sale of property, plant and equipment.

The Corporation used $4,701,883 in operating activities during the year ended December 31, 2014 primarily for the payment of operating expenses. In addition, during the year ended December 31, 2014, the Corporation used $2,377,532 in investing activities, as a result of $2,342,348 of expenditure for the continuing exploration activities at the Blawn Mountain Project and $35,184 from the acquisition of property, plant and equipment.

Disclosure of Outstanding Share Data

On March 16, 2016 Sprott Resource Corporation, the holder of the 5,055,254 non-voting shares, exercised their right to convert the non-voting shares into voting common shares. Consequently, as of March 16, 2016 the Corporation has 106,909,032 common shares issued and outstanding.

No non-voting shares are currently issued and outstanding.

Commitments and Contingencies

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

	Less than 1 year	1 - 5 years	After 5 years	Total
Mining Lease	$ 79,926	$ 367,660	$ 431,600	$ 879,186
Exploration leases	$ 8,060	$ 24,149	$ 10,726	42,936
Operating leases	$ 520,853	$ 1,446,403	$ 85,705	2,052,960
Total	**$ 608,839**	**$ 1,838,212**	**$ 528,031**	**$ 2,975,082**

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Convertible Securities

As at December 31, 2015, the Corporation had 11,302,750 warrants outstanding with an exercise price of $0.08 and an expiry date of November 27, 2017.

Incentive Stock Options (Share-Based Compensation)

The Corporation has an incentive stock option 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, 2015, the Corporation granted a total of 4,000,000 stock options to certain officers, consultants and directors of the corporation. These stock options were granted with a term of 10 years from the date of grant. The options vest as to one-third on each of the grant date and the first and second anniversary thereof.

During the year ended December 31, 2014, the Corporation granted a total of 240,000 stock options to certain employees. These stock options were granted with a term of 10 years from the date of grant. The options vest as to one-third on each of the grant date and the first and second anniversary thereof.

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

The total share-based compensation for the year ended December 31, 2015 was $48,385 (year ended December 31, 2014 - $338,781). In 2015, the Corporation capitalized $4,045 as exploration and evaluation assets and recognized an expense of $44,430 in the consolidated statement of income (loss) and comprehensive income (loss). In 2014, the Corporation capitalized $33,192 as exploration and evaluation assets and recognized an expense of $305,589 in the consolidated statement of loss and comprehensive loss.

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

Number of stock outstanding	Number of Stock options vested and exercisable	Exercisable price ($)	Expiry date	Weighted average remaining actual life (years)
2,300,000	2,300,000	0.25	December 9, 2021	5.9
600,000	600,000	0.75	January 26, 2022	6.1
60,000	60,000	0.75	February 1, 2022	6.1
1,800,000	1,800,000	1.00	December 5, 2022	6.9
400,000	383,333	0.14	November 22, 2023	7.9
240,000	240,000	0.33	May 13, 2024	8.4
4,000,000	1,333,333	0.04	November 27, 2025	9.9
9,400,000	6,716,666	0.34		7.98

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 incur current income taxes.

As at December 31, 2015, the Corporation has available Canadian tax losses of $14,367,996, available U.S. tax losses of $13,594,955 and other deductible temporary differences of $649,963. The Corporation has not recognized the benefits of these tax losses or other deductible temporary differences in the 2015 audited consolidated financial statements as the recoverability of these future tax benefits cannot be assured.

The Corporation incurred a tax recovery of $nil in the year ended December 31, 2015. The Corporation recognized a tax recovery of $194,141 for the year ended December 31, 2014 due to the recognition of previously unrecognized tax loses that were utilized against the capital gain on the expiry of certain unexercised warrants. The tax expense associated with the warrant expiry was recognized against contributed surplus in 2014.

Transactions with Related Parties

The Corporation's related parties, as defined by International Accounting Standard 24 "Related Party Disclosures", 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 fees	Share-based awards	Total
Year ended December 31, 2015			
Senior officers	$ 479,434	$ 10,938	$ 490,373
Directors	-	36,917	36,917
Year ended December 31, 2014			
Senior officers	$ 1,251,959	$ 184,140	$ 1,436,099
Directors	228,391	192,500	420,891

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.

Financial Instruments and Risk Management

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

The carrying value of cash, cash equivalents, receivables, accounts payable and accrued liabilities and other 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 and cash equivalents with banks. Substantially all of the Corporation's cash and cash equivalents 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, 2015, the Corporation had cash and cash equivalents balance of $410,877 (December 31, 2014 - $1,026,771) to settle current liabilities of $2,025,279 (December 31, 2013 - $1,131,308).

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 the Project.

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 are denominated in the following currencies:

	As at December 31, 2015	As at December 31, 2014
Cash and cash equivalents (expressed in Canadian dollars)		
Denomination in Canadian dollars	**$403,603**	**$76,345**
Denomination in U.S. dollars	**7,274**	**950,426**
	$410,877	**$1,026,771**

The Corporation is exposed to foreign exchange rate fluctuations between the Canadian and U.S. dollars. Based on the Corporation's financial instrument balances at December 31, 2015, net income (loss) will increase or decrease by, approximately $400 (December 31, 2014 - $48,000) 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 Blawn Mountain Project are incurred primarily in U.S. dollars. The Corporation's administrative and head office expenditures are 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 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 Financial Statements. The preparation of the Corporation's 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; and
- Share based compensation

Exploration and evaluation expenditures

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

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

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. Note 10 of the Financial Statements describes the significant assumptions applied to these areas of estimation.

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 year ended December 31, 2015 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 year ended December 31, 2015 that have materially affected, or are reasonably likely to materially affect, ICFR.

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

Disclosure controls and procedures ("DC&P") have been designed to provide reasonable assurance that all material information related to the Corporation is identified and communicated on a timely basis. Management of the Corporation, under the supervision of the CEO and the CFO, is responsible for the design and operations of DC&P. There have been no changes in the Corporation's DC&P during the year ended December 31, 2015.

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

Changes in Accounting Policies

No changes to accounting policies were adopted in 2015.

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. IFRS 9 has an effective date of January 1, 2018, with early adoption permitted. The Corporation continues to monitor and assess the impact of this standard.

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 development of the Blawn Mountain Project and the Valleyfield 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.