FORM 5

QUARTERLY LISTING STATEMENT

Name of CSE Issuer: American Potash Corp. (Formerly Magna Resources Ltd.) (the "Issuer").

Trading Symbol: AMP

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CSE Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the CSE.ca website.

General Instructions

(a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the CSE Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
(b) A description of the transaction(s), including those for which no amount has been recorded.
(c) The recorded amount of the transactions classified by financial statement category.
(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
(e) Contractual obligations with Related Persons, separate from other contractual obligations.
(f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

(a) summary of securities issued during the period.
(b) summary of options granted during the period,

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

(b) number and recorded value for shares issued and outstanding,

(c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

(d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CSE Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

5. Dated December 24, 2014

Mike Sieb

Name of Director or Senior Officer

"*Mike Sieb*"

President

Official Capacity

Issuer Details Name of Issuer Magna Resources Ltd.	For Quarter Ended October 31, 2014	Date of Report YY/MM/D 14/12/24
Issuer Address 1100 – 1111 Melville Street		
City/Province/Postal Code Vancouver, BC V6E 3V6	Issuer Fax No. 604.484.7143	Issuer Telephone No. 604.558.4955
Contact Name Mike Sieb	Contact Position President	Contact Telephone No. 604.805.6345
Contact Email Address mikesieb@americanpotashcorp.com	Web Site Address americanpotashcorp.com	

SCHEDULE "A"

AMERICAN POTASH CORP.
(Formerly MAGNA RESOURCES LTD.)
An Exploration Stage Enterprise

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED OCTOBER 31, 2014 AND 2013

(Expressed in Canadian Dollars)

Unaudited Interim Financial Statements

In Accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited condensed consolidated interim financial statements for the period ended October 31, 2014.

AMERICAN POTASH CORP. (Formerly MAGNA RESOURCES LTD.)
Condensed consolidated interim statements of financial position
(Expressed in Canadian Dollars - unaudited)

	Notes	**October 31, 2014**	**July 31, 2014**
ASSETS		$	$
Current			
Cash and cash equivalents		26,853	19,167
Prepaid expenses		32,429	40,512
Accounts receivable		25,759	23,855
Total current assets		85,041	83,545
Non-current assets			
Exploration and evaluation assets	3	3,343,049	3,284,288
Total non-current assets		3,343,049	3,284,288
Total assets		3,428,090	3,367,833
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		135,252	157,658
Short-term loans	6	56,200	24,000
Due to related parties	8	135,580	81,849
Total liabilities		327,032	263,507
EQUITY			
Equity attributable to shareholders			
Share capital	7	5,123,876	5,123,876
Reserves		1,700,392	1,649,741
Share subscriptions received		40,000	-
Accumulated deficit		(3,763,210)	(3,669,291)
Total equity		3,101,058	3,104,326
Total liabilities and equity		3,428,090	3,367,833

Going concern – Note 1
Commitments – Notes 3 and 8
Subsequent events – Note 12

On behalf of the board:

"*Rudy de Jonge*"
Rudy de Jonge

"*Darryl Yea*"
Darryl Yea

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

AMERICAN POTASH CORP. (Formerly MAGNA RESOURCES LTD.)

Consolidated Statements of Operation and Comprehensive Loss

(Expressed in Canadian Dollars - unaudited)

For the three months ended October 31,	**2014**	**2013**
	$	$
General and administrative expenses		
Accounting and audit fees	(3,406)	8,080
Consulting fees	19,500	33,954
Foreign exchange	496	5,698
Insurance	-	3,217
Interest expense and bank charges	343	408
Investor relations, website and promotion	24,995	40,174
Legal fees	(1,036)	23,230
Office and administration	2,996	7,736
Office Rent	3,000	10,120
Share-based payments	543	1,827
Transfer agent and filing fees	6,388	5,224
Travel and entertainment	2,600	2,960
Wages	37,500	37,500
	(93,919)	(180,128)
Interest income (expenses)	-	478
Net loss	(93,919)	(179,650)
Other comprehensive income		
Foreign currency translation	(50,108)	32,872
Total comprehensive loss	(144,027)	(146,778)
Loss per share, basic and diluted	(0.00)	(0.00)
Weighted average common shares outstanding - basic and diluted	55,332,898	51,581,666

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

AMERICAN POTASH CORP. (Formerly MAGNA RESOURCES LTD.)
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

For the three months ended October 31,	**2014**	**2013**
Cash provided by (used in):	$	$
Operating activities:		
Net loss for the period	(93,919)	(179,650)
Items not involving cash:		
Share-based payments	543	1,827
Changes in non-cash working capital:		
Accounts receivable	(1,893)	52,939
Prepaid expenses	8,083	11,252
Accounts payable and accrued liabilities	43,050	9,948
Due to related parties	20,475	(4,641)
	(23,661)	(108,325)
Investing activities:		
Exploration and evaluation assets and intangible assets	(58,761)	(112,556)
Sale of short-term investment	-	145,963
	(58,761)	33,407
Financing activities:		
Share subscriptions received	40,000	52,500
	40,000	52,500
Net change in cash	42,422	(22,418)
Effect of exchange rate changes	50,108	32,872
Cash, beginning of period	19,167	21,217
Cash, end of period	26,853	31,671

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

MAGNA RESOURCES LTD.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

	Note	Common Shares Number of Shares	Common Shares Amount	Share-based Payment Reserve	Warrant Reserve	Share Subscriptions Received	Foreign Currency Translation Reserve	Deficit	Total Equity
			$	$	$	$	$	$	$
Balance on July 31, 2013		51,581,666	4,628,161	989,914	416,691	-	38,871	(2,940,576)	3,133,061
Share subscriptions received		-	-	-	-	52,500	-	-	52,500
Share-based payments		-	-	1,827	-	-	-	-	1,827
Net loss		-	-	-	-	-	-	(179,650)	(179,650)
Other comprehensive loss		-	-	-	-	-	32,872	-	32,872
Balance on October 31, 2013		51,581,666	4,628,161	991,741	416,691	52,500	71,743	(3,120,226)	3,040,610
Common shares issued:									
Issuance of shares for cash		3,331,232	499,687	-	-	-	-	-	499,687
Share issuance costs		-	(14,595)	-	-	-	-	-	(14,595)
Warrant reserve		-	(37,677)	-	37,677	-	-	-	-
Shares issued per option agreement		400,000	46,000	-	-	-	-	-	46,000
Shares issued per finder's fee agreement		20,000	2,300	-	-	-	-	-	2,300
Share-based payments		-	-	50,097	-	-	-	-	50,097
Share subscriptions received		-	-	-	-	(52,500)	-	-	(52,500)
Net loss		-	-	-	-	-	-	(549,065)	(549,065)
Other comprehensive income		-	-	-	-	-	81,792	-	81,792
Balance on July 31, 2014		55,332,898	5,123,876	1,041,838	454,368	-	153,535	(3,669,291)	3,104,326
Share subscriptions received		-	-	-	-	40,000	-	-	40,000
Share-based payments		-	-	543	-	-	-	-	543
Net loss		-	-	-	-	-	-	(93,919)	(93,918)
Other comprehensive income		-	-	-	-	-	50,107	-	50,107
Balance on October 31, 2014		55,332,898	5,123,876	1,042,381	454,368	40,000	203,642	(3,763,210)	3,101,058

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

1. NATURE OF OPERATIONS

American Potash Corp. (the "Company") was incorporated on June 5, 2006 under the laws of British Columbia. On August 12, 2014, the Company changed its name to American Potash Corp. The shares of the Company are traded on the Canadian Securities Exchange ("CSE") under the symbol 'AMP' and on the OTCQX International, a segment of the OTCQX marketplace in the U.S., under the symbol 'MGRZF'. The Company is dedicated to the acquisition and development of potash mineral deposits in the United States and elsewhere. American Potash LLC, a Nevada corporation wholly owned by the Company, owns and operates the Green River Potash Project in Utah. American Potash's area of interest covers key land positions in known potash-bearing sedimentary cycles in Utah.

The Company's head office and registered and records office is 1100 – 1111 Melville Street, Vancouver, BC, Canada V6E 3V6.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at October 31, 2014, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral properties exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements were authorized for issue on December 24, 2014 by the directors of the Company.

Statement of Compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34, *Interim Financial Reporting* (IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee (IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended July 31, 2014.

These condensed consolidated interim financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended July 31, 2014.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as at fair value through profit or loss have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The condensed consolidated interim financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its controlled entity. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation. Details of controlled entities are as follows:

	Country of Incorporation	Percentage owned as at October 31, 2014	2013	Principal Activity
American Potash LLC (“American Potash”)	United States	100%	100%	Mineral exploration

3. EXPLORATION AND EVALUATION ASSETS

Green River Potash Project

In May, 2009, and amended on November 2, 2010 and further amended on December 6, 2011, American Potash entered into an option agreement (the “Sweetwater Option”), to acquire applications to the United States Bureau of Land Management (“BLM”) in respect of certain Utah permits, together with all permits and other rights issued pursuant to the applications, to allow for the exploration of potash prospects in Utah. A director of the Company is a party to the Sweetwater Option (Note 8).

The Sweetwater Option entitles American Potash to acquire a 100% interest in permit applications, subject to a 2% royalty to the optionors which may be bought back for $2,000,000 USD. The option may be exercised by having the Company pay a total of $270,000 USD and issue in aggregate, 2,000,000 shares of Company to the optionors upon receiving grants of exploration permits for not less than 25,000 acres of Utah property, as follow:

- $70,000 USD upon signing the option agreement (paid);
- 200,000 shares of the Company upon grant of the permits representing not less than 25,000 acres (issued February 14, 2014) (Note 6);
- $50,000 USD cash and 600,000 shares of the Company on or before the first anniversary date (200,000 issued February 14, 2014) (Note 6);
- $50,000 USD cash and 600,000 shares of the Company on or before the second anniversary date;
- $50,000 USD cash and 600,000 shares of the Company on or before the third anniversary date; and
- $50,000 USD cash on or before the fourth anniversary date.

On January 31, 2014, 14 prospecting permits were formally signed and delivered to the Company, with an effective date of March 1, 2014; thereby initiating the Sweetwater Option period.

In connection with the Sweetwater Option, the Company will pay a finder’s fee on the Company’s pre-acquisition 50% interest in American Potash. The finder’s fee will be 10% of 50% (5%) of the cash and stock payments made under the Sweetwater Option, payable as and when such payments are made. On February 14, 2014, upon receipt of the prospecting permits, the Company issued 20,000 common shares to the finder (Note 6).

In 2011, American Potash acquired 11 non-contiguous Utah State Trust Land potash lease units in the potash bearing Paradox Basin. These lease units are all within the boundaries of the BLM potash prospecting permit applications held by the Company.

Green River Potash Project Expenditures

	Total for three months ended October 31, 2014	Total for year ended July 31, 2014
	$	$
Mineral acquisition costs:		
Balance, beginning	2,930,184	1,711,665
Cash	4,298	-
Shares	-	48,300
Reallocation from intangible assets (Note X)	-	1,133,716
Foreign exchange translation	45,738	36,503
Balance, ending	2,980,220	2,930,184
Exploration and evaluation expenditures:		
Balance, beginning	354,104	266,248
Bonding	-	18,174
General administration	1,528	46,363
Surveys	-	3,859
Geological consulting	1,629	2,063
Foreign exchange translation	5,568	17,397
Balance, ending	362,829	354,104
Total	3,343,049	3,284,288

4. INTANGIBLE ASSETS

	October 31, 2014	July 31, 2014
Potash Prospects Applications	$	$
Balance, beginning	-	480,986
Expenditures	-	578,,042
Foreign exchange translation	-	74,688
Reallocation to exploration and evaluation assets (Note X)	-	(1,133,716)
	-	-

Intangible assets relate to the exploration permit applications optioned from the optionors, as described in Note 3. Upon receipt of the 14 prospecting permits during the year ended July 31, 2014, all deferred costs related to these permits included in intangible assets were reallocated to exploration and evaluation assets.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2014	July 31, 2014
	$	$
Accounts payable	89,602	137,658
Accrued liabilities	45,650	20,000
	135,252	157,658

6. **SHORT-TERM LOANS**

Directors of the Company, companies controlled by directors of the Company and a consultant to the Company (the "Lenders") loaned the Company an aggregate of $56,200. The loans are unsecured, repayable on or before January 31, 2015, with an annual interest rate of 10% and are repayable in cash or common shares of the Company, at the option of the Lenders (Note 8).

7. **SHARE CAPITAL**

a) Authorized:

Unlimited common shares with no par value.

b) Issued and outstanding:

At October 31, 2014 and July 31, 2014, there were 55,332,898 issued and fully paid common shares.

c) Common shares

Year ended July 31, 2014

On November 8, 2013, the Company closed a non-brokered private placement of 1,759,232 units at a price of $0.15 per unit for gross proceeds of $263,885. Each unit consisted of one share of the Company and one-half of one common share purchase warrant, exercisable for two years from the date of grant at a price of $0.25 per share. Finders' fees of $11,190 were paid in connection with the private placement. Using the residual method, a $Nil value was allocated to the attached warrants.

On January 17, 2014, the Company closed a non-brokered private placement of $38, 334 units at a price of $0.15 per unit for gross proceeds of $80,750. Each unit consisted of one common share of the Company and on-halve of one common share purchase warrant, exercisable for two years from the date of grant at a price of $0.25 per share. Finders' fees of $1,905 were paid in connection with the private placement. Using the residual method, a $Nil value was allocated to the attached warrants.

On February 14, 2014, the Company issued an aggregate of 420,000 common shares at a fair value of $0.115 per share, pursuant to the Sweetwater Option (Note 3).

On April 15, 2014, the Company closed a non-brokered private placement of 767,000 units at a price of $0.15 per unit ("Unit") for gross proceeds of $115,050. Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant, exercisable for two years from date of grant at a price of $0.25 per share. Finders' fees of $1,500 were paid in connection with the private placement. Using the residual method, a $Nil value was allocated to the attached warrants.

On June 3, 2014, the Company closed a non-brokered private placement of 266,666 units at a price of $0.15 per unit for gross proceeds of $40,000. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant, exercisable for two years from date of grant at a price of $0.25 per Share. Using the residual method, a fair value of $14,667 was allocated to the attached warrants.

d) Basic and diluted loss per share

Diluted loss per share did not include the effect of 4,385,000 stock options and 6,465,616 warrants as the effect would be anti-dilutive.

e) Share subscriptions received

As at October 31, 2014, the Company received $40,000 in subscription funds.

f) Stock options

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

On April 10, 2013, the Company granted 150,000 stock options to a consultant of the Company, exercisable at $0.10 per share for a term of 18 months, expiring October 10, 2014. The options were valued at a fair value of $2,966, assuming a risk-free interest rate of 1.40%, a dividend yield of nil, an expected volatility of 99.91% and an average expected life of 1.5 years. A share-based payment expense of $2,966 was charged to operations and added to share based payment reserve for the year ended July 31, 2013.

The continuity of stock options for the period ended October 31, 2014 is as follows:

	Number of Options Outstanding	Weighted Average Exercise Price
		$
Balance July 31, 2013	5,450,000	0.11
Options granted	800,000	0.15
Options expired	(1,715,000)	0.13
Balance, July 31, 2014	4,535,000	0.11
Options expired	(150,000)	0.10
Balance, October 31, 2014	4,385,000	0.11

Details of options outstanding and exercisable at October 31, 2014 are as follows:

Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
	$	
300,000	0.10	3.13
3,285,000	0.10	3.22
300,000	0.15	1.4
500,000	0.15	4.42
4,385,000	0.37	3.11

g) Share purchase warrants

The continuity of warrants for the period ended October 31, 2014 is as follows:

	Number of Warrants	Weighted Average Exercise Price ($)
Balance, July 31, 2013	4,800,000	0.10
Warrants issued	1,665,616	0.25
Balance, July 31 and October 31, 2014	6,465,616	0.14

Details of warrants outstanding as at October 31, 2014 are as follows:

Number of warrants outstanding	Weighted average exercise price	Weighted average remaining contractual life (years)
4,800,000	$0.10	1.32
879,616	$0.25	1.02
269,167	$0.25	1.22
383,500	$0.25	1.46
133,333	$0.25	1.59
6,465,616	$0.14	1.26

h) Share based payment reserve

The share based payment reserve records items recognized as share-based payment expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

i) Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that the warrants are exercised, at which time the corresponding amount will be transferred to share capital.

8. RELATED PARTY TRANSACTIONS

Related party balances

The following amounts are payable to related parties as at October 31, 2014 and 2013:

	October 31, 2014	October 31, 2013
	$	$
Companies controlled by directors of the Company	47,250	-
Directors/officers of the Company	88,330	-
	135,580	-

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Related party transactions

On July 29, 2014, August 12 and October16, 2014, directors of the Company and companies controlled by directors of the Company (the "Lenders") loaned the Company an aggregate of $44,800. The loans are unsecured, bear interest at 10% per annum and are repayable on or before January 31, 2015 in cash or common shares of the Company at the option of the Lenders.

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company:

Services provided by:	October 31, 2014	October 31, 2013
	$	$
Companies controlled by directors of the Company	15,000	15,000
Directors/officers of the Company	42,000	45,000
Share-based payments	527	1,827
	57,527	61,827

A director of the Company is a party to the Sweetwater Option.

9. COMMITMENTS

a) On June 1, 2011, the Company entered into an agreement with St. Cloud Mining Services Inc. (wholly owned by one of the directors) to provide management/consulting services to the Company at a rate of $5,000 per month.

b) On April 1, 2012, the Company entered into an employment agreement with Mike Sieb to provide services as President of the Company. Pursuant to the agreement, the Company must issue 75,000 common shares on the second anniversary of employment, and an additional 75,000 common shares on the third anniversary of employment.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and short-term investments. The Company limits its exposure to credit loss by placing its cash and cash short-term investments with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure. The risk is assessed as low.

(b) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The functional currency of the Company's subsidiary American Potash is the US dollar. Foreign currency risk arises from the fluctuation in currency exchange between the Canadian dollar and US dollar. The Company has not entered into financial instruments to hedge against this risk.

The following is an analysis of Canadian Dollar equivalent of financial assets and liabilities that are denominated in US dollars:

	October 31, 2014	**July 31, 2014**
	$	$
Cash		12
Accounts payable	(64	(59,049)
	(65	(59,037)

Based on the above net exposures, as at October 31, 2014, a 10% change in the US dollar to Canadian Dollar exchange rate would impact the Company's net loss by $6,509.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

Contractual maturity analysis is as follows:

	Less than 3 months	**3-12 months**	**1-5 years**	**Longer than 5 years**	**Total**
	$	$	$	$	$
October 31, 2014					
Accounts payable	135,252	-	-	-	135,252
Due to related parties	135,580	-	-	-	135,580
Short-term loans	56,200	-	-	-	56,200

	Less than 3 months	**3-12 months**	**1-5 years**	**Longer than 5 years**	**Total**
	$	$	$	$	$
July 31, 2014					
Accounts payable	137,658	-	-	-	137,658
Due to related parties	81,849	-	-	-	81,849
Short-term loans	24,000	-	-	-	24,000

(d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(e) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing assets in relation to cash at banks carried at floating interest rates with reference to the market. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered immaterial.

(f) Fair Values

Financial instruments recognized at fair value on the consolidated statement of financial position must be classified in one of the following three fair value hierarchy levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at October 31, 2014 and July 31, 2014:

	As at October 31, 2014		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	26,853	-	-
Short term investments	-	-	-
Total	26,853	-	-

	As at July 31, 2014		
	Level 1	**Level 2**	**Level 3**
	$	$	$
Cash	19,167	-	-
Total	19,167	-	-

The fair values of other financial instruments, which include other receivable, other assets, bank indebtedness, accounts payable, and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

11. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its operations and business development. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has not generated any revenues since its inception; therefore, the Company is dependent on external financing to fund its future intended business plan. The capital structure of the Company currently consists of working capital and shareholders' equity. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period.

12. SEGMENTED INFORMATION

The Company's activities are all in one industry segment of mineral property acquisition and exploration. The Company's exploration operations are centralized whereby management of the Company is responsible for business results and the everyday decision-making. The Company's operations therefore are segmented on a geographic basis. The Company's non-current assets, which include exploration and evaluation assets and intangible assets, are all located in the United States.

13. SUBSEQUENT EVENTS

a) On December 8, 2014, the Company closed a non-brokered private placement for 7,840,000 units at a price of $0.08 per unit for gross proceeds of $627,200. Each Unit consisted of one common share of the Company and one common share purchase warrant exercisable into one common share of the Company at an exercise price of $0.12 per share expiring 36 months from date of issuance. The Shares and Warrant Shares are subject to a four month hold period. Finders' fees of $28,560 were paid, plus 357,000 finders' warrants issued in connection with the closing of this Private Placement. The net proceeds of this Private Placement are for the Company's general working capital as well as preparatory work for the Phase 1 drill program at the Company's Green River Potash Project in the renowned Paradox Basin, Utah.

b) On December 10, 2014, the Company completed shares for debt agreements totaling $81,002 with arm's length and non-arm's length creditors through the issuance of 1,012,521 common shares of the Company at a deemed price of $0.08 per share. 767,125 of these shares were issued to non-arm's length parties. The Company also issued 75,000 common shares pursuant to an employment agreement with the Company's President.

14. COMPARATIVE INFORMATION

Certain comparative information has been reclassified to conform to the presentation adopted in the current period.

SCHEDULE "B"

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Form 51-102F1

Management's Discussion & Analysis of Financial Condition and Results of Operations for the Financial Three Months Ended October 31, 2014

Date: December 24, 2014

General

This Management's Discussion & Analysis ("MD&A") of American Potash Corp. ("American Potash" or the "Company") has been prepared by management and should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended October 31, 2014 and the audited consolidated financial statements and accompanying notes for the year ended July 31, 2014 and, together with this MD&A, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as forward-looking statements relating to future performance. The financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and include the operating results of the Company.

Additional information relating to the Company, including regulatory filings, can be found on the SEDAR website at www.sedar.com.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's "forecast", "estimate", "expect" and similar expressions, as they relate to the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

Overview of Business

The Company was incorporated on June 5, 2006 under the laws of British Columbia. On August 12, 2014, the Company changed its name to American Potash Corp. The shares of the Company are traded on the Canadian Securities Exchange ("CSE") under the symbol 'AMP' and on the OTCQX International, a segment of the OTCQX marketplace in the U.S., under the symbol 'MGRZF'. The Company is dedicated to the acquisition and development of potash mineral deposits in the United States and elsewhere. American Potash LLC, a Nevada corporation wholly owned by the Company, owns and operates the Green River Potash Project in Utah. American Potash's area of interest covers key land positions in known potash-bearing sedimentary cycles in Utah.

The condensed consolidated interim financial statements of the Company for the three months ended October 31, 2014 include the accounts of the Company and its 100% interest in American Potash LLC. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. All inter-company transactions, balances, income and expenses are eliminated in full upon consolidation.

Board of Directors:
On December 9, 2014, Mr. John Proust resigned from his position as a director of the Company. The Board of Directors consists of Rudy de Jonge, Darryl Yea, Dr. Kent Ausburn, John Greig, Dr. Lawrence Dick and Kenneth R. Holmes. Michael Sieb is the President, Alexander Peck is the Chief Financial Officer, and Rudy de Jonge is Chief Executive Officer. The members of the Audit Committee are Darryl Yea, John Greig and Dr. Lawrence Dick.

Stock Options:
On October 11, 2014, 150,000 stock options expired, unexercised.

Results of Operations

During the three months ended October 31, 2014, the Company incurred a net loss of $93,919 (October 31, 2013: $179,650) and a net comprehensive loss of $144,027 (2013: $146,778).

Exploration Update

The Green River Potash Project

The Green River Potash Project ("GRPP") comprises eleven (11) state potash leases totaling 2,853 ha, 25 federal potash prospecting permits and permit applications ("PPAs") totaling 17,767 ha and 160 lithium placer claims totaling 1,295 ha staked over a portion of the federal potash PPA area. American Potash holds 100% title to the potash mineralization through the state leases, including all chlorides, sulfates, carbonates, borates, silicates, and nitrates of potassium, holds 100% title to the lithium placer claims through staking and holds a 100% option on the PPAs pursuant to the Sweetwater Option. The GRPP is situated 32 kilometers west of Moab in the renowned Paradox Basin in Utah, which contains the stratigraphic sequence of evaporite/salt layers that comprise the United States' sole solution mining potash operation, Intrepid Potash Inc.'s Cane Creek potash mine. The Cane Creek mine is currently exploiting Potash Cycle 5, which underlies and extends throughout the GRPP area and is the prime exploration target.

On January 31, 2014, fourteen (14) prospecting permits totalling 29,586 acres totaling 29,586 acres were formally signed and delivered to the Company through American Potash, with an effective date of March 1, 2014; thereby initiating the Sweetwater Option period as described in the condensed consolidated financial statements for the three months ended October 31, 2014.

Overall Performance

The following discussion of the Company's financial performance is based on the condensed consolidated interim financial statements for the three months ended October 31, 2014 and the year ended July 31, 2014.

The statement of financial position as at October 31, 2014 indicates a cash position of $26,853 (July 31, 2014: $19,167). The Company has other current assets of prepaid expenses of $32,429 (July 31, 2014: $40,512) and accounts receivable of $25,759 (July 31, 2014: $23,855). Non-current assets consist of exploration and evaluation assets of $3,343,049 (July 31, 2014: $3,284,288).

Current liabilities at October 31, 2014 total $327,032 (July 31, 2014: $263,507), comprising accounts payable and accrued liabilities of $135,252 (July 31, 2014: $157,658), short-term loans of $56,200 (July 31, 2014: $24,000) and due to related parties of $135,580 (July 31, 2014: $81,849).

Shareholders' equity at October 31, 2014 is comprised of share capital of $5,123,876 (July 31, 2014: $5,123,876), share-based payment reserve of $1,042,381 (July 31, 2014: $1,041,838), warrant reserve of 454,368 (July 31, 2014: 454,368), foreign currency translation reserve of $203,642 (July 31, 2014: $153,535) and an accumulated deficit of $3,763,210 (July 31, 2014: $3,669,291) for total shareholders' equity of $3,101,058 (July 31, 2014: $3,104,326).

Working capital, which is current assets less current liabilities, is a deficit of $241,991 (July 31, 2014: deficit of $179,962).

As at October 31, 2014, the Company has no earnings and currently finances exploration activities by the issuance of its common shares. The key determinants of the Company's operating results are the following:

(a) the state of capital markets, which affects the ability of the Company to finance its exploration activities; and
(b) the write-down and abandonment of exploration and evaluation assets and intangible assets should permits for exploration not be granted and should exploration results provide further information that does not support the underlying value of such assets.

Summary of Quarterly Results

The following table sets forth selected quarterly financial information for each of the last eight most recently completed fiscal quarters of the Company, prepared in accordance with IFRS and stated in Canadian dollars:

	2015	**2014**				**2013**		
	Q1	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Net Sales/ Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	$(93,919)	$(160,209)	$(175,613)	$(213,243)	$(179,650)	$(177,060)	$(111,302)	$(325,785)
Basic Income (Loss) per share	$(0.00)	$(0.00)	$(0.00)	$(0.01)	$(0.00)	$(0.00)	$(0.00)	$(0.01)

Notes: 1. Fully-diluted per share amounts are not scheduled as they would be anti-dilutive.

Liquidity & Capital Resources

At October 31, 2014, the Company's cash balance is $26,853 and the working capital deficit is $241m991, compared with a cash balance of $19m167 and working capital deficit of $179,962 at July 31, 2014.

On December 10, 2014, the Company completed shares for debt agreements totaling $81,002 with arm's length and non-arm's length creditors through the issuance of 1,012,521 common shares of the Company at a deemed price of $0.08 per share. 767,125 of these shares were issued to non-arm's length parties. The Company also issued 75,000 common shares pursuant to an employment agreement with the Company's President.

On December 8, 2014, the Company closed a non-brokered private placement for 7,840,000 units at a price of $0.08 per unit for gross proceeds of $627,200. Each Unit consisted of one common share of the Company and one common share purchase warrant exercisable into one common share of the Company at an exercise price of $0.12 per share expiring 36 months from date of issuance. The Shares and Warrant Shares are subject to a four month hold period. Finders' fees of $28,560 were paid, plus 357,000 finders' warrants issued in connection with the closing of this Private Placement. The net proceeds of this Private Placement are for the Company's general working capital as well as preparatory work for the Phase 1 drill program at the Company's Green River Potash Project in the renowned Paradox Basin, Utah.

The Company will be required to raise additional cash for continued operations and exploration activities.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that would potentially affect current or future operations or the financial condition of the Company.

Related Party Transactions

The aggregate value of transactions and outstanding balances relating to key management personnel and entities which they have control over or significant influence of were as follows:

Related party balances

The following amounts are payable to related parties as at October 31, 2014 and 2013:

	October 31, 2014	October 31, 2013
	$	$
Companies controlled by directors of the Company	47,250	-
Directors/officers of the Company	88,330	-
	135,580	-

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

On July 29, 2014, August 12 and October16, 2014, directors of the Company and companies controlled by directors of the Company (the "Lenders") loaned the Company an aggregate of $44,800. The loans are unsecured, bear interest at 10% per annum and are repayable on or before January 31, 2015 in cash or common shares of the Company at the option of the Lenders.

Related party transactions

The Company incurred the following transactions with directors, officers and companies that are controlled by directors of the Company:

Services provided by:	October 31, 2014	October 31, 2013
	$	$
Companies controlled by directors of the Company	15,000	15,000
Directors/officers of the Company	42,000	45,000
Share-based payments	527	1,827
	57,527	61,827

A director of the Company is a party to the Sweetwater Option.

Commitments

On June 1, 2011, the Company entered into an agreement with St. Cloud Mining Services Inc. (wholly owned by one of the directors) to provide management/consulting services to the Company at a rate of $5,000 per month.

On April 1, 2012, the Company entered into an employment agreement with Mike Sieb to provide services as President of the Company. Pursuant to the agreement, the Company must issue 75,000 common shares on the second anniversary of employment (issued December 10, 2014), and an additional 75,000 common shares on the third anniversary of employment.

New accounting standards and interpretations

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning after July 31, 2014 or later periods. The following new standards, amendments and interpretations that have not been early adopted in these financial statements, are not expected to have a material effect on the Company's future results and financial position:

a) IFRS 9 Financial Instruments (New; to replace IAS 39 and IFRIC 9); and
b) Amendments to IAS 32 Financial Instruments: Presentation.

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Financial Instruments and financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(g) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash and cash equivalents and short-term investments. The Company limits its exposure to credit loss by placing its cash and cash short-term investments with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure. The risk is assessed as low.

(h) Foreign Exchange Rate Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The functional currency of the Company's subsidiary American Potash is the US dollar. Foreign currency risk arises from the fluctuation in currency exchange between the Canadian dollar and US dollar. The Company has not entered into financial instruments to hedge against this risk.

The following is an analysis of Canadian Dollar equivalent of financial assets and liabilities that are denominated in US dollars:

	October 31, 2014	July 31, 2014
	$	$
Cash		12
Accounts payable	(64	(59,049)
	(65	(59,037)

Based on the above net exposures, as at October 31, 2014, a 10% change in the US dollar to Canadian Dollar exchange rate would impact the Company's net loss by $6,509.

(i) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by ensuring sufficient financial resources are available to meet obligations associated with financial liabilities. The following table is based on the contractual maturity dates of financial assets and the earliest date on which the Company can be required to settle financial liabilities.

Contractual maturity analysis is as follows:

	Less than 3 months	3-12 months	1-5 years	Longer than 5 years	Total
	$	$	$	$	$
October 31, 2014					
Accounts payable	135,252	-	-	-	135,252
Due to related parties	135,580	-	-	-	135,580
Short-term loans	56,200	-	-	-	56,200

	Less than 3 months	3-12 months	1-5 years	Longer than 5 years	Total
	$	$	$	$	$
July 31, 2014					
Accounts payable	137,658	-	-	-	137,658
Due to related parties	81,849	-	-	-	81,849
Short-term loans	24,000	-	-	-	24,000

(j) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(k) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest bearing assets in relation to cash at banks carried at floating interest rates with reference to the market. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates for the Company is considered immaterial.

(l) Fair Values

Financial instruments recognized at fair value on the consolidated statement of financial position must be classified in one of the following three fair value hierarchy levels:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at October 31, 2014:

	As at October 31, 2014		
	Level 1	Level 2	Level 3
	$	$	$
Cash	26,853	-	-
Short term investments	-	-	-
Total	26,853	-	-

	As at July 31, 2014		
	Level 1	Level 2	Level 3
	$	$	$
Cash	19,167	-	-
Total	19,167	-	-

The fair values of other financial instruments, which include other receivable, other assets, bank indebtedness, accounts payable, and due to related parties, approximate their carrying values due to the relatively short-term maturity of these instruments.

Summary of Outstanding Share Data

The Company's issued and outstanding share capital as at the date of this MD&A is as follows:

(1) Authorized: Unlimited common shares without par value.
(2) As at December 24, 2014, the Company has 64,260,419 common shares issued and outstanding, 4,385,000 stock options outstanding and 14,662,616 warrants outstanding.

Additional Disclosure for Junior Issuers

The Company has expensed the following material cost components during the three months ended October 31, 2014 and 2013:

		Three months ended October 31,	
	Notes	2014	2013
		$	$
Accounting and audit fees	a)	(3,406)	8,080
Consulting fees	b)	19,500	33,954
Foreign exchange		496	5,698
Insurance		-	3,217
Interest expense and bank charges		343	408
Investor relations, website and promotion	c)	24,995	40,174
Legal Fees	d)	(1,036)	23,230
Office and administration		2,996	7,736
Office Rent	e)	3,000	10,120
Share-based payments		543	1,827
Transfer agent and filing fees		6,388	5,224
Travel and entertainment		2,600	2,960
Wages		37,500	37,500

a) Accounting and audit fees for Fiscal 2015 include a reduction to Fiscal 2014 audit fees.
b) Reduction in consulting fees in Fiscal 2015 are primarily due to cancellation of consulting agreement with a director of the Company effective December 1, 2013.
c) The Company reduced Investor relations activities during the first quarter of the current fiscal year.
d) Legal fees for Fiscal 2015 include a reduction to Fiscal 2014 legal fees.
e) Effective January 1, 2014, the Company relocated its offices for a monthly savings of approximately $2,000.

The Company has capitalized the following exploration and evaluation assets during the three months ended October 31, 2014:

Green River Potash Project Expenditures

	Total for three months ended October 31, 2014	**Total for year ended July 31, 2014**
	$	$
Mineral acquisition costs:		
Balance, beginning	2,930,184	1,711,665
Cash	4,298	-
Shares	-	48,300
Reallocation from intangible assets (Note X)	-	1,133,716
Foreign exchange translation	45,738	36,503
Balance, ending	2,980,220	2,930,184
Exploration and evaluation expenditures:		
Balance, beginning	354,104	266,248
Bonding	-	18,174
General administration	1,528	46,363
Surveys	-	3,859
Geological consulting	1,629	2,063
Foreign exchange translation	5,568	17,397
Balance, ending	362,829	354,104
Total	3,343,049	3,284,288

Risks and Uncertainties

Overview

Resource exploration is a speculative business and involves a high degree of risk. There is a significant probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to support commercial production stage are also very substantial.

The following sets out the principal risks faced by the Company.

Exploration Risk. The Company is seeking mineral deposits, on exploration projects where there are not yet established ore reserves. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market Risks. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change, both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity Price Risks. The Company's exploration projects seek mineral resources in Utah. While there have been price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target resources. An adverse change in the resource prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Financing Risks. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Corporation and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that price fluctuations and volatility will not continue to occur.

Key Personnel Risks. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel, including the board of directors. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties.

To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is warranted on any of its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable Risks. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion, against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Grant of Permits. There is a risk that, for various potential political, environmental, or other reasons, the BLM will not grant the outstanding exploration permits to American Potash. In that event, the outstanding federal BLM applications will hold no value.

Proposed Transactions

There are no proposed transactions currently approved by the board of directors.

Other MD&A Requirements

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website – www.sedar.com.

The Company's President and Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company.