ICP-USA, ICP-Canada, ICP Holdco & Cartesian Capital Group

Confidential Summary of Terms – December 9, 2015
(all amounts in USD unless otherwise noted)

Amount: $45 million in Two Tranches

- Tranche 1: $10 million, consisting of $5 million in convertible Series B Preferred Shares and $5 million in secured debt; and

- Tranche 2: up to $35 million in convertible Series C Preferred Shares.

Tranche 1 Securities

- **Equity:** $5 million of newly issued "Series B Preferred Shares" of Intercontinental Potash Corp. USA ("ICP-USA") with a 12% yield and with substantially the same features and rights as, but junior to, the existing Series A Preferred Shares of ICP-USA (as modified by this Summary), convertible into 21.1% of the common shares of ICP-USA.

- **Debt:** $5 million of newly issued promissory notes of ICP-USA ("Tranche 1 Debt") with the following principal features:
  - *Term*: variable with all amounts maturing on the Maturity Date;
  - *Interest rate*: monthly accrual at an annual rate of 11%;
  - *Prepayment:* prepayment without penalty; and
  - *Security:* secured by a pledge of all assets of ICP-USA, including ICP-USA 's interest and rights in the Project and which would permit issuance of, but not subordination to, the types of "Senior Secured Debt" and "Junior Subordinated Debt" that are permitted in Section 3.3(d) of the Series A Preferred Share Provisions.

- **Funding Structure**: The Tranche 1 investment will be made over a period of 6 months subject to a schedule and final use of proceeds agreed by the Parties. Such agreement to be specified per the earlier communication from Cartesian. Funds will be contributed in respect of Series B Preferred Shares or Tranche 1 Debt as elected by Cartesian.

Tranche 2 Securities

- **Equity**: Newly issued "Series C Preferred Shares" of ICP-USA with the following principal features:
  - *Convertibility*: convertible into newly-issued common shares of ICP-USA at any time and from time to time until maturity (the "Tranche 2 Maturity Date") at the sole election of each holder of Series C Preferred Shares.

- *Conversion Price*: the conversion price will be a price that represents a 15% premium to the pre-money equity valuation of ICP-USA implied by ICP-Canada's market valuation calculated on a 60-day VWAP for the period ending on the day of the ICP-USA Board's initial consideration of the funding of Tranche 2, provided that in no event will such a price imply a share price of less than C$0. 115 per share (adjusted for stock splits, combinations and similar events) (the "Price Floor").
- Dividend: 8% per annum payable in-kind.
- Maturity: The Tranche 2 Maturity Date will be 24 months following the initial date of issue.
- Preference: the Series C Preferred Shares will have priority over common equity of ICP-USA on liquidation and dividends, but will be junior to both Series A Preferred Shares and Series B Preferred Shares in all events.

Use of Proceeds

- Tranche 1: to execute the "refresh" program and other pre-construction expenses per a mutually agreed budget; to pay agreed transactions costs and expenses, including the reimbursement of Cartesian's agreed legal expenses; and

- Tranche 2: to fund DBOM and related activity per a mutually agreed budget.

Series A Modification

- Extension of maturity date of Series A Preferred Shares from November 21, 2016 to 24 months from the initial issuance of Tranche 1 securities (the "Maturity Date") to be conterminous with Series B Preferred Shares and promissory notes' maturity; provided that, if the phase 1 work funded by the Tranche 1 investment is positive and results in no material adverse change to any of the technical, marketing or economic aspects of the Ochoa Project feasibility study, the holders of Tranche 1 securities will reasonably consider an extension of the Tranche 1 securities' maturity date by up to six months.

- Change in yield from 12% to 15% for the Series A Preferred Share only for the period beginning on the closing of the Series B Preferred Share issuance and ending on the Maturity Date.

- In the event the Company is unable to redeem the Series A Preferred Shares and Series B Preferred Shares at the Maturity Date for cash, then at the election of each holder of Series A Preferred Shares and Series B Preferred Shares and to the extent permitted by applicable law (including, but not limited to, the Colorado Business Corporation Act), in lieu of a cash redemption or exchange for equity, such holder may exchange some or all of its Series A Preferred Shaes and Series B Preferred Shares for senior secured debt of the Company with a face amount equal to the cash redemption obligation on the date such exchange is consummated. Such senior secured debt shall have the same terms and conditions as the Tranche 1 Debt. Pursuant to an intercreditor agreement among the holders of such new senior secured debt and the Tranche 1 Debt, the senior secured debt and Tranche 1 Debt

shall have the following order of priority from seniormost to juniormost: debt issued in respect of Series A Preferred Shares, Tranche 1 Debt, and debt issued in respect of Series B Preferred Shares.

Governance & Shareholder Protection

- Each of Cartesian and Intercontinental Potash Corp. ("ICP-Holdco")/ICP-Canada would receive, pro rata on an as-converted basis, rights to acquire the Series C Preferred Shares with priority over any other equity capital sources of ICP-USA. Such Series C Preferred Shares would be issuable following the successful completion of pre-DBOM phase 1 work funded by the Tranche 1 investment and approval by a majority of ICP-USA's Board (including at least one representative of each of ICP-Canada and Cartesian).

- In the event that the phase 1 work funded by the Tranche 1 investment is positive and results in no material adverse change to any of the technical, marketing or economic aspects of the Ochoa Project feasibility study and the Tranche 2 investment is approved by a majority of ICP-USA's board (including at least one representative of each of ICP-Canada and Cartesian), Cartesian will subscribe for at least its pro rata share of Series C Preferred Shares. If ICP-Canada is not able to (or chooses not to) fund the remaining balance, Cartesian will subscribe for the remainder on the same terms as its pro rata share.

- At closing of the Tranche 1 investment, there will be five directors on the ICP-USA board. Each of Cartesian and ICP-Canada would appoint 2 directors; Graeme Wheelock or Pat Okita would serve as the fifth director.

- At closing of the Tranche 2 investment, the party's representation on the ICP-USA board will be proportional to their respective ownership of the equity of ICP-USA or as otherwise agreed.

Option

- At the time of a Contribution Trigger, shareholder(s) of any holding company owning Series A Preferred Shares or Series B Preferred Shares, as applicable ("each, a "Preferred Holding Company"), shall have the right to cause ICP-Holdco to purchase all of the equity of each Preferred Holding Company in consideration for the Contribution Value (the "Put Option") by issuing one or more promissory notes, each guaranteed by ICP-USA and secured by a security interest in ICP-USA's assets. The secured debt of ICP-Holdco issued to the Preferred Holding Company holding Series A Preferred Shares shall be the "Senior A Debt" and the secured debt of ICP-Holdco issued to the Preferred Holding Company holding Series B Preferred Shares shall be the "Senior B Debt". The promissory note(s) issuable in connection with the Senior A Debt and Senior B Debt shall have the same terms and conditions as the Tranche 1 Debt. As a condition to the exercise of the Option and issuance of the promissory note(s), each applicable Preferred Holding Company shall not have any liabilities, obligations or contractual

commitments. The Put Option will expire five (5) business days after the date of the Contribution Trigger.

- Each of the following shall be a "Contribution Trigger": (i) a Deemed Liquidation Event as defined in the Articles of Incorporation of the Company (the "Articles"); or (ii) upon the failure by a holder of Series A Preferred Shares or Series B Preferred Shares, as applicable, to deliver a Conversion Notice within fifteen (15) days prior to the Maturity Date as set forth in Section 6.1 of the Articles.

- The "Contribution Value" shall be an amount (in aggregate assuming full exercise of the Put Option) equal to: (A) in the case of the Contribution Trigger enumerated in (i), the amount that would otherwise be payable (without regard to the assets, liabilities, or liquidity of ICP-USA) to holders of underlying Series A Preferred Shares or Series B Preferred Shares, as applicable, held by such Preferred Holding Company, as calculated in accordance with Section 2.1.1 of the Articles; and (B) in the case of the Contribution Triggers enumerated in (ii), the amount that would otherwise be payable (without regard to the assets, liabilities, or liquidity of ICP-USA) to holders of underlying Series A Preferred Shares or Series B Preferred Shares, as applicable, held by such Preferred Holding Company, as calculated in accordance with Section 6.1 of the Articles.

- Pursuant to an intercreditor agreement among the holders of the Senior A Debt, the Senior B Debt and the Tranche 1 Secured Debt, the promissory note(s) issuable in connection with the Senior A Debt and Senior B Debt shall have the same terms and conditions as the Tranche 1 Debt, including security interests in the assets of ICP-USA to secure such debt; provided that such debt shall have the following order of priority from seniormost to juniormost: Senior A Debt, Tranche 1 Debt, and Senior B Debt.

- For the avoidance of doubt, if the Put Option expires unexercised, the Series A Preferred Shares or Series B Preferred Shares, as applicable, will be subject to the provisions set forth in the Articles, including Section 6 thereof.

Conditions to Closing: Closing will be conditioned upon the following:

- Final mutual agreement on Tranche 1 uses of proceeds;
- Satisfactory conclusion of expedited confirmatory legal due diligence;
- Final approval by Cartesian's investment committee;
- Reformation of agreements, including Management Services Agreement;
- Customary legal documentation;
- Receipt of required regulatory approval for the transactions; and
- Receipt by the Board of Directors of ICP-Canada of a favorable fairness opinion by its investment/financial advisor.

Timing & Next Steps

We are ready to deploy any and all resources necessary and to work closely with you to ensure a closing within 15 business days following execution of this binding term sheet. For good order's sake, if not duly executed, this proposal will expire at 6 p.m., Eastern Time, on Monday, December 14, 2015.

Agreed and Accepted:

(signed) "*Peter M. Yu*"

Peter M. Yu
Managing Partner
Cartesian Capital Group

(signed) "*Randy Foote*"

Name: Randy Foote
Title: CEO & President
Intercontinental Potash Corp. (USA)

(signed) "*Randy Foote*"

Name: Randy Foote
Title: CEO & President
IC Potash Corp.

(signed) "*Randy Foote*"

Name: Randy Foote
Title: CEO & President
Intercontinental Potash Corp.

Appendix: Valuation Worksheet

[all amounts USD millions except as noted]		*Notes*
ICP Canada Market Cap (CAD)	19.59	*based on 60 calendar day VWAP at COB 10/30/15*
USD:CAD	1.31	*posted f/x at COB 10/30/15*
ICP Canada Market Cap (USD)	14.98	
ICP USA Implied Equity Value from VWAP TSX price	16.25	*based on 92.2% ownership of ICP-USA*
ICP USA Implied Equity Value from 11/2 TSX price	13.60	*based on Nov 2 close of CAD 0.095/sh*
Cartesian Equity Investment	5.00	*tranche 1 only*
Percent Acquired by Cartesian	21.1%	
ICP USA Implied Pre-Money Equity Value	18.68	*(5 ÷ 21.11%)-5*
Premium to Market (based on VWAP)	15%	*(18.68/16.25)-1*
Premium to Market (based on 11/2 closing price)	37%	*(18.68/13.60)-1*