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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:

(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	151	12
Accounts payable	(64,937)	(59,049)
	(65,088)	(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:

	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.