

# News-Sun

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## Business

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### Company says potash plans on schedule

#### FOR THE NEWS-SUN

IC Potash Corporation issued a corporate update this week relating to advancement of its Ochoa Sulphate of Potash (SOP) project in Lea County.

"IC Potash (also known as Intercontinental Potash) has made tremendous progress on several mission-critical fronts, reaffirming our confidence that the Ochoa Project Feasibility Study will be completed, on schedule and on budget, within the next four months," said Sidney Himmel, ICP president and chief executive officer. "Moreover, with the completion of the feasibility study, we believe that ICP will be positioned to become one of the lowest cost producers of SOP in the world."

The feasibility study is being led by SNC-Lavalin Inc. with the participation of other



IC POTASH CORP

Internationally recognized independent contractors, including Agapito Associates Inc., HPD Inc., Hazen Research Inc. and INTERA Inc.

The study will showcase detailed evaluation and planning for the Ochoa project including: exploration, resource and reserves updates; mining and mineral processing; feasibility-level design and engineering; construction and operation plans; and financial analysis including capital/operating cost estimation and economic modeling.

The study is on track to support the findings

from the pre-feasibility study that was completed in December 2011.

ICP's environmental permitting remains on track for the environmental impact statement to be published in the third quarter of 2013, with a record of decision documenting approval of the Ochoa project by the U.S. Department of Interior; Bureau of Land Management anticipated on or before the end of March 2014.

"Moving the Ochoa Project forward 'on time, and on budget' has remained our company's mantra for the past five years – and we have succeeded in achieving our milestones to date," Himmel said. "With sufficient cash on the balance sheet to see us through to next year and a range of capital formation strategies under consideration by ICP's leadership, we look for-

ward to producing our first ton of SOP in 2016."

In mid-2012, ICP initiated the Phase 3 drill program at the Ochoa project site, about 20 miles west of Jal, providing for a total of 13 core holes. The drill program was designed to further define Ochoa's mineral resource, especially in the early years of the mine plan and to provide geotechnical information along the planned slope and shaft for mine development planning and detailed engineering purposes.

The drill program confirmed the thickness and grades seen in previous drilling, substantiating the Ochoa Project's polyhalite ore as accessible, with sub-horizontal and conformable bedding, and consistent mineral and chemical compositions.

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In March 2013, ICP completed a bench-scale test to evaluate the processing plant's planned reverse osmosis system on water drawn from the Capitan Reef.

As previously reported, the Capitan Reef is an ancient aquifer deemed suitable for providing

the Ochoa Project with a high-yield, sustainable supply of non-potable, brackish water that will not compete with the surrounding communities' use of fresh water.

Using a two-stage R/O process, a 96 percent reduction in total dissolved solids was achieved, with 92.5 percent permeate recovery. These results further validated the ability to achieve the 90 percent permeate recovery process necessary for overall water balance.