

Yara makes SOP investment

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Oslo (2012-04-02): Yara has agreed to make a strategic investment of approximately CAD 40 million in IC Potash Corp (ICP) and has entered into an off-take arrangement for 30% of all products produced by ICP's Ochoa project in New Mexico for a period of 15 years. ICP and Yara have also agreed to discuss the possibility of establishing a jointly held entity for the purpose of marketing products produced by the Ochoa project.

"This investment fits well with our strategy. Through the ownership in ICP, Yara gets an upstream exposure on potash which reduces and mitigates the financial impact of being structurally short on the nutrient. Furthermore, the partnership with ICP aligns our respective strategies to develop and distribute premium fertilizer products, where Yara already has a leading position globally with its nitrates and nitrate-based NPK portfolio," says Jørgen Ole Haslestad, President and Chief Executive Officer in Yara.

Mr. Sidney Himmel, President and CEO of ICP, comments, "Yara and ICP share a strategic focus on premium products and adding value in the fertilizer supply chain. As one of the world's largest distributors of plant nutrients, Yara is the ideal partner for ICP's project development and product marketing strategies. This partnership is transformational for ICP and provides the Company with a significant injection of capital and a buyer for 30% of the annual production by the Ochoa project. We look forward to working with Yara in further developing the distribution channels for our premium potash products."

Pursuant to the strategic investment, Yara, through a wholly-owned subsidiary, will purchase from ICP in a private placement transaction 30,129,870 common shares at a price of \$1.32 per share. The issue price represents a 41% premium over the 20 day volume weighted average price of ICP's common shares traded on the Toronto Stock Exchange as of the close of business on 30 March 2012. On completion of the transaction, Yara's shares will represent 19.9% of the issued and outstanding common shares of ICP on a non-diluted basis.

ICP's objective is to start commercial production in fourth quarter 2015, with an estimated annual production of 700,000 metric tons of SOP and SOPM (Potash Magnesium Sulphate). SOP is a non-chloride based potash fertilizer used in the cash crop and horticultural industries, and for agriculture in saline and dry soils. It is considered a premium product, carrying a substantial premium over the price of Muriate of Potash (MOP).

Upon completion of the transaction, ICP will have approximately USD 60 million in cash which will be used to complete a definitive bankable feasibility study, all required permitting, deposits for equipment purchases, and pre-construction engineering. ICP intends to launch the feasibility study on the Ochoa project in the coming weeks.

Yara will have the right to appoint one representative to ICP's board of directors and the pre-emptive right to participate pro rata in all future equity or equity-linked issuances by ICP. Subject to certain exceptions, Yara will be restricted from transferring securities of ICP until the earlier of 24 months following the closing date and the date on which ICP has secured all financing to complete the construction of the Ochoa project and such construction has commenced. During such period, and subject to certain exceptions, Yara has agreed not to make any take-over bid for ICP's securities and not to take certain other actions which may affect the control of ICP.

Yara has no current intention to acquire additional securities of ICP, except in connection with the exercise of its pre-emptive right, or to dispose of any of its ICP securities. Subject to its agreements with ICP, and depending on its assessment of ICP's business, prospects and financial condition and general

economic and market conditions, Yara may from time to time increase or decrease its ownership of securities of ICP.

Closing of the private placement and off-take arrangement is expected to take place on or about April 12, 2012, and is subject to customary closing conditions including the approval of the Toronto Stock Exchange.

Contact:

Yara International ASA
Bygdøy allé 2
P.O. Box 2464 Solli
N-0202 Oslo
Norway

Thor Giæver, Investor Relations
Telephone (+47) 24 15 72 95
Cellular (+47) 48 07 53 56
E-mail thor.giaver@yara.com

Esben Tuman, Media Relations
Cellular (+47) 90 50 84 00
E-mail esben.tuman@yara.com

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