ENCANTO POTASH CORP.

Condensed Interim Consolidated Financial Statements
Three and nine months ended September 30, 2015 and 2014

(Unaudited - Expressed in Canadian dollars)

Notice of no Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor

ENCANTO POTASH CORP.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian dollars)

	Note	**September 30 2015**	December 31 2014
		$	$
Assets			
Current			
Cash		**362,742**	24,865
Taxes recoverable and accounts receivable		**154,616**	67,261
Prepaid expenses		**30,538**	26,232
Deferred financing fees		**5,106**	-
		553,002	118,358
Non-current			
Deposits		**129,914**	135,664
Equipment		**21,150**	22,766
Investment		**-**	3,048
Mineral property interests	**6**	**29,955,626**	33,359,679
		30,659,692	33,639,515
Liabilities			
Current			
Accounts payable and accrued liabilities	**11**	**2,294,810**	2,603,928
Flow-through premium liability	**7**	**105,262**	105,262
Convertible debenture – liability component	**8**	**6,929,756**	-
		9,329,828	2,709,190
Non-current			
Convertible debenture – liability component	**8**	**-**	6,772,337
		9,329,828	9,481,527
Shareholders' Equity			
Share capital	**9**	**54,966,062**	52,875,099
Subscriptions received in advance	**9**	**765,000**	-
Contributed surplus		**5,810,936**	5,609,288
Convertible debenture – equity component		**695,636**	695,636
Deficit		**(40,907,770)**	(35,022,035)
		21,329,864	24,157,988
		30,659,692	33,639,515

Nature of operations – Note 1
Going concern – Note 2
Commitments – Notes 6, 7 and 13

APPROVED BY THE DIRECTORS

"James Walchuck" Director   *"Gordon Keep"* Director

ENCANTO POTASH CORP.

Condensed Interim Consolidated Statements of Comprehensive Loss
Three and nine months ended September 30
(Unaudited - Expressed in Canadian dollars)

	Note	2015	2014	2015	2014
		$	**$**	**$**	**$**
Corporate development consultants		**234,055**	172,500	**590,858**	538,879
Depreciation		**1,505**	2,053	**4,514**	6,158
First Nation consulting		**51,111**	124,505	**212,584**	458,417
First Nation development and designation		**-**	75,000	**-**	240,000
Investor communications		**22,550**	54,925	**106,656**	155,627
Legal and audit		**67,635**	110,616	**197,430**	420,902
Management compensation	**11**	**180,520**	231,170	**574,284**	659,476
Office		**46,005**	39,019	**135,888**	133,245
Regulatory compliance		**4,718**	2,866	**32,644**	78,829
Share-based payments	**9**	**5,842**	21,743	**201,648**	280,628
Travel and accommodation		**10,968**	25,531	**43,986**	117,190
Loss before other items		**(624,909)**	(859,928)	**(2,100,492)**	(3,089,351)
Finance expense	**10**	**(139,974)**	(230,936)	**(419,922)**	(828,971)
Impairment of mineral property interest	**6**	**(3,371,303)**	-	**(3,371,303)**	-
Gain on sale of investment		**-**	-	**5,982**	-
Loss before income taxes		**(4,136,186)**	(1,090,864)	**(5,885,735)**	(3,918,322)
Deferred income tax recovery		**-**	-	**-**	186,675
Total comprehensive loss		**(4,136,186)**	(1,090,864)	**(5,885,735)**	(3,731,647)
Loss per share					
- Basic and diluted		**(0.01)**	(0.00)	**(0.02)**	(0.01)
Weighted average number of shares outstanding					
- Basic and diluted		350,944,659	326,835,491	345,952,885	321,742,906

ENCANTO POTASH CORP.

Condensed Interim Consolidated Statements of Cash Flows
Nine months ended September 30
(Unaudited - Expressed in Canadian dollars)

	2015	2014
	$	$
Cash flows (used in) provided by		
Operating activities		
Net loss	**(5,885,735)**	(3,731,647)
Items not affecting cash		
Depreciation	**4,514**	6,158
Finance expense	**157,419**	527,016
Gain on sale of investment	**(5,982)**	-
Impairment of mineral property interest	**3,371,303**	-
Share-based payments	**201,648**	280,628
Deferred income tax recovery	**-**	(186,675)
	(2,156,833)	(3,104,520)
Net change in non-cash working capital items		
Taxes recoverable and accounts receivable	**(87,355)**	141,815
Prepaid expenses	**(4,306)**	41,240
Accounts payable and accrued liabilities	**(98,952)**	1,346,519
	(2,347,446)	(1,574,946)
Investing activities		
Deferred mineral property interest expenditures	**(177,416)**	(2,833,518)
Purchase of equipment	**(2,898)**	-
Proceeds on sale of investment	**9,030**	-
Recovery of deposit	**5,750**	-
	(165,534)	(2,833,518)
Financing activities		
Proceeds on shares issued	**2,211,300**	4,186,401
Subscriptions received in advance	**765,000**	-
Share issuance costs	**(125,443)**	(573,766)
Proceeds on mineral property interest put option	**-**	100,000
	2,850,857	3,712,635
Increase (Decrease) in cash	**337,877**	(695,829)
Cash, beginning of period	**24,865**	778,728
Cash, end of period	**362,742**	82,899

Supplemental cash flow information – Note 12

ENCANTO POTASH CORP.

Condensed Interim Consolidated Statements of Changes in Equity

(Unaudited, Expressed in Canadian dollars)

	Common shares	Share Capital	Subscription received in advance	Contributed surplus	Convertible debenture	Deficit	Total
	number	$	$	$	$	$	$
Balance, December 31, 2013	**306,266,709**	**48,865,018**	**-**	**4,611,130**	**695,636**	**(24,911,014)**	**29,260,770**
Shares issued in consideration for:							
Cash, pursuant to:							
- Prospectus offering	20,856,700	3,543,554	-	2,085	-	-	3,545,639
- Private placements	3,150,000	535,500	-	-	-	-	535,500
Share issuance costs	-	(611,575)	-	37,809	-	-	(573,766)
Bonus warrants	-	-	-	24,913	-	-	24,913
Derivative put option	-	-	-	525,000	-	-	525,000
Share-based payments	-	-	-	280,628	-	-	280,628
Comprehensive loss	-	-	-	-	-	(3,731,647)	(3,731,647)
Balance, September 30, 2014	**330,273,409**	**52,215,040**	**-**	**5,599,022**	**695,636**	**(28,642,661)**	**29,867,037**
Shares issued in consideration for:							
Cash, pursuant to:							
- Private placements	5,585,000	558,500	-	-	-	-	558,500
Share issuance costs	-	(17,983)	-	-	-	-	(17,983)
Derivative put option	-	-	-	-	-	-	-
Share-based payments	-	-	-	10,266	-	-	10,266
Comprehensive loss	-	-	-	-	-	(6,379,374)	(6,379,374)
Balance, December 31, 2014	**335,858,409**	**52,875,099**	**-**	**5,609,288**	**695,636**	**(35,022,035)**	**24,157,988**
Shares issued in consideration for:							
Cash, pursuant to:							
- Private placements	18,427,500	2,211,300	765,000	-	-	-	2,976,300
Share issuance costs	-	(120,337)	-	-	-	-	(120,337)
Share-based payments	-	-	-	201,648	-	-	201,648
Comprehensive loss	-	-	-	-	-	(5,885,735)	(5,885,735)
Balance, September 30, 2015	**354,285,909**	**54,996,062**	**765,000**	**5,810,936**	**695,636**	**(40,907,770)**	**21,329,864**

1. Nature of operations

Encanto Potash Corp. (“the Company” or "Encanto") was incorporated under the laws of British Columbia, Canada, in 1986. The Company's corporate head office is located at Suite 450, 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

Encanto is an exploration and development company focused on potash properties in the Province of Saskatchewan. The Company is primarily focused on the development of potash mineral deposits located on the Muskowekwan First Nation reserve lands located approximately 100 km north of Regina, Saskatchewan. The Company is a reporting issuer in the provinces of Alberta and British Columbia and trades on the TSX Venture Exchange (“TSXV”) under the trading symbol “EPO”.

2. Going concern

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

At September 30, 2015, the Company has a working capital deficit of $8,776,826, has not yet achieved profitable operations, has commitments due in the coming fiscal year and had an accumulated deficit of $40,907,770 since inception and expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to develop its mineral property interests and to meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. As part of its ongoing strategic plan the Company is exploring alternate financing opportunities including equity financings, debt financings and strategic partner arrangements. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

3. Basis of presentation

These condensed interim consolidated financial statements for the three and nine months ended September 30, 2015 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s December 31, 2014 annual consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). The condensed interim consolidated financial statements have been prepared under the historical cost convention.

These financial statements were approved by the board of directors for use on November 26, 2015.

The condensed interim consolidated financial statements have been prepared using accounting policies consistent with those used in the Company’s December 31, 2014 annual audited consolidated financial statements.

For comparative purposes, the Company has retrospectively reclassified proceeds received on private placements to be allocated fully to share capital and a nil value of warrants to be allocated to contributed surplus.

4. Accounting standards issued but not yet effective

The standards and interpretations that are issued up to the date of issuance of the Company's financial statements and applicable to the Company, but were not effective during the three and nine months ended September 30, 2015, are disclosed below. The Company intends to adopt these standards when they become effective. The Company is in the process of assessing the impact of the adoption of these standards and interpretations.

IFRS 9 Financial Instruments
In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. IFRS 9 also amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in OCI, and guidance on financial liabilities and derecognition of financial instruments. The mandatory effective date of IFRS 9 would be annual periods beginning on or after January 1, 2018, with early adoption permitted.

5. Critical accounting estimates and judgments

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's December 31, 2014 annual consolidated financial statements.

6. Mineral property interests - Schedule 1

a) **Muskowekwan First Nation project**
On October 22, 2010, through its wholly-owned subsidiary, Encanto Resources Ltd. ("ERL"), the Company and Muskowekwan First Nation ("MFN") and their corporate nominee, Muskowekwan Resources Ltd. ("MRL"), signed an agreement (the "JVA") for the purpose of developing potash mineral deposits on MFN reserve lands (the "MFN Project") in Saskatchewan. The parties have further agreed to jointly appoint a management committee to supervise the business affairs being conducted pursuant to the JVA.

On October 22, 2010, the Company also signed development fee, operating and royalty agreements with the MFN and MRL. Pursuant to the development fee agreement, MFN will be paid a fee totalling $1,000,000 based on certain milestones being achieved of which $735,000 has been paid and expensed and $265,000 is due upon the grant of a mining lease by the Federal government on the MFN Project. Under the operating agreement, the Company is the appointed operator with responsibility to carry out the exploration and development program planned for the property interests on the MFN Project.

On February 1, 2012 the Company entered into two mineral rights option agreements with MRL to add new lands to the JVA, bringing the total land package under the JVA up to 61,114 acres.

b) **Chacachas and Ochapowace First Nation prospects**
The Company is a party to a Memorandum Of Understanding with Chacachas First Nation ("the Chacachas MOU") and an Exploration Participation Agreement with Ochapowace First Nation ("the Ochapowace EPA") (collectively "the Ochap-Chac Bands"). The Company has obtained two permits from the Crown to explore and develop potash minerals on the Ochap-Chac Bands' reserve lands which are all located in Saskatchewan.

The Ochapowace EPA and Chacachas MOU provide that in the event preliminary exploration work leads to a "second phase work program" on any respective Ochap-Chac Band lands which require leases from the Crown, or the completion of a definitive agreement, as the case may be, the Company is required to issue an additional 100,000 common shares of the Company along with two-year warrants for an additional 100,000 common shares to the respective Ochap-Chac Band, at an exercise price as set out respectively in the Ochapowace EPA and Chacachas MOU.

On August 9, 2013 the Company entered into a farm out agreement (the "Farm-Out Agreement") to earn a 55% working interest in certain oil and gas permits located on the Ochapowace First Nation reserve land. To earn the 55% interest, the Company was required to fund the drilling of a test well. The drilling of the well was completed during December 2013.

On October 9, 2013 the Company entered into an agreement, with a Director (the "Related Party"), to sell an 80% interest in the Company's potash rights under the Ochapowace EPA and a 50% working interest in the oil and gas permits under the Farm-Out Agreement dated August 9, 2013 for proceeds of $1,150,000 which were received in the fourth quarter of fiscal 2013. On January 28, 2014, pursuant to the agreement, the Related Party paid a further $100,000 towards the completion of a NI 43-101 compliant reserve report. The Company had also granted the Related Party the right, until October 9, 2015, to put these interests back to the Company for common shares of the Company. Subsequent to September 30, 2015 the right to put these interests back to the Company was extended to January 9, 2016.

During the year ended December 31, 2014 the number of common shares of the Company to be issued in the event the Related Party put the interest back to the Company was fixed as being equal to the amount of funds advanced divided by $0.17 per share or 7,352,941 shares. The fair value of the liability was reclassified to equity in accordance with Company's accounting policy.

On August 27, 2015 the Company announced a private placement of 8,333,333 common shares at a price of $0.12 per share with the Related Party for total gross proceeds of $1,000,000. As part of the private placement the Company will also assign a further 15% interest in the potash rights of the Ochapowace First Nation prospect to the Related Party. The Company allocated $0.08 per share to the private placement and $0.04 per share to the assignment of the Ochapowace First Nation prospect and recognized an impairment write down of $3,371,303.

c) SPAR property

During the three months ended September 30, 2015 the Company did not renew the permit of KP441 and no longer holds any title to the claim. An impairment write down of $5,269,068 to take the property value down to $nil was taken during fiscal 2014.

7. Flow-through premium liability

The flow-through premium liability balance as of September 30, 2015 of $105,262 (December 31, 2014 - $105,262) arose in connection with the flow-through share offerings the Company completed on April 15, 2014. The reported amount is the unamortized balance of the premium recorded from issuing the flow-through shares. This balance does not represent a cash liability to the Company but rather this balance will be amortized to the statement of comprehensive loss pro-rata with the amount of qualifying flow-through expenditures that are incurred by the Company after the tax benefit is renounced to the shareholders.

In February 2015, with an effective date of December 31, 2014 the Company renounced $999,989 of flow-through share proceeds to the respective flow-through share subscribers with an effective date of renunciation of December 31, 2014.

(Unaudited, Expressed in Canadian dollars)

The Company is committed to incur on or before December 31, 2015 qualifying Canadian exploration expenses as defined under the *Income Act, Canada* ("Qualifying CEE") in the amount of $999,989 with respect to the flow-through share financings completed during the fiscal year ended December 31, 2014. None of the Qualifying CEE will be available to the Company for future deduction from taxable income.

As at September 30, 2015 the Company has not incurred any of the required qualifying Canadian exploration expenses.

8. Convertible debenture

	Liability Component	Equity Component
	$	$
Balance – December 31, 2014	6,772,337	695,636
Amortization of issuance costs	38,257	-
Accretion of discount	119,162	-
Balance – September 30, 2015	6,929,756	695,636

The convertible debenture bears interest at 5% annually and as at September 30, 2015 a total of $839,594 of interest payable was accrued. The convertible debenture is repayable on January 14, 2016 or can be converted into shares at the holder's option at a rate of $0.25 per convertible debenture share.

9. Share capital

a) Authorized:
Unlimited common shares without par value
100,000,000 Class A non-voting preference shares, par value $10 each
100,000,000 Class B non-voting preference shares, par value $50 each

b) Financings

On August 27, 2015 the Company announced a private placement of 8,333,333 common shares at a price of $0.12 per share with Related Party for total gross proceeds of $1,000,000. As part of the private placement the Company will also assign a further 15% interest in the potash rights of the Ochapowace First Nation prospect to Related Party (refer to Note 6). As at September 30, 2015, the Company received gross proceeds of $765,000 and incurred share issue costs of $5,106 in relation to private placement. Subsequent to September 30, 2015 the private placement was completed.

On May 4, 2015 the Company closed a private placement of 18,427,500 units at a price of $0.12 per unit for gross proceeds of $2,211,300. Each unit consists of one common share and one share purchase warrant, each warrant entitling the holder to purchase one common share at $0.17 until May 4, 2016. Proceeds received on the private placement were allocated fully to the common shares and a $nil value was allocated to the warrants issued. The Company incurred cash share issuance costs of $120,337 respect of this placement.

On February 18, 2014, the Company closed a private placement of 3,150,000 units at a price of $0.17 per unit for gross proceeds of $535,000. Each unit consists of one common share and one share purchase warrant, each warrant entitling the holder to purchase one common share at $0.30 until August 18, 2015. Proceeds received on the private placement were allocated fully to the common shares and a $nil value was allocated to the warrants issued. The Company incurred share issuance costs of $60,554 in respect of this financing.

(Unaudited, Expressed in Canadian dollars)

c) Stock options

The balance of options outstanding and related information for the nine months ended September 30, 2015 is as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2014	33,100,000	$0.20	6.05
Granted	2,320,000	$0.17	
Expired	(500,000)	$0.15	
Cancelled	(925,000)	$0.21	
Balance, September 30, 2015	33,995,000	$0.20	5.82
Unvested	(468,750)	$0.16	8.85
Exercisable, September 30, 2015	**33,526,250**	**$0.20**	**5.78**

The weighted average fair value of the options granted during the nine months ended September 30, 2015 was $0.07 (2014 - $0.07). During the nine months ended September 30, 2015 the Company granted 2,320,000 options which vested immediately upon grant. During the nine months ended September 30, 2014 the Company granted 3,730,000 options. A total of 2,775,000 options granted vested immediately and the remaining 955,000 vested semi-annually over an 18-month period from the date of grant.

For the three and nine months ended September 30, 2015, the Company recorded share-based payments expense of $5,842 and $201,648 (2014 - $21,743 and $280,628) based on granting of new options and vesting of previously granted options. The fair value of the options granted during the nine months ended September 30, 2015 was determined using an option pricing model using the following weighted average assumptions:

	2015	2014
Risk free interest rate	1.00%	1.16%
Expected life	5 years	4 years
Expected volatility	78%	87%
Expected dividends	Nil	Nil

(Unaudited, Expressed in Canadian dollars)

The balance of options outstanding as at September 30, 2015 was as follows:

Expiry date	Exercise price	Remaining life (years)	Options Outstanding	Unvested	Vested
December 31, 2015	$0.17	0.25	1,500,000	-	1,500,000
December 31, 2015	$0.15	0.25	500,000	-	500,000
April 28, 2018	$0.17	2.58	200,000	-	200,000
July 13, 2019	$0.17	3.79	6,750,000	-	7,250,000
September 16, 2019	$0.25	3.96	1,000,000	-	1,000,000
July 13, 2020	$0.15	4.79	5,350,000	-	5,850,000
September 1, 2021	$0.17	5.93	525,000	-	525,000
September 1, 2021	$0.26	5.93	3,650,000	-	3,650,000
April 24, 2022	$0.30	6.57	500,000	-	500,000
June 28, 2022	$0.17	6.75	200,000	-	200,000
June 28, 2022	$0.30	6.75	2,400,000	-	2,400,000
January 9, 2023	$0.17	7.28	870,000	-	870,000
January 9, 2023	$0.25	7.28	1,575,000	-	1,575,000
March 25, 2023	$0.28	7.49	275,000	-	275,000
October 18, 2023	$0.20	8.05	100,000	-	100,000
November 20, 2023	$0.20	8.15	2,000,000	-	2,000,000
February 19, 2024	$0.20	8.39	750,000	-	750,000
April 28, 2024	$0.17	8.58	2,980,000	193,750	2,786,250
October 9, 2024	$0.15	9.03	550,000	275,000	275,000
May 7, 2025	$0.17	9.61	2,320,000	-	2,320,000
			33,995,000	468,750	33,526,250

d) Share purchase warrants

The balance of warrants outstanding and related information for the nine months ended September 30, 2015 is as follows:

	Number of warrants	Weighted average exercise price (per share)	Weighted average remaining life (years)
Balance, December 31, 2014	32,769,974	$0.29	1.08
Issued	18,427,500	$0.17	
Expired	(10,286,624)	$0.29	
Balance, September 30, 2015	**40,910,850**	**$0.23**	**0.61**

The balance of warrants outstanding as at September 30, 2015 was as follows:

Expiry date	Warrants outstanding	Exercise price (per share)	Remaining life (years)
October 15, 2015	10,428,350	$0.30	0.04
May 4, 2016	18,427,500	$0.17	0.59
October 9, 2016	5,585,000	$0.30	1.03
December 9, 2016	6,470,000	$0.25	1.19
	40,910,850	$0.23	0.61

Subsequent to September 30, 2015 a total of 10,428,350 warrants with an exercise price of $0.30 expired unexercised.

(Unaudited, Expressed in Canadian dollars)

10. Finance expenses

During the three and nine months ended September 30, 2015 and 2014 the Company incurred the following finance expenses related to the convertible debenture and loan.

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Amortization of issuance costs	12,753	33,155	38,257	167,280
Accretion of discounts	39,720	110,280	119,162	382,236
Interest expense	87,501	87,501	262,503	279,455
	139,974	230,936	419,922	828,971

11. Related party transactions

Compensation paid or payable to the directors, the Chairman of the Board, the Chief Executive Officer and the Chief Financial Officer for services provided during the three and nine months ended September 30, 2015 and 2014 was as follows:

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Management compensation	99,000	99,000	297,000	297,000
Share-based payments	2,371	23,048	113,438	202,214
	101,371	122,048	410,438	499,214

The Company incurred additional expenditures charged by related parties during the three and nine months ended September 30, 2015 and 2014 as follows:

	Three months ended September 30		Nine months ended September 30	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Management compensation	51,250	52,356	152,624	157,662
Share issuance costs	-	-	22,113	49,364
	51,520	52,356	174,737	207,026

Included in accounts payable and accrued liabilities as at September 30, 2015 was $1,111,316 (December 31, 2014 - $757,615) due to directors and officers of the Company and/or companies they control or of which they were significant shareholders. A director of the Company holds $5,000,000 of the total $7,000,000 convertible debenture.

(Unaudited, Expressed in Canadian dollars)

12. Supplemental cash flow information

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the condensed interim consolidated statements of cash flow. During the nine months ended September 30, 2015 and 2014 the following transactions were excluded from the condensed interim consolidated statements of cash flows:

	2015	2014
	$	$
Non-cash investing and financing transactions		
Warrants issued in connection with loan	-	37,809
Flow through premium liability	-	105,262
Mineral property interest expenditures in accounts payable	69,776	198,258
Mineral property interest expenditures in accounts payable as at December 31	(229,942)	(2,479,754)

13. Commitments

In addition to any commitments pursuant to mineral property interest obligations (Note 7) and qualifying Canadian exploration expenses (Note 7), as at September 30, 2015, the Company is committed to payments, for the next 12 months of $600,000 under consulting services agreements, $31,010 on lease payments for office premises and $102,083 in interest payable on the convertible debenture.

The $7,000,000 convertible debenture is repayable on January 14, 2016 or can be converted into shares at the holder's option at a rate of $0.25 per convertible debenture share.

ENCANTO POTASH CORP.

Schedule 1

Consolidated Schedule of Changes in Mineral Property Interests

(Expressed in Canadian dollars)

	MFN Project	Chacachas Ochapawace First Nation Prospects	Spar Property	Total
	$	$	$	$
Balance, December 31, 2013	**27,352,678**	**5,429,087**	**5,248,138**	**38,029,903**
Deferred exploration expenditures				
3-D seismic	-	9,033	-	9,033
Consulting	66,897	29,127	-	96,024
Drilling	-	113,890	-	113,890
Feasibility	328,113	-	-	328,113
Permitting	18,467	12,387	20,930	51,784
	413,477	164,437	20,930	598,844
Impairment of mineral property interests	-	-	(5,269,068)	(5,269,068)
Balance, December 31, 2014	**27,766,155**	**5,593,524**	**-**	**33,359,679**
Deferred exploration expenditures				
Feasibility	26,511	-	-	26,511
Permitting	-	20,777	-	20,777
Recovery	(30,038)	(50,000)	-	(80,038)
	(3,527)	(29,223)	-	(32,750)
Impairment of mineral property interests	-	(3,371,303)	-	(3,371,303)
Balance, September 30, 2015	27,762,628	2,192,998	-	29,955,626