POTASH AMERICA, INC.
Form 10-Q
November 14, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2011

or

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission File Number
333-150775

POTASH AMERICA, INC.
(Exact name of registrant as specified in its charter)

Nevada	41-2247537
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

8th Floor – 200 South Virginia Street, Reno NV	89501
(Address of principal executive offices)	(Zip Code)

775.398.3019
(Registrant’s telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
[X] YES [ ] NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-K (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

[X] YES [ ] NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See the definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ] (Do not check if a smaller reporting company)	Smaller reporting company	[X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

[ ] YES [X] NO

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

[ ] YES [ ] NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

147,350,000 common shares issued and outstanding as of November 4, 2011.

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

Our unaudited interim financial statements for the three and six month periods ended September 30, 2011 form part of this quarterly report. They are stated in United States Dollars (US$) and are prepared in accordance with United States generally accepted accounting principles.

POTASH AMERICA, INC.

(FORMERLY ADTOMIZE, INC.)

(AN EXPLORATION STAGE COMPANY)

FINANCIAL STATEMENTS

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POTASH AMERICA, INC.

(FORMERLY ADTOMIZE, INC.)

(AN EXPLORATION STAGE COMPANY)

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POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
BALANCE SHEETS (UNAUDITED)

	September 30, 2011	March 31, 2011
ASSETS		
Current Assets		
Cash and cash equivalents	$30,694	$7,814
Prepaid expenses	199	419
Deposits	-	30,000
Total Current Assets	30,893	38,233
Fixed Assets		
Mining claim	295,000	-
Total Fixed Assets	295,000	-
Total Assets	$325,893	$38,233
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accrued expenses	$1,798	$14,477
Deferred compensation	22,500	13,500
Accrued interest	4,994	88
Notes payable – related parties	35,500	35,500
Line of credit	505,000	40,000
Total Liabilities	569,792	103,565
Stockholders' Deficit		
Common stock, par value $0.0001; 200,000,000 shares authorized, 147,350,000 and 147,200,000 shares issued and outstanding	14,735	14,720
Additional paid in capital	231,224	49,524
Deficit accumulated during the exploration stage	(489,858)	(129,576)
Total Stockholders' Deficit	(243,899)	(65,332)
Total Liabilities and Stockholders' Deficit	$325,893	$38,233

The accompanying notes are an integral part of these financial statements

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30, 2011	Three Months Ended September 30, 2010	Six Months Ended September 30, 2011	Six Months Ended September 30, 2010	Period from July 31, 2007 (Inception) to September 30, 2011
REVENUE	$-	$-	$-	$-	$-
OPERATING EXPENSES					
Professional fees	24,095	5,127	38,854	9,735	110,145
Transfer agent and filing fees	10,290	887	12,238	2,516	36,149
Consulting	38,450	7,500	50,150	7,500	63,650
Web development	8,969	-	19,514	-	26,882
Stock compensation	20,665	-	181,715	-	181,715
Exploration costs	24,200	-	24,200	-	25,200
General and administrative	14,580	1,185	28,705	1,387	41,123
TOTAL OPERATING EXPENSES	141,249	14,699	355,376	21,138	484,864
LOSS FROM OPERATIONS	(141,249)	(14,699)	(355,376)	(21,138)	(484,864)
OTHER INCOME (EXPENSES)					
Interest expense	(3,773)	-	(4,906)	-	(4,994)
TOTAL OTHER INCOME (EXPENSES)	(3,773)	-	(4,906)	-	(4,994)
NET LOSS PRIOR TO INCOME TAXES	(145,022)	(14,699)	(360,282)	(21,138)	(489,858)
PROVISION FOR INCOME TAXES	-	-	-	-	-
NET LOSS	$(145,022)	$(14,699)	$(360,282)	$(21,138)	$(489,858)
NET LOSS PER SHARE: BASIC AND DILUTED	$-	$-	$-	$-	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	147,350,000	147,200,000	147,302,747	147,200,000	

The accompanying notes are an integral part of these financial statements

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED)

	Common Stock		Additional Paid in	Deficit Accumulated During the Exploration	
	Shares	Amount	Capital	Stage	Total
Balance, July 31, 2007 (date of inception)	-	$-	$-	$ -	$-
Shares issued to founders for cash	80,000,000	100	7,900	-	8,000
Shares issued for cash	67,200,000	84	41,916	-	42,000
Net loss for the period ended March 31, 2008	-	-	-	(14,180)	(14,180)
Balance, March 31, 2008	147,200,000	184	49,816	(14,180)	35,820
Net loss for the year ended March 31, 2009	-	-	-	(41,059)	(41,059)
Balance, March 31, 2009	147,200,000	184	49,816	(55,239)	(5,239)
Net loss for the year ended March 31, 2010	-	-	-	(18,805)	(18,805)
Balance, March 31, 2010	147,200,000	184	49,816	(74,044)	(24,044)
Forward stock split (80:1)	-	14,536	(14,536)	-	0
Forgiveness of shareholder debt	-	-	14,244	-	14,244
Net loss for the year ended March 31, 2011	-	-	-	(55,532)	(55,532)
Balance, March, 31, 2011	147,200,000	14,720	49,524	(129,576)	(65,332)
Valuation of stock options	-	-	181,700	-	181,700
Shares issued for compensation	150,000	15	-	-	15
Net loss for the six months ended September 30, 2011	-	-	-	(360,282)	(360,282)

Balance, September 30, 2011	147,350,000	$14,735	$231,224	$ (489,858)	$(243,899)

The accompanying notes are an integral part of these financial statements

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended September 30, 2011	Six Months Ended September 30, 2010	Period from July 31, 2007 (Inception) to September 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period	$(360,282)	$(21,138)	$(489,858)
Adjustment to reconcile net income to net cash provided by operating activities:			
Stock and options issued as compensation	181,715	-	181,715
Changes in assets and liabilities:			
(Increase) in prepaid expenses	220	-	(199)
(Increase) decrease deposit	30,000	-	-
Increase in accrued expenses	(12,679)	3,406	1,798
Increase in accrued interest	4,906	-	4,994
Increase in deferred compensation	9,000	-	22,500
Net Cash Used in Operating Activities	(147,120)	(17,732)	(279,050)
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposit for mineral property	(295,000)	-	(295,000)
Net Cash Used in Investing Activities	(295,000)	-	(295,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from notes payable – related parties	-	18,041	49,744
Proceeds from line of credit	465,000	-	505,000
Proceeds from sale of stock	-	-	50,000
Net Cash Provided by Financing Activities	465,000	18,041	604,744
INCREASE (DECREASE) IN CASH	22,880	309	30,694
Cash, beginning balance	7,814	187	-
Cash, ending balance	$30,694	$496	$30,694
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid for interest	$-	$-	$-
Cash paid for income taxes	$-	$-	$-
SUPPLEMENTAL NON-CASH INVESTING AND FINANCING INFORMATION:			
Forgiveness of debt from former shareholder converted to capital	$-	$-	$14,244

The accompanying notes are an integral part of these financial statements

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 1 – NATURE OF OPERATIONS

Potash America, Inc. (formerly Adtomize, Inc.) ("the Company" or "PTAM"), was incorporated in the state of Nevada on July 31, 2007. PTAM's primary focus is the development of fertilizer and agri-business assets. Such assets may include Potash, Montmorillonite, Bentonite and Gypsum. The Company seeks to acquire known deposits whose economic value has recently changed with market pricing levels, and develop these assets into agri-products.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Exploration Stage Company
The accompanying financial statements have been prepared in accordance with generally accepted accounting principles related to accounting and reporting by exploration stage companies. An exploration stage company is one in which planned principal operations have not commenced or if its operations have commenced, there has been no significant revenues there from.

Basis of Presentation
The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

Accounting Basis
The Company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America ("GAAP" accounting). The Company has adopted a March 31 fiscal year end.

Financial Instrument
The Company's financial instrument consists of cash, prepaid expenses, deposits, accrued expenses, deferred compensation, amounts due to stockholders and a line of credit.

The amounts due to stockholders are non-interest bearing. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from its other financial instruments and that their fair values approximate their carrying values except where separately disclosed.

Cash and Cash Equivalents
PTAM considers all highly liquid investments with maturities of three months or less to be cash equivalents. At September 30 and March 31, 2011, respectively, the Company had $30,694 and $7,814 of cash.

Advertising
The Company expenses advertising costs as incurred. The Company has had no advertising activity since inception.

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition
The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles of the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The more significant areas requiring the use of estimates include asset impairment, stock-based compensation, and future income tax amounts. Management bases its estimates on historical experience and on other assumptions considered to be reasonable under the circumstances. However, actual results may differ from the estimates.

Basic Income (Loss) Per Share
Basic income (loss) per share is calculated by dividing the Company’s net loss applicable to common shareholders by the weighted average number of common shares during the period. Diluted earnings per share is calculated by dividing the Company’s net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. There are no such common stock equivalents outstanding as of September 30, 2011.

During the year ended March 31, 2011, the Company enacted an 80 to 1 forward stock split. All share and per share data has been adjusted to reflect such stock split.

Stock-Based Compensation
Stock-based compensation is accounted for at fair value in accordance with ASC Topic 718. On March 31, 2011, the Company instituted a Stock Option Plan which allows for the issuance of 3,000,000 shares of common stock to the Company’s management, employees and consultants. As of September 30, 2011, the Company issued 150,000 common stock shares and 675,000 in stock options in lieu of compensation.

Income Taxes
Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

Recent Accounting Pronouncements
PTAM does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company’s results of operations, financial position or cash flow.

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 3 – PREPAID EXPENSES

Prepaid expenses consisted of $199 of prepaid rent as of September 30, 2011.

NOTE 4 – DEPOSITS

On May 16, 2011, the Company issued a letter of intent to purchase 100% interest in 39 BLM claims in Nevada for $20,000 plus expenses.

As part of the option agreement on the Mineral County, Nevada property, the Company will advance Ms. Diaz up to the sum of $10,000 to cover reimbursement on the 39 Bureau of Land Management. This advance will be deducted from the $210,000 to be wired to Ms. Diaz upon the execution of the option agreement which may occur on or before August 31, 2011.
On September 2, 2011, a purchase agreement on the Mineral County, Nevada property was executed with Ms. Diaz. Ms. Diaz was paid a total advance of $30,000 to mining interest and $7,564 for reimbursements of exploration cost.

NOTE 5 – ACCRUED EXPENSES AND LIABILITIES

Accrued expenses and liabilities consisted of the following as of September 30 and March 31, 2011:

	September 30, 2011	March 31, 2011
Accounting fees	$ -	$ 6,000
Legal fees	1,798	4,617
Filing fees	-	860
Professional fees	-	-
Marketing	-	-
Web development	-	3,000
Total Accrued Expenses	$ 1,798	$ 14,477

NOTE 6 – NOTES PAYABLE – RELATED PARTIES

As of March 31, 2010 there was $11,805 due to a shareholder. The shareholder loaned the company as additional $2,439 during the year ended March 31, 2011. The loans were unsecured, non-interest bearing and due on demand. The total debt of $14,244 was forgiven and recorded as contributed capital on July 9, 2010.

A shareholder and current director of the Company advanced funds at various times during the year ended March 31, 2011 in order to support operations. The loans are unsecured, non-interest bearing and due on demand. The amount due to the shareholder and director was $35,500 as of September 30, 2011.

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POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 7 – LINE OF CREDIT

The Company opened a line of credit during the year ended March 31, 2011 in the amount of $200,000. The line of credit is secured by the assets of the company, bears 5% interest and is due on demand.

On June 22, 2011, the Company's credit line was increased from $200,000 to $1,000,000 under the same terms. The line of credit was drawn to $505,000 as of September 30, 2011. Interest expense related to the line of credit was $4,994 as of September 30, 2011.

NOTE 8 – RELATED PARTY TRANSACTIONS

Beginning July 1, 2010, the Company entered into a consulting agreement with a director for $1,500 per month as compensation. The total amounts of $22,500 and $13,500 as of September 30 and March 31, 2011 have been recorded as deferred compensation.

NOTE 9 – CAPITAL STOCK

The company has 200,000,000 common shares authorized at a par value of $0.0001 per share.

During the period ended March 31, 2008, the Company issued 80,000,000 common shares to founders for total proceeds of $8,000. Additionally, the Company issued 67,200,000 shares during the period ended March 31, 2008 for total proceeds of $42,000.

On July 9, 2010, a former shareholder and director of the Company agreed to forgive debt in the amount of $14,244. This amount has been recorded as contributed capital.

Effective September 8, 2010 the Company increased the authorized shares of common stock from 100,000,000 to 200,000,000 and enacted a forward stock split of 80 to 1. All share and per share data has been adjusted to reflect such stock split.

In May 2011 the Company issued 150,000 common shares in lieu of compensation along with stock options. The total stock compensation as of September 30, 2011 is $181,715.

There were no additional shares issued during the year ended September 30, 2011.

There were 147,350,000 shares of common stock issued and outstanding as of September 30, 2011.

As September 30, 2011, the Company has no warrants outstanding. There are 675,000 stock options outstanding.

Stock options
In April 2011, the Company issued 600,000 stock options to directors of the Company per the Stock Option Plan with an exercise price of $0.60 per share for a 5 year term.

POTASH AMERICA, INC.
(FORMERLY ADTOMIZE, INC.)
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NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2011

NOTE 9 – CAPITAL STOCK (continued)

In May 2011, the Company entered into two consulting agreements which granted a total of 75,000 stock options per the Company's Stock Option Plan. All these stock options are exercisable at $1.00 per share for a 5 year term.

The amount of stock option compensation expense for the period ending September 30, 2011 was $181,715.

The expense was calculated using the Black-Scholes pricing model.

The following table summarizes information about options as of September 30, 2011:

	Number of Shares	Weighted Average Exercise Price
Outstanding, March 31, 2011	-	$-
Options granted	675,000	.80
Options expired	-	-
Options cancelled	-	-
Outstanding, September 30, 2011	675,000	$.80
Exercisable, September 30, 2011	675,000	$.80

The following table summarizes information about stock warrants granted to employees, advisors, investors and board members at September 30, 2011:

	Stock Options Outstanding			Stock Options Exercisable	
Range of Exercise Prices	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Number of Options	Weighted Average Exercise Price
$.60 to 1.00	675,000	$.80	4.21	675,000	$0.80

As of September 30, 2011, the aggregate intrinsic value of the stock options outstanding and exercisable was $0. The weighted-average grant-date fair value of stock options granted for the year ended September 30, 2011 was $0.80. The total fair value of shares vested during 2011 was 675,000 of stock options at fair market value on September 30, 2011.

NOTE 10 – SUBSEQUENT EVENTS

In accordance with ASC Topic 855-10, the Company has analyzed its operations subsequent to September 30, 2011 to November 4, 2011, the date these financial statements were issued, and has determined that it does not have any material subsequent events to disclose in these financial statements other than those discussed above.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "could", "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable laws, including the securities laws of the United States, we do not intend to update any of the forward-looking statements so as to conform these statements to actual results.

Our unaudited financial statements are stated in U.S. dollars and are prepared in accordance with generally accepted accounting principles in the United States. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars. All references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report and unless otherwise indicated, the terms "we", "us", "our" and "our company" mean Potash America, Inc., a Nevada corporation, unless otherwise indicated.

General Overview

We were incorporated in the state of Nevada on July 31, 2007 as Adtomize Inc. On June 29, 2010, we underwent a change of control. On September 8, 2010, we affected a split of our authorized capital and our issued and outstanding common shares on an 80 for 1 basis. On March 3, 2011 we changed our name to Potash America, Inc., and began looking for opportunities to acquire exploration stage mineral properties. We maintain our business offices at 200 South Virginia Street, 8th Floor, Reno, Nevada, 89501 and our telephone number is (775) 398-3019.

Before we went through a change of control and business focus, we engaged in the business of developing an online advertising brokerage service to bring together high traffic web site publishers with companies wishing to place ads on them in order to drive traffic to their own internet sites. Since our inception, we had been attempting to raise money to operate our business, but have not been able to secure the funds necessary to do so. The lack of funds and the present economy have prevented that from happening. As we have been unable to raise the capital necessary to develop and market our service, we began a search for other business opportunities which may benefit our shareholders and allow us to raise capital and operate.

Current Business

Shortly after changing our business focus to exploration stage properties, we identified an opportunity to acquire the Newfoundland Property from Habitants Minerals Ltd. We entered into a letter of intent on March 15, 2011 and subsequently a mining property acquisition agreement on June 6, 2011. We now plan to undertake further evaluation of the Newfoundland Property.

On March 15, 2011 we entered into a credit facility agreement. The lender agreed to provide us with a line of credit in the amount of up to $200,000 wherein, within three business days after receipt of notice from us, the lender will advance amounts requested to our company. On June 22, 2011, the credit facility agreement was amended to increase the size of the line of credit to a total of $1,000,000. We shall use the advances to fund working capital and general corporate activities. Pursuant to the terms of the credit facility agreement, our company shall pay any outstanding amounts to the lender on demand. We may also repay the loan and accrued interest at any time without penalty. Amounts outstanding shall bear interest at the rate of 5% per annum.

We entered into a letter of intent on March 15, 2011 with Habitants Minerals Ltd with respect to an acquisition of a property in Newfoundland, Canada.

On June 6, 2011 we entered into and closed a property acquisition agreement with Habitants. Pursuant to the terms of the agreement, we acquired an undivided 100% interest in certain unpatented mining claims located in Western Newfoundland, Canada which we refer to as the “Newfoundland Property”. Pursuant to the terms of the agreement, we agreed to provide the following payments to Habitants:

The aggregate consideration of $50,000 consisting of the following:

- $30,000 which was previously provided to Habitants, and
- the balance of $20,000 which was provided on the closing of the agreement.

If any third party asserts any right or claim to the Newfoundland Property or to any amounts payable to Habitants, we may deposit any amounts otherwise due to Habitants in escrow with a suitable agent until the validity of such right or claim has been finally resolved. If we deposit said amounts in escrow, we shall be deemed not in default under this agreement for failure to pay such amounts to Habitants.

On May 11, 2011 we entered into a letter of intent to acquire a 100% interest in 39 Bureau of Land Management claims in Mineral County, Nevada (the “BLM Claims”). Pursuant to the terms of the letter of intent our company advanced the following payments to the administrator of the claims, Ms. Kim Diaz:

(a) $20,000.00, of which $5,000.00 was disbursed to Ms. Diaz, contemporaneously with the execution of the letter of intent; and

(b) $5,000.00, upon the execution of the letter of intent, to enable Ms. Diaz and Elwayne E. Everett to commence the bentonite project on the adjacent property;

Under the terms of the letter of intent our company and Ms. Diaz would be required to enter into an option agreement on or before August 31, 2011. Pursuant to the option agreement our company would be required advance $10,000 to Ms. Diaz to cover reimbursement on the 39 BLM Claims which would be deducted from the required payment of $210,000 to Ms. Diaz upon execution of the option agreement.

On August 31, 2011 we entered into a purchase and sale agreement related to the acquisition of the 100% interest in the BLM Claims. Under the terms of the purchase and sale agreement our company issued a pre-closing advance of $200,000 to Ms. Kim Diaz and Sonseeahray Diaz (the “Sellers”).

As additional consideration our company will pay compensation to the Sellers as follows:

(a) $200,000 on November 31, 2011;

(b) $50,000 on July 1, 2012;

(c) $1,500,000, which will be paid in equal payments of $500,000 on or before January 1st of 2013, 2014 and 2015;

(d) 2,500,000 shares of our company’s common stock based on the Sellers’ pro-rata interest in the claims and a total of 500,000 shares to those parties designated by the Sellers on or before July 1st of 2012, 2013 and 2014;

We have also agreed to pay a royalty of $10 per short ton of product produced from the BLM Claims and sold by our company.

Our company has also located 48 unpatented lode mining claims (the “Additional Claims”) in the area in which the BLM Claims are located. As part of the consideration our company will also pay the Sellers a royalty of $10 per short ton of product produced from the Additional Claims and sold by our company. In addition to granting the royalty in the Additional Claims our company will issue 50,000 shares of restricted stock to the Sellers on or before January 1, 2015.

Our company shall also reserve a net smelter returns royalty (the “NSR Royalty”) on certain metallic products produced from the BLM Claims equal to 2% of the net smelter returns. The NSR Royalty shall not apply to and no NSR Royalty payments shall be due for any product produced from the BLM Claims sold by our company.

Additionally, our company will pay the Sellers a guaranteed minimum annual royalty of $50,000 for a period of 5 years with the first payment due on December 31, 2015 and the last payment due on December 31, 2020.

Purchase of Significant Equipment

We do not intend to purchase any significant equipment over the next twelve months.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Employees

We do not expect any material changes in the number of employees over the next 12 month period (although we may enter into employment or consulting agreements with our officers or directors). We do and will continue to outsource contract employment as needed.

Results of Operations

The following unaudited summary of our results of operations should be read in conjunction with our financial statements for the three and six month periods ended September 30, 2011 and 2010.

We have not generated any revenue since inception and are dependent upon obtaining financing to pursue our business activities. For these reasons, our auditors believe that there is substantial doubt that we will be able to continue as a going concern.

Results of Operations for the Three Months Ended September 30, 2011 and 2010

Our operating results for the three month periods ended September 30, 2011 and 2010 and the changes between those periods for the respective items are summarized as follows:

	Three Month Period Ended September 30, 2011	Three Month Period Ended September 30, 2010	Change Between Three Month Periods Ended September 30, 2011 and September 30,2010
Revenue	$Nil	$Nil	$Nil
Professional fees	$24,095	$5,127	$18,968
Transfer agent and filing fees	$10,290	$887	$9,403
Consulting fees	$38,450	$7,500	$30,950
Web development	$8,969	$Nil	$8,969
Stock compensation	$20,665	$Nil	$20,665
Exploration costs	$24,200	$Nil	$24,200

General and administrative	$14,580	$1,185	$13,395
Interest Expense	$3,733	$Nil	$3,733
Net loss	$(145,022)	$(14,699)	$(130,323)

Our expenses increased during the three month period ended September 30, 2011 compared to the same period in 2010 primarily as a result of increased expenses related to the company's change of control and acquisition of mineral properties.

Results of Operations for the Six Months Ended September 30, 2011 and 2010

Our operating results for the six month periods ended September 30, 2011 and 2010 and the changes between those periods for the respective items are summarized as follows:

	Six Month Period Ended September 30, 2011	Six Month Period Ended September 30, 2010	Change Between Six Month Periods Ended September 30, 2011 and September 30,2010
Revenue	$Nil	$Nil	$Nil
Professional fees	$38,854	$9,735	$29,119
Transfer agent and filing fees	$12,238	$2,516	$9,722
Consulting fees	$50,150	$7,500	$42,650
Web development	$19,514	$Nil	$19,514
Stock compensation	$181,715	$Nil	$181,715
Exploration costs	$24,200	$Nil	$24,200
General and administrative	$28,705	$1,387	$27,318
Interest Expense	$4,906	$Nil	$4,906
Net loss	$(360,282)	$(21,138)	$(339,144)

Our expenses increased during the six month period ended September 30, 2011 compared to the same period in 2010 primarily as a result of increased expenses related to the company's change of control and acquisition of mineral properties.

Liquidity and Financial Condition

Working Capital

	At September 30, 2011 ($)	At March 31, 2011 ($)	Change between March 31, 2011 and September 30 , 2011 ($)
Current Assets	30,893	38,233	(7,340)
Current Liabilities	569,792	103,565	466,227
Working Capital/(Deficit)	(538,899)	(65,332)	(473,567)

Cash Flows

	Six Months Ended September 30, 2011 ($)	Six Months Ended September 30, 2010 ($)	Period from Inception (July 31, 2007) to September 30, 2011 ($)
Cash Flows from Operating Activities	(147,120)	(17,732)	(279,050)
Cash Flows provided by/(used in) Investing Activities	(295,000)	Nil	(295,000)
Cash Flows from Financing Activities	465,000	18,041	604,744
Net Increase (Decrease) in Cash During Period	22,880	309	30,694

As of September 30, 2011, our total assets were $30,893 and our total liabilities were $569,792 and we had a working capital deficit of $538,899. Our unaudited financial statements report a net loss of $360,282 for the six months ended September 30, 2011 compared to a net loss of $21,138 for the same period in 2010 and a net loss of $489,858 for the period from July 31, 2007 (inception) to September 30, 2011.

Going Concern

Due to the uncertainty of our ability to meet our current operating and capital expenses, in their report on the annual financial statements for the year ended March 31, 2011, our independent auditors included an explanatory paragraph regarding concerns about our ability to continue as a going concern.

We anticipate that additional funding will be required in the form of debt or equity capital financing from the sale of our common stock. At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through debt to meet our obligations over the next twelve months. We do not have any arrangements in place for any future debt or equity financing.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with the accounting principles generally accepted in the United States of America. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financial statements.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Exploration Stage Company

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles related to accounting and reporting by exploration stage companies. An exploration stage company is one in which planned principal operations have not commenced or if its operations have commenced, there has been no significant revenues there from.

Accounting Basis

Our company uses the accrual basis of accounting and accounting principles generally accepted in the United States of America ("GAAP" accounting). Our company has adopted a March 31 fiscal year end.

Financial Instrument

Our company's financial instrument consists of cash, prepaid expenses, deposits, accrued expenses, deferred compensation, amounts due to stockholders and a line of credit.

The amounts due to stockholders are non-interest bearing. It is management's opinion that our company is not exposed to significant interest, currency or credit risks arising from its other financial instruments and that their fair values approximate their carrying values except where separately disclosed.

Cash and Cash Equivalents

Our company considers all highly liquid investments with maturities of three months or less to be cash equivalents. At September 30 and March 31, 2011, respectively, our company had $30,694 and $7,814 of cash.

Revenue Recognition

Our company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles of the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. The more significant areas requiring the use of estimates include asset impairment, stock-based compensation, and future income tax amounts. Management bases its estimates on historical experience and on other assumptions considered to be reasonable under the circumstances. However, actual results may differ from the estimates.

Basic Income (Loss) Per Share

Basic income (loss) per share is calculated by dividing our company's net loss applicable to common shareholders by the weighted average number of common shares during the period. Diluted earnings per share is calculated by dividing our company's net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity. There are no such common stock equivalents outstanding as of September 30, 2011.

During the year ended March 31, 2011, our company enacted an 80 to 1 forward stock split. All share and per share data has been adjusted to reflect such stock split.

Stock-Based Compensation

Stock-based compensation is accounted for at fair value in accordance with ASC Topic 718. On March 31, 2011, our company instituted a stock option plan which allows for the issuance of 3,000,000 shares of common stock to our company's management, employees and consultants. As of September 30, 2011, our company issued 150,000 common stock shares and 675,000 in stock options in lieu of compensation.

Income Taxes

Income taxes are computed using the asset and liability method. Under the asset and liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities and are measured using the currently enacted tax rates and laws. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, are not expected to be realized.

Recent Accounting Pronouncements

Our company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on our company's results of operations, financial position or cash flow.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a "smaller reporting company", we are not required to provide tabular disclosure obligations.

Item 4. Controls and Procedures

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our president (our principal executive officer and our principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of the end of our quarter covered by this report, we carried out an evaluation, under the supervision and with the participation of our president (our principal executive officer and our principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our president (our principal executive officer and our principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting that occurred during the quarter ended September 30, 2011 that have materially or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, executive officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest.

Item 1A. Risk Factors

As a “smaller reporting company”, we are not required to provide the information required by this Item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. [Removed and Reserved]

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
(3)	Articles of Incorporation and Bylaws
3.1	Articles of Incorporation (incorporated by reference to our Registration Statement on Form S-1 filed on May 9, 2008).
3.2	Certificate of Amendment (incorporated by reference to our Current Report on Form 8-K filed on September 10, 2010).
3.3.	Certificate of Amendment (incorporated by reference to our Current Report on Form 8-K filed on March 7, 2011).
(10)	Material Contracts
10.1	Credit Facility Agreement dated March 2011 (incorporated by reference to our Current Report on Form 8-K filed on March 17, 2011).
10.2	2011 Stock Option Plan (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.3	Form of Stock Option Agreement (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.4	Director's Association Agreement between our company and Alan B. Brass (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.5	Director's Association Agreement between our company and Norman Marcus (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.6	Stock Option Agreement between our company and Alan B. Brass (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.7	Stock Option Agreement between our company and Norman Marcus (incorporated by reference to our Current Report on Form 8-K filed on April 26, 2011).
10.8	Property Acquisition Agreement dated June 6, 2011 between our company and Habitants Minerals Ltd. (incorporated by reference to our Current Report on Form 8-K filed on June 17, 2011).
10.9	Purchase and Sale Agreement dated August 31, 2011 between our company and Kim Diaz and and Sonseeahray Diaz (incorporated by reference to our Current Report on Form 8-K filed on September 12, 2011).
(14)	Code of Ethics
14.1	Code of Business Conduct and Ethics (incorporated by reference to our Current Report on Form 8-K filed on June 17, 2011).
(31)	Rule 13a-14(a)/15d-14(a) Certifications
31.1*	Section 302 Certification under Sarbanes-Oxley Act of 2002 of Barry Wattenberg (principal executive officer, principal financial officer and principal accounting officer).
(32)	Section 1350 Certifications
32.1*	Section 906 Certifications under Sarbanes-Oxley Act of 2002 of Barry Wattenberg (principal executive officer, principal financial officer and principal accounting officer).
101**	

	Interactive Data File (Form 10-Q for the quarterly period ended September 30, 2011 furnished in XBRL).
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

** Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of any registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise are not subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	POTASH AMERICA, INC. (Registrant)
Dated: November 7, 2011	/s/ Barry Wattenberg Barry Wattenberg President, Chief Executive Officer, Chief Financial Officer, Secretary, Treasurer and Director (Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)