



GENSOURCE PROVIDES BUSINESS UPDATE

SASKATOON, Saskatchewan – April 9, 2018 – Gensource Potash Corporation (“Gensource” or the “Company”) (**TSX.V: GSP**) is pleased to provide the following general business update to shareholders and to announce a scheduled shareholder conference call..

The Company, in late March, in two separate news releases, announced two non-binding memorandums of understanding (“MOU”) with large, well established players in the North American agriculture industry, both of which are based in the USA. The subject of the MOUs was off-take for the future potash product from a Gensource production facility (the term “off-take” is simply the commitment to purchase product), and both MOUs were similar in that they contemplated the purchase of the full production from one of Gensource’s modules of 250,000 t/year production capacity for an extended period. With these MOUs now signed, Gensource is proceeding with the next steps, which are: 1) the negotiation of definitive off-take agreements based on the MOUs and, 2) Project financing based on the off-taker agreement(s). With these two items completed, the Company will proceed with construction of the first project as expeditiously as possible.

An MOU is the first step towards a definitive off-take agreement, and an off-take agreement is a key milestone for Gensource. Shareholders will be aware that the Company’s business plan is based on two pillars: 1) be small, efficient and respectful of both your community and the environment, and; 2) be vertically integrated. A definitive off-take agreement is important for a number of reasons:

1. It removes the perceived “market risk” from developing a project – “market risk” is summed up in the statement “where will you sell all the product you produce?”.
2. It acts as a financing “instrument” – i.e., if the terms of the definitive agreement are acceptable to financial institutions, they may provide project financing on the basis of the off-take agreement, and
3. Most importantly, an off-take agreement with the parties that Gensource is dealing with represents the second pillar (“be vertically integrated”) in the Company’s business plan – both of the parties Gensource is dealing with have direct retail access to the US and Canadian farmer and that fits very well, philosophically, with Gensource’s aim to be vertically integrated and to be part of the supply chain that reaches directly to the farmer and circumvents current restrictive potash distribution models for the farmers’ benefit.

As outlined in the news releases of March 22 and March 27, the goal is to complete off-take agreements by the end of April and work is well underway in that regard. Simultaneously with the negotiation of off-take agreements, Gensource is in



discussions with project finance organizations (both equity and debt providers) to begin the financing process and make the timelines to completion of both the off-take agreements and the financing packages as efficient as possible. Timing is always difficult to pin down definitively, but if our current schedule can be maintained, we hope to be in the field with initial construction activities this summer.

Gensource will host its next quarterly conference call on Thursday April 12, 2018 at 4:00 p.m. Eastern time. Dial-in number for the conference call is: 1-866-486-8901. We invite you to join us to hear directly how your company is progressing, and also encourage you to submit questions in advance to info@gensource.com – we will work to address every question we receive during the conference call. We look forward to your participation. The call will also be archived through the Company's Investor News page at www.gensource.ca.

Gensource's President & CEO, Mike Ferguson, said, "We at Gensource felt it was important to provide this general business update. A lot has happened over the past short period and we wanted to be sure that our shareholders, firstly, understood what is going on at the Company, and secondly, understood the context of all this activity. We are very excited with the current activities because they represent significant steps towards the construction of the first module, but also because the path followed by the company to-date is in complete alignment with our goals and objectives. As we've stated many times, we are here to become a new and independent potash producer, with the aim of providing better, more efficient access to potash for agricultural producers ... not just producing more tonnes to throw into the general market."

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province. Gensource's President and CEO, Mike Ferguson, P.Eng., has assembled a management and technical team with direct and specific expertise and experience in potash development in Saskatchewan.

Gensource operates under a business plan that has two key components - vertical integration with the market to ensure that all production capacity built is directed to a specific market, eliminating market-side risk; and, technical innovation which will allow for a small *and* economic potash production facility, while the same time demonstrating significant reductions in community and environmental impact.

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This news release may contain forward looking information and Gensource cautions readers that forward- looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of Gensource included in this news release. This news release includes certain "forward-looking statements", which often, but not always, can be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". These statements are based on information currently available to Gensource and Gensource provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements with respect to Gensource's future plans, objectives or goals, to the effect that Gensource or management expects a stated condition or result to occur, including completion of the definitive offtake agreement on terms as announced or at all, securing project financing on terms which are economic or at all, the establishment of vertical integration partnerships and the sourcing of end use potash purchasers. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to Gensource's financial condition and prospects, completion of the definitive offtake agreement on terms as announced or at all, securing project financing on terms which are economic or at all, the ability to establish viable vertical integration partnerships and the sourcing of end use potash purchasers could differ materially from those currently anticipated in such statements for many reasons such as: failure to settle a definitive joint venture agreement with a party and advance and finance the project; changes in general economic conditions and conditions in the financial markets; the ability to complete the offtake agreement on terms as announced or at all or to find and source other off-take agreements; the ability to secure project financing on terms which are economic or at all; changes in demand and prices for potash; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Gensource's activities; and other matters discussed in this news release and in filings made with securities regulators. This list is not exhaustive of the factors that may affect any of Gensource's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Gensource's forward-looking statements. Gensource does not undertake to update any forward-looking statement that may be made from time to time by Gensource or on its behalf, except in accordance with applicable securities laws.
