



GENSOURCE ANNOUNCES CLOSING OF NON-BROKERED PRIVATE PLACEMENT TOTTALLING \$3,124,908.50

SASKATOON, Saskatchewan – May 31, 2018 – Further to its news release dated April 30, 2018, Gensource Potash Corporation ("**Gensource**" or the "**Company**") (TSX.V: GSP) announces today it has completed its non-brokered private placement financing (the "**Offering**"). The Offering consisted of the non-brokered sale of 24,999,268 common shares at \$0.125 per share for gross proceeds of \$3,124,908.50.

As part of the Offering, certain officers of Gensource (the "**Insiders**") purchased an aggregate of 4,356,000 common shares. Participation by the Insiders in the Offering was considered a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Gensource was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Insiders' participation in the Offering in reliance of sections 5.5(b) and 5.7(a) of MI 61-101. The Company was not in a position to file a material change report more than 21 days in advance of the closing of the Offering as the details of participation by the Insiders was not known at such time.

In relation to the Offering, the Company paid commissions to certain licensed finders. The commissions paid to the finders consisted of cash payments of \$199,760.00 and the issuance to the finders of 1,598,080 agent's warrants exercisable into Common Shares at \$0.125 per agent's warrant for a period of 18 months following the Closing Date.

The Company intends to use the proceeds from the sale of the Common Shares for general working capital purposes, to complete the detailed financial arrangements with current Off-take MOU partners as well third-party equity and debt providers to allow for the construction of the first potash module and to advance the level of definition of the resource in the KL 244/KL 245 area.

The securities issued pursuant to the Offering are subject to a four month and one day statutory hold period.

Mike Ferguson, President & CEO of Gensource, commented: "We are very pleased with the response to our private placement, ending in an over-subscribed situation. It is gratifying to see that many of our strong and long-term shareholders participated again in this financing. That fact highlights the highly engaged nature of the Company's shareholder base. With this financing, we look forward to advancing the Company's business plan to the next stage."

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province, using new and more efficient mining and processing methods and employing a new-to-the-potash-industry business model that connects the consumer of potash (agricultural producers) as directly as possible to the production of the product. 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 that sets a new environmental standard in the industry, the output of which can then be directed to a single, specific market.



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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Caution Regarding Forward-Looking Statements

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.
