

GENSOURCE EXECUTES DEFINITIVE BINDING OFF-TAKE AGREEMENT WITH STRATEGIC NORTH AMERICAN AGRICULTURE COMPANY

SASKATOON, Saskatchewan – May 18, 2018 – Gensource Potash Corporation (“Gensource” or the “Company”) (**TSX.V: GSP**). Subsequent to its news release dated March 27, 2018, the Company is delighted to announce that it has entered into a definitive, binding off-take agreement (“Agreement” or “Off-take”) with a senior North American agriculture industry leader. (the “Off-taker”). The Agreement incorporates the essential elements identified in the Non-binding MOU March 27 news release, highlights of which are:

- Purchase of 100% of the production from one “module” of 250,000 tonne/year capacity,
- A preliminary marketing plan that facilitates Gensource’s goal of creating a direct link between a potash producing facility in Saskatchewan and the end user,
- 10-year term with an option to renew for the life of the project,
- Right of first refusal for the Off-taker to purchase any additional product that may be produced at the project either through de-bottlenecking or expansion of the productive capacity of the facility,
- Right of first refusal to purchase the project should Gensource elect to sell any portion of it.

With the formal definitive off-take agreement now completed, Gensource is moving to complete its project financing plans which will allow for the construction of the first of a new breed of potash production plants. Certain financing institutions have already reviewed the Agreement and have provided input to it in its draft form; comments from that review have been incorporated into the final Agreement with a goal to create a stronger, more financeable Agreement.

As previously disclosed in a NI 43-101 Technical Report Feasibility Study, the Vanguard One project (the “Project”) is estimated to cost CAD 279M (USD 220M at a nominal 1.27 exchange rate) to construct over an 18-22 month period. The facility is designed for low cash operating costs at less than \$CAD 53/tonne (USD 40/tonne), even at its small production capacity of 250,000 tonne/year. Further, it is designed to be more efficient in its use of water, energy and personnel as well as to have a low environmental impact due to its lack of salt tailings and brine ponds on surface. The facility is also “right-sized” for a small Saskatchewan setting, employing 46 full time staff, adding significant economic activity without being overwhelming to the local community.

Gensource's President & CEO, Mike Ferguson, said, "This Agreement represents a true milestone in the development of Gensource's potash business strategy. We are so pleased that our Off-take partner shares our confidence in striving towards this new approach to potash production – a confidence that is on display through the completion and execution of this definitive agreement. We are also pleased to bring our unique business model to the North American agriculture industry and specifically to the markets served by our Off-take partner. As I indicated when announcing the MOU with the Off-taker, by combining a modern production facility, with its efficiency and significantly reduced environmental footprint, with the vast resources of the Off-taker, we believe the two groups together represent the new face of the potash supply chain in the ag industry."

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, the output of which can then be directed to a single, specific market.

Mike Ferguson, P.Eng., President & CEO of Gensource and a Qualified Person ("QP") as defined in NI 43-101, has reviewed and approved the contents of this news release.

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