



GENSOURCE ANNOUNCES NI 43-101 REPORT for VANGUARD

SASKATOON, Saskatchewan – April 28, 2016 – Gensource Potash Corporation (“Gensource” or the “Company”) (TSX-V: **GSP**) is pleased to announce that it has completed a NI 43-101 Technical Report (“**NI 43-101**”, “**43-101**”, or “**Technical Report**”) on its Vanguard Project in central Saskatchewan. The Vanguard Project (“**Vanguard**”, “**Project**”, or “**Project Area**”) area is the name for the two mineral leases that are the subject of the Asset Purchase Agreement (“**APA**”) with Yancoal Canada Resources (“**YCR**”), as announced in Gensource’s News Release dated April 6, 2016. Note that conditions to closing the APA exist, see the April 6, 2016 News Release.

The Technical Report, dated April 22, 2016, provides the next step for Gensource in the development of its Vanguard Project. The report documents the geological work completed by YCR on the two permit areas KP 483 and KP 363. Based on this drilling, logging, assay and seismic data as well as the public domain historical regional geological information available, the report defines an initial Inferred resource on the Project Area, together with additional “Exploration Target” quantities.

Based on the permit Crown Mineral acres in the Project Area, the report estimates the following Inferred Resource and Exploration Target quantities for the Patience Lake and Belle Plaine members of the Prairie Evaporite Formation:

INFERRED RESOURCE:

KP 363 & KP 484 Inferred Resource: Lower Patience Lake Sub-Member (PLM1)									
Minimum K₂O Grade	Maximum K₂O Grade	Average K₂O Grade	Average Thickness	Average Carnallite Grade	Average Insolubles	Sylvinite Tonnage	Potential K₂O, 40% Recovery*	Potential K₂O, 30% Recovery**	Potential K₂O, 50% Recovery**
Weight %	Weight %	Weight %	Meters	Weight %	Weight%	Mt	Mt	Mt	Mt
20.29	28.89	24.25	4.42	0.68	6.97	646.56	62.72	47.04	78.40

*Base Case
 **Sensitivity Analysis

The Following parameters apply:

1. K₂O cut off grade of 15%
2. Maximum Carnallite cut-off of 2%
3. No Insoluble cut-off.
4. No thickness cut-off, due to the mining methodology.
5. 6000m Radius of Influence.
6. Known Anomalies from seismic deducted.
7. Further deduction of 25% for unknown anomalies
8. Recovery range a total recovery (mining and plant) range.

The assumptions for the Inferred Resource are as follows:

- K₂O cut off grade of 15%
- Maximum carnallite cut-off of 2%
- No insoluble cut-off.
- No thickness cut-off, due to the mining methodology.
- 2.08 t/m³ density (standard density of sylvinite)
- 6000 m Radius-of-Influence from existing wells (based on thickness variography).

All relevant anomalies discovered by 2D seismic have deducted, while a further 25 % deduction for unknown anomalies was applied. A range of recoveries, which are inclusive of mining and plant recoveries, are presented.

The K₂O and carnallite cut-offs as well as other assumptions listed above were based on cut-offs common to solution mining projects in Saskatchewan, as well as on discussion with a third party Engineering Consultant, Mr. Max Ramey from Innovare Technologies Ltd, whom Gensource had retained for assistance in development of this as well as of their Lazlo Project.

Estimation of the Inferred Resource proceeded with Inverse Distance Squared methodology, using a voxet grid in SKUA-GoCad. The methodology was chosen based on the relative paucity of data, coupled with weak variography.

The Inferred Resource is based on CIM Standards (2010):

Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure.

EXPLORATION TARGET (see Cautionary note below):

KP-483 & KP-363 Exploration Target							
Member	Sub-Member	Grade Range	Thickness Range	Carnallite Range	Insoluble Range	Sylvinite Tonnage Range	Potential K ₂ O Range
		Weight %	Meters	Weight %	Weight%	Mt	Mt
Patience	PLM2	15.03 - 21.75	1.19 - 2.66	0.58 - 1.27	6.14 - 15.62	134.1 - 299.8	3.0 - 16.3
Lake Member	PLM3	15.03 - 23.98	1.28 - 3.13	0.59 - 1.28	8.23 - 14.40	127.0 - 310.4	2.9 - 18.6
	PLM4	15.11 - 29.18	2.32 - 3.19	0.49 - 0.76	4.21 - 11.88	257.5 - 354.1	5.8 - 25.8
Belle Plaine Member	BPM4	15.40 - 18.50	1.86 - 2.22	0.61 - 1.04	3.18 - 4.82	160.1 - 191.7	3.7 - 8.9
	BPM5	15.81 - 17.94	1.40 - 1.54	0.64 - 1.05	1.94 - 2.35	120.9 - 133.0	2.9 - 6.0
	BPM6	25.77 - 28.53	1.47 - 1.80	0.49 - 0.61	1.73 - 5.17	126.9 - 155.4	4.9 - 11.1
	BPM7	20.61 - 28.00	0.29 - 0.56	0.38 - 0.55	1.52 - 2.43	25.0 - 48.4	0.8 - 3.4

The Following parameters apply:

1. K₂O cut off grade of 15%
2. Maximum Carnallite cut-off of 2%
3. No Insoluble cut-off.
4. No thickness cut-off, due to the mining methodology.
5. 6000m Radius of Influence.
6. Known Anomalies from seismic deducted.
7. Further deduction of 25% for unknown anomalies
8. Recovery range a total recovery (mining and plant) range.

The Exploration Target tonnage ranges for each of the above potash members were estimated by multiplying the area of mineral rights held by Gensource by the thickness ranges estimated from historical assay data from one modern well and its accompanying geophysical log, as well as assays for two historical wells and a typical density of 2.08 t/m³ for Saskatchewan sylvinites. The minimum grade used was a 15% K₂O average grade generally considered necessary for economic solution mining in Saskatchewan.

Cautionary note: It should be noted that the Exploration Target tonnage and grade is conceptual in nature. Insufficient exploration has been performed to define a Mineral Resource and there is no certainty that further exploration will result in the target being delineated as a Mineral Resource. Note also that grades and tonnages are stated as ranges and cannot be construed as accurate, known quantities.

There are no known legal, political, environmental, or other risks besides those noted in the aforementioned Technical Report that would materially affect the potential development of the mineral resource.

The Technical Report also provides the following recommendations for next-step work in the Project Area:

"...that Gensource initiate a PEA (Preliminary Economic Assessment), as well as an exploration program that includes both further drilling as well as a 3-d seismic program, concentrating on the area between the existing wells on KP 483 for maximum benefit...."

The Company will file this Technical Report with Canadian securities regulators within 45 days of this release pursuant to NI 43-101 requirements. It will be available on SEDAR at www.sedar.com, and also on the Company's website at www.gensource.ca

Gensource's President & CEO, Mike Ferguson, said "The 43-101 resource estimate completed today supports our view of the value of the mineral leases being purchased from YCR under the APA. The resource identified in the Patience Lake could support one of Gensource's planned small production facilities for a very long time. Also, good potential exists for increasing the resource tonnage, as planned future drilling and seismic activities will better define the resource. The purpose of the report was to highlight the value in the mineral leases being purchased under the APA. The fact that we can define a resource at this early stage speaks volumes for the potential of the properties when they are combined with Gensource's small scale selective dissolution and enhanced processing."

The technical information presented in this news release has been reviewed and approved by Mr. Louis Fourie, P.Geol., Pri. Sci. Nat. from Terra Modelling Services Inc., who is a Qualified Person according to NI 43-101 requirements.

About Terra Modelling Services

Terra Modelling Services Inc. is a geological consulting company based in Dalmeny, Saskatchewan, with specific expertise in potash and related minerals, as well as diamonds and kimberlites.

For further information about Terra Modelling Services, contact:

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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, and organized that team with a business plan focusing on small scale, economical

production and vertical integration. Gensource plans to use up-to-date techniques and technologies to implement a potash facility like no other in the province – one that has a very small environmental footprint and community impact.

For further information about the Company please contact:

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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 YCR transaction, the expected timing for release of a resource estimate and a preliminary economic assessment, as well as a feasibility study, and 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, among other things, completion of the YCR transaction, a refund of lease conversion costs in the event that the YCR transaction does not proceed, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Gensource's mineral properties, Gensource's financial condition and prospects, 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: an inability to complete the YCR transaction on the terms as announced or at all, including the conditions for regulatory approval and financing; denial by ministerial authorities of a refund of lease conversion costs in the event that the YCR transaction does not proceed; changes in general economic conditions and conditions in the financial markets; the ability to find distributors and source off-take agreements; 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.
