



## **GENSOURCE COMPLETES EXPLORATION DRILLING PROGRAM FOR ITS VANGUARD ONE PROJECT**

**SASKATOON, Saskatchewan – January 09, 2017– Gensource Potash Corporation** (“Gensource” or the “Company”) (TSX.V: **GSP**) is pleased to announce that as of January 4<sup>th</sup>, 2017, it has successfully completed the two well exploration drilling program in its 100% owned Vanguard project area. The program builds upon the two wells drilled on the property in 2012, and will enable Gensource to advance the determination of the resource extent, grade, and ultimately allow for updating and issuing of a revised NI 43-101 report.

Mike Ferguson, Gensource’s President & CEO commented: “It is a significant milestone for Gensource to successfully complete our exploration drilling program, and retrieve the full core from the Prairie Evaporite from both drilling locations. We are proud to say that the work was accomplished safely, with no reportable incidents during the program, and initial observations of the core look very promising.”

Assay data from samples of core from Well #1 are expected very shortly and further information will be provided once the data has been analysed.

With respect to Well #2, a full Prairie Evaporite core of 67m was retrieved. Upon initial inspection, the core from the Well #2 is similar to that of the first well, and reveals that:

- All three members of the Prairie Evaporite (Patience Lake, Belle Plaine and Esterhazy) are present and intact.
- Thicknesses of the three members are consistent with adjacent wells, meeting and exceeding expectations.
- Significant Sylvinitic mineralization is present, especially the Patience Lake and Belle Plaine Members.

The core was securely transported to Saskatoon where it is being logged. Once logged, the core will be sampled and the samples will be crushed and assayed to provide chemical composition data, most specifically KCl grade.

Additional Highlights from the second well include:

- 67m of 3.5” diameter core cut and retrieved from the Prairie Evaporite Formation. Of the 67m, the three target potash bearing members of the formation aggregated approximately 40m.
- Total vertical depth: 1,559m
- 19 days on site and over 4600 man-hours worked with zero injuries and zero reportable incidents.
- Several geophysical logs were run including hole volume, directional, neutron-density-PE, induction, spectral gamma ray, dipole sonic, and



cement bond logs. These logs are run to help characterize the geological formation in terms of potash grade and density/porosity of the various formations logged.

The scientific and technical information contained in this news release was reviewed and approved by Louis Fourie, P.Geo., President of Terra Modelling Services Inc., an independent consultant and Qualified Person under NI 43-101.

## **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.

For further information please contact:

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### *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 settlement of a definitive joint venture agreement with the Essel Group on the terms of the MOU or at all, the expected timing for release of a reserve estimate and a feasibility study and whether or not the study will conclude that mineral production is feasible on a technical or economic basis, 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, settlement of a definitive joint venture agreement with the Essel Group, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Gensource's mineral properties, the ability to complete a feasibility which supports the technical and economic viability of mineral production, Gensource's financial condition and prospects, the ability to establish viable vertical integration partnerships and the sourcing of end use potash purchasers, including approval of the Yancoal Canada off take agreement by its parent company, could differ materially from those currently anticipated in such statements for many reasons such as: failure to settle a definitive joint venture agreement with the Essel Group on the terms as announced or at all, and advance and finance the project in accordance with the terms of the definitive joint venture agreement; an inability to finance and/or complete an update of the resource estimate to a reserve estimate, and a feasibility study which supports the technical and economic viability of mineral production; changes in general economic conditions and conditions in the financial markets; the ability to find distributors and source off-take agreements including approval of the Yancoal Canada off take agreement by its parent company; 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.*

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