



GENSOURCE PROVIDES CORPORATE UPDATE

SASKATOON, Saskatchewan – March 31, 2017 – Gensource Potash Corporation (the 'Company' or "Gensource") (**TSX.V: GSP**) is pleased to provide its shareholders an update on key corporate activities.

The ongoing Vanguard One Project Feasibility Study ("Study") is over 75% complete and remains on track to be finished in Q2 2017. The Study is with respect to the Vanguard One Project, to be located on Gensource's KL 245 lease. The Study builds upon the positive PEA findings (see Gensource news release dated May 31, 2016) to a scalable approach to potash production (250,000 t/a per facility) at industry-low capex and opex.

- At this stage, the Company does not expect significant changes to estimates or costs from those published in the PEA.
- The Study is being conducted by an integrated team comprising Innovare Technologies Ltd. ("Innovare"), ENGCOMP Engineering and Computing Professionals ("ENGCOMP") and South East Construction ("SECON").
- The recently completed 3D seismic program is now being interpreted and will aid in the final stages of the Study. With the 3D data acquisition complete, wellfield planning and site selection is under way.
- Water source testing/drilling fieldwork is nearing completion. This process is providing positive early results with respect to developing a water source from groundwater. One of the environmentally attractive features of Gensource's small scale approach is that brackish water can be used in the selective solution mining process and there is an overall reduction in water consumption per tonne of product produced – these two factors together lead to the possibility of avoiding the consumption of fresh surface water for the project.
- A well-attended and enthusiastic Open House meeting was held in the Village of Tugaske, SK, on February 1, 2017. Over 100 people from Tugaske and the surrounding communities joined Gensource's team for a general information session and project update on the Vanguard One Project.
- Gensource will be hosting a First Nations & Metis specific general information session in Regina, SK, on April 6, 2017.
- The environmental and regulatory work continues to progress with the expectation that Gensource will submit its Technical Project Proposal to Environmental Assessment Branch by the end of April.

The Company is also making progress on its JV partnership with Essel Group ME

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(“EGME”) (see Gensource news release dated November 29, 2016), and continues to work on definitive documentation with respect to the JV. Pursuant to the non-binding Memorandum of Understanding, EGME has agreed to finance the project in two tranches – one immediately, intended to complete the Study, and a second to provide full construction financing for the project upon confirmation, in the Study, of the technical and economic viability of the project. Further announcements will be made on the status of this the JV Partnership.

Further, Gensource is currently making plans for further exploration and development work on its KL 244 lease later in the year.

The scientific and technical information contained in this news release was reviewed and approved by Mike Ferguson, P.Eng., the President and CEO of Gensource and a 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.

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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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