
Gensource
POTASH CORP
Corporate Presentation
TSXV:GSP
Aug 2018

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The scientific and technical information contained in this presentation has been reviewed and approved by Mike Ferguson, P.Eng., who is the President and Chief Executive Officer of Gensource and a "qualified person" under National Instrument 43-101.

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For a more complete review of the factors that may affect Gensource's forward-looking statements, please see the company's Information Circulars and Management's Discussion and Analyses, posted on Sedar, www.sedar.ca, or on the Company's website at www.gensourcepotash.ca/?page_id=642 .

Gensource POTASH CORP

Gensource Potash Corp. Vision – Mission - Values

Vision:

Achieve food security by supplying the world with a key macronutrient at an affordable cost within an open, transparent and sustainable environment.

Mission:

Create a series of independent, scalable and environmentally sustainable Potash production facilities in Saskatchewan and other jurisdictions in the world.

Values:

The core priorities for Gensource are integrity, forthrightness, innovation and social responsibility.

"Food security is when people have reliable access to sufficient, affordable, nutritious food to support healthy life."

***Source**: FAO – United Nations 2006, Gensource Potash.*

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Gensource Project Summary – Vanguard 1

Highlights

- Vanguard 1 Project is in the **first quartile** of all potash producers worldwide: **sub-US$40.00/t** cash costs
- **Lowest All-in Cash Costs** in North America of **US$170.31/t (delivered CFR India), All-in OpEx costs of US$ 95.97/t** (includes taxes and royalties)
- New strategy by **deploying innovative extraction methods** and **partnering directly with potash users**
- Near-term Potash Production: **Q4 2019 target** (subject to project financing)
- **2 Off-take MOU's** signed in March, 2018 for a combined 500,000 tonnes of Potash (2 separate facilities of 250,000t/yr.)
- 1 MOU has been converted into a **Definitive and Binding 10-Year off-take Agreement** with full take-or-pay provisions – May 2018
- **Environmental Determination Complete* – No EIA Required - Aug 2018**
- Vanguard 1 **Bankable Feasibility Study** completed **May 2017**
- **157mt** of Measured & Indicated resource, of which, **9.79 Mt** classed as Proven and Probable Reserve.
- **Base Case:** Potash price of US$ 300/t and 45-year economic model
  - **Pre-tax NPV@8%** of **US$ 329 M** with **18.3% IRR**
  - **Post-tax NPV@8%** of **US$ 236 M** with **16.3% IRR**

"Focussed on developing 100%-owned '***Vanguard***' project located in central Saskatchewan, Canada where Saskatchewan is ranked the 2nd most attractive jurisdiction worldwide for mining investment.**"

People

Experienced and senior team of potash experts with over 150 years of combined potash experience

Proven Track Record

Potash One (sold for over $430 million), American Soda Co., Pennzoil Sulphur Company

Strong Network of Partners

Golder Associates, Whiting Equipment, ENGCOMP Engineering, South East Construction, Terra Modeling

*As determined by the Saskatchewan Ministry of the Environment – News Release Aug 9, 2018

* *Source: Fraser Institute – Annual Survey of Mining Companies 2017*

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Potash: Problem & Opportunity

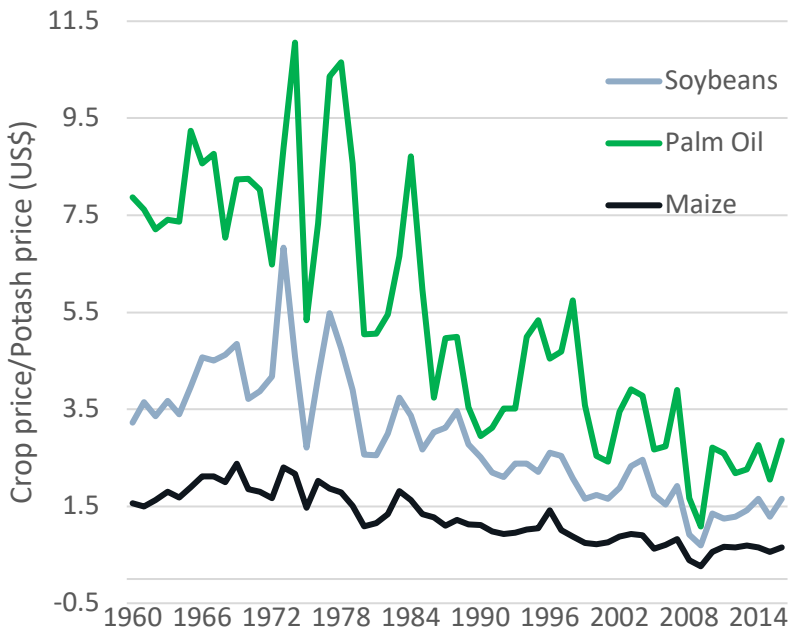
Supply Side

Producers Suffer From:

- **Lack of Competition:** Potash is controlled by oligopolistic supply-side production and distribution
- **Lack of Price Transparency:** No price discovery on transactions. No spot or contracted market
- **Excess Supply Capacity:** Supply add-ons to control market and keep competition out
- **Compressed Profit Margins:** Costly conventional mining operations coupled with complex supply chain management

Development of Crop Prices

A Historical Overview:



"Farmers face continued margin compression and have zero potash supply choice."

Demand Side

Customers Suffer From:

- **Lack of Competition:** Potash supply is controlled by oligopolistic supply-side production and distribution – **zero price control for customers**
- **Lack of Price Transparency:** Little price discovery on large transactions – **no spot or contracted market for customers to work with**
- **Excess Supply Capacity:** Supply add-ons to control market and keep competition out – **minimal choice for competitive alternatives to customers**
- **Compressed Profit Margins:** Costly global mining operations coupled with complex supply chain management – **high delivered cost to customers and no customer ability to work around existing supply chain**

***Source**: World Bank Data, IMF International Stats.*

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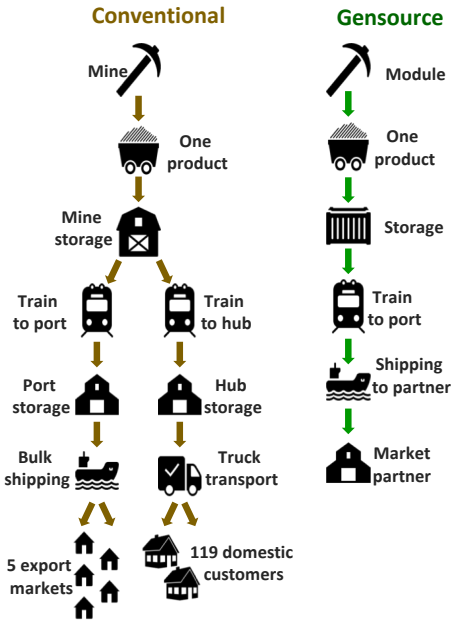
Gensource Value Proposition

> To **disrupt the existing supply chain** by deploying **innovative extraction methods** and partnering **directly with potash users**

1. Supply Chain Streamlining



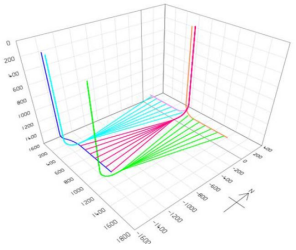
2. Innovative Extraction Method

Using brackish formation water, an extraction brine is pumped through horizontal caverns **where only KCl (potash) is dissolved**

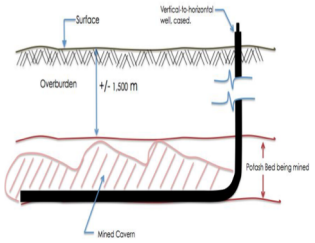
The saturated brine (NaCl and KCl) is pumped to a crystallization process at surface, **removing the KCl and resulting in solid crystals of potassium nutrient (KCl)**

Remaining brine is returned to the horizontal caverns, **the cycle is repeated**

Horizontal Well Pattern

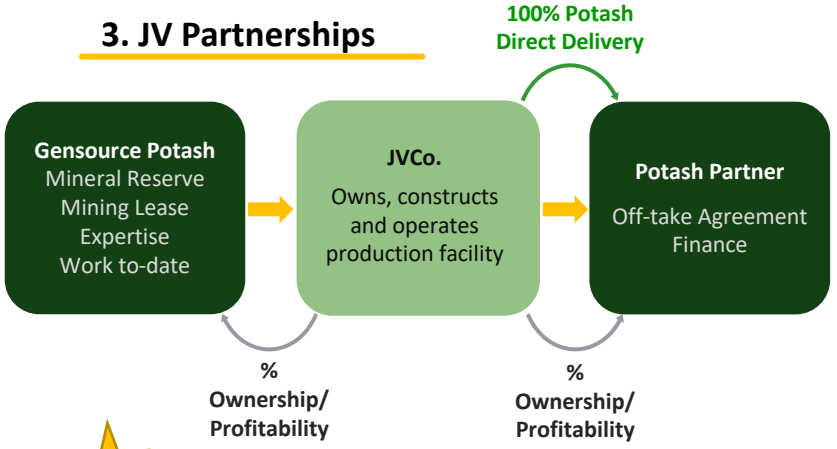


Selective Dissolution



"Cost effective and efficient recovery method"

3. JV Partnerships



Advantages:

Choice
Provide customers with a dedicated supply from an independent producer shipped direct from the mine gate resulting in higher quality

Cheaper
Direct-to-consumer results in significant savings (up to USD $150/t) by avoiding the highly controlled distribution channel

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High Quality Asset Base

Saskatchewan Canada
Projects situated in world's largest potash basin

Strong local and provincial support
Ranked #1 mining jurisdiction in the world (Fraser Institute Annual Mining Survey 2016)

N1 43-101 Compliant

- **9.79 Mt** Proved & Probable
- **157 Mt** Measured & Indicated
- **314 Mt** Inferred
  - All values **final product potash**

Environmental Stewardship
First potash project **EVER** to be classified as a non development – No Environmental Impact Assessment required

Central to all infrastructure
Including roads, rail, water, and power

Bankable Feasibility Study completed
May 31, 2017

Vanguard 1 - Feasibility Study Highlights

Project Capacity
One module at 250,000 t/a final product, standard grade

CapEx
USD $210M

Mine Life
***>100 years, 157 Mt** of Measured & Indicated resource (NI 43-101 compliant)*

Sustaining CapEx
USD $2.9M annually

Mining Method
***Selective Dissolution** using horizontal caverns*

OpEx
USD $39.54/t

Processing
Cooling crystallization using energy efficiency measures

Construction
20 months

Compelling Project NPV and IRR [1]

(unlevered – 100% Equity Base Case)

Indicator	Pre Sask. Profit Tax	Post Sask. Profit Tax
NPV 8%	$329,403,545	$235,822,250
Mining	18.32%	16.31%

***Source:** Financial Performance Summary– Vanguard 1 Feasibility Study May 31, 2017*

[1] The information is based on: a base case potash price of $US 300/t, a 45-year economic project life, 1.5% operating cost inflation, $CAD 100/t ($US 74.29) shipping cost to East Asia, operating costs of $CAD 53.23/t ($US 39.54), sustaining capital reinvestment totalling $CAD 15.68/t ($US 11.65/t) and a constant exchange rate of 1.30 $CAD/$US

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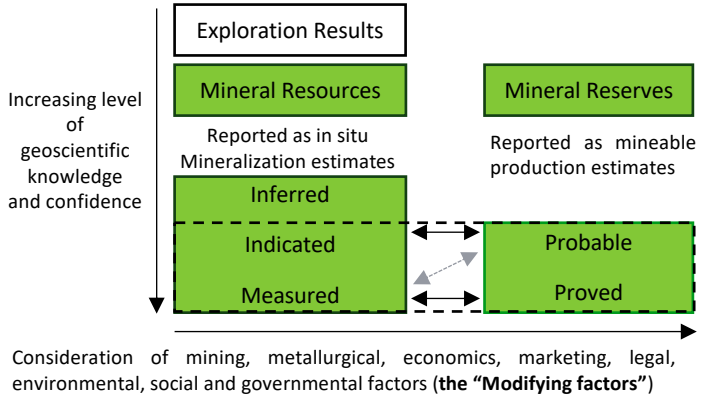
Drilling & Geology – Reserves & Resources

Gensource Potash's 'Vanguard 1 Area' *Mineral Resources* were estimated by Ordinary Kriging techniques using a grid model in Maptek Vulcan. The NI 43-101 was finalized on July 14th 2017, by Terra Modelling Services, an independent geological/geostatistical consultant.

Based on the guidelines established in the '*Technical Report' the Vanguard 1 Area is defined by* ***157 million*** *tonnes* of final potash product in the ***Indicated & Measured*** *category,* over ***313 million tonnes*** of final potash product in the ***Inferred*** *category*, and **9.79 million tonnes** of final potash product in the ***Proved & Probable*** category - based on the baseline 40% recovery factor.[1]

The mineral resources for the Vanguard 1 Project area have been estimated based on the principles established by the Guidelines on 'Best Practices for Mineral Resources and Mineral Reserves' generally accepted by CIM Standards 2010.



Mineral Reserves[1]

Reserve Category	Total KCl Grade [2]	Carnallite Grade	Insoluble Grade	Average Thickness	Sylvinite w. deductions (Mt)	Sylvite/KCl (Mt)	Recovered KCl (Mt)
Probable	43.37	0.77	6.07	3.83	39.53	17.15	3.94
Proven	43.49	0.82	6.12	3.79	58.45	25.42	5.85
Total	**43.44**	**0.8**	**6.1**	**3.81**	**97.98**	**42.56**	**9.79**

Mineral Resource Estimation[1]

Base Case

Resource Category	Total KCl Grade	Carnallite Grade	Insoluble Grade	Average Thickness	Total Sylvinite (Mt)	Sylvinite w. deductions (Mt)	Sylvite (Mt) 40% Recovery
Indicated	36.82	0.82	5.07	11.19	480.96	432.87	63.75
Measured	36.45	0.72	5.25	11.23	676.25	642.44	93.68
Total	**36.61**	**0.76**	**5.17**	**11.21**	**1157.22**	**1075.31**	**157.43**

[1] *TMS, NI 43-101 Technical Report Summary, July 14, 2017*

[2] *K_2O cut off grade of 15% (equating to 24.6% KCl) and 25% further deductions for unknown anomalies*

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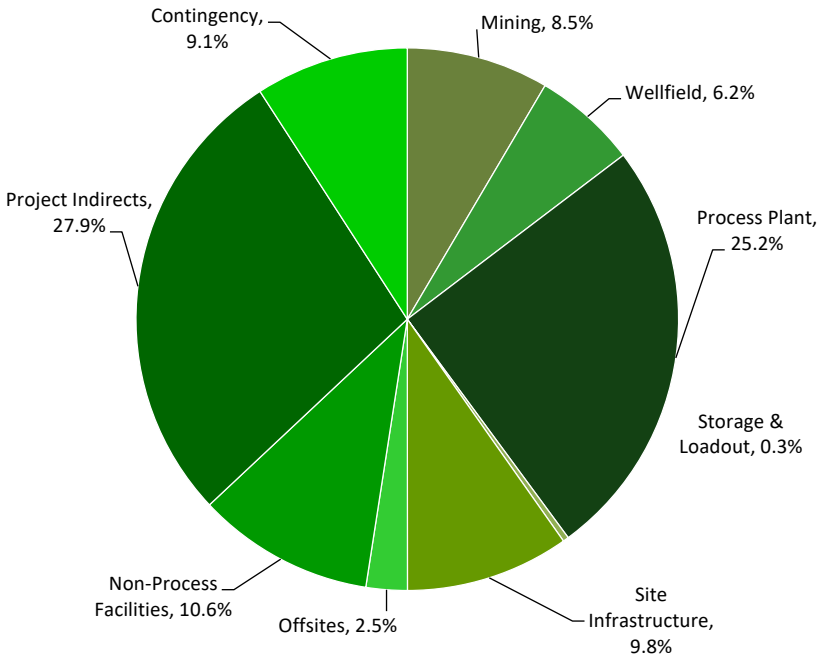
Vanguard 1 Cost Breakdown

CapEx Breakdown

Project economics includes fully drawn contingency expense

Item	'000 CA$
Mining	$ 23,738
Wellfield	$ 17,304
Process Plant	$ 70,610
Storage & Loadout	$ 957
Site Infrastructure	$ 27,297
Offsites	$ 6,877
Non-Process Facilities	$ 29,550
Project Indirects	$ 77,972
Total (Pre-Contingency)*	**$ 254,305**
Contingency	$ 25,564
Grand Total	**$ 279,869**

***Source**: Gensource Potash – Vanguard 1 Feasibility Study May 31, 2017*



*A statistical analysis was completed, using Palisade's @Risk software, to yield a range of probable project costs and aid in the determination of a probabilistic contingency to apply to the project. A contingency of $25,564,000 was selected, representing the value from the 75th percentile of the analysis output. The 75th percentile (or Level of Confidence) value means that 75% of the total project cost outputs from the statistical analysis were equal to or less than this value.

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Vanguard 1 Cost Breakdown

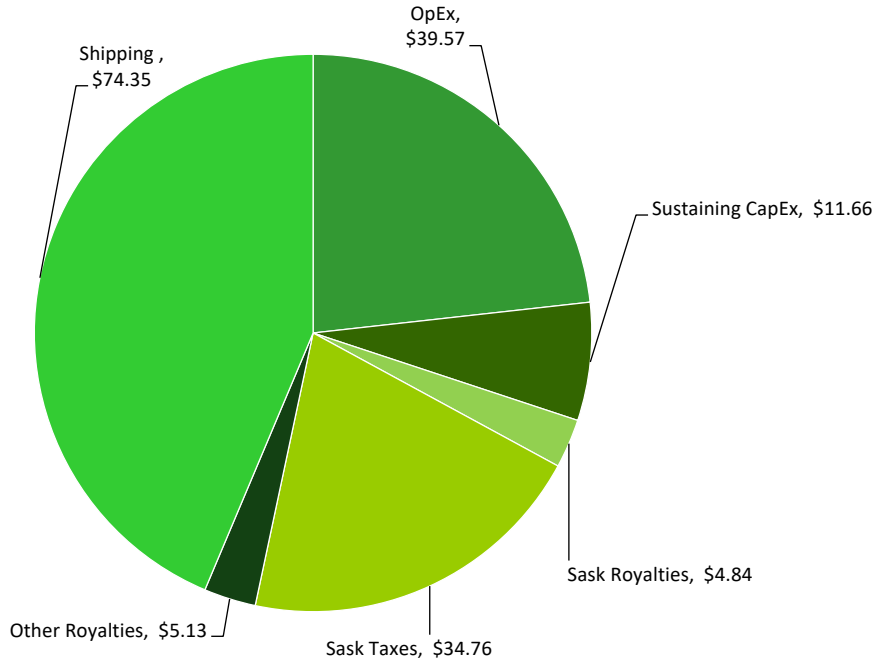
OpEx Breakdown

All-in costs per tonne of $US 95.97 (Ex Works)

Price/ Tonne	Net $ Margin % No Shipping	Net $ Margin % With Shipping
$225	$129.03 57%	$53.68 24%
$250	$154.03 62%	$79.68 32%
$275	$179.03 65%	$104.68 38%
$300	$204.03 68%	$129.68 43%
$325	$229.03 70%	$154.68 48%
$350	$254.03 73%	$179.68 51%
$375	$279.03 74%	$204.68 55%
$400	$304.03 76%	$229.68 57%

***Source**: Gensource Potash – Vanguard 1 Feasibility Study May 31, 2017*

Cash Margins



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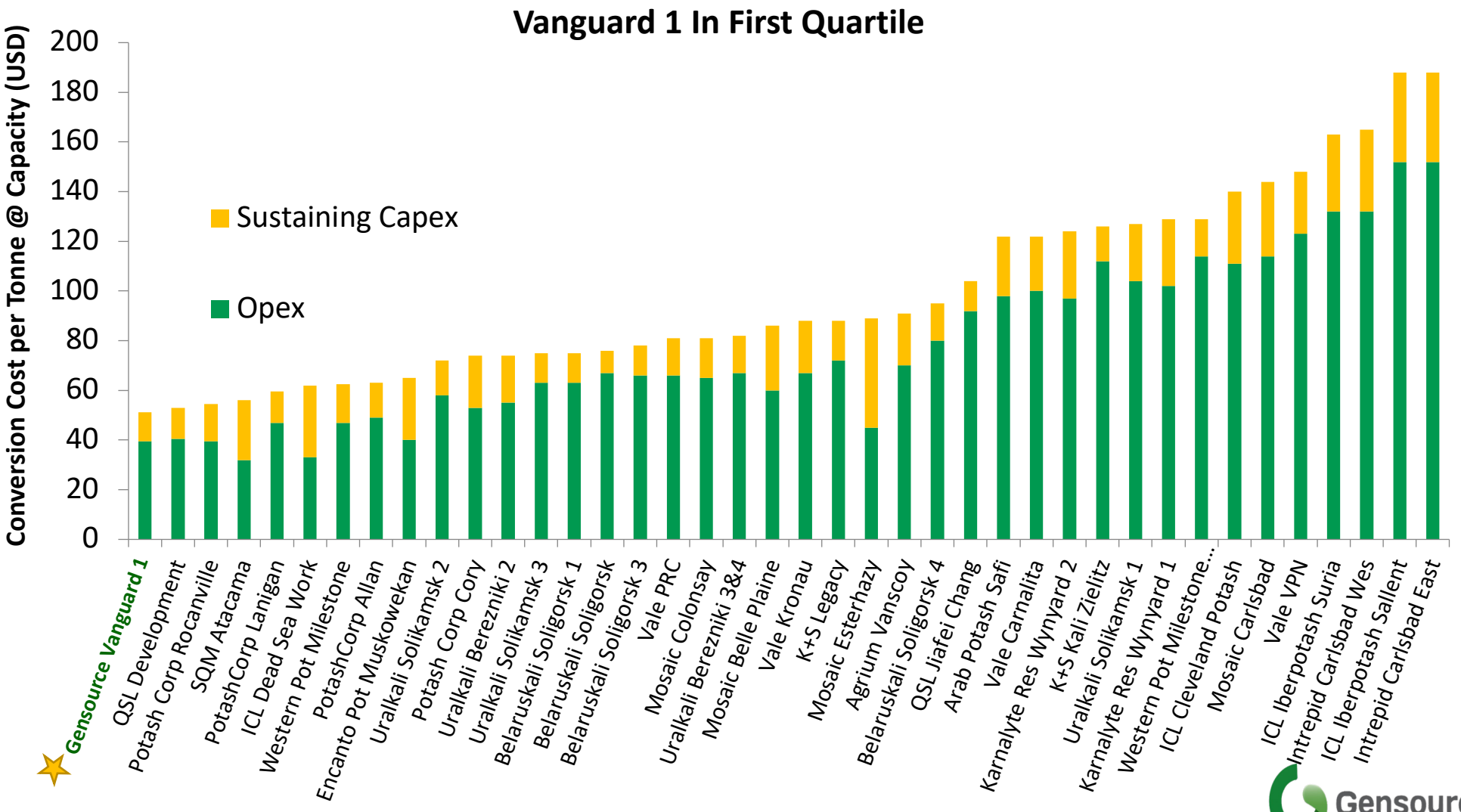
Gensource Versus Traditional Miners



Source: Randle Green Consulting, CRU, Integer Research, Company Reports, Gensource Potash

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Comparative Mining Methods

Specifications	Conventional	Conventional Solution Mining	Selective Dissolution Vanguard 1
Min. Viable Production Rate	2.5 Mt/a	2.0 Mt/a	**250 kt/a**
CapEx per Tonne (US$)	$ 1,990 *	$ 1,620 *	**$ 840 ** **
Operating Costs (US$)	$ 80/t *	$ 118/t *	**$ 39.57/t ** **
Development Time	7-10 years	6-8 years	**3 years ** **
Tailings	2t salt tailings per tonne of potash produced	2t salt tailings per tonne of potash produced	**None**
Brine Containment Structures	Large salt tailings and brine pond structures	Large salt tailings, brine pond structures, and cooling ponds	**None**

* Potash Mining Supply Chain Requirement Guide, Ministry of Economy, Government of Saskatchewan, September 14, 2012

** Gensource - NI 43-101 Technical Report and Feasibility Summary July 14, 2017

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Each module and partnership creates significant cash flows to Gensource Potash Corp, creating a potash streaming company

Economics

Assumptions	
Resource/Engineering Investment	$ 8,000,000
US to Canada $	1.30

Per Tonne of Potash	US $	CAD $
Price (US)	$ 300.00	$ 390.00
Cost to Process	$ 40.95	$ 53.24
Shipping	$ 77.00	$ 100.10
Sustaining CapEx	$ 12.00	$ 15.60
Royalties & Taxes	$ 38.00	$ 49.40
EBITDA	**$ 132.05**	**$ 171.67**

Module Potash Production	250 Mt p.a.
Carried Interest	30%

NPV ($CAD)	250K Tonnes	500K Tonnes
8%	$ 148,632,918.60	$ 275,891,162.47
10%	$ 112,873,102.71	$ 206,832,754.59
15%	$ 63,035,556.16	$ 112,184,002.63
25%	$ 25,205,980.96	$ 43,184,259.65
IRR	64%	72%

Gensource's small-scale concept facilitates a development timeline of approximately two years from construction to first production. The financial performance of the project is shown in table below, for a range of product prices and costs of capital.

Price/Tonne US$	Project IRR	NPV @ 6.00%	NPV @ 8.00%	NPV @ 10.00%	Operating Margin	Payback (Yrs)
$225	9.83%	$ 135,019,994	$49,178,315	($3,494,593)	78.20%	10.0
$250	12.10%	$ 220,792,606	$ 112,507,467	$ 45,070,745	79.88%	8.0
$275	14.26%	$ 305,333,691	$ 174,755,710	$ 92,696,697	81.34%	7.0
$300	16.31%	$ 388,540,731	$ 235,822,250	$ 139,282,488	82.42%	6.3
$325	18.30%	$ 471,047,175	$ 296,232,842	$ 185,262,292	83.45%	5.3
$350	20.24%	$ 553,536,139	$ 356,569,799	$ 231,132,156	83.45%	5.0
$375	22.11%	$ 635,518,277	$ 416,435,959	$ 276,567,150	85.00%	4.8
$400	23.97%	$ 717,756,211	$ 476,482,843	$ 322,125,403	85.78%	4.7
$425	25.75%	$ 799,288,171	$ 535,897,782	$ 367,117,241	86.36%	4.3
$450	27.50%	$ 880,785,576	$ 595,272,298	$ 412,064,642	86.89%	4.0
$475	29.22%	$ 962,232,078	$ 654,587,267	$ 456,946,581	87.35%	3.8
$500	30.92%	$ 1,043,678,579	$ 713,902,236	$ 501,828,519	87.77%	3.0

Source: *Gensource Potash – Vanguard 1 Feasibility Study May 31, 2017*

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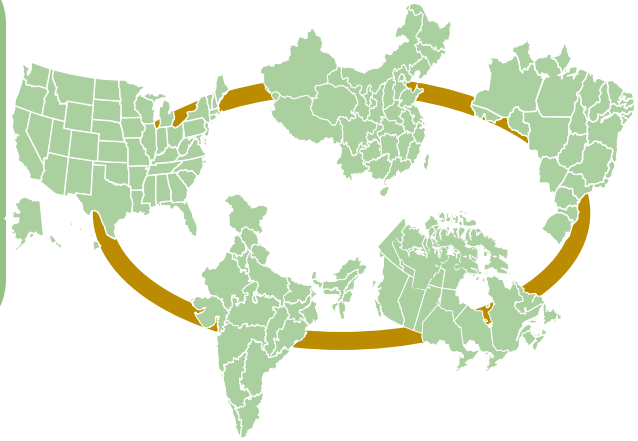
Binding Take-or-Pay Off-Take Agreement Signed in May 2018.

Following a non-binding MOU with a large diversified North American agriculture player, a definitive Off-Take Agreement was executed effective May 1st, 2018.

…Additionally, a second non-binding MOU is progressing slowly towards an Off-Take Agreement, with others in the works.



Key Off-Take Terms*

- 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 take-or-pay provisions and 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.

= 100% of all product produced is pre-sold for 10 years.

** GSP News release dated May 18, 2018*

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Current Status

Project Development

Vanguard One is now SHOVEL READY:

- ✓ Detailed feasibility study complete,
- ✓ Off-Take Agreement complete,
- ✓ Environmental Assessment Complete – ready for detailed engineering, procurement and construction.

Project Finance

- ✓ Industrial Alliance Securities Inc. and its syndication partner US-based Heritage Capital Group (Agriculture Practice Leader with Oaklins Group), and Roc Global LLC have been engaged for project financing and corporate financing;*
- ✓ Each small-scale production module will be held within a joint venture company with each JV Co. attached to an Off-Take partner;
- ✓ Non-binding Term Sheet signed for Streaming Finance
- ✓ Senior Debt providers organizing into a syndicate
- ✓ Equity component planned to be shared between Gensource and Off-Take Partner.

** GSP News release dated Feb5, 2018*

The Vanguard One Project Area Will Support Multiple Production Modules

Gensource is currently pursuing negotiations with **5 other off-take and Joint Venture partners** and financing partners. Gensource seeks to diversify by market partner and geographic location:

- **India**
- **Brazil**
- **Unites States**
- **Canada**

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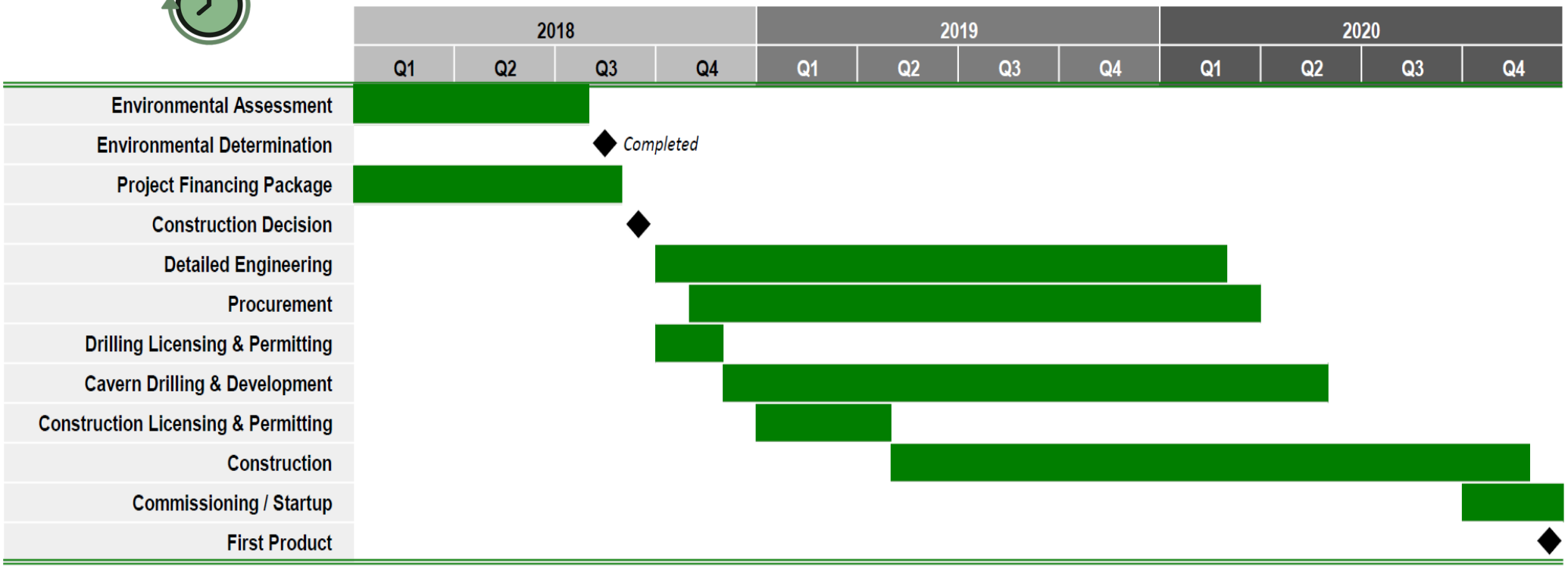
Development Timelines*

Proposed production horizon - 2 years



** Subject to project financing*

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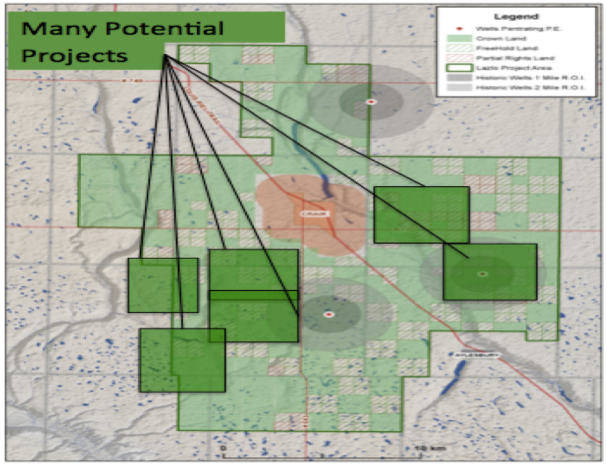
Development Upside: Project 2

Overview

A second project area, known as *'Lazlo',* is also an ideal candidate for a **selective dissolution** operation. Located in the "Davidson Sub-Basin" region of the Prairie Evaporite underlying central Saskatchewan, the area covers a total of **123,000 acres**, with combined thicknesses of about 30m of high-grade, mineable ore. Three historic NI43-101 drill holes exist, which indicate excellent grades, thicknesses, and temperature.



Resource Area

The resource in the Lazlo area is **rich and widespread**, and is located along a well-serviced infrastructure corridor. Furthermore, the mining and processing has the potential to leave no salt tailings on the surface: an otherwise negative artefact of conventional mining.

An updated NI 43-101 report was completed in December 2014 and defines an "exploration target" complete with ranges of expected resource grades and tonnages

Lazlo Project: Potential Mineralization[1]

	Area (acres)	Thickness (m)		Tonnage (Mt)		K_2O Grade (%)		K_2O Tonnage (Mt)	
		Min.	Max.	Min.	Max.	Cut off.	Max.	Min.	Max.
Patience Lake	4,322	9.50	18.20	346	662	15.0	22.35	51.84	147.99
Belle Plaine	4,322	8.90	10.12	324	368	15.0	19.93	48.57	73.38
Esterhazy	4,322	4.58	10.40	167	378	15.0	15.72	25.01	59.48

Source: *Gensource Lazlo Project* NI 43-101 Technical Report, December 22, 2014

Gensource POTASH CORP

Management & Board

Management

Mike Ferguson, P. Eng. - President & CEO

Led the world-class team that developed Potash One's Legacy Project, the only Saskatchewan greenfield potash development in 40 yrs to proceed to construction. **Sold to K+S for $434 million**

Rob Theoret, B.Comm., CIM - CFO

20 years capital market experience. Co-founder of NEXXT Potash (predecessor to Gensource Potash) and successfully financed several junior development companies

Deborah Morsky – VP Corp. Services

Deborah brings 25 plus years of family business leadership and experience as a professional in corporate governance and financial restructuring.

Paul Neufeld, P. Eng. - Project Manager

Experienced project manager in the mining and minerals industry with specific experience managing potash related projects in Saskatchewan.

Directors

Mike Ferguson, P. Eng. - President & CEO

Led the world-class team that developed Potash One's Legacy Project, the only Saskatchewan greenfield potash development in 40 yrs. to proceed to construction. Sold to K+S for $434 million

Calvin Redlick - Director

30 years experience as a global senior investment banker with BNP Paribas, Sumitomo-Mitsui Bank, Mitsubishi UFJ Securities, and CIBC Wood Gundy Inc.

Paul Martin - Director

Chairman of Martin Charlton Communications, Saskatchewan's largest public relations firm specializing in communications strategy, media relations, government relations, and strategic advice.

Mike Mueller - Director

Director with several private and public corporations. Significant expertise and experience in technology / start-ups, including corporate and project finance and corporate governance with a keen focus on leadership excellence.

Mike Ferguson, P.Eng.	***Gensource Potash Corp.***	**Rob Theoret, B.Comm., CIM**
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Gensource POTASH CORP

Capital Structure

Market Capitalization	$47 Million
Recent Share Price	$0.13
52 Week Range	$0.06 - $0.20
Basic Shares Outstanding	351 M
Options	30.5 M
Warrants	38.8 M
Cash Position	~ $1.07M
Debt	$0
Management, Directors & Business Associates	~ 27%

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Contact Us

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Gensource POTASH CORP

Appendix

Technical Strength

These individuals, together with Mike Ferguson, comprised the core Potash One team responsible for the project's success

Max Ramey, P.Eng. – Solution Mining

Solution mining lead for the Potash One - Legacy Project (as well as the Rio Tinto - Potasio Rio Colorado Project in Argentina). Solution mining lead for the design, pilot testing, commissioning, and operation of the American Soda nahcolite solution mining project in Colorado, USA. With 31 years of solution mining experience and a track record in operations, design, and commissioning of solution mining facilities, Max is a world-class expert in high demand throughout the solution mining industry.

John McEwan, P. Eng. - Processing

Developed the process design for the Legacy project, as well as the Potasio Rio Colorado Project in Argentina based on his over 40 years in the mining/ mineral processing industry. With solution processing expertise in many minerals under varied chemical conditions, John leads the effort to move processing techniques into the 21st century, providing an exceptionally efficient processing solution for Gensource's selective dissolution projects.

Sandy Debusschere - Drilling

Sandy is a well-known and sought-after drilling design and execution consultant in the province, with extensive experience in oil & gas and potash exploration and operational drilling. Sandy is responsible for the drilling design for Potash One's Legacy Project as well as for several other solution mining projects in Saskatchewan and worldwide. Sandy's expertise extends to horizontal drilling and solution mining-specific aspects of drilling and casing operations.

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Existing Mines have Environmental Issues

Gensource is NOT a conventional Potash Mine

Gensource facility is 300 metres by 300 metres

Conventional = HUGE environmental footprint

- Massive salt tailings stored on surface for indefinite period
- Large fresh water consumption
- Large demand on utilities

Gensource = small environmental footprint

- No salt tailings or brine ponds
- Brackish groundwater for mining & processing
- Reduced water consumption per tonne of produced product
- **No Environmental Impact Assessment** required

Source: Google Earth, PCS Cory, Saskatchewan

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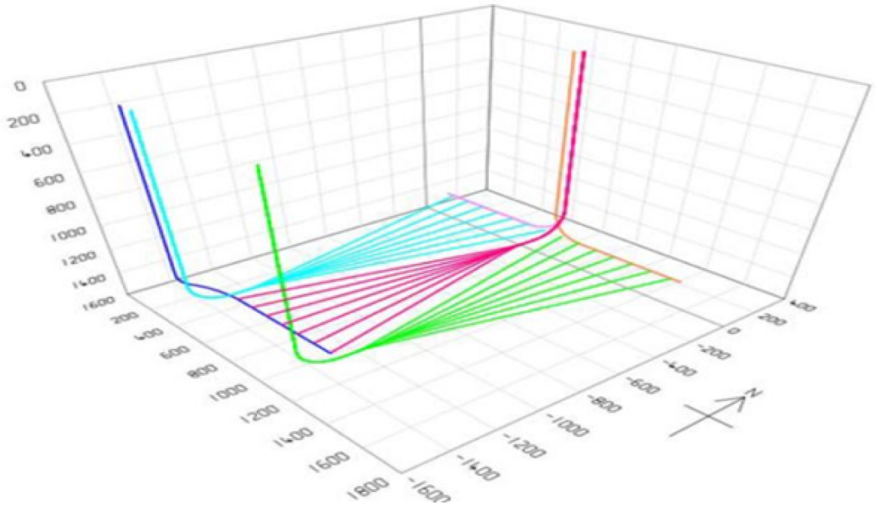
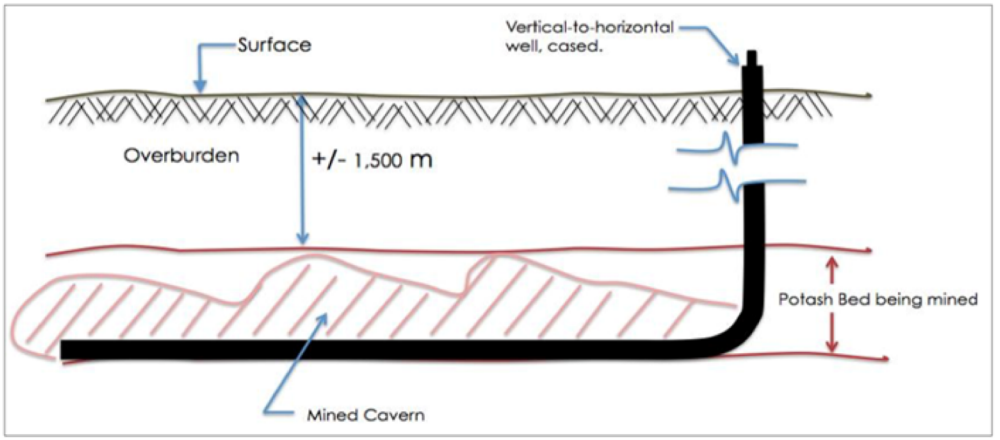
Selective Dissolution

Cost effective and efficient recovery method

Horizontal Well Pattern



Horizontal Cavern for Selective Dissolution



- Using **brackish formation water**, an extraction brine is **pumped through horizontal caverns** where **only KCl (potash) is dissolved**
- The saturated brine **(NaCl and KCl) is pumped to a crystallization process at surface** , removing the KCl and resulting in solid crystals of potassium nutrient (KCl)
- **Remaining brine is returned to the horizontal caverns, the cycle is repeated**

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Proven Technique – Intrepid Potash

Cane Creek Mine (Moab, UT) - has historically experienced many production challenges but deployed selective dissolution methods to overcome the problems

Complex geology

- Significant faulting and folding associated with Cane Creek anticline
- Cannot be mined using conventional solution mining

Ability to maintain contact with bottom of ore seam with directional drilling

- undulating seam presents difficult directional drilling
- Drilling that occurs above the seam results in inability to solution mine the potash seam

Design for productive horizontal cavern

- Cavern layout options
- Location of wells
  - Avoid drilling out of zone
  - Severe site topography limits accessible drilling locations

Source: SMRI "Solution Mining in Presence of Non-Halite Salts – Basics and Histories" April 22, 2012, Intrepid Potash

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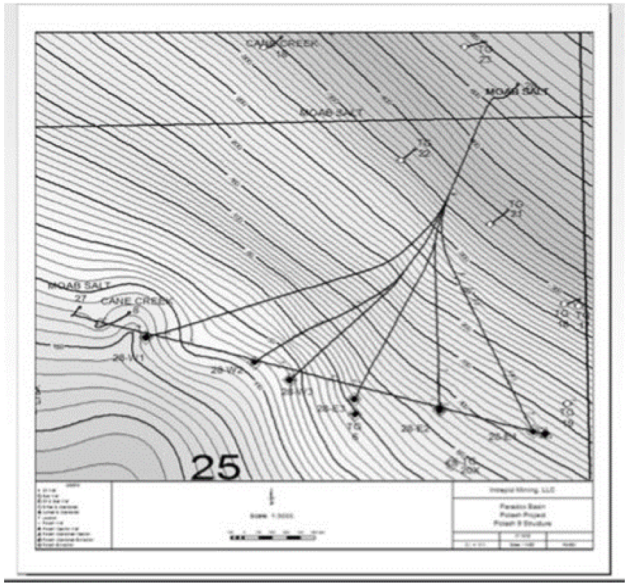
Proven Technique – Intrepid Potash

Selective dissolution successfully deployed at Cane Creek Mine (Moab, UT) starting in 2006

Pitchfork Well Pattern



Before and After Selecting Mining

- Inject saturated brine to selectively mine potash – saturated brine targets potash only, salt matrix remains intact
- Utilize brine heater to increase brine temperature to a level above formation temperature
- Must consider diffusion rate; dissolution rate; and brine saturation levels for KCL
- Production from 6 laterals **increased to over 100,000 tonnes/yr**

Source: SMRI "Solution Mining in Presence of Non-Halite Salts – Basics and Histories" April 22, 2012, Intrepid Potash

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