GENSOURCE ANNOUNCES KFW IPEX-BANK AS MANDATED LEAD ARRANGER FOR SENIOR DEBT FINANCING OF THE TUGASKE PROJECT

SASKATOON, Saskatchewan – October 18, 2019

Gensource Potash Corporation ("Gensource" or the “Company”) (TSX-V: GSP), is pleased to announce today that it has formally mandated KfW IPEX-Bank GmbH ("KfW IPEX-Bank") to act as Lead Arranger for the senior debt component ("Debt Facility" or “Facility”) for the Tugaske Project ("Tugaske" or “Project”) finance package. KfW IPEX-Bank is an affiliate of KfW Bank Group and is headquartered in Frankfurt Germany. KfW IPEX-Bank is responsible for international project finance within the larger KfW Bank Group. Learn more at https://www.kfw-ipex-bank.de/International-financing/KfW-IPEX-Bank/.

Mike Ferguson, President & CEO of Gensource, commented “After an exhaustive and thorough process researching alternatives in the senior loan market, we are extremely pleased to appoint KfW IPEX-Bank as the Lead Arranger of the senior Debt Facility for Tugaske. We see KfW IPEX-Bank as a partner in the execution of the Project and are excited to have reached this important milestone. KfW IPEX-Bank has a tremendous track record in project finance and, specifically, has experience in the fertilizer industry. They understand the opportunities as well as the technical and financial issues facing new potash producers. Gensource continues on a strong footing with KfW IPEX-Bank acting as Lead Arranger.

“Today’s announcement, in conjunction with the news release of October 15, 2019, shows that Gensource has solidly advanced both equity and debt for the Tugaske Project. Having our equity partners invested in the project up-front (see the royalty and private placement news release of October 15th), combined with the mandate announced today of KfW IPEX-Bank as Lead Arranger for the debt facility means that Tugaske is well positioned to move ahead into construction and operation.”

Agreements, negotiated over the past many weeks, have been executed by the parties, indicating that:

- KfW IPEX-Bank will be the Lead Arranger to arrange the Debt Facility for the Tugaske Project.
- A total Debt Facility of approximately USD 180 million is agreed.
- A significant portion of the Facility is to have Export Credit Agency (ECA) coverage to reduce lender risks and the Project’s interest costs; ECA due diligence will also be overseen and managed by KfW IPEX-Bank.
- KfW IPEX-Bank will complete its due diligence work, including the in-depth review of technical, environmental, social, market and financial aspects of the project.
- KfW IPEX-Bank will manage syndication of the Debt Facility and plans to support the Project with a significant take and hold commitment.
During the due diligence process, final definitive terms for the Facility will be developed and agreed. Following this, Gensource and KfW IPEX-Bank will prepare and execute definitive facility and security documentation at financial close. The ultimate financing of the Project is conditional upon the successful completion of the detailed due diligence process.

About KfWIPEX-Bank
KfW IPEX-Bank is an affiliate of KfW Bank Group. In its responsibility of international project and export finance within the larger KfW Bank Group it is in charge for over EUR 66 billion in assets, completed EUR 17.7 billion in new financings in 2018 and is AA+/Aa2 rated. For more than 60 years, KfW IPEX-Bank has been providing medium to long term financing solutions as its core product supporting German and European exporters and investors. It has in-depth resource industry experience and supports economically viable businesses and projects - specifically, environmentally responsible projects.

About Gensource
Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province – but with a fundamentally different approach. Gensource’ President & 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: (1) vertical integration with the market to ensure that all production capacity built is directed, and pre-sold, to a specific market, eliminating market-side risk; and (2) technical innovation which will allow for a small and economic potash production facility, which is much friendlier to the environment to construct and operate - the output of which can then be directed to a single, specific market.

Gensource is working with Roc Global LLC of New York as its exclusive financial advisor.

For further information about the Company please contact:

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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’ future plans, objectives or goals, to the effect that Gensource or management expects a stated condition or result to occur, including the ability to finance the Vanguard One or the Project or other projects on terms which are economic or at all, 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 Gensource’ financial condition and prospects, the ability to finance the Vanguard One or the Project or other projects on terms which are economic or at all, 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: failure to finance the Vanguard One or the Project or other projects on terms which are economic or at all; failure to settle a definitive joint venture agreement with a party and advance and finance the project; changes in general economic conditions and conditions in the financial markets; the ability to find 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’ 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’ forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Gensource’ 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.