



Figure 1 - Drilling Rig (CWC Ironhand Rig #2)

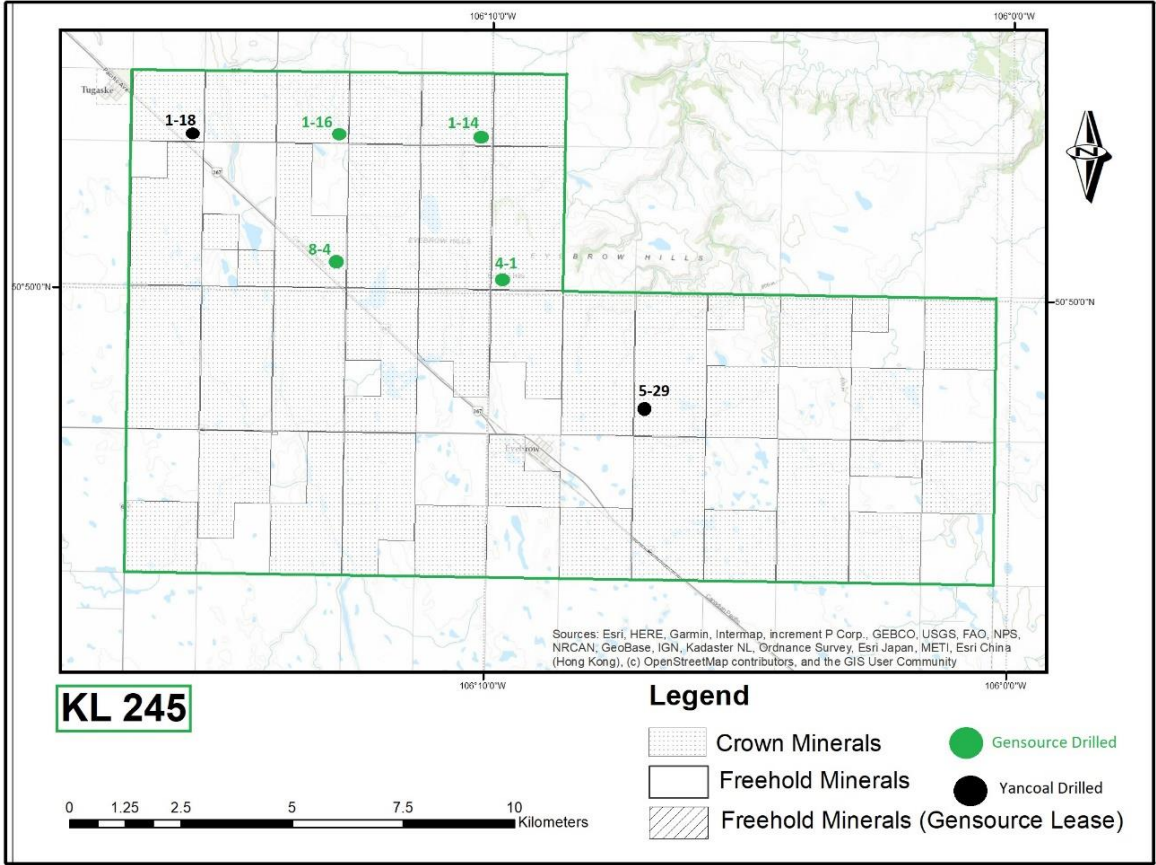


Figure 2: Vanguard Area Drilling Locations



Figure 3: Core Loggin

Table 1: Assay Results Comparison

	Date Drilled	2019	2018	2016	2016
	Exploration Well LSD	8-4	4-1	1-14	1-16
Patience Lake Member	Average Grade (wt% KCl)	34.4	34.0	36.9	33.9
	Thickness (meters)	13.9	15.7	12.7	14.4

Table 2: Sensitivity Analysis - Summary of Measured & Indicated Resource (with Base Case of 40% Recovery Highlighted in Red)

	Total Sylvinite Tonnage	Sylvinite Tonnage with Deductions	Sylvite Tonnage (KCl), 30% recovery	Sylvite Tonnage (KCl), 40% recovery	Sylvite Tonnage (KCl), 50% recovery
Potash Member(s)	Million tonnes (Mt)	Million tonnes (Mt)	Million tonnes (Mt)	Million tonnes (Mt)	Million tonnes (Mt)
Patience Lake + Belle Plaine	2179.09	1986.17	214.33	285.77	357.22

GENSOURCE ANNOUNCES 2019 DRILLING RESULTS

SASKATOON, Saskatchewan – FEBRUARY 27, 2020 – Gensource Potash Corporation (“Gensource” or the “Company”) (TSX-V: GSP), a near-term potash producer focused on sustainable production, is pleased to provide a summary of the results obtained from its 100% owned Vanguard Area in south-central Saskatchewan completed in December 2019. The drilling, coring, and assay work has resulted in an overall increase in the Measured and Indicated Resource in the Vanguard Area.

From a news release dated January 30, 2020 (see <http://gensourcepotash.ca/company-news/>), readers understand Gensource is in the latter stages of project finance for its Tugaske Project. Tugaske is designed to be a small-scale, environmentally sustainable potash production facility and has attracted significant attention from strong industry players. Helm AG of Germany and its US subsidiary, Helm Fertilizers, the project’s off-taker, is committing to purchase 100% of the production for an initial period of 10 years, renewable thereafter. The Tugaske Project employs innovative selective extraction techniques that produce no tailings and requires no brine ponds, eliminating two of the most negative environmental impacts on the land. This method also consumes significantly less fresh water compared to existing legacy mining techniques.

Gensource contracted CWC Ironhand Drilling (“CWC”) to complete the well. CWC is an industry-leading drilling contractor operating in western Canada. CWC was supported by many service providers at the site, including Artisan Consulting Services Ltd. (“Artisan”) who provided drill site supervision and coordination for this well on behalf of Gensource. Artisan is a privately owned and operated consulting company located in Carlyle, Saskatchewan, specializing in supplying supervision services for the drilling of vertical, directional and horizontal wells within western Canada for the past 30+ years. Artisan has overseen all wells drilled by Gensource in the Vanguard Area. Figure 1 shows CWC Rig #2 at the drill site.

The outcome of this work provides further evidence that the Vanguard Area overlies a rich and thick potash resource. This Resource information provides a clear view to the Area’s capability to accommodate multiple small-scale Gensource potash facilities, each being an independent economic entity on its own, referred to as a module. Detailed results from the drilling program are disclosed below.

The current NI 43-101 Technical Report (“**Technical Report**”) for the Vanguard Area (dated February 23, 2018 and available on SEDAR or the Company’s website) summarizes the Feasibility Study and defines the Resource and Reserve for one of Gensource’s small-scale, environmentally friendly potash production modules. By definition, a Feasibility Study relies, for all project economic and life-of-mine information, entirely on the defined Reserve in the Vanguard Area. Therefore, the definition of adjusted Resources in the Vanguard Area with no change to the Reserves, has no material impact on the current Technical Report. On that basis, the referenced Technical Report, dated February 23, 2018, remains the most current reference for the Vanguard Area.

“As we fully expected, this drilling initiative continued to demonstrate an excellent resource in our Vanguard Area, said Mike Ferguson, President & CEO of Gensource. “Saskatchewan is fortunate to have a potash resource that is well-defined, high-grade and consistent over large areas - all of these attributes are especially supportive of our planned selective solution extraction method. The results of this drilling further confirm the quality and abundance of the potash resource in the Vanguard Area, and further affirm the Vanguard Area is capable of supporting several potash modules, consistent with the Company’s business plan.”

Summary of Results:

Drilling of a single exploration well commenced in November 2019. The work was completed in just under 4 weeks and over 5000 hours on-site. There were zero injuries, zero reportable incidents, and no environmental issues associated with this drilling work. This is the fourth exploration well completed on the Vanguard area since 2016. These wells, combined with the data from two pre-existing wells drilled in 2012 that were acquired with the property, accounts for the total of 6 wells completed in the Vanguard Area (all on Lease KL245). Figure 2 shows the 6 drilling locations across the Vanguard Area, including the location of the new well drilled (“8-4”).

The well was drilled into the Precambrian Basement to a total depth of approximately 2200 m, with the lower 30 m of the Deadwood Formation bearing a basal sandstone that offers a good target for the potential use as a disposal well. Approximately 54 m of core was recovered from the Prairie Evaporite Formation (Saskatchewan’s potash bearing formation). The coring strategy for this well was to focus core recovery on the Patience Lake and Belle Plaine members of the Prairie Evaporite, and exclude the Esterhazy member, because of the priority and likelihood of the Patience Lake and Belle Plaine being targeted mining zones; since the Esterhazy member often contains higher values of carnallite, it is often excluded from mining considerations – this was the case for the quantification of

the Resource and Reserve in Gensource's Feasibility Study. This strategy helped improve the cost and schedule of the drilling program. It should be noted, however, that the presence of all 3 potash members has been confirmed by the geophysical logs completed in the well.

From the drilling location, the core was transported to SRC Laboratories in Saskatoon, where it was then logged by independent geologists from Terra Modelling Services Inc. Figure 3 shows core being logged in the lab.

Over 150 samples were selected from sylvinite-bearing core for assaying. The resulting assay data has been analyzed. Gensource's initial mining target, as defined in the Feasibility Study Technical Report, is the uppermost potash member of the Prairie Evaporite formation, the Patience Lake Member. The assay results from the 8-4 well indicate the following information for the Patience Lake Member:

- Average grade of approximately 34.4% KCl
- Average total thickness of approximately 13.9 m
- Of particular note are high-grade intersections of 56% KCl over 0.4m and with some individual samples measuring as high as 67% KCl

Table 1 demonstrates the general consistency in the recent drilling results (8-4, outlined in red) with the nearby wells previously drilled by Gensource in the Vanguard Area; focused on the Patience Lake Member.

In accordance with the CIM Definition Standards (2014), and using the assumed baseline recovery of 40% (discussed in more detail in the Feasibility Study Technical Report), the resource in the Vanguard Area has been updated to 209 million tonnes of final, salable potash product in the Measured category, and 75 million tonnes in the Indicated category, for a combined 286 million tonnes. This represents approximately a 10% increase in the Measured and Indicated Resource numbers for the Vanguard Area compared to those previously published. Of particular note is an increase of approximately 25% in the combined Measured and Indicated Resource of the Patience Lake Member. The CIM Definition Standards (2014) provide for a direct relationship between Indicated Mineral Resources and Probable Mineral Reserves, and between Measured Mineral Resources and Proven Mineral Reserves. Therefore, with further engineering definition (specifically, further detailed wellfield planning) and incorporation of the applicable modifying factors, additional mineral Reserves can be identified from these Indicated and Measured Resource categories. Table 2 shows a sensitivity analysis regarding the summary of the updated Resource numbers based on

incorporating the data from the 8-4 well with the data from the previous wells drilled.

The resource model was constructed as a 3D integrated stratigraphic grid model, using all available drilling information. The basic assumptions for the resource model and subsequent calculations are as follows:

- K₂O cut-off grade of 15% (equating to 24.6% KCl).
- Maximum carnallite cut-off of 6%.
- No insoluble cut-off.
- No thickness cut-off, due to the mining methodology (i.e., selective solution mining).
- For the different Radius-of-Influence (ROI), the previous seismic surveys (2D and 3D) indicate a relatively stable Prairie Evaporite Formation, with the notable exception of the dissolution edge in the south, and the thinning in the northwest, well outside the 6000 m Inferred interpolation range. The former was clipped out of the model altogether.
- As such, the following ROI's were used, which are the same as those used in the current Feasibility Study Technical Report:
 - An Inferred Radius-of-Influence of 6000 m was used
 - An Indicated Radius-of-Influence of 2250 m was used
 - A Measured Radius-of-Influence of 1500 m was used
- All other anomalies were also clipped out of the model, except for Winnipegosis Mounds where these did not necessarily indicate anomalous salt.
- Further deductions for unseen / unknown anomalies included:
 - 25% in the Inferred category
 - 15% in the Indicated category (lowered to 10% within the extents of the 3D seismic survey)
 - 10% in the Measured category (lowered to 5% within the extents of the 3D seismic survey)
- Recovery rates: Based on the preliminary horizontal cavern selective solution mining design assumptions, it is estimated that the overall percentage recovery of the targeted horizontal cavern potash zone will range between 30% to 50%. As such, Gensource proceeded with a "base case" of a 40%, with 30% and 50% shown as sensitivity analyses.

As part of this well, a drill stem test for formation water was conducted from the Mannville Formation top through to the bottom of the Gravelbourg Formation. A single packer was set above the top of the Mannville Formation. The test result was positive for groundwater. Gensource will continue to assess all data gathered

from the area, to determine if a suitable brackish groundwater source exists to supplement the solution mining water demand.

Mike Ferguson further commented: “The completion of this work further supports Gensource’s business approach to offer direct access to the resource and an opportunity for an off-taker to be an owner of potash production for themselves. We want to thank Artisan, CWC, and all the excellent service providers who contributed to the safe and successful completion of this well. Their rigorous approach to safety, high-performance standards, and overall professionalism and work ethic are a testament to the quality and competency of the drilling industry in Western Canada, and in particular, Saskatchewan. We are also extremely pleased to have participation in this well from several local-area service providers, readily showing that the local community can provide top-notch services in the immediate vicinity of our site. With respect to Gensource’s efforts advancing their first module in the Vanguard Area, the Tugaske Project is now in the project financing stage, with detailed due diligence ongoing. We continue to make excellent progress on our Tugaske Project, and the efforts from this well support its advancement. Together with our partners, we are excited with the Tugaske Project’s progress towards implementation, aiming to initiate field work activities later this year.”

The technical information presented in this news release has been reviewed and approved by Mr. Louis Fourie, P.Geo., from Terra Modelling Services Inc., who is a Qualified Person according to NI 43-101 requirements, and an independent consultant to the Company.

About Terra Modelling Services

Terra Modelling Services Inc. is a geological consulting company based in Saskatoon, Saskatchewan, offering exploration, economic assessment, reporting and due diligence, as well as commodity price forecasting. A wide range of commodities, including potash, phosphate, lithium, diamonds as well as base- and precious metals are covered. For further information about Terra Modelling Services, visit: www.terramodellingservices.ca

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province – but with a radically and fundamentally different approach that takes ESG factors into consideration. Gensource’s 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.

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