



## **GENSOURCE PROVIDES COMMENTARY ON THE CURRENT STATE OF BUSINESS, VIRTUAL ANNUAL GENERAL MEETING AND PROGRESS ON THE DEVELOPMENT OF THE TUGASKE PROJECT**

**SASKATOON, Saskatchewan – March 30, 2020 – Gensource Potash Corporation** (“**Gensource**” or the “**Company**”) (**TSX.V: GSP**), a fertilizer development company focused on sustainable potash production, is pleased to provide the following commentary as of today’s date.

The Covid-19 pandemic is causing significant personal and business challenges across the globe. Gensource is following these impacts and closely monitoring the situation. We strictly follow all health advisories and have taken steps to protect our personnel: all Gensource employees are working remotely and, of course, all travel plans have been postponed. Our systems and processes have always been fully functional for remote work settings, thus no real impact on day-to-day business operations has been experienced, nor is expected.

As a respectful and conscientious business leader, Gensource has consulted with regulatory advisors and has elected to hold its Annual General Meeting (“Meeting”), slated for May 29, 2020, virtually. Details will be communicated to all shareholders in order to accommodate full participation. Shareholders notification and confirmation will be included in the annual Information Circular and Notice of Meeting, which will be mailed to all shareholders on April 28<sup>th</sup>, 2020. Please stay tuned to learn how you may connect with us at the AGM – we look forward to strong attendance at the virtual meeting.

With respect to the Tugaske project, Gensource has been proactive in engaging with its debt and equity partners to evaluate potential impacts that may ensue due to Covid-19 and the associated financial market turmoil currently unfolding. We are pleased to advise that all parties remain focused and engaged in all the work streams required to see the project through to financial close. Despite the understandable disruptions from the move to having employees work from home, there has been no indication from any party involved in the financing that the Tugaske project will not advance through the completion of the financial process as planned - all stakeholders continue to maintain their desired schedule to financial close.

The above engagement and support levels from the Company’s project finance partners are based on the fundamental strengths of the Tugaske project itself and the business structure Gensource has assembled to realize the project. Underlying that, we see the retail price of potash in the target US market is staying incredibly steady and starting to exhibit the typical seasonal price increase as spring planting efforts begin. Although retail fertilizers are lower in



price from a year ago with DAP 20% lower, MAP 19% less expensive, anhydrous 18% lower, both UAN28 and UAN32 13% less expensive, urea 5% lower, MOP potash is only 4% less expensive. As of this date, average US retail potash prices remain at \$US 370.00 per short ton (\$US 407 per metric tonne)<sup>1</sup>. It is also important to note that on March 18, 2020, The Fertilizer Institute (TFI) stated in a press release that it had sent a letter to the President of the United States and Congressional leaders requesting that the federal government recognize fertilizer and all agriculture inputs as "essential services" to ensure agriculture can remain operational. A few hours later, the fertilizer industry was designated an essential industry by the US government. Agriculture is a foundational industry in our economy and it is critical that it continues to operate normally in these uncertain times.

As part of the debt financing, due diligence work is moving ahead as planned. All five independent consultants, covering subject areas of engineering/technical, environmental and social, market, legal and insurance, have been contracted and are working on their specific scopes of work, ultimately reporting to the senior lending group. Fortunately, all of the due diligence activities can be completed remotely and no specific issues have been identified that would preclude any of these independent reports being completed as planned and submitted to the financial institutions.

On this basis, we are confident that Tugaske will continue its path through this thorough the due diligence process and will reach a financial close as forecast later this summer.

### **About Gensource**

Gensource Potash is a fertilizer development company based in Saskatoon, Saskatchewan and is on track to become the next fertilizer production company in that province. With a small scale and environmentally leading approach to potash production, Gensource believes its technical and business model will be the future of the industry. 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, that demonstrates environmental leadership within the industry, producing no salt tailings, therefore eliminating decommissioning risk, and requiring no surface brine ponds, thereby removing the single largest and negative environmental aspect of potash mining.

For further information about the Company please contact:  
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<sup>1</sup> Prices quoted from DTN Retail Fertilizer Trends 03/25



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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's 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 Tugaske Project or other projects, 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's financial condition and prospects, the ability to finance the Tugaske 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 Tugaske 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'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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