

GENSOURCE OBTAINS DEVELOPMENT PERMIT FOR ITS TUGASKE POTASH PROJECTSASKATOON, Saskatchewan – August 31, 2020 – Gensource Potash Corporation (“Gensource” or the “Company”) (TSX-V: GSP), a fertilizer development company focused on sustainable potash production, announces the successful completion of the next major milestone for its Tugaske Project (“Project”). Gensource has now received approval of its Development Permit Application for a potash mine from the Rural Municipality (“RM”) of Huron No. 223, whose offices are in the Village of Tugaske, SK.

Gensource has worked closely with the RM over the past several years, spanning the initial exploration work on its potash lease covering the area, to the tangible development work on the project, a site being chosen and surface land being optioned – all making the project ready for construction. Earlier this summer, Gensource completed an application for a Development Permit and submitted it to the RM for consideration. We are excited to report that the permit was approved by RM Council at its August meeting under existing RM Bylaws, opening the way to construct our first potash module within the boundaries of the municipality.

Corey Doerksen, Reeve of the RM of Huron, commented, “Here at the RM of Huron, we are extremely excited at the issuing of an RM Development Permit to Gensource Potash for the Tugaske Project. Ever since our first contact with Paul [Gensource’s Project Manager], we have been very impressed with their operation and handling of the upcoming project. We are particularly excited about the fact that there will be some community and surrounding area involvement during the construction and operational phases. We look forward to many years of cooperation with Gensource in the area.”

The overall timeline leading to construction is now in the hands of Gensource’s senior lenders (KfW and Société Générale – see Gensource news releases [dated May 19, 2020](#) and [October 18, 2019](#)) and the process to have project financing coverage approved through the Euler Hermes process. As indicated in previous news releases, the senior debt financing is aided by the export insurance coverage provided by the German Export Credit Agency (“**ECA**”), Euler Hermes. The senior lenders’ due diligence investigations are now essentially complete as planned and discussions are underway on final terms of the debt package. The final step now is to obtain ECA approval. Current plans are to have the project submitted to the November 5, 2020 meeting of the Euler Hermes’ governing committee and receive approval thereafter. The Euler Hermes approval represents the milestone for senior debt letters of commitment, which will then trigger equity investment in the project. As this process completes, Gensource will continue with the planned project development efforts to ensure that overall timelines are maintained.

Further to the procurement requirements, as driven by the Euler Hermes process, Gensource is pleased to announce that it has engaged MAVEG Industrieausrüstungen GmbH (“**Maveg**”) to act as a general procurement agent

for the Company with respect to a significant package of equipment and services. Maveg has great experience in the procurement of industrial equipment and services for the mining and industrial processing industries globally, and Gensource looks forward to working with Maveg to create cost-efficient and timely procurement packages that will fall under the Euler Hermes coverage.

Gensource's President & CEO, Mike Ferguson, commented "We have worked tirelessly to get to this stage and receiving a Development Permit for a potash mine from the RM is one of our most significant permitting-related milestones to date. This Development Permit, coupled with the Saskatchewan Environment determination already received (see news released dated August 9, 2018), means the project is truly shovel ready. Gensource takes pride in maintaining close contact and good communications with all stakeholders – and the linear and efficient manner in which the Development Permit was approved shows that cooperation and working towards a positive common goal represents the best way to get things done."

About MAVEG

MAVEG Industrieausrüstungen GmbH was founded in 1977 and has its headquarters in Ratingen near Düsseldorf as well as several branches and subsidiaries in other countries. The MAVEG team of experts has extensive practical experience with complex process projects and has adapted its structure specifically to provide its customers with innovative and reliable solutions. For the ambitious landmark Project Tugaska of Gensource Potash Corporation MAVEG will provide the client with a complete structuring of the procurement by focussing on maintaining the rules for an optimized ECA financing.

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 negative environmental impact of conventional potash mining.

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The technical information presented in this news release has been reviewed and approved by Mr. Mike Ferguson, P.Eng., of Gensource Potash Corporation, who is a Qualified Person according to NI 43-101.

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 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.