



GENSOURCE ANNOUNCES CLOSING OF NON-BROKERED PRIVATE PLACEMENT

SASKATOON, Saskatchewan – February 12, 2021 – Further to its news releases dated January 7 and January 14, 2021, Gensource Potash Corporation ("**Gensource**" or the "**Company**") (TSX.V: GSP) announces today it has completed its non-brokered private placement financing (the "**Offering**"). The Offering consisted of the non-brokered sale of 29,032,123 common shares at \$0.18 per common share for gross proceeds of \$5,225,782.14. No warrants, other than customary broker compensation warrants, were issued as part of the Offering. Common shares issued pursuant to the Offering will be subject to a four month hold in accordance with Canadian securities laws and the Offering is subject to receipt of all necessary regulatory approvals, including a final approval of the TSX Venture Exchange.

The Company intends to use the net proceeds from the Offering to advance the Tugaske project, specifically to continue detailed engineering and procurement activities, complete well pad leasing and drilling planning, obtain pipeline rights of way, complete the financing of the Tugaske project and for general working capital purposes.

Mike Ferguson, President & CEO of Gensource, commented: "We are pleased to have completed this stage of financing under difficult marketing conditions imposed by worldwide lockdowns. We thank those who supported it and worked so hard to complete it. Efforts focused in the UK faced major challenges starting before Christmas and extending through today. Significant demand remains in the UK region that we and our broker partner were not able to include in today's close. We expect to address that demand in the final financing stage. Gensource now turns its attention to the final stage of work to reach financial close, when the debt facility, being arranged by KfW-IPEX Bank and Société Générale, the export credit agency coverage, and final equity investments all come together."

In relation to the Offering, the Company paid commissions to certain licensed finders. The commissions paid to the finders consisted of cash payments of \$251,489.64 and the issuance to the finders of 1,397,165 broker warrants exercisable into common shares at \$0.18 per broker's warrant for a period of 36 months following the closing date. Also, as part of the Offering, a certain director of Gensource (the "**Insider**") purchased 250,000 Common Shares. Participation by the Insider in the Offering was considered a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Gensource was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Insiders' participation in the Offering in reliance of sections 5.5(b) and 5.7(a) of MI 61-101. The Company was not in a position to file a material change report more than 21 days in advance of the closing of the Offering as the details of participation by the Insiders was not known at such time.



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.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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; an inability to predict and counteract the effects of COVID-19 on the business of Gensource, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains; 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.