

GENSOURCE PROVIDES SUMMARY UPDATE ON ITS TUGASKE PROJECT

SASKATOON, Saskatchewan – May 12, 2021 – Gensource Potash Corporation ("**Gensource**" or the "**Company**") (TSX.V: GSP) a fertilizer development company focused on a sustainable and modular approach to potash production, is pleased to provide a general update on its activities and the current status of various workstreams the Company is engaged in to advance its Tugaske Project.

Mike Ferguson, President and CEO of Gensource commented: *"It has been a significant effort to-date to get where we are now with Tugaske. With that in mind, we are pleased to provide a general update to reinforce what has been accomplished and what has yet to be accomplished to attain our goal of creating a first-of-its-kind potash production facility"*.

Project Development

As previously disclosed, the Tugaske Project (the "Project") is a small-scale potash production facility designed as a module, with each module having a design capacity of 250,000 tonnes/year of final product. The Project itself has progressed past the feasibility study level, having completed a FEED (Front End Engineering and Design) study. The updated NI 43-101 Technical Report disclosed on March 22, 2021 and filed on SEDAR is based on the FEED study, which includes significant detailed procurement work with the Company's selected process and equipment vendors.

The Project is permitted under the Saskatchewan Environmental Assessment process, having been determined to be "not a development" and therefore not requiring the preparation of an environmental impact study. It has also been issued a Development Permit through the Rural Municipality of Huron, where the Project is located. Further licensing, of course, is required as detailed engineering proceeds and construction starts, under the Saskatchewan Environmental Protection standards as well as building code requirements.

Surface land for the process plant is under Gensource control and all wellpad leases and pipeline rights of way have been obtained. No further land purchases or agreements are required for the Project.

Offtake Partner and Project Financing

The Company has previously announced that Helm AG through its US subsidiary ("Helm") is the Project's off-taker. Under the terms of the off-take agreement, Helm will purchase 100% of the production from the Project and market that product through to its customers in the US in an open-book manner, providing the direct link Gensource seeks between a potash producing facility in Saskatchewan and a clearly identified market. We

are pleased to announce that the definitive off-take agreement between Helm and Gensource was executed on May 6, 2021. A copy of the agreement, with commercial matters redacted, will be filed on SEDAR.

The Project is planned to be executed through a special purpose vehicle (“SPV”) that will construct, own and operate the Project. Gensource has previously disclosed that Helm plans to make an equity investment in that SPV alongside Gensource at financial close. The capital structure of the SPV is being determined currently. The terms of the shareholder agreement between Helm and Gensource with regards to their ownership of the SPV has largely been agreed upon but the final agreement has not yet been executed.

On the debt side of the Project financing, Gensource has previously disclosed, in separate news releases, that KfW IPEX-Bank and Societe Generale S.A. (together the “Banks”) have been appointed as joint lead arrangers for the proposed debt facility for the Project. As disclosed, these appointments are non-binding mandate letters for the Banks to work to assemble the agreed debt package. Please refer to the updated NI 43-101 Technical Report for current information on the overall debt and equity for the Project. The process toward debt commitment involves using the German export credit agency to provide credit insurance to the Banks. The final debt package will not be binding until such time as the Project reaches financial close, at which time the Company anticipates that the definitive debt facility agreement will be executed with the Banks.

About Gensource

Gensource 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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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, the ability to finance the 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 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 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, failure to obtain required regulatory approvals; 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.