

Gensource Comments on Statement of Claim Filing

SASKATOON, Saskatchewan, June 17, 2021 – Gensource Potash Corporation (“**Gensource**” or the “**Company**”) (TSXV: GSP) today announced that it has become aware that a statement of claim (the “**Claim**”) has been filed against the Company, its CEO and HELM AG (“**HELM**”) (together the “**Project Developers**”) in the Saskatchewan Court of Queen’s Bench. The Claim was filed by Frank Eberhardt, Carl F Peters GmbH & Co. (“**CFP**”), both of Hamburg Germany and 11664735 Canada Ltd. (“**116**”), a Canadian company beneficially owned by Frank Eberhardt. The Claim has not yet been served on the Project Developers, however, following the Company’s policy of open and transparent communications, Gensource is disclosing the existence of the Claim together with some context. Carl F Peters is a shipping company operating in Hamburg, Germany, operated by Mr. Frank Eberhardt (for further information see www.petership.de). 116 is a Canadian company beneficially owned by Mr. Frank Eberhardt, which owns a royalty on the Company’s Tugaske potash development project located near Tugaske, Saskatchewan (the “**Tugaske Project**”) (see Gensource news release dated October 15, 2019 for further information). The Claim alleges, among other things, that Gensource and HELM wrongfully excluded Mr. Eberhardt from investing in the Tugaske Project and seeks to confer upon the plaintiffs the right to invest in and be part of the Tugaske Project.

The Company issued a news release on November 26, 2020, wherein it announced a decision to replace a financial investor in the special purpose vehicle (the “**SPV**”) that will own the Tugaske Project. At that time, Gensource and HELM made the joint decision to cease negotiations with Mr. Eberhardt when it became clear that the parties were not able to agree on the terms of the key required agreements, namely the off-take agreement for the Tugaske Project and the shareholder agreement that will govern the SPV. Since that time, HELM and Gensource have finalized and executed the offtake agreement for the Tugaske Project and have agreed on substantially all the terms of the shareholder agreement for the SPV, pending final equity capital structure of the SPV.

The Company’s joint lead arrangers of senior debt for the Tugaske Project, KfW IPEX-Bank and Societe Generale, are fully aware of the Claim. Gensource and HELM believe the allegations set out in the Claim to be without merit. If the Claim is served, the Company and HELM will vigorously defend themselves against the Claim and are presently considering all available actions they may take to protect their rights and reputations, including seeking damages against the plaintiffs.

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.

Neither the 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 results of the claim against the Company and HELM and the proposed financing of the Tugaske Project. 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 the Claim, the success of the Tugaske Project and the financing of the Tugaske Project could differ materially from those currently anticipated in such statements for many reasons such as: the impact of the Claim on the Company and the Tugaske Project financing; 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, 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.

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