



**NOTICE OF MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR  
WITH RESPECT TO THE ANNUAL AND SPECIAL MEETING OF  
SHAREHOLDERS TO BE HELD ON  
FRIDAY, JUNE 1, 2018**

**April 13, 2018**

**GENSOURCE POTASH CORPORATION**  
**NOTICE OF THE ANNUAL AND SPECIAL MEETING**  
**OF HOLDERS OF COMMON SHARES**  
**TO BE HELD ON JUNE 1, 2018**

**To the Holders of Common Shares:**

Notice is hereby given that an annual and special meeting (the “**Meeting**”) of the holders of common shares (the “**Common Shares**”) of GENSOURCE POTASH CORPORATION (the “**Company**”) will be held at Suite 202 2nd Floor, The Tower at Midtown, 201-1st Avenue South, Saskatoon, Saskatchewan, S7K 1J5 at 9:00 a.m. (Saskatoon time) on Friday, June 1, 2018, for the following purposes:

- (1) to receive the audited financial statements of the Company, together with the report of the auditor thereon, for the year ended December 31, 2017;
- (2) to elect the directors of the Company for the ensuing year;
- (3) to appoint the auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
- (4) to consider, and if deemed advisable, pass a resolution re-approving the Company’s rolling stock option plan; and
- (5) to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying management information circular and the schedules thereto.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting is April 13, 2018 (the “**Record Date**”). Shareholders of the Company whose names have been entered in the register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

**A shareholder may attend the Meeting in person or may be represented by proxy. Registered shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof even if you do plan to attend the Meeting in person. To be effective, the enclosed proxy must reach or be deposited with the Company c/o TSX Trust Company, Attn: Proxy Department, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1, (the “Registrar”), or by facsimile at 1-(416)-595-9593 not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournment thereof. Alternatively, as described further in the accompanying form of proxy, proxies may be voted using the Internet at [www.voteproxyonline.com](http://www.voteproxyonline.com). The Chairman of the Meeting may waive the proxy cut-off without notice.**

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each shareholder has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for such shareholder and on behalf of such shareholder at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the shareholder’s appointee should be legibly printed in the blank space provided.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a shareholder should be delivered by facsimile to the Registrar at **1-(416)-595-9593** or using the internet at **[www.voteproxyonline.com](http://www.voteproxyonline.com)**.

Dated at Saskatoon, Saskatchewan this 13<sup>th</sup> day of April 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(Signed) Michael J. Ferguson*

Michael J. Ferguson  
Chairman of the Board of Directors

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**GENSOURCE POTASH CORPORATION**  
**MANAGEMENT INFORMATION CIRCULAR FOR**  
**THE ANNUAL AND SPECIAL MEETING**  
**OF HOLDERS OF COMMON SHARES**  
**TO BE HELD ON JUNE 1, 2018**

**SOLICITATION OF PROXIES**

This management information circular (“**Management Information Circular**”) is furnished in connection with the solicitation of proxies by the management of **GENSOURCE POTASH CORPORATION** (the “**Company**”) for use at the annual and special meeting (the “**Meeting**”) of holders of common shares (“**Common Shares**”) of the Company to be held on June 1, 2018 at 9:00 a.m. (Saskatoon time) at Suite 202, 2nd Floor, The Tower at Midtown, 201-1st Avenue South, Saskatoon, Saskatchewan, S7K 1J5 (and any adjournment thereof) for the purposes set forth in the Notice of Meeting (the “**Notice**”). Shareholders are requested to carefully review the information herein that describes the purposes of the Meeting.

The enclosed proxy is solicited by the management of the Company. The solicitation of proxies will be conducted primarily by mail. However, directors, officers and regular employees of the Company may also solicit proxies by telephone, facsimile, e-mail or in person without special compensation. The cost of solicitation by management will be borne directly by the Company.

**Appointment and Revocation of Proxies**

The individuals named as appointed proxyholders in the accompanying form of proxy are Michael Ferguson, the President, Chief Executive Officer and a director of the Company, and failing him, Calvin Redlick, a director of the Company.

A shareholder has the right to appoint a person to attend and act for the shareholder and on the shareholder's behalf at the Meeting other than the persons designated in the form of proxy. A shareholder may exercise such right by inserting the name of the desired person in the blank space provided in the form of proxy or by completing another form of proxy.

To be valid, a proxy must be in writing and executed by the shareholder or its attorney authorized in writing, or if the shareholder is a corporation, an authorized officer or attorney. Completed proxies must be delivered to the Company c/o TSX Trust Company, Attn: Proxy Department, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1 (the “**Registrar**”) (fax no. 1-416-595-9593), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Alternatively, as described further in the accompanying form of proxy, proxies may be voted using the Internet at [www.voteproxyonline.com](http://www.voteproxyonline.com). The Chairman of the Meeting may waive the proxy cut-off without notice.

A shareholder who has executed a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy and Section 110(4) of the *Business Corporations Act* (Ontario). A proxy may be revoked by either executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or by his attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized, and by depositing the same at the offices of TSX Trust Company, Attn: Proxy Department, 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1 (the “**Registrar**”) (fax no. 1-416-595-9593) at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law. Such instrument will not be effective with respect to any matter of which a vote has already been cast pursuant to such proxy.

Shareholders are cautioned that the use of mail to transmit proxies is at the shareholder's risk.

### Exercise of Discretion by Proxies

The Common Shares represented by a properly executed proxy will be voted for or against or be withheld from voting on each matter referred to in the Notice, in accordance with the instructions of the shareholder, on any ballot that may be called for. If the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The enclosed proxy grants discretionary authority to the named proxyholders with respect to matters identified in the accompanying Notice. **If a shareholder does not specify a choice, the Common Shares represented by a proxy given to the persons designated by management in the proxy are intended to be voted FOR all matters specified in the Notice.**

The enclosed proxy also confers discretionary authority upon the proxyholder named therein with respect to any amendments or variations to the matters identified in the Notice and any other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting, it is the intention of the persons designated in the accompanying form of proxy to vote in accordance with their best judgment on such matter or business, exercising discretionary authority. At the time of printing of this Management Information Circular, management of the Company is not aware of any such amendment, variation or other matter which may be presented at the Meeting.

### Information for Non-Registered (Beneficial) Owners of Common Shares

The Common Shares owned by many shareholders are not registered on the records of the Company in the beneficial shareholders' own names. Rather, such Common Shares are registered in the name of a securities dealer, bank or other intermediary, or in the name of a clearing agency (referred to in this Management Information Circular as "**Intermediaries**"). Shareholders who do not hold their Common Shares in their own names (referred to in this Management Information Circular as "non-registered owners") should note that **only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. A non-registered owner cannot be recognized at the Meeting for the purposes of voting his or her Common Shares unless such holder is appointed by the applicable Intermediary as a proxyholder.**

The Meeting materials are being sent to both registered shareholders and non-registered owners. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the securities on your behalf.

Non-registered owners who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners ("**NOBOs**"). Those non-registered owners who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners ("**OBOs**").

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the Meeting materials directly to the NOBOs, and indirectly to the OBOs through their Intermediaries. By choosing to send the Meeting materials directly to NOBOs, the Company (and not the Intermediary holding Common Shares on behalf of the NOBOs), has assumed responsibility for (i) delivering the Meeting materials to the NOBOs, and (ii) executing their proper voting instructions.

If you are a NOBO, please complete and return the voting instruction form (as opposed to the form of proxy) accompanying this Management Information Circular as specified in the voting instruction form. If you are an OBO, the Intermediary holding the Common Shares on your behalf is required to forward the Meeting materials to you (unless you have waived your right to receive them) and to seek your instructions as how to vote your Common Shares in respect of each of the matters described in this Management Information Circular to be voted on at the Meeting. **Each Intermediary has its own procedures which should be carefully followed by non-registered owners who are OBOs to ensure that their Common Shares are voted by the Intermediary on their behalf at the Meeting.** The instructions for voting will be set out in the form of proxy or voting instruction form provided by the Intermediary. OBOs should contact their Intermediary and carefully follow the voting instructions provided by such Intermediary. Alternatively, OBOs who wish to vote their Common Shares in person at the Meeting may do so by appointing themselves as the proxy nominee by writing their own name in the space provided on the form of proxy or voting instruction form provided to them by the Intermediary and following the Intermediary's instructions for return of the executed form of proxy or voting instruction form.

### **Voting Securities and Principal Holders of Voting Securities**

The Company is authorized to issue an unlimited number of Common Shares of which 321,294,681 are issued and outstanding as of the date hereof. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting is April 13, 2018 (the "**Record Date**"). Shareholders of the Company whose names have been entered in the register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, as at the date hereof, no person or company beneficially owns or exercises control or direction over, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

### **Interest of Certain Persons In Matters to be Acted Upon**

Other than certain officers and consultants of the Company who are entitled to receive stock options of the Company pursuant to the Option Plan (as defined below), no person who has been a director or executive officer of the Company at any time since the beginning of its last completed financial year, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Management Information Circular.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. FINANCIAL STATEMENTS AND AUDITOR'S REPORT**

At the Meeting, shareholders will be presented with the audited financial statements of the Company for the fiscal year ended December 31, 2017 and the auditor's report thereon, but no vote by the shareholders with respect thereto is required or proposed to be taken.

### **2. ELECTION OF DIRECTORS**

The Articles of the Company provide that the board of directors of the Company (the "**Board**") shall consist of a minimum of three (3) directors and a maximum of nine (9) directors. At the Company's annual and special meeting held on July 7, 2011, shareholders passed a special resolution empowering the Board to determine, from time to time, the number of directors of the Company and the number of the directors of the Company to be elected at the annual meeting of the shareholders of the Company. Prior to last year's shareholders' meeting, the Board set the number of directors to be elected at four (4) and four directors were elected at the meeting. One director resigned and two interim directors were appointed; therefore, the Board currently consists of five (5) directors. The Board has set the number of directors to be elected at the Meeting at four (4) and it is intended that four (4) directors are to be elected at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form of proxy in favour of the election as directors of the four (4) Owner nominees set forth in the following table to serve as directors of the Company until the next annual meeting of the shareholders or until his successor is elected or appointed.

Management does not contemplate that any of the nominees will be unable to serve as directors but, if that should occur for any reason prior to the Meeting, the persons named in the accompanying form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the next annual meeting of shareholders or until his or her successor is duly elected or appointed unless prior thereto he or she resigns or his or her office becomes vacant by reason of death or other cause.

**The Board recommends that shareholders vote “FOR” the election of the nominees to the Company’s Board.**

The following table, among other things, sets forth the names of all persons proposed to be nominated for election as directors, their place of residence, their position with the Company, their principal occupations during the past five years and the number of Common Shares they beneficially own, control or direct, directly or indirectly. The statement as to the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by the persons named in the below table is in each instance based upon information furnished by such individual concerned.

| Name and Place of Residence                                       | Principal Occupation During Past 5 Years  | Director Since | Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly by Nominee |
|---|---|----------------|--|
| Michael J. Ferguson <sup>(4)(2)</sup><br>British Columbia, Canada | President and CEO of the Company (July 2013 – Present); President of FCON Consulting Ltd. (from January 2007 – Present); Vice President, Projects of Potash One Inc. (from January 2008 – January 2011)   | July 2013      | 11,309,350 <sup>(2)</sup>  |
| Paul Martin <sup>(1)</sup><br>Saskatchewan, Canada                | Chair of Martin Charlton Communications (February 1, 2010 – Present), Saskatchewan Chair of the Executive Committee (March 2002 – Present), Corporate Director of First Nations Power Authority (not National) (October 2011 – Nov. 2014); business broadcaster/writer/commentator (1982 – Present) | July 2013      | 1,100,000  |
| Calvin Redlick <sup>(1)</sup><br>London, United Kingdom           | Managing Director – CS Redlick (2013 – present), Former global investment banker -Wyvern Partners, Mitsubishi UFJ Securities, DTZ Corporate Finance, BNP Paribas, CIBC Wood Gundy, Sumitomo-Mitsui  | November 2017  | 307,692  |
| John Ryan<br>Arizona, U.S.A.                                      | Retired - former CEO of Rabo Agrifinance (Rabobank North America); former CEO Farm Credit Corp, former Executive VP of Business Development Bank of Canada.   | April 2018     | NIL  |

Notes:

- (1) Member of the Audit Committee,
- (2) Mr. Ferguson is the beneficial owner of 50% of the shares owned by MGCI Holdings the remaining 50% of the shares are owned by Mr. Ferguson’s spouse.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 12,717,042 Common Shares, representing approximately 3.96% of the issued and outstanding Common Shares as of the date hereof.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, no proposed director of the Company:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that:



- (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days (any such order, an “**Order**”) while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any issuer (including the Company), that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the proposed director’s assets; or
- (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

#### Penalties or Sanctions

Other than as disclosed below, no proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Mr. Martin was a director of Big Sky Farms Inc. when it filed for protection under the *Companies’ Creditors Arrangement Act* in 2010, and chair when it subsequently went into receivership in 2012.

### **3. APPOINTMENT OF AUDITOR**

Meyers Norris Penny LLP (“**MNP**”) are the independent registered certified accountants of the Company, effective June 9, 2015. MNP has audited the financial statements of the corporation for the fiscal years ending December 31, 2015, December 31, 2016 and December 31, 2017.

Management now proposes that MNP be appointed as the Company’s auditors to hold office until the next annual meeting of Shareholders, at a remuneration to be fixed by the Board.

**Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the appointment and ratification of MNP as auditors of the Company to hold office until the next annual meeting of Shareholders or until a successor is appointed and to authorize the Board to fix the remuneration of the auditors.**

### **4. 2007 STOCK OPTION PLAN – ANNUAL APPROVAL**

The TSXV requires all listed companies with a 10% rolling stock option plan to obtain annual shareholder approval of such a plan. Shareholders will be asked at the Meeting to vote on a resolution to approve, for the ensuing year, the Company’s 2007 stock option plan (the “Option Plan”), previously adopted by the Company on August 16, 2007, and as amended on June 6, 2011 and April 13, 2018.

The Option Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, or any subsidiary of the Company, the option to purchase Common Shares. The Option Plan provides for a floating maximum limit of 10% of the outstanding Common Shares as permitted by the policies of the TSXV. As at the date hereof, this represents 32,126,668 Common Shares available under the Option Plan.

Outstanding options to purchase a total of 29,510,607 Common Shares have been issued to directors, officers, employees and consultants of the Corporation and remain outstanding. As at the date hereof, the number of Common Shares remaining available for issuance under the Plan is 2,616,061. For a brief description of the Option Plan, please see: “*Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan*”. The full text of the Plan is attached as schedule “B” hereto.

The Option Plan requires disinterested shareholder approval. At the Meeting, shareholders will be asked to consider and if deemed appropriate, to approve an ordinary resolution approving the Option Plan. The votes attaching to shares beneficially owned by insiders to whom options may be granted under the Option Plan; and by their associates will be excluded from voting on the approval of the Option Plan. In order to pass, such ordinary resolution requires the affirmative vote of a simple majority of the Common Shares present and voting at the Meeting, whether in person or by proxy, excluding 23,366,813 common shares which represent votes attaching to shares beneficially owned by insiders and their associates to whom options may be granted under the Option Plan. Unless otherwise directed, it is the intention of management to vote proxies in favour of an ordinary resolution in the form set out below to approve the Option Plan.

**The Board recommends that shareholders vote “FOR” the re-approval of the Company’s Option Plan.**

## **5. OTHER BUSINESS**

As of the date of this Management Information Circular, the Board and the management of the Company are not aware of any matters to come before the Meeting other than those matters specifically identified in the accompanying Notice of Meeting. However, if such other matters properly come before the Meeting or any adjournment(s) thereof, the persons designated in the accompanying form of proxy will vote thereon in accordance with their judgment pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

### **EXECUTIVE COMPENSATION**

#### **(a) Named Executive Officers**

For the purposes of this Management Information Circular, a named executive officer of the Company means each of the following individuals:

- (a) a chief executive officer (“**CEO**”) of the Company;
- (b) a chief financial officer (“**CFO**”) of the Company;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation (in respect of years ending on or after December 31, 2008)* (“**Form 51-102F6**”), for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

For the year ended December 31, 2017, the Company had the following named executive officer: Michael Ferguson, President and CEO., Robert Theoret, CFO and Deborah Morsky, VP Corporate Services (, a “**Named Executive Officer**” or “**NEO**”). No other individuals are considered “Named Executive Officers” as such term is defined in Form 51-102F6.

#### **(b) Compensation Discussion and Analysis**

This compensation discussion and analysis describes the Company’s policies and practices with respect to the 2016 compensation of its Named Executive Officers. Neither the Company nor the Compensation Committee has adopted any formal policies to determine executive compensation. Compensation for the Company’s most recently completed fiscal year and prior fiscal years was based upon a negotiated salary, with the potential granting of options and bonus being paid as additional incentive. The Compensation Committee has the responsibility of administering the compensation policies related to the executive management of the Company, being the CEO and the CFO, and

recommending compensation to the Board for approval by the independent directors. The Compensation Committee meets as frequently as is necessary to carry out its responsibilities. The Compensation Committee considers annual compensation in light of a number of factors, including (but not limited to) the financial performance and position of the Company, the historical level of compensation received by the management team and the contributions of the management team to the advancement of the Company's business objectives.

Executive officers of the Company are eligible to receive stock options pursuant to the Company's Option Plan, which are intended to, among other things, attract and retain executives, and closely align the interests of executives with those of the Company's shareholders. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are consistent with the purpose of the Option Plan and executive compensation policies of the Company, and with the policies of the TSXV.

#### Compensation Risk

Regarding compensation risk, the directors have adopted a strategy of providing the Company's executives with a combination of fixed salary and long-term incentives such as stock options to ensure that these individuals do not engage in high risk behavior which could add undue risk to the Company, minimizing the risk of an over-emphasis on short-term gain by executives at the expense of long-term performance of the Company.

#### Hedging

The Company does not prohibit Named Executive Officers or directors from purchasing financial instruments such as prepaid variable forward contracts or equity swaps, collars, or units of exchange funds, or other financial instruments designed to hedge or offset a decrease in market value of securities granted as compensation held, directly or indirectly, by an NEO or director. However, neither the Board nor management is aware that any such individual has in the past bought or currently holds such instruments.

#### **(c) Summary Compensation Table**

The following table sets forth, for the Company's three most recently completed financial years, information concerning the compensation paid to the Company's Named Executive Officers. The Company does not have a pension or retirement plan and has not granted any awards under a long-term incentive plan.

| Name and principal position   | Year | Salary (\$) | Option-based awards <sup>(1)</sup> (\$) | Non-equity incentive plan compensation (\$) |                           | All other compensation (\$) | Total compensation (\$) |
|---|------|-------------|---|---|---------------------------|-----------------------------|-------------------------|
|   |      |             |   | Annual incentive plans                      | Long-term incentive plans |                             |                         |
| <b>Michael Ferguson</b> <sup>(2)</sup><br><i>President and Chief Executive Officer and Director</i> | 2017 | 360,000     | 160,108                                 | Nil   | Nil                       | Nil                         | 520,108                 |
|   | 2016 | 340,000     | Nil                                     | Nil   | Nil                       | Nil                         | 340,000                 |
|   | 2015 | 180,000     | Nil                                     | Nil   | Nil                       | Nil                         | 180,000                 |
| <b>Robert Theoret</b> <sup>(3)</sup><br><i>Chief Financial Officer</i>                              | 2017 | 180,000     | 160,108                                 | Nil   | Nil                       | Nil                         | 340,108                 |
|   | 2016 | 220,000     | 40,833                                  | Nil   | Nil                       | Nil                         | 260,833                 |
|   | 2015 | 90,000      | Nil                                     | Nil   | Nil                       | Nil                         | 90,000                  |

| Name and principal position  | Year | Salary (\$) | Option-based awards <sup>(1)</sup> (\$) | Non-equity incentive plan compensation (\$) |                           | All other compensation (\$) | Total compensation (\$) |
|--|------|-------------|---|---|---------------------------|-----------------------------|-------------------------|
|  |      |             |   | Annual incentive plans                      | Long-term incentive plans |                             |                         |
| <b>Deborah Morsky</b> <sup>(4)</sup><br><i>VP Corporate Services</i> | 2017 | 180,000     | 160,108                                 | Nil   | Nil                       | Nil                         | 340,108                 |
|  | 2016 | 220,000     | 40,833                                  | Nil   | Nil                       | Nil                         | 260,833                 |
|  | 2015 | 90,000      | NIL                                     | Nil   | Nil                       | Nil                         | 90,000                  |

**Notes:**

(1) The Company follows guidance in the CICA Handbook *Section 3870 Stock-Based Compensation and Other Stock-Based Payments*, which requires that a fair value based method of accounting be applied to all stock-based payments. The fair value of stock-based compensation is recorded as a charge to net earnings with a corresponding credit to contributed surplus. The fair value of incentive stock options granted to directors, officers and consultants are calculated using the Black-Scholes valuation model. The fair value for each stock option was estimated using the following weighted average assumptions:

|                              |   |
|------------------------------|---|
| Risk free rate               | 0.97%   |
| Expected life                | Determined by the terms and conditions of each stock option (5 years).  |
| Expected volatility          | Determined by the closing sale price for the Company's Common Shares for a historical time interval equal to the expected life of the stock options, adjusted to reflect various factors including non-recurring price volatility and TSXV hold periods (136.2%). |
| Expected dividend yield      | 0%.   |
| Weighted Average Share Price | \$0.13  |

(2) Mr. Ferguson was appointed CEO of the Company on July 1, 2013 and President of the Company on November 1, 2013. Mr. Ferguson is the President of FCON Consulting Ltd.

(3) Mr. Theoret was appointed CFO of the Company on October 1, 2013.

(4) Ms. Morsky was appointed VP Corporate Services on July 1, 2013. Ms. Morsky is the President of 101188810 Saskatchewan Ltd.

**(d) Incentive Plan Awards**

**(i) Outstanding Option-Based Awards and Share-Based Awards**

The following table sets forth for each Named Executive Officer all option-based awards outstanding as at December 31, 2017. The Company had no share-based awards outstanding as at December 31, 2017.

| Name             | Option-Based Awards                                 |                            |                        |   |
|------------------|---|----------------------------|------------------------|---|
|                  | Number of securities underlying unexercised options | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options <sup>(1)</sup> (\$) |
| Michael Ferguson | 1,250,000   | 0.10                       | 22/01/19               | 0   |
|                  | 200,000   | 0.06                       | 23/10/19               | 3,000   |
|                  | 620,000   | 0.07                       | 16/04/20               | 3,100   |
|                  | 1,000,000   | 0.06                       | 06/06/21               | 15,000  |

|                | Option-Based Awards                                 |                            |                        |   |
|----------------|---|----------------------------|------------------------|---|
| Name           | Number of securities underlying unexercised options | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options <sup>(1)</sup> (\$) |
|                | 1,000,000   | 0.13                       | 16/02/22               | 0   |
| Robert Theoret | 791,748   | 0.10                       | 22/01/19               | 0   |
|                | 200,000   | 0.06                       | 23/10/19               | 3,000   |
|                | 620,000   | 0.07                       | 16/04/20               | 3,100   |
|                | 1,000,000   | 0.06                       | 06/06/21               | 15,000  |
|                | 1,000,000   | 0.13                       | 16/02/22               | 0   |
| Deborah Morsky | 300,000   | 0.10                       | 22/01/19               | 0   |
|                | 200,000   | 0.06                       | 23/10/19               | 3,000   |
|                | 628,859   | 0.07                       | 16/04/20               | 3,144   |
|                | 1,000,000   | 0.06                       | 06/06/21               | 15,000  |
|                | 1,000,000   | 0.13                       | 16/02/22               | 0   |

**Note:**

(1) Value of unexercised in-the-money options is equal to the difference between the \$0.075 closing price of the Company's Common Shares on the TSXV on December 29, 2017 (being the last day of the Company's most recently completed financial year that its Common Shares traded on the TSXV) and the exercise price of options outstanding, multiplied by the number of Common Shares available for purchase under such options.

**(ii) Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth the value vested or earned during the year ended December 31, 2017 of incentive plan awards granted to Named Executive Officers.

| Name             | Option-based awards – Value vested during the year <sup>(1)</sup> (\$) | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|------------------|--|--|--|
| Michael Ferguson | 100,000  | N/A  | N/A  |
| Robert Theoret   | 100,000  | N/A  | N/A  |
| Deborah Morsky   | 100,000  | N/A  | N/A  |

Note:

- (1) Amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the Common Shares underlying the options on the TSXV on the vesting date and the exercise price of the options.

**(e) Termination and Change of Control Benefits**

**Termination and Change of Control Benefits**

Payments upon Termination

Pursuant to management services agreements entered into with each of Ferguson, Theoret and Morsky the Company is entitled to terminate their employment without cause by providing payment to each of them equal to their respective consulting fees and reimbursements owing up to and including the date of their termination.

Payments upon Change of Control

In addition, Ferguson's, Theoret's and Morsky's management services agreements contain provisions pursuant to which they are entitled to receive additional payments in certain circumstances following a "Change of Control". A "Change of Control" means the occurrence of any one or more of the following events:

- (a) any person or combination of persons obtains a sufficient number of securities of the Company to affect materially the control of the Company; for the purposes of Ferguson's, Theoret's and Morsky's management services agreements, a person or combination of persons holding shares or other securities in excess of the number which, directly or following conversion thereof, would entitle the holders thereof to cast 50% or more of the votes attaching to all Common Shares which may be case to elect directors of the Company, shall be deemed to be in a position to affect materially the control of the Company;
- (b) the Company shall consolidate or merge with or into, amalgamate with, any other person (other than a subsidiary of the Company) and, in connection therewith, all or part of the outstanding Common Shares shall be changed in any way, reclassified or converted into, exchanged or otherwise acquired for Common Shares or other securities of the Company or any other person or for cash or any other property; or
- (c) there occurs a change in the composition of the Board, which occurs at a single meeting, or a succession of meetings occurring within six (6) months of each other, of the Shareholders, whereby such individuals who were members of the Board immediately prior to such meeting or succession of meetings cease to constitute a majority of the Board without the Board, as constituted immediately prior to such meeting, approving of such change.

In the event of an occurrence of a Change of Control, Ferguson, Theoret and Morsky shall each have the right to elect to terminate their respective management services agreements with the Company and receive a lump sum payment equivalent to 12 months of their consulting fees. In Addition, if either Ferguson, Theoret or Morsky exercises his/her right to terminate his/her management services agreement upon the occurrence of a Change of Control, all unvested stock options granted to them shall immediately vest and be exercisable for a period of 90 days from the end of the 12-month period. All payments and entitlements are conditional upon either Ferguson, Morsky or Theoret electing to exercise such rights described herein by written notice given to the Company within 365 days of the Change of Control. Ferguson, Theoret or Morsky shall also be entitled to receive any consulting fees and reimbursements owing up to and including the date of their termination should they elect to terminate their respective management services agreements within 365 days following a Change of Control.

***Estimated Incremental Payment on Change of Control or Termination***

The following table summarizes the estimated incremental payments that would be provided by the Company to each NEO, following, or in connection with one of the termination scenarios below. The actual amount an NEO would receive on a termination of employment can only be determined at that time as it will depend on a number of

variables, including the Common Share price. The amounts noted below assume that the termination event took place on December 31, 2017.

| Name             | Triggering Event                               | Base Salary/Total Cost Remuneration Package (\$) | Bonus (\$) | Options (\$) <sup>(1)</sup> | Other Benefits (\$) | Total (\$)        |
|------------------|--|--|------------|-----------------------------|---------------------|-------------------|
| Michael Ferguson | Change of Control<br>Termination without Cause | 360,000<br>Nil                                   | Nil<br>Nil | 21,100<br>21,100            | Nil<br>Nil          | 381,100<br>21,100 |
| Robert Theoret   | Change of Control<br>Termination without Cause | 180,000<br>Nil                                   | Nil<br>Nil | 21,100<br>21,100            | Nil<br>Nil          | 201,100<br>21,100 |
| Deborah Morsky   | Change of Control<br>Termination without Cause | 180,000<br>Nil                                   | Nil<br>Nil | 21,144<br>21,144            | Nil<br>Nil          | 201,144<br>21,144 |

Note:

(1) This amount represents the value of the outstanding options on December 31, 2017, valued by multiplying (a) the difference between \$0.075 (the closing price of the Common Shares on the TSXV on December 29, 2017) and the options' exercise prices, by (b) the number of options held by each NEO, and using the December 31, 2017 closing price of the Common Shares.

**(f) Compensation of Directors**

Compensation for the directors was comprised of the following annual cash retainers until July 1, 2014 at which time all Directors fees were suspended by Board of Director approval.

Chairman of the Board: \$20,000  
Independent Directors: \$10,000  
Chairman of a Board committee: \$5,000

Each director was also paid an attendance fee of \$1,000 for each Board and committee meeting attended until July 1, 2014 at which time all Directors fees were suspended by Board of Director approval.

Directors are entitled to participate in the Option Plan.

**(i) Director Compensation Table**

The following table sets forth, for the year ended December 31, 2017, information concerning the compensation paid to the Company's directors who were not NEOs.

| Name           | Fees earned (\$) | Option-based awards <sup>(1)</sup> (\$) | All other compensation (\$) | Total (\$) |
|----------------|------------------|---|-----------------------------|------------|
| Paul Martin    | Nil              | 76,676                                  | Nil                         | 76,676     |
| Calvin Redlick | Nil              | 59,100                                  | Nil                         | 59,100     |
| Mark Stauffer  | Nil              | 76,676                                  | Nil                         | 76,676     |
| Dwayne Dahl    | Nil              | 76,676                                  | Nil                         | 76,676     |

Notes:

- (1) See note 1 to the Summary Compensation Table for NEOs above for information regarding the determination of the fair value of options granted to directors.
- (2) Mr. Redlick was appointed as a director of the Company on November 8, 2017.

**(ii) Outstanding Option-Based Awards and Share-Based Awards**

The following table sets forth for each director who is not an NEO all option-based awards outstanding as at December 31, 2017. The Company had no share-based awards outstanding as at December 31, 2017.

| Name           | Option-Based Awards                                 |                            |                        |   |
|----------------|---|----------------------------|------------------------|---|
|                | Number of securities underlying unexercised options | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options <sup>(1)</sup> (\$) |
| Paul Martin    | 400,000   | 0.10                       | 22/01/19               | 0   |
|                | 600,000   | 0.06                       | 23/10/19               | 9,000   |
|                | 500,000   | 0.07                       | 19/04/21               | 2,500   |
|                | 500,000   | 0.13                       | 16/02/22               | 0   |
| Mark Stauffer  | 1,000,000   | 0.07                       | 30/09/20               | 5,000   |
|                | 500,000   | 0.07                       | 19/04/21               | 2,500   |
|                | 500,000   | 0.13                       | 16/02/22               | 0   |
| Dwayne Dahl    | 1,000,000   | 0.08                       | 07/09/21               | 0   |
|                | 500,000   | 0.13                       | 16/02/22               | 0   |
| Calvin Redlick | 1,000,000   | 0.08                       | 13/11/22               | 0   |

**Notes:**

(1) Value of unexercised in-the-money options is equal to the difference between the \$0.075 closing price of the Company's Common Shares on the TSXV on December 29, 2017 (being the last day of the Company's most recently completed financial year that its Common Shares traded on the TSXV) and the exercise price of options outstanding, multiplied by the number of Common Shares available for purchase under such options.

**(iii) Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth the value vested or earned during the year ended December 31, 2017 plan awards granted to directors who are not NEOs.

| Name           | Option-based awards – Value vested during the year (\$) <sup>(1)</sup> | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|----------------|--|--|--|
| Paul Martin    | 55,000.00  | N / A  | N / A  |
| Mark Stauffer  | 55,000.00  | N / A  | N / A  |
| Dwayne Dahl    | 30,000.00  | N / A  | N / A  |
| Calvin Redlick | Nil  | Nil  | N / A  |



Note:

- (1) Amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the Common Shares underlying the options on the TSXV on the vesting date and the exercise price of the options.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

***Stock Option Plan***

The Option Plan is a 10% “rolling” stock option plan. Pursuant to the policies of the TSXV, rolling stock option plans, such as the Option Plan, must receive shareholder approval on an annual basis. The Option Plan was last approved by shareholders on June 9, 2017 at the last annual general meeting of the Company.

Pursuant to the Option Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries.

The purpose of the Option Plan is to encourage directors, officers, employees and consultants to acquire Common Shares and to advance the interests of the Company by: (i) increasing their proprietary interest in the Company; (ii) aligning their interests with the interests of the Company’s shareholders generally; (iii) encouraging them to remain associated with the Company; (iv) furnishing them with an additional incentive in their efforts on behalf of the Company; and (v) enabling the Company to attract and retain valued directors, officers, employees and consultants.

The aggregate number of Common Shares issuable under the Option Plan shall not, at the time of the option grant, exceed 10% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) unless the Company receives the permission of the TSXV (or any other stock exchange or exchanges on which the Common Shares are then listed) to exceed such threshold.

The term of the options shall be five (5) years from the date of the grant. The number of shares which may be reserved for issuance to any one individual within a 12-month period may not exceed 5% of the issued Common Shares or 2% if the optionee is a consultant. The Board has the discretion to issue options with immediate vesting or subject to a vesting schedule which will occur generally as to 1/3 on the one-year anniversary of the grant date, 1/3 on the two-year anniversary of the grant date and 1/3 on the three-year anniversary of the grant date. The exercise price shall not be less than the Discounted Market Price as defined in Policy 4.4 of the TSXV or such greater price as may be determined by the Board. The full text of the Plan is attached hereto as Schedule “B”

***Equity Compensation Plan Information***

The following table provides details of the equity securities of the Company authorized for issuance as of the financial year ended December 31, 2017 pursuant to the Option Plan currently in place:

| Plan category  | Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted average exercise price of outstanding options, warrants and rights (b) | Number of Common Shares remaining available for future issuance under equity compensation plans (excluding Common Shares reflected in column (a)) (c) |
|--|--|---|---|
| Equity compensation plans approved by security holders     | 26,510,607   | \$0.13  | 5,615,560   |
| Equity compensation plans not approved by security holders | Nil  | Nil   | Nil   |
| <b>Total</b>   | 26,510,607 <sup>(1)(2)</sup>   |   | 5,615,560   |

Notes:

- (1) Based on a total of 26,510,607 stock options issuable pursuant to the Option Plan as at December 31, 2017
- (2) Representing approximately 10% of the issued and outstanding Common Shares as at December 31, 2017.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Company's or any of its subsidiaries' directors, executive officers or employees or former directors, executive officers or employees, nor any associate of such individuals, nor any proposed nominee for election as a director of the Company is as at the date hereof, or has been, during and since the year ended December 31, 2017, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this Management Information Circular, an "informed person" means (i) a director or officer of the Company, (ii) a director or officer of a person or company that is itself an informed person or a subsidiary of the Company, (iii) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Company, or (iv) the Company, if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

No informed person has had a material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company.

## **STATEMENT OF CORPORATE GOVERNANCE**

Set out below is a description of the corporate governance practices of the Company as required by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

### **1. Board of Directors.**

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of the Shareholders, but that it also promotes effective decision making at the Board level.

NI 58-101 defines an "independent director" as a director who has no direct or indirect "material relationship" with the issuer. A "material relationship" is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The Board maintains the exercise of independent supervision over management by ensuring that the majority of its directors are independent.

The Board facilitates its exercise of independent supervision over management by having a majority of directors serve as "independent" directors. Three of the four current directors, namely Paul Martin, Mark Stauffer and Dwayne Dahl are independent directors. Michael Ferguson, is President and Chief Executive Officer of the Company, and has a "material relationship" with the Company and is thereby not considered to be an independent director. In order to ensure independence from management the independent directors meet separately from management at least quarterly.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. In light of the suggestions contained in National Policy 58-201 – Corporate Governance Guidelines, the Board convenes meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management are not in attendance.

### **2. Directorships.**

None of the directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction.

### **3. Orientation and Continuing Education.**

The Company does not have a formal process for orientation of new directors. The Board encourages directors to participate in continuing education programs.

### **4. Ethical Business Conduct.**

The Board has approved a Governance Manual containing a Code of Conduct and related policies and procedures to encourage and promote a culture of ethical business conduct.

### **5. Nomination of Directors.**

Directors are nominated by a majority of the Board. Prior to Board approval, new candidates are screened and interviewed and their qualifications considered.

### **6. Compensation.**

Compensation of management and the directors of the Company is recommended to the board by the Compensation Committee and approved by the independent members of the Board. Compensation is determined by reference to the market, the size and complexity of the Company and the personal contribution of each individual to the Company. See “*Information Concerning the Company – II. Executive Compensation – (b) Compensation Discussion and Analysis*” above for further details.

### **7. Committees.**

There one committee of the Board: The Audit Committee. See “*Audit Committee*” below for further details about the Audit Committee.

### **8. Assessments.**

The Board does not consider formal assessments useful, given the stage of the Company’s business and operations. The Board conducts informal annual assessments of the performance of the Board as a whole, the committees of the Board, and each of the individual directors in order to satisfy itself that each is functioning effectively.

## **AUDIT COMMITTEE INFORMATION**

In accordance with applicable Canadian securities legislation and, in particular, National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), information with respect to the Company’s Audit Committee is set out below.

### **1. Audit Committee Charter**

The text of the Charter of the Audit Committee is attached hereto as Schedule “A”.

### **2. Composition of the Audit Committee**

The Audit Committee is currently comprised of Calvin Redlick (who serves as chair), Michael Ferguson and Paul Martin, of whom Calvin Redlick and Paul Martin are financially literate and independent as defined in NI 52-110.

### **Relevant Education and Experience**

Each of the members of the Audit Committee has the education and/or experience that is relevant or necessary for them to carry out their duties as a member of the Audit Committee.

Mr. Ferguson served as Vice President of Projects, of Potash One Inc. Mr. Ferguson led the Potash One team that developed the Legacy Project.

Mr. Redlick, LLB, served as a global investment banker -Wyvern Partners, Mitsubishi UFJ Securities, DTZ Corporate Finance, BNP Paribas, CIBC Wood Gundy, Sumitomo-Mitsui

### **3. Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

#### **4. Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption in Section 2.4 of NI 52-110 dealing with the pre-approval of non-audit services, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

#### **5. Pre-Approval Policies and Procedures**

Formal policies and procedures for the engagement of non-audit services have yet to be formed and adopted.

#### **6. External Auditor Service Fees (By Category)**

**Audit Fees.** The aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees were \$22,500 in 2016 and \$23,500 in 2017.

**Audit-Related Fees.** The aggregate fees billed for audit-related services by the Company's external auditor in each of the last two fiscal years were \$0.00 in 2016 and \$0.00 in 2017.

**Tax Fees.** The aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning was \$2,500 in 2016 and \$2,500 in 2017. The fees related primarily to the compilation of corporate tax returns and related consultation.

**All Other Fees.** There were no other fees billed in respect of other professional services in 2016 and \$4,012 in 2017.

#### **7. Exemption**

The Company has relied on the reporting exemption set out in Section 6.1 of NI 52-110 available to venture issuers exempting the Company from the requirements of Part 5 (*Reporting Obligations*) of NI 52-110.

### **OFFICERS' AND DIRECTORS' INSURANCE**

The Company has purchased, at its expense, a directors' and officers' liability insurance policy to provide insurance against possible liabilities incurred by them in their capacity as directors and officers of the Company. The premium for this policy for the period from August 29, 2017 to August 28, 2018 is \$10,000. The policy provides coverage of up to \$5,000,000 per occurrence and \$5,000,000 aggregate per annum, subject to a \$10,000 deductible for each claim payable by the Company.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2012 that can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may also contact the Company to request copies by phone by calling 306-974-6414. The Company's financial statements and management's discussion and analysis are also available on the Company's website at [www.gensource.ca](http://www.gensource.ca).

**DIRECTORS' APPROVAL**

The contents and the sending of the Notice of Meeting and this Management Information Circular have been approved by the Board of Directors.

Dated at Saskatoon, Saskatchewan this 13<sup>th</sup> day of April 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) *Michael J. Ferguson*

Michael J. Ferguson  
Chairman of the Board of Directors

## SCHEDULE “A”

### Charter of the Audit Committee

#### I. Audit Committee Mandate

The Audit Committee (the “**Committee**”) of Gensource Capital Corporation (the “**Company**”) is appointed by the board of directors of the Company (the “**Board**”) to assist the Board in fulfilling its oversight responsibilities of the Company. In so doing, the Committee provides an avenue of communication among the external auditors, management and the Board. The Committee will primarily fulfill this role by carrying out the activities enumerated in this Charter. The Committee is, however, independent of the Board, and in carrying out its role of assisting the Board in fulfilling its oversight responsibilities the Committee shall have the ability to determine its own agenda and any additional activities that the Committee shall carry out. The Audit Committee’s primary duties and responsibilities are to:

- (a) Monitor the integrity of Company’s financial reporting process and the audit process;
- (b) Monitor risk management and systems of internal controls;
- (c) Monitor the independence, qualifications and performance of the Company’s independent auditors; and
- (d) Monitor the Company’s compliance with legal and regulatory requirements.

While the Audit Committee has the duties and responsibilities set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company’s financial statements are complete and accurate and are in accordance with generally accepted accounting principles. That is the responsibility of management and the independent auditors.

#### II. Reliance on Information and Standard of Care

Members of the Committee, absent actual or suspected knowledge to the contrary (which shall be reported to the Committee), shall be entitled to rely on the integrity and accuracy of all information provided and all representations and reports made to the Committee. In addition, members of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**III. Responsibilities** The Committee’s primary duties and responsibilities are as follows:

##### A. Financial Disclosure

1. Review and recommend to the Board for approval the Company’s annual and interim financial statements, including any certification, report, opinion or review rendered by the external auditor, and the related management’s discussion and analysis (“**MD&A**”), as well as such other financial information of the Company provided to the public or any governmental body as the Committee or the Board requires.
2. Review and recommend to the Board for approval any press releases of the Company that contain financial information.
3. Satisfy itself that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and the related MD&A and periodically assess the adequacy of those procedures.

##### B. Relationship with the External Auditor

1. Recommend to the Board the selection of the external auditor and the fees and other compensation to be paid to the external auditor.
2. Have the authority to communicate directly with the external auditor.

3. Advise the external auditor that it is required to report to the Committee and not to management of the Company.
4. Monitor the relationship between management and the external auditor, including reviewing any management letters or other reports of the external auditor, discussing any material differences of opinion between management and the external auditor and resolving disagreements between the external auditor and management.
5. Review and discuss on an annual basis with the external auditor all significant relationships they have with the Company, its management or employees that might interfere with the independence of the external auditor.
6. Pre-approve all non-audit services (or delegate such pre-approval, as the Committee may determine and as permitted by applicable Canadian securities laws) to be provided by the external auditor.
7. Review the performance of the external auditor and recommend any discharge of the external auditor when the Committee determines that circumstances warrant.
8. Periodically consult with the external auditor out of the presence of management about:
  - (i) any significant risks or exposures facing the Company;
  - (ii) internal controls and other steps that management has taken to control such risks; and
  - (iii) the fullness and accuracy of the financial statements of the Company, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.
9. Review and approve any proposed hiring of current or former partners or employees of the current (and any former) external auditor of the Company.

#### **C. Audit Process**

1. Review the scope, plan and results of the external auditor's audit and reviews, including the auditor's engagement letter, the post-audit management letter, if any, and the form of the audit report. The Committee may authorize the external auditor to perform supplemental reviews, audits or other work as deemed desirable.
2. Following completion of the annual audit and quarterly reviews, review separately with each of management and the external auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and, if applicable, reviews, including any restrictions on the scope of work or access to required information and the cooperation that the external auditor received during the course of the audit and, if applicable, reviews.
3. Review any significant disagreements among management and the external auditor in connection with the preparation of the financial statements.
4. Where there are significant unsettled issues between management and the external auditor that do not affect the audited financial statements, the Committee shall seek to ensure that there is an agreed course of action leading to the resolution of such matters.
5. Review with the external auditor and management significant findings and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.
6. Review the system in place to seek to ensure that the financial statements, MD&A and other financial information disseminated to governmental organizations and the public satisfy applicable requirements.

#### **D. Financial Reporting Processes**

1. Review the integrity of the Company's financial reporting processes, both internal and external, in consultation with the external auditor.

2. Review all material balance sheet issues, material contingent obligations and material related party transactions.
3. Review with management and the external auditor the Company's accounting policies and any changes that are proposed to be made thereto, including all critical accounting policies and practices used, any alternative treatments of financial information that have been discussed with management, the ramification of their use and the external auditor's preferred treatment and any other material communications with management with respect thereto. Review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financing reporting.

#### **E. General**

1. The Committee may at its discretion retain independent counsel, accountants and other professionals to assist it in the conduct of its activities and to set and pay (as an expense of the Company) the compensation for any such advisors.
2. Respond to requests by the Board with respect to the functions and activities that the Board request the Committee to perform.
3. Periodically review this Charter and, if the Committee deems appropriate, recommend to the Board changes to this Charter.
4. Review the public disclosure regarding the Committee required from time to time by applicable Canadian securities laws, including:
  - (i) the Charter of the Committee;
  - (ii) the composition of the Committee;
  - (iii) the relevant education and experience of each member of the Committee;
  - (iv) the external auditor services and fees; and
  - (v) such other matters as the Company is required to disclose concerning the Committee.
5. Review in advance and approve, the hiring and appointment of the Company's senior financial executives.
6. Perform any other activities as the Committee or the Board deems necessary or appropriate.
7. Overseeing the work of the external auditors engaged to prepare or issue an audit's report or perform other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.
8. Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its external auditors.
9. Review the Company's financial statements, the MD&A thereon and annual and interim earnings press releases before such documents are publicly disclosed by the Company.
10. The Committee must satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in A.3 above, and must periodically assess the adequacy of those procedures.
11. Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.



12. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

#### **IV. Authority of the Committee**

The Committee shall have the authority to conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities. The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. The Committee shall also have the authority to communicate directly with the external auditors.

#### **V. Composition**

The Committee shall be comprised of a minimum of three directors as determined and appointed by the Board, a majority of whom shall be independent and financially literate within the meaning of applicable Canadian securities laws. The Board shall designate the Chair of the Committee (the "Chair") annually.

#### **VI. Meetings & Operating Procedures:**

1. The Committee will meet at least four times annually and at least once each financial quarter.
2. A quorum shall be a majority of the members.
3. In the absence of the Chair, the members shall appoint an acting Chair.
4. Minutes of the Committee shall be recorded. A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each Director of the Company in a timely fashion.
5. The Chair shall prepare and/or approve an agenda in advance of each meeting.
6. The Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial policies and disclosures.
7. The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors in advance of meeting dates.
8. The Committee should meet privately in executive session at least quarterly with management, the external auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.
9. In addition, the Committee or at least its Chair should communicate with management and the external auditors quarterly to review the Company's financial statements and significant findings based upon the auditor's limited review procedures.
10. The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
11. The Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

#### **VII. Review Procedures**

The Committee shall review and reassess the adequacy of this Charter at least annually, submit it to the Board for approval and ensure that it is in compliance with the TSX Venture Exchange and regulations of the Ontario Securities Commission.

**VIII. Complaint Procedure**

1. Anyone may submit a complaint regarding conduct by the Company or its employees or agents (including its external auditor) reasonably believed to involve questionable accounting, internal accounting controls, auditing or other matters. The Chair will oversee treatment of such complaints.
2. Complaints are to be directed to the attention of the Chair.
3. Complaints may be made in the French or English language and the Chair will deal with a complainant in whatever language they are most comfortable.
4. Complaints may be submitted to the Chair on a confidential basis. The Committee will endeavour to keep the identity of the complainant confidential.
5. The Chair shall lead the review and investigation of a complaint. The Committee shall retain a record of all complaints received. Corrective action will be taken when and as warranted.
6. The above complaint procedures shall be made conspicuously available in both English and French in each place of business of the Company.

**SCHEDULE "B"**  
**STOCK OPTION PLAN**

**GENSOURCE POTASH CORPORATION**

**STOCK OPTION PLAN**

**Effective Date: April 13, 2018**

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## STOCK OPTION PLAN

### SECTION 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "Administrator" means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) "Associate" means, where used to indicate a relationship with any person:
  - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
  - (ii) any partner, other than a limited partner, of that person;
  - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
  - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) "Black-Out" means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) "Board" means the board of directors of the Company.
- (e) "Change of Control" means an occurrence when either:
  - (i) a Person or Entity, other than the current "control person" of the Company (as that term is defined in the *Securities Act*), becomes a "control person" of the Company; or
  - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (f) "Committee" means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (g) "Company" means Gensource Potash Corporation.
- (h) "Consultant" means an individual who:
  - (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a "distribution" (as that term is described in the *Securities Act*);

- (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (h)(v) below);
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a "Consultant Entity"); or
  - (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (i) "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (j) "Employee" means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
  - (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (iii) a corporation wholly-owned by such individual; and
  - (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (k) "Executive" means an individual who is a director or officer of the Company or a Subsidiary, and includes:
- (i) a corporation wholly-owned by such individual; and
  - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) "Exercise Notice" means the written notice of the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder.
- (m) "Exercise Period" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.



- (n) "Exercise Price" means the price at which an Option is exercisable as determined in accordance with section 5.3.
- (o) "Expiry Date" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4 or 11.4.
- (p) "Expiry Time" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Toronto, Ontario on the Expiry Date.
- (q) "Grant Date" means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (r) "Insider" means an insider as that term is defined in the *Securities Act*;
- (s) "Market Value" means the market value of the Shares as determined in accordance with section 5.3.
- (t) "Option" means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (u) "Option Certificate" means the certificate, in substantially the form set out as Schedule "A" hereto, evidencing the Option.
- (v) "Option Holder" means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (w) "Outstanding Issue" means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (x) "Person or Entity" means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (y) "Personal Representative" means:
  - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
  - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (z) "Plan" means this stock option plan as from time to time amended.
- (aa) "Regulatory Approvals" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (bb) "Regulatory Authorities" means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (cc) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the

implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.

- (dd) "*Securities Act*" means the *Securities Act* (Ontario) as from time to time amended.
- (ee) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (ff) "Subsidiary" means a wholly-owned or controlled subsidiary corporation of the Company.
- (gg) "Triggering Event" means:
  - (i) the proposed dissolution, liquidation or wind-up of the Company;
  - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
  - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
  - (iv) a proposed Change of Control of the Company;
  - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
  - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (hh) "TSXV" means the TSX Venture Exchange Inc.
- (ii) "Vest" or "Vesting" means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

## **1.2 Choice of Law**

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of Ontario. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of Ontario.

## **1.3 Headings**

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

# **SECTION 2 GRANT OF OPTIONS**

## **2.1 Grant of Options**

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

## **2.2 Record of Option Grants**

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

## **2.3 Effect of Plan**

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

# **SECTION 3 PURPOSE AND PARTICIPATION**

## **3.1 Purpose of Plan**

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

## **3.2 Participation in Plan**

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

## **3.3 Limits on Option Grants**

If the Company is listed on TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue (unless the Company has obtained disinterested shareholder approval as required by the TSXV);

- (b) with respect to section 5.1, the Expiry Date of an Option shall be no later than the fifth anniversary of the Grant Date of such Option;
- (c) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (d) the maximum number of Options which may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period,

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 9.2 of this Plan.

### **3.4 Notification of Grant**

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

### **3.5 Copy of Plan**

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

### **3.6 Limitation on Service**

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

### **3.7 No Obligation to Exercise**

Option Holders shall be under no obligation to exercise Options granted under this Plan.

### **3.8 Agreement**

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

### **3.9 Notice**

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

### **3.10**                    **Representation to TSXV**

As a condition precedent to the issuance of an Option, the Company must be able to represent to TSXV as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary. Both the Company and the Option Holder are responsible for confirming that the Option Holder is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

## **SECTION 4 NUMBER OF SHARES UNDER PLAN**

### **4.1**                    **Board to Approve Issuance of Shares**

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

### **4.2**                    **Number of Shares**

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the issued and outstanding Shares as at the time of grant. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

### **4.3**                    **Fractional Shares**

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

## **SECTION 5 TERMS AND CONDITIONS OF OPTIONS**

### **5.1**                    **Exercise Period of Option**

Subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that no Expiry Date shall be set to occur after the fifth anniversary of the Grant Date

### **5.2**                    **Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

### **5.3**                    **Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

#### **5.4 Termination of Option**

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
  - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
  - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
  - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning his or her position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding the above, the Board shall have the right to extend the 90 day period referred to in subsection (a) and (b) of this section 5.4 up to a maximum of one calendar year following the Option Holder's ceasing to hold office with, be director of, be employed by or be under a contract with the Company. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

#### **5.5 Vesting of Option and Acceleration**

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan.

#### **5.6 Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

### **SECTION 6 TRANSFERABILITY OF OPTIONS**

#### **6.1 Non-transferable**

Except as provided otherwise in this Section 6, Options are non-assignable and non-transferable.

#### **6.2 Death of Option Holder**

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

### **6.3 Disability of Option Holder**

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

### **6.4 Disability and Death of Option Holder**

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

### **6.5 Vesting**

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

### **6.6 Deemed Non-Interruption of Engagement**

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

## **SECTION 7 EXERCISE OF OPTION**

### **7.1 Exercise of Option**

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during Black-Out unless the Committee determines otherwise.

### **7.2 Issue of Share Certificates**

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.



### **7.3 No Rights as Shareholder**

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

## **SECTION 8 ADMINISTRATION**

### **8.1 Board or Committee**

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 8.2 below, or by an Administrator appointed in accordance with subsection 8.4(b).

### **8.2 Appointment of Committee**

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

### **8.3 Quorum and Voting**

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

### **8.4 Powers of Committee**

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;

- (g) do the following with respect to the granting of Options:
  - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
  - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
  - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
  - (iv) determine when Options shall be granted; and
  - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

#### **8.5 Administration by Committee**

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

#### **8.6 Interpretation**

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

### **SECTION 9 APPROVALS AND AMENDMENT**

#### **9.1 Shareholder Approval of Plan**

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

#### **9.2 Amendment of Option or Plan**

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, if required by the TSXV.

## **SECTION 10 CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

### **10.1 Compliance with Laws**

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

### **10.2 Obligation to Obtain Regulatory Approvals**

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

### **10.3 Inability to Obtain Regulatory Approvals**

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

## **SECTION 11 ADJUSTMENTS AND TERMINATION**

### **11.1 Termination of Plan**

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan. Unless earlier terminated as provided in this Section 11, the Plan shall terminate on, and no more Options shall be granted under the Plan after, the tenth anniversary of the Effective Date of the Plan.

### **11.2 No Grant During Suspension of Plan**

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

### **11.3 Alteration in Capital Structure**

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this

Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.3, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of Section 9.2 of this Plan.

#### **11.4 Triggering Events**

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

#### **11.5 Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

#### **11.6 Determinations to be Made By Committee**

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

## SCHEDULE "A"

**[Include the following Exchange hold period if i) the exercise price of the stock options is based on less than Market Price; or ii) if the certificate is issued to persons holding securities carrying more than 10% of the voting rights attached to the Company's securities; or if the certificate is issued to directors, officers or promoters of the Company]**

**[Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●[date four months and one day after Grant Date].]**

### GENSOURCE POTASH CORPORATION

#### STOCK OPTION PLAN - OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of Gensource Potash Corporation (the "Company") and evidences that ●[Name of Option Holder] is the holder (the "Option Holder") of an option (the "Option") to purchase up to ● common shares (the "Shares") in the capital stock of the Company at a purchase price of Cdn.\$● per Share (the "Exercise Price"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Toronto, Ontario (the "Expiry Time") on the following Expiry Date:

- (a) the Grant Date of this Option is ●, 20●; and
- (b) subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4 of the Plan, the Expiry Date of this Option is ●,20●.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

**[Include the following Exchange hold period only if the exercise price of the stock options is based on less than Market Price. or ii) if the certificate is issued to persons holding securities carrying more than 10% of the voting rights attached to the Company's securities; or if the certificate is issued to directors, officers or promoters of the Company]**

**[Any share certificates issued pursuant to an exercise of the Option before ●[date four months and one day after Grant Date] will contain the following legend:**

**"Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●[date four months and one day after Grant Date]."**

If the Option Holder is a resident or citizen of the United States of America at the time of the exercise of the Option, the certificate(s) representing the Shares will be endorsed with the following or a similar legend:

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended, of the United States of America (the "Act") or the securities laws of any state ("State") of the United States of America and may not be sold, transferred, pledged, hypothecated or distributed, directly or indirectly, to a U.S. person (as defined in Regulation S adopted by the U.S. Securities and Exchange Commission under the Act) or within the United States unless such securities are (i) registered under the Act and any applicable State securities act (a "State Act"), or (ii) exempt from registration under the Act and any applicable State Act and the Company has received an opinion of counsel to such effect reasonably satisfactory to it, or (iii) sold in accordance with Regulation S and the Company has received an opinion of counsel to such effect reasonably satisfactory to it."

This Option was granted to the Option Holder in his or her capacity as a ●[pick one: Director, Officer, Employee, Consultant] of the Company, and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee or Consultant of the Company.

**GENSOURCE POTASH CORPORATION**

Per:

\_\_\_\_\_  
Director

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Option Holder:

\_\_\_\_\_  
Signature

Date signed: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_

**OPTION CERTIFICATE – SCHEDULE**

**[Complete the following additional terms and any other special terms, if applicable, or remove the inapplicable terms or this schedule entirely.]**

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:
  - (a) ● Shares (●%) will vest and be exercisable on or after the Grant Date;
  - (b) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
  - (c) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
  - (d) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
  
2. Upon the Option Holder ceasing to hold a position with the Company, other than as a result of the events set out in paragraphs 5.4(a) or 5.4(b) of the Plan, the Expiry Date of the Option shall be ● **[Insert date desired that is longer or shorter than the standard 90 days set out in the Plan]** following the date the Option Holder ceases to hold such position.

**SCHEDULE "B"**



**STOCK OPTION PLAN**

**NOTICE OF EXERCISE OF OPTION**

TO: The Administrator, Stock Option Plan  
GENSOURCE POTASH CORPORATION

1100 - 201 1st Avenue South  
Saskatoon, Saskatchewan, S7K 1J5 (or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the "Plan") of Gensource Potash Corporation (the "Company"), of the exercise of the Option to acquire and hereby subscribes for **(cross out inapplicable item)**:

- (a) all of the Shares; or
- (b) \_\_\_\_\_ of the Shares;

which are the subject of the Option Certificate attached hereto **(attach your original Option Certificate)**.

The undersigned tenders herewith a certified cheque or bank draft **(circle one)** payable to "●" in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address **(provide full complete address)**:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 5:00 p.m. local time in Toronto, Ontario on the Expiry Date of the Option.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
**Signature of Option Holder**