Gensource
POTASH CORP

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED

MARCH 31, 2018

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A" or "MD&A") of Gensource Potash Corporation (the "Company" or "Gensource") for the three months ended March 31, 2018 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2017. This Interim MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since date of the Annual MD&A.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended December 31, 2017, and 2016, together with the notes thereto, and unaudited condensed interim consolidated financial statements for the three months ended March 31, 2018, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's unaudited condensed interim consolidated financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of May 18 2018, unless otherwise indicated.

The following Interim MD&A, particularly under the heading "Liquidity and Capital Resources", contains forward-looking information that involves numerous risks and uncertainties. The forward-looking information is not historical fact, but rather is based on the Company's current plans, objectives, goals, strategies, estimates, assumptions and projections about the industry, business and future financial results. The Company's actual results could differ materially from those discussed in such forward-looking statements.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval (SEDAR) website at **www.sedar.com.**

Caution Regarding Forward-looking Statements

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Potential of Gensource's properties to contain potash deposits.	Financing will be available for future exploration and development of Gensource's properties; the actual results of Gensource's exploration and development activities will be favourable; operating, exploration and development costs will not exceed Gensource's expectations; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Gensource, and applicable political and economic conditions will be favourable to Gensource; the price of potash and applicable interest and exchange rates will be favourable to Gensource; no title disputes exist with respect to the Company's properties.	Potash price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Gensource's expectations; availability of financing for and actual results of Gensource's exploration and development activities; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending March 31, 2019.	The operating and exploration activities of the Company for the three-month period ending March 31, 2018, and the costs associated therewith, will be consistent with Gensource's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to Gensource.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions.

The Company's ability to carry out anticipated exploration on its property interests.	The exploration activities of the Company for the three-month period ending March 31, 2018 and the costs associated therewith, will be consistent with Gensource's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to Gensource.	Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable permits.
Plans, costs, timing and capital for future exploration and development of Gensource's property interests, including the costs and potential impact of complying with existing and proposed laws and regulations.	Financing will be available for Gensource's exploration and development activities and the results thereof will be favourable; actual operating and exploration costs will be consistent with the Company's current expectations; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to Gensource; the Company will not be adversely affected by market competition; debt and equity markets, exchange and interest rates and other applicable economic and political conditions will be favourable to Gensource; the price of potash will be favourable to Gensource; no title disputes exist with respect to Gensource's properties.	Potash price volatility, changes in debt and equity markets; timing and availability of external financing on acceptable terms; the uncertainties involved in interpreting geological data and confirming title to acquired properties; the possibility that future exploration results will not be consistent with Gensource's expectations; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company's ability to retain and attract skilled staff.
Management's outlook regarding future trends.	Financing will be available for Gensource's exploration and operating activities; the price of potash will be favourable to Gensource.	Prolonged low price environment, other new production and their combined depressing effect on gaining strategic partner interest; changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions.
Sensitivity analysis of financial instruments.	The aggregate gross credit risk exposure related to cash at March 31, 2018, was $216,698 (December 31, 2017 – $464,905), and was entirely made up of cash held with financial institutions with an "AA High" credit rating or above and securities brokerage firms.	Changes in debt and equity markets; interest rate and exchange rate fluctuations.

Gensource will continue to focus its efforts on securing strategic partners for developing a successful potash production facility.	Strategic partners with the same goal as Gensource will agree to terms favourable to Gensource for the development of a potash production facility.	Management may not find strategic partners; terms may be unfavourable to Gensource.
Prices and price volatility for potash.	The price of potash will be favourable; debt and equity markets, interest and exchange rates and other economic factors which may impact the price of potash will be favourable.	Changes in debt and equity markets and the spot price of potash; interest rate and exchange rate fluctuations; changes in economic and political conditions.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond Gensource's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Interim MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Gensource's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business

Gensource is based in Saskatoon, Saskatchewan, and is focused on potash development. Its registered head office is located at Peterson & McVicar LLP, 390 Bay Street, Suite 806, Toronto, Ontario, M5H 2Y2.

Operational Highlights

Corporate

On February 2, 2018, the Company granted 4,000,000 stock options at an exercise price of $0.09 and are exercisable for a period of 5 years.

During the three months ended March 31, 2018, the Company entered into two non-binding memorandums of understanding ("MOU") with large and well established players in the North American agriculture industry, both of which are based in the USA. The subject of the MOUs was off-take for the future potash product from a Gensource production facility (the term "off-take" is simply the commitment to purchase product), and both MOUs were similar in that they contemplated the purchase of the full production from one of Gensource's modules of 250,000 t/year production capacity for an extended period. With these MOUs now signed, Gensource is proceeding with the next steps, which are: 1) the negotiation of definitive off-take agreements based on the MOUs and, 2) Project financing based on the off-taker agreement(s).

During the three months ended March 31, 2018, 5,005 warrants were exercised for gross proceeds of $350.

Exploration & Evaluation

Updates on the Vanguard One Project (the "Project")

- As a result of a review by staff of the Ontario Securities Commission ("OSC"), Gensource amended and refiled the (NI) 43-101 Technical Report, summarizing the Feasibility Study for the Vanguard One Project (previously filed in July 2017). Gensource was advised to include personal certificates and consents of each of the key "Qualified Persons" (or "QPs") responsible for specific subject areas, rather than just one. On this basis, Gensource was pleased to announce the re-filing of its Technical Report, highlighting its technical team – the QPs - who, together, executed the Vanguard One Feasibility Study and delivered the Technical Report. It is important to note that no changes to the substance or results of the Technical Report have been made. The certificates for each of the QPs and the Technical Report itself were re-filed on SEDAR in February 2018. See the news release issued on February 23, 2018 for more details.
- Gensource continued to advance the Environmental Approval process with the Government of Saskatchewan, collaborating with the Environmental Assessment and Stewardship (EAS) Branch, answering questions and clarifications based on their review of the Technical Proposal submission. As per the EAS Branch's request to further confirm the proposed groundwater source for the Project, Gensource completed additional field testing and analysis in 2018. The field component included installation of additional observation wells, and a 14-day constant rate pumping test. Gensource engaged Golder Associates Ltd. to complete this scope, as part of their ongoing efforts to support Gensource with the environmental submission for the Project. The field component of the work was completed in Q1 2018, and the analysis, modelling, and subsequent report preparation and submission will be completed in Q2 2018.
- Gensource continued to engage with the villages of Tugaske and Eyebrow, and the surrounding communities, attending RM & Village council meetings, sharing information on the project with locals as requested, making charitable donations, etc.

<u>Current and Future Plans Related to the Vanguard One Project</u>

- Upon submission of the groundwater investigation work completed at the request of the Government, to support the environmental submission process, Gensource is anticipating a determination from the EAS Branch, as to whether or not the Project is classified as a development. Not being classified as a development will facilitate a much more efficient permitting and licensing process for the Project.
- The next steps for the Project involve confirming the construction financing and then moving the project into the detailed engineering, long-lead procurement, and construction phase. It is anticipated that these milestones will be achieved in the next several months, allowing the Project to proceed to these next steps for project execution this summer.
- As such, Gensource has begun initial preparations and planning for execution of the next phase of project development, initiating contract preparations and negotiations for key integrated team members (i.e. the engineering consultant, construction contractor).
- With the announcement of two off-take MOU's, with North American customers, Gensource has begun preliminary investigation into some of the necessary design and logistics requirements to add a second project "module" (full 250,000 tpy production facility) to the Vanguard Area
- Concurrent to advancing the Vanguard One Project, Gensource is continuing with planning and initial field work on resource confirmation work on its KL244 lease in the Vanguard Area. Expanding the definition of the resource in the Vanguard Area creates additional project opportunities for Gensource and potential market partners remains a focus for 2018.
- Gensource has been confirmed as a presenter at the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) national conference, to be held in Vancouver in May 2018. Gensource will

presenting on the following topic: "Disrupting the Potash Industry: Gensource's Sustainable, Environmentally, and Socially Responsible Approach to Potash Mining"

The following summarizes the Company's current confirmation and development programs at the Vanguard project areas, total estimated cost to complete the project development work, and total expenditures incurred to date.

Summary of Completed Activities (Three Months Ended March 31, 2018)	(A) Spent	Plans for the Project	(B) Planned Expenditures
		Drilling, coring and assaying.	$2,000,000 [1]
Property acquisition and surface access fees	$289,065	Feasibility study and environmental and regulatory licensing work.	$500,000 [1]
Geological and project management	$28,104	Costs with respect to negotiations to engage a market partner	$150,000
Engineering	$5,000	Carrying costs to maintain properties in good standing	$300,000
Drilling	$nil		
Seismic	$nil	Any expenditure is dependent upon reaching agreements with strategic partners and completing one or more financings.	
Environmental	$28,156		
Total	**$350,325**		**$ 2,950,000**

[1] At the date of this MD&A, the Company has decided, to focus its resources on the Vanguard project; budgeted expenses have been allocated to the mining lease, KL244. .

Updates on the Lazlo Project

No significant engineering or geological work was completed for the Lazlo project area during the three months ended March 31, 2018. However, the Company continues to work with its contacts in both India and Brazil to create a market partner in each of those countries. It is the creation of a market partner that triggers the development of a project to suit that market.

Current and Future Plans Related to the Lazlo Project

The following summarizes the Company's current confirmation and development programs at the Lazlo project areas, total estimated cost to complete the project development work, and total expenditures incurred to date.

Summary of Completed Activities (Nine Months Ended September 30, 2017)	(A) Spent	Plans for the Project	(B) Planned Expenditures
Land acquisition and staking	$2,979	At the date of this MD&A, it is more likely, in the immediate term, for the Company to pursue the Vanguard project and therefore the budgeted expenditures are not included here.	$20,000
Geological and project management	$nil		
Subtotals	**$2,979**		**$20,000**

Technical Information

Mike Ferguson, P.Eng., a qualified person pursuant to NI 43-101, has reviewed and approved the technical disclosure in this Interim MD&A.

Trends

Gensource anticipates that it will continue to experience net losses as a result of ongoing cash outflows from investing in its potash assets and operating costs until such time as revenue-generating activity is commenced. The Company's future financial performance is dependent on many external factors. Both the price of and the market for potash are volatile, difficult to predict, and subject to changes in domestic and international political, social, and economic environments. Circumstances and events such as economic conditions and volatility in the capital markets could materially affect the future financial performance of the Company. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

Financial Performance

Three months ended March 31, 2018 compared to three months ended March 31, 2017

During the three months ended March 31, 2018, the Company had a consolidated net loss of $983,701 with basic and diluted loss per share of $0.00. This compares with a net loss of $404,211 with basic and diluted loss per share of $0.00 for the three months ended March 31, 2017. The increase in the net loss of $579,490 was principally because:

- ❖ Consolidated expenses during the three months ended March 31, 2018 were $984,448 (three months ended March 31, 2017 - $712,621), an increase of $271,827 is primarily because of share-based payments of $209,177 incurred as a result of stock options granted and vesting in the period.

- ❖ During the three months ended March 31, 2018, the Company recorded interest income of $693 (three months ended March 31, 2017 – $2,927), unrealized gain on investments of $3 (three months ended March 31, 2017 – unrealized loss of $1,146) as the company's portfolio increased in value and a flow-through premium obligation discharged of $51 (three months ended March 31, 2017 - $306,629).

- ❖ During the three months ended March 31, 2018, overall general and administrative expenses were $62,998 higher than the comparative period in 2017. The following is a breakdown of general and administrative expenses for the three months ended March 31, 2018 and 2017:

Three Months Ended March 31,	2018 $	2017 $	Change $
Wages, benefits and incentive compensation (1)	8,164	35,567	(27,403)
Sales and marketing (1)	128,561	93,069	35,492
Professional fees (1)	133,714	152,903	(19,189)
Office and general (1)	202,089	127,991	74,098
Total general and administrative expenses	472,528	409,530	62,998

(1) Costs were higher during the three months ended March 31, 2018 as a result an increase in office and general expenses as contract services cost increased with $58,304 as the Company increases the financing efforts.

Consolidated assets

Consolidated assets were $12,199,913 at March 31, 2018 (December 31, 2017 - $12,319,964), a decrease of approximately 1%. Exploration and evaluation assets increased by approximately 3% from December 31, 2017. The total amount of exploration and evaluation assets represents approximately 97% of total assets (December 31, 2017 – 93% of total assets). Receivables decreased by approximately 77% from December 31, 2017. Further, the Company had a decrease in prepaid expenses and deposit of approximately 39% and a decrease in property, plant and equipment of approximately 6%. At March 31, 2018, the Company had cash of $216,698 (December 31, 2017 - $464,905), with a decrease of $248,207.

Consolidated liabilities

At March 31, 2018, consolidated liabilities were $560,891 (December 31, 2017 - $208,554). The variation is primarily because of the increase in amounts payable and other liabilities.

The Company will continue to secure additional financing to facilitate the execution of its business plan.

Shareholders' equity

At March 31, 2018, shareholders' equity decreased by $472,388, which is primarily due to the increase in deficit of $983,701. The increase is primarily offset by the increase in share-based compensation of $510,963 during the three months ended March 31, 2018.

As at March 31, 2018, the Company had 321,266,681 common shares issued and outstanding, 51,505,052 common share purchase warrants outstanding and 30,410,607 stock options outstanding, of which 26,160,607 were vested.

Investment portfolio

The Company's investments consist primarily of resource companies whose principal business is exploration and development. During the three months ended March 31, 2018, there was no change in ownership of these investments but due to the fluctuation of the fair value of these investments, the 1,146,101). At March 31, 2018, the market value of the Company's investments was $9,823 (December 31, 2017– $9,820).

Cash Flow

For the three months ended March 31, 2018, the Company decreased its cash position by $248,207 as a result of cash used and provided in operating and financing activities as follows:

Cash provided in operations, including changes in non-cash working capital of $576,582, totaled $104,747 during the three months ended March 31, 2018. This was as a result of net loss of $983,701 for the three months ended March 31, 2018, adjusted for non-cash transactions including mainly share-based payments of $510,963 and depreciation of $957.

Cash used in investing activities during the three months ended March 31, 2018 consisted of the acquisition and expenditure of exploration and evaluation assets of $353,304.

During the three months ended March 31, 2018, the Company received $350 in cash proceeds from financing activities due to excising of 5,505 warrants.

Liquidity and Capital Resources

The activities of the Company, principally the development of resource opportunities, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants. There is no assurance that future equity capital will be available to the Company in the amounts or at the times desired by the Company or on terms that are acceptable to it, if at all. See "Caution Regarding Forward-looking Statements" and "Risk Factors".

The following table summarizes the Company's consolidated working capital position:

As at	**March 31, 2018**	December 31, 2017
Consolidated working capital (deficiency) ($)	**(185,661)**	639,077
Consolidated working capital ratio (%)	**67%**	406%

The Company includes cash, receivables and investments in its capital management considerations. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders by maximizing investment returns through its potash assets. The Company manages capital in proportion to risk and manages the capital structure based on economic conditions and business objectives.

Transactions with Related Parties

The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-related entities on an arm's length basis.

Related parties include management, the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties:

a) During the three months ended March 31, 2018, compensation, salaries and benefits of $180,000 (three months ended March 31, 2017 - $180,000, respectively) were paid to a director and officers of the Company or related companies controlled by the director and officers of the Company. They were included in general and administrative expenses and exploration and evaluation assets.

	Three Months Ended March 31, 2018 ($)	**Three Months Ended March 31, 2017 ($)**
FCON Consulting (1)(**)	90,000	90,000
Rob Theoret (2) (*)	45,000	45,000
101188810 Saskatchewan Ltd. (3)(*)	45,000	45000
Total	**180,000**	**180,000**

(1) Controlled by Chief Executive Officer.

(2) Compensation to the Chief Financial Officer.

(3) VP, Corporate Services.

(*) Included in general and administrative expenses.

(**) 50% is included in exploration and evaluation assets and 50% is included in general and administrative expenses for 2017.

b) During the three months ended March 31, 2018, share-based payments of $353,874 were rewarded to directors and officers of the Company (three months ended March 31, 2017 - $179,347).

	Three Months Ended March 31, 2018 ($)	**Three Months Ended March 31, 2017 ($)**
Mark Stauffer	49,023	19,722
Dwayne Dahl	49,023	28,228
Michael Ferguson	59,734	37,225
T. Robert Theoret	59,734	37,225
Deborah Morsky	59,734	37,225
Paul Martin	38,313	19,722
Calvin Redlick	38,313	-
Total	**353,874**	**179,347**

c) To the knowledge of the directors and executive officers of the Company as of March 31, 2018, the common shares of the Company were widely held, which includes various small holdings which were owned by directors and officers of Gensource. These holdings can change at any time at the discretion of the owner.

The related party transactions were recorded at the exchange amount, which is the amount agreed to by the related parties.

Outlook

For the immediate future, the Company intends to raise additional financing to continue with day-to-day operation, complete the current negotiations with various market partners, and complete confirmation drilling and other resource confirmation activities as well as engineering and environmental studies as part of project development. The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Disclosure Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company uses the Venture Issuer Basic Certificate filed by the Company, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's MD&A for the fiscal year ended December 31, 2016, available on SEDAR at www.sedar.com.

Subsequent Events

1) Subsequent to the three months ended March 31, 2018, 900,000 options expired unexercised.
2) Subsequent to the three months ended March 31, 2018, 4,509,738 warrants were exercised and 8,916,608 warrants expired unexercised.
3) On April 11, 2018, John Ryan was appointed as director.
4) On April 27, 2018, Dwayne Dahl resigned as director.
5) On April 30, 2018, the Company announced a proposed non-brokered private placement for gross proceeds of up to $3,000,000 (the "Offering"). The Offering will consist of the sale of up to 24,000,000 Common Shares of the Company ("Common Shares") at a price of $0.125 per Common Share. The Company intends to use the proceeds from the sale of the Common Shares for general working capital purposes, to complete the detailed financial arrangements with current Off-take MOU partners as well third-party equity and debt providers to allow for the construction of the first potash module and to advance the level of definition of the resource in the KL 244/KL 245 area.
6) On May 18, 2018 the Company entered into a definitive, binding off-take agreement with a senior North American agriculture industry leader. Highlights of the agreement re:
    a. Purchase of 100% of the production from which one "module" of 250,000 tonne/year capacity
    b. A preliminary marketing plan that facilitates Gensource's goal of creating a direct link between a potash producing facility in Saskatchewan and the end user
    c. 10-yeat term with an option to renew for the life of the project

d. Right of first refusal for the Off-taker to purchase any additional product that may be produced at the project either through de-bottlenecking or expansion of the productive capacity of the facility
e. Right of first refusal to purchase the project should Gensource elect to sell any portion of it