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Gensource Potash Provides 2021 Year End Review and 2022 Outlook

SASKATOON, Saskatchewan and London, U.K., January 27, 2022 – Gensource Potash Corporation (“Gensource” or the “Company”) (TSXV: GSP, AIM: GSP) is pleased to provide its 2021 review and an outlook for 2022.

Highlights:

- **Strong outlook for the potash industry** - elevated pricing and demand driven by food security concerns, high crop prices and supply dislocation has driven retail potash prices in the US to over \$890 per metric tonne
- **A new low cost, green supply of potash** - utilizing innovative, sustainable production methods that are environmentally sound and socially responsible Gensource is aiming to have lowest quartile operating costs and high margins
- **Excellent project partners secured:**
 - CAD \$50 million project equity commitment letter from project offtaker HELM AG, creating new direct supply chains in the potash industry
 - Commitment letters for \$CAD 280 million from two mandated joint lead debt arrangers KfW IPEX-Bank and Société Générale to provide a senior secured debt facility
- **Low initial capex** – an additional approximate CAD \$105 million is required to finance construction and the Company has been actively marketing the story to global institutional and strategic investors to secure the remaining capital
- **Active ramp up** – pre-execution activities involving planning, scheduling, systems implementation and initial staffing efforts as well as design verification and equipment confirmation ongoing to be ready for full execution once project financing is complete
- **Land purchase** – recent land purchase of Block 59 provides Gensource with a new package of minerals directly adjacent to Tugaské’s mining area

Gensource’s President and CEO Mike Ferguson comments *“The road ahead for Gensource in 2022 is an exciting one. The Gensource team has long been working to the goal of putting its first module into construction and this is our year. As we transition from financing to construction, we will celebrate the milestones met, but there is much work ahead in the preparations for full project execution and*

management of the construction effort. We have a strong and focused team already working on the project and look forward to rolling up our sleeves to get this done.”

Update on the Tugaske Project:

The development of the Tugaske Project continues as scheduled and planned. The Tugaske Project, located in southern Saskatchewan, represents the first of its kind; an ultra-low environmental impact potash production facility. Uniquely, the Project will produce no salt tailings and require no brine ponds on surface: a first for a potash mine. Tugaske will consume up to 75% less fresh water per tonne of final product compared to conventional solution mining methods. The lack of tailings and brine ponds not only vastly improves the environmental profile of the Project, but in this case, it creates an additional synergy in reducing capital and operating costs.

2021 in Review:

2021 was a fruitful and exceptionally busy year for Gensource, with several key milestones achieved within the rapidly changing potash and fertilizer industry. Amidst the backdrop of strong agricultural commodity prices, sanctions on key potash exporter Belarus, potash mine closures in Saskatchewan due to water inflow and flooding, global supply chain problems, food price escalations, and the doubling of global potash prices, the Tugaske Project itself is materially unchanged.

As shareholders are aware, the Tugaske Project initially comprises a single Gensource module of nominally 250,000 t/a production. From the current Technical Report (Gensource news release dated October 19, 2021, and also available on www.sedar.com), Tugaske has been optimized to produce a premium granular product suitable for HELM, the Project’s off-taker and equity partner, to market to its customers in the USA.

2021 Highlights:

- Completion of a non-brokered private placement financing under the difficult marketing conditions imposed by worldwide lockdowns
- Added Alton Anderson as the Company’s new CFO. Alton brings a strong background of financial management to Gensource as the Company grows and matures into a fertilizer producer.
- Added Brent Cherkas to the Company’s team as a project advisor. Brent’s broad experience throughout his 40-year career is central in helping the Company succeed in executing and operating the Project
- Completion of National Instrument (“NI”) 43-101 technical report summarising the Tugaske potash Project (the “Tugaske Project” or the “Project”). Highlights included output capacity of 250,000 tonnes per year of final saleable product and a mine life of 58+ years.
- Strengthened the Board with two new board appointments in Alton Anderson and Stephen Dyer both bringing a wealth of sector knowledge and experience to the team
- Secured a CAD \$50 million project equity commitment letter from project offtaker HELM AG. This reaffirmed Gensource’s fundamental business proposition of creating new direct supply chains in

the potash industry to assist in transitioning the industry to a more manufacturing model rather than the conventional “bulk mining” model

- Received commitment letters from its two mandated joint lead debt arrangers KfW IPEX-Bank and Société Générale to provide a senior secured debt facility for a total of up to \$CAD 280 million
- On November 05, 2021, Gensource commenced trading on the AIM market of the London Stock Exchange, marking a significant milestone for the Company and allowing access a global investor base as Gensource continues progressing Tugakse Project into production
- Announced a Filing of a Base Shelf Prospectus for up to CAD\$ 200 million
- Gensource closed the year by announcing the acquisition of an additional potash permit area, Block 59, through the recent Government of Saskatchewan public offering of subsurface Mineral Crown Dispositions S010. Block 59 abuts current Gensource leases and is approximately 7,244 hectares and signifies a direct addition to mineral leases KL244 and KL245 in Gensource’s Vanguard Area. Strong outlook for potash industry and for Gensource’s business model as global importance of fertiliser continues to grow and supply becomes constrained. Preparatory activities for Tugaske’s development are underway and will continue with construction targeted to commence summer 2022

Gensource will sell all its production from Tugaske through its 100% offtake agreement with equity partner, HELM AG and HELM Fertilizers, ensuring that all product from the Project is pre-sold before it invests any capital in the construction of the facility. This approach creates a capital efficient production facility, and an independent supply chain for the movement of potash fertilizer from the producing facility in Saskatchewan to the identified end market, eliminating unnecessary warehousing, wholesalers, or re-sellers. The elimination of product re-handling between the Tugaske Project and the intended product destination is expected to result in a better-quality product, with less product lost to degradation and prevention of financial loss to re-seller margins.

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Further information on Gensource Potash Corporation can be found at www.gensourcepotash.ca

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About Gensource

Gensource is a fertilizer development company based in Saskatoon, Saskatchewan and is on track to become the next fertilizer production company in that province. With a small scale and environmentally leading approach to potash production, Gensource believes its technical and business model will be the future of the industry. Gensource operates under a business plan that has two key components: (1) vertical integration with the market to ensure that all production capacity built is directed, and pre-sold, to a specific market, eliminating market-side risk; and (2) technical innovation which will allow for a small and economic potash production facility, that demonstrates environmental leadership within the industry, producing no salt tailings, therefore eliminating decommissioning risk, and requiring no surface brine ponds, thereby removing the single largest and negative environmental aspect of potash mining.

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