MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED

DECEMBER 31, 2022

Introduction

The following Management's Discussion & Analysis ("MD&A") of the financial condition and results of the consolidated operations of Gensource Potash Corporation and its subsidiary, KClean Potash Corporation, (the "Company" or "Gensource") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2022. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual consolidated financial statements of the Company for the years ended December 31, 2022 and December 31, 2021, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC"). Information contained herein is presented as of March 31, 2023, unless otherwise indicated.

The following 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 MD&A, management and 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.**

Potash Landscape

Global food security, energy costs and capital markets reached unprecedented levels of disruption and volatility in 2022. The onset of war in continental Europe placed considerable strain on global supply chains and exports of key agricultural commodities, food stuffs and energy. Significantly impacted areas include:

- Global grain stocks - Grain stock-to-use ratios continued a six-year decline reaching the lowest level in more than 25 years.
- Food prices - Agricultural commodities (food) prices trended well above average levels, providing an incentive for farmers to increase planted acreage and improve yields.
- Fertilizer - Russia's war on Ukraine resulted in a fertilizer supply shocks in nitrogen (driven by deteriorating natural gas supply in Europe) and for potash (driven by inaccessible supply from Eastern Europe). According to industry sources, potash shipments from Eastern Europe declined by some 11 million tonnes due to sanctions on Belarus and banking restrictions on Russia.

As a result, International Incumbents and Private Equity Groups are exhibiting heightened interest in the Company's direct supply model which utilizes modular, scalable and low-environmental-impact potash production methods.

The potash industry has always been characterized by the size, scope and concentration of its production facilities. From what was witnessed in 2022, geopolitical events can result in disruptions to global supply, but just as significantly, with the large size of individual potash producing assets, geological issues can also have a major impact on production (for example, the flooding of Mosaic's K1 and K2 mines in Saskatchewan in 2021). It is estimated that Russian exports were down 30% and Belarussian exports were down 50% from 2021. Because most major potash-consuming countries have limited or no potash production capability and rely on imports to meet their needs, the reduction in exports had a direct effect and resulted in potash prices reaching near unaffordable levels. This, combined with global logistical and supply chain challenges, is driving customers to seek new and secure potash supply sources in politically stable jurisdictions.

Summary of Key Activities During the Year

The causes behind recent food security and rising food costs will continue until agrifood systems become more resilient and provide transparency to customers. Fertilizer prices increased sharply in 2022 as buyers moved to secure product in an uncertain, constrained and opaque supply environment. The supply risks exposed in 2022 are causing a shift in buying patterns and a clear need by customers to have access to their own direct supply of potash. Potash customers are stressing the importance of low-cost, flexible operations that are backed by a reliable supply chain which they can understand and rely on.

Gensource is proud to welcome Nekaneet First Nation as a business partner and shareholder of Gensource Potash and its potash projects in Saskatchewan. Being a partner in sustainable resource development means participating in making business decisions for the creation of wealth to the benefit of a growing Indigenous community and Province. Part of truth and reconciliation means working together as a community and as leaders in commercial relationships to advance the ownership and development of resource opportunities in Saskatchewan and Canada to the direct benefit of all our communities.

The Company's endeavors to complete its equity financing for the Tugaske Project ("Tugaske" or the "Project") were delayed in 2022 due to extreme market volatility resulting from the war in Ukraine. Although public capital markets remain challenged, Gensource is experiencing a significant rise in interest from both strategic and private equity groups who recognize potash as a strategic commodity and see the Gensource modular approach to potash production as very attractive. The Company continues to pursue key parties interested in profiting through funding the Company's short term plan to execute confirmatory work and the drilling of the first production cavern for the Project in summer of 2023, and continues to work with potential investors to complete its final tranche of construction financing, Completing the confirmatory work and drilling the first production cavern will significantly de-risk the final construction financing.
The current context of inflation and supply chain disruptions has led Gensource to address inflationary pressures and supply chain challenges with its "bridge engineering" work. The bridge engineering work advances Front End Engineering and Design completed in October 2021. As part of this on-going process, the Company has identified material cost reduction opportunities in both the underground cavern design and wellfield layout as well as in the surface plant. The Company believes these developments have the potential to provide significant simplifications and material capex and opex savings, and looks forward to reporting on these soon.

The continued focus on refinements in capital costs and operating costs is driving significant opportunities with strategic partners and new investors. The clarity and certainty that Gensource brings with regards to its business model and fully permitted selective mining technique is a considerable driver for potential investors. Gensource's significant land position, high quality and consistent resource lends itself well to strategic companies that seek meaningful expansion opportunities.

The fundamentals for our business are strong as agriculture commodity prices remain well above historical levels, global supply constraints persist and demand for crop inputs is expected to increase in 2023. We anticipate that an uncertain global economic and geopolitical environment will continue to impact buyers and investors, but we do not anticipate the same magnitude of fertilizer market volatility as witnessed in 2022. Into the future, we expect structural changes in agriculture, energy and fertilizer markets as higher crop input pricing levels compared to previous trends, are likely to persist.

Other highlights of Q4 2022 and the year ending December 31, 2022 are (some repeating from previous MD&A filings in 2022):

- On December 30, 2022, the Company completed the flow-through portion of the non-brokered private financing announced on December 1, 2022. The Company issued 2,400,000 flow-through shares at a price of $0.20 per share for aggregate gross proceeds of $480,000.
- The agreement to enter a transaction to acquire Innovare Technologies, as previously disclosed, was conditional on completing full project financing by August 31, 2022. Since that financing has not yet been completed, the agreement to acquire Innovare Technologies has formally expired. However, all parties remain interested and ready to proceed with the transaction once project financing is complete. Gensource will provide disclosure on this matter following the completion of financing for Tugaske.
- KClean Potash received, in aggregate, $2,000,000 in draws against the unsecured HELM $5,000,000 credit facility (August 10, 2022 and August 23, 2022).
- The Company announced that Amy O'Shea, Non-Executive Director, acquired 10,000 Common Shares on July 25th, 2022 at C$0.19 per Common Share. (See news release dated July 28, 2022).
- On July 25, 2022, the Company announced the following transactions: Michael Ferguson, Executive-Director, acquired 40,000 Common Shares on July 22nd, 2022 at $0.19 per Common Share; Alton Anderson, Executive-Director, acquired 40,000 Common Shares on July 22, 2022, at $0.185 per Common Share and Michael Mueller, Non-Executive Director, acquired, in aggregate, 50,000 Common Shares on July 22nd, 2022, at a weighted average price of $0.1868 per Common Share.
- The Company completed the Continuance of the Company out of the Province of Ontario under the provisions of the *Business Corporations Act* (Ontario) and into the Province of Saskatchewan under the provisions of *The Business Corporations Act* (Saskatchewan) (the "**Continuance**"). As a result of the Continuance, the Company changed its registered office from 18 King St. E., Suite 902, Toronto, Ontario, Canada M5C 1C4 to Suite 1100-201-1st Avenue South, Saskatoon, Saskatchewan, Canada S7K 1J5. (See news release dated July 12, 2022).
- The Company announced that its strategic investor and offtake partner, HELM AG and its subsidiary HELM Fertilizers, furthered its commitment to the Company's potash project located near Tugaske, Saskatchewan. HELM and Gensource plan to double the overall potash production capacity of the Tugaske Project, from 250,000 tonnes per year to 500,000 tonnes per year, under a second phase of the Tugaske Project ("**Phase 2**") by adding a second module to the Tugaske Project. It is expected that Phase 2 will be implemented immediately following the completion of the first phase of the Tugaske Project ("**Phase 1**"). In addition, HELM has committed to guarantee a CAD $12,500,000 contingency account for the Tugaske Project, as is required by the bank syndicate of KfW IPEX-Bank and Société Générale in connection with the Company's anticipated and previously announced debt financing. The two senior lending banks, KfW IPEX-Bank and Société Générale, remain fully supportive of the Project. (See news release dated June 21, 2022).
- The Company announced that on June 13, 2022, Michael Ferguson, Executive-Director, exercised, for cash, 1,000,000 stock options at C$0.13 per common share, Deborah Morsky Officer, exercised for cash, 1,000,000 Options at C$0.13 per Common Share and Robert Theoret Officer, exercised, for cash, 807,000 Options at C$0.13 per Common Share in return for the issue of 1,000,000, 1,000,000 and 807,000 new Common Shares to Michael Ferguson, Deborah Morsky and Robert Theoret, respectively. A Company employee exercised 500,000 Options in return for 500,000 Common Shares at a price of C$0.13 on June 13, 2022. (See news release dated June 14, 2022)
- The Company announced that Stephen Dyer, Non-Executive Director, acquired 375,000 Common Shares on June 9th, 2022 at C$0.27 per Common Share. (See news release dated June 13, 2022).

- The Company announced the results of its annual general and special meeting ("AGSM") of shareholders held on May 27, 2022, the Q1 2022 financial results and the appointment of Stephen Dyer as Non-Executive Board Chair. (See news release dated May 31, 2022).
- The Company announced the first on-site activities, the completion of a geotechnical field program for its potash project located near Tugaske, Saskatchewan (the "Tugaske Project"). Completion of this fieldwork represents an important pre-development Project milestone in this increasingly relevant potash project that will support the agriculture sector. (See news release dated May 26, 2022).
- The Company announced the continued appointment of thinkHERO Incorporated to provide external investor relations services to the Company. (See news release dated April 1, 2022).
- The Company announced the mutual release and settlement agreement dated February 11, 2022 with Frank Eberhardt, Carl F Peters GmbH & Co. and 11664735 Canada Ltd. with regards to the statement of claim filed by the Plaintiffs against the Defendants, as described in the Company's news release dated June 17, 2021. (See news release dated February 14, 2022).

Caution Regarding Forward-looking Statements

This 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 MD&A speak only as of the date of this MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this 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	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.

Forward-looking statements	Assumptions	Risk factors
	rates will be favourable to Gensource; no title disputes exist with respect to the Company's properties.	
The Company's ability to meet its working capital needs at the current level for the twelve-month period ending December 31, 2023.	The operating and exploration activities of the Company for the twelve-month period ending December 31, 2023, 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 twelve-month period ending December 31, 2023 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.

Forward-looking statements	Assumptions	Risk factors
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.	Potash price volatility; 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 December 31, 2022, was $337,831 (December 31, 2021 – $1,712,079), 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.
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 above. 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 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 Potash is a fertilizer development company based in Saskatoon, Saskatchewan and is working towards t becoming the next fertilizer production company in that province. With a modular 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 modular 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 negative environmental aspect of potash mining.

Its registered head office is located at Suite 1100, 201 1st Ave. S., Saskatoon, SK., S7K 1J5.

Operational Highlights

Exploration & Evaluation Assets and Development Stage Properties

The Vanguard Area is located in South-Central Saskatchewan and surrounds the Villages of Tugaske and Eyebrow in the Rural Municipality ("R.M.") of Huron No.223 and R.M. of Eyebrow No.193, respectively - comprising two Government of Saskatchewan potash mineral leases, KL244 and KL245 and exploration permit SMP200, all 100% owned by Gensource.

Current Status:

1. Tugaske Project (Development Stage Property):

   The Tugaske project is the Company's most advanced project. It has completed both a full, bankable, feasibility study and a follow-on Front End Engineering and Design study (FEED) and is fully permitted, ready for construction. In October 2021 the Tugaske Project entered into development stage when the technical and commercial feasibility of the mine was met. The following represents the current status of the Project:

- During 2022, the Company began to review and update designs for the high-cost and high-complexity areas of the Tugaske project being the underground caverns and the surface processing area. The Company has found substantial efficiencies in both areas which should result in material capex and opex savings. The results will be disclosed in a revised NI 43-101 Technical Report when they are complete.

- The above work is being undertaken in the context of the bridge engineering work that has been previously disclosed. That work is being executed by the combined team of Engcomp Engineering and South East Construction and is intended to:

  - Update overall project design basis taking into account input received to the engineering over the past year from financial institutions, vendors and potential equity investors. The bridge engineering will coordinate all potential design changes to ensure an optimized result.

  - Incorporate the potential optimizations and simplifications to the caverns and surface plant areas as identified above.

  - Update the Project capex and opex based on the design changes and optimizations and ensure any cost changes have been accounted for.

- The company continued with key project readiness activities for the Tugaske Project, with the goal to be prepared for full Project execution upon completion of financing.

- As part of the bridge engineering work, the team interfaced with equipment and material suppliers, collecting current technical and commercial information for compiling an updated capital cost estimate for the Project.

Kept up to date on the reclamation activities required on the remaining drilling sites which are anticipated to pass through the AOR process this year – see the General Vanguard Area below.

2. Vanguard One Project (Exploration and Evaluation Asset):

- The Vanguard One Project has an offtake agreement in place, but the Company's full efforts are focused on the Tugaske Project at this time.

3. General Vanguard Area (Exploration and Evaluation Asset):

- Work continued in Q4 2022 to complete the Acknowledgement of Reclamation (AOR) process at two (2) former exploration sites. Gensource intends to advance these 2 sites through the AOR process in 2023.

Future Plans:

1. Tugaske Project:

- Gensource will continue with project related activities, preparing the Tugaske Project for ramp-up to full execution (incl. construction) once financing is complete. The first step in this process is to complete the bridge engineering work, which is required before completing the full project financing effort (it is clear that the costs and schedules for the project must be known and up-to-date before financing can be completed).

Table 1 - Summary of Expenditures

Summary of Completed Activities (Year ended December 31, 2022)	(A) Spent Vanguard Area	(B) Spent Tugaske	Plans for the Project (Calendar Year 2023)	(C) Planned Expenditures
Property acquisition and surface access fees	$ 192,748	$ 273,843	Property acquisition and surface access fees (Tugaske Project Area)	$ 900,000
Geological and project management	$ 3,523	$ 1,068,318		
Engineering	$ Nil	$ 2,969,673		
Drilling	$ Nil	$ 4,620	Tugaske Project Development	See Tugaske Project Capital Cost Estimate in Table 3 below for planned expenditures. If full financing proceeds as expected, as much as $80M of the total capex could be committed in 2023.
Technical reports/feasibility study	$ Nil	$ 212,771		
Environmental	$ 6,962	$ Nil		
Project Finance	$ Nil	$ 528,958		
Total	**$ 203,233**	**$ 5,058,183**		

The following table shows estimated Expenditures for the Tugaske Project, taking approximately 2 years to complete construction and transition the Project to operations. This table is revised to reflect the revisions to the Project, as integrated during FEED and does not include any potential optimizations identified above.

Table 2 - Tugaske Project Capital Cost Estimate Summary

WBS Area	Area Description	Grand Total Cost ($CAD)	% of Total
100	Mining	$ 30,760,003	9%
200	Wellfield	$ 17,084,230	5%
300	Process Plant	$ 96,876,130	28%
400	Product Storage and Loadout	$ 15,783,440	4%
500	Site Infrastructure	$ 23,528,252	7%
600	Offsites	$ 7,879,549	2%
700	Non-Process Facilities	$ 29,929,031	9%
	TOTAL DIRECT COST	**$ 221,840,635**	**64%**
900	Project Indirects	$ 96,638,548	27%
	TOTAL INDIRECT COSTS	**$ 96,638,548**	**27%**
	TOTAL DIRECT + INDIRECT COSTS	**$ 318,479,183**	**91%**
980	Contingency	$ 33,597,918	9%
	TOTAL PROVISIONAL COSTS	**$ 33,597,918**	**9%**
	GRAND TOTAL COST	**$ 352,077,101**	**100%**

NOTE: The Bridge Engineering study currently underway will address cost escalation pressures, include optimizations and will detail updated capex and opex estimates for the Tugaske Project.

2. Vanguard One Project:

    - No efforts planned.

3. General Vanguard Area:

    - Gensource will continue with the reclamation requirements for the former exploration drilling well sites and advance 2 sites through the AOR process.

Current Status Related to Permit SMP200:

- No material efforts to report this period.

Future Plans Related to SMP200:

- Gensource will continue to develop strategic plans related to the exploration and development of SMP200 as discussions with prospective partners develop to advance a new project.

Current Efforts Related to the Lazlo Area: (Exploration and Evaluation Asset)

- No engineering or geological work was completed for the Lazlo project area during the year ended December 31, 2022.

Future Plans Related to the Lazlo Area:

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

Summary of Completed Activities (Year Ended December 31, 2022)	(A) Spent	Plans for the Project	(B) Planned Expenditures
Land acquisition and staking	$6,277	At the date of this MD&A, the Company is developing the Tugaske Project in the Vanguard Area, therefore only minor costs are budgeted here.	$10,000
Total	**$6,277**		**$10,000**

Technical Information

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

Geopolitical turmoil around the world is being driven by nationalism, polarization and economic instability. Due to globalization, regional events are having global impacts. In particular, the Russia and Ukraine war has resulted in, and may continue to result in, supply chain disruptions and higher prices for energy and several commodities, compounding existing energy and food supply chain bottlenecks.

Results of Operations

Year Ended December 31, 2022, Compared to Year Ended December 31, 2021

During the year ended December 31, 2022, the Company had a net loss of $2,491,863 (year ended December 31, 2021 – loss of $4,878,220), resulting in a net loss decrease of $2,386,357.

Expenses during the year ended December 31, 2022 were $2,531,025 (year ended December 31, 2021 - $4,862,567), a decrease of $2,331,542, and is primarily due to share-based payments of $36,534 during the year ended December 31, 2022 compared to $1,593,400 during the year ended December 31, 2021; general and administrative expenses of $2,441,647 (year ended December 31, 2021 - $3,212,604), a decrease of $770,957, primarily due to the one-off AIM listing costs incurred in Q4 2021 not being incurred in Q4 2022.

During the year ended December 31, 2022, the Company recorded interest income of $1,259, (year ended December 31, 2021 – $5,530), unrealized loss on investments of $3,057 (year ended December 31, 2021 – unrealized gain on investments of $4,968) and accretion expense of $285,803 (year ended December 31, 2021– $52,327).

During the year ended December 31, 2022, overall general and administrative expenses were $770,956 lower than the comparative period in 2021. The following is a breakdown of general and administrative expenses for the year ended December 31, 2022 and 2021:

Year Ended December 31,	**2022**	**2021**	**Change**
	$	**$**	**$**
Wages, benefits and incentive compensation (1)	577,016	345,026	(231,990)
Marketing and Promotion (2)	449,391	173,513	(275,878)
Professional fees (3)	346,300	320,912	(25,388)
AIM listing costs (4)	556,042	1,894,018	1,337,976
Office and general (5)	512,898	479,135	(33,763)
Total general and administrative expenses	2,441,647	3,212,604	770,957

(1) Costs were higher due to increased salaries expensed.
(2) Costs were higher during the year ended December 31, 2022 as a result of an increase in marketing costs.
(3) Costs were higher due to higher legal, audit and accounting fees.
(4) Costs were lower due to initial AIM admission costs paid in 2021.
(5) Costs were higher due to the increase in interest expense costs.

Three Months Ended December 31, 2022, Compared to Three Months Ended December 31, 2021

During the three months ended December 31, 2022, the Company had a net loss of $857,210 (three months ended December 31, 2021 – loss of $867,347), resulting in a net loss increase of $10,137.

Expenses during the three months ended December 31, 2022 were $891,308 (three months ended December 31, 2021 - $835,288), an increase of $56,020, and is primarily due to share-based payments of $5,773 during the three months ended December 31, 2022 compared to $nil during the three months ended December 31, 2021; general and administrative expenses of $872,281 (three months ended December 31, 2021 - $822,489), an increase of $49,792 and is primarily due to an increase in marketing and promotion.

During the three months ended December 31, 2022, the Company recorded interest on credit facility of $18,904 (three months ended December 31, 2021 – $5,000), unrealized gain on investments of $1,337 (three months ended December 31, 2021 – unrealized gain of $955) and accretion expense of $153,223 (three months ended December 31, 2021– $36,784).

Assets

Assets were $24,949,663 at December 31, 2022 (December 31, 2021 - $19,740,841), an increase of approximately 26%. Exploration and evaluation assets increased by approximately 8% from December 31, 2021. The total amount of exploration and evaluation assets represents approximately 16% of the total assets (December 31, 2021 – 19%). Property, plant and equipment increased by approximately 39%. The total amount of property, plant and equipment represents approximately 71% of total assets (December 31, 2021 –65% of total assets).

Receivables increased by $156,894 from December 31, 2021 due to an increase in GST/HST receivable, insurance reimbursement of litigation legal fees incurred and insurance settlement. Further, the Company had a decrease in prepaid expenses of $230,071. At December 31, 2022, the Company had cash of $337,831 (December 31, 2021 - $1,712,079), a decrease of $1,374,248. The Company had Right-of-use assets of $80,423 (December 31, 2021 - $127,960) and deferred financing cost of $2,377,748 (December 31, 2021 - $935,120).

Liabilities

At December 31, 2022, current liabilities were $6,613,765 (December 31, 2021 - $318,771). The variation is primarily due to an increase in amounts payable to vendors due to timing and the transfer of convertible debentures from a non-current liability to a current liability.

At December 31, 2022, non-current liabilities were $2,881,433 (December 31, 2021 - $3,037,116) for the lease liability, convertible debentures and Helm credit facility.

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

Shareholders' equity

At December 31, 2022, shareholders' equity decreased by $930,489 which is primarily due to the deficit and contributed surplus for the twelve months ended December 31, 2022.

As at December 31, 2022, the Company had 426,795,995 common shares issued and outstanding, 1,373,228 common share purchase warrants outstanding and 27,550,000 stock options outstanding, of which 26,475,000 were vested.

Investment portfolio

The Company's investments consist primarily of resource companies whose principal business is exploration and development. During the year ended December 31, 2022, there was no change in ownership of these investments but due to the fluctuation of the fair value of these investments, the Company reported an unrealized loss of $3,057 (year ended December 31, 2021 – unrealized gain of $4,968). At December 31, 2022, the market value of the Company's investments was $8,216 (December 31, 2021 – $11,273).

Cash Flow

For the year ended December 31, 2022, the Company decreased its cash position by $1,374,248 as a result of an increase in expenses.

Cash used in operations, including changes in non-cash working capital of $1,442,361, totaled $977,791 during the year ended December 31, 2022. This was as a result of net loss of $2,491,863 for the year ended December 31, 2022, adjusted for non-cash transactions including depreciation $52,787, accretion expense $285,803, unrealized loss on FVTPL investments of $3,057, interest on credit facility of $57,226 and gain on issuance of debt $343,696. For the year ended December 31, 2021, cash used in operations, including a loss in changes in non-cash working capital of $601,946, totaled a loss of $3,784,477. This was as a result of a net loss of $4,878,220 for the year ended December 31, 2021, adjusted for non-cash transactions including mainly share-based payments of $1,593,400, depreciation of $55,141 and accretion expense of $52,327.

Cash used in investing activities during the year ended December 31, 2022 totaled $3,270,281, which consisted of the expenditure on property in development stage of $3,059,001, the purchase of property, plant and equipment of $1,770 and acquisition and expenditure of exploration and evaluation assets of $209,510. The Company also repaid $80,423 of leases on right-of-use assets. The expenditure of exploration and evaluation assets cost was mainly for property acquisition and surface access fees of $199,025, geological and project management of $3,523 and environmental fees of $6,962. The expenditures on property in development stage was for property acquisition and surface access fees of $267,563, engineering of $1,022,795, geological and project management of $1,067,917 technical reports/feasibility study costs of $174,330 and project finance costs of $526,396. Cash used in investing activities during the year ended December 31, 2021, totaled $3,206,961, which consisted of: the acquisition and expenditure of exploration and evaluation assets of $365,461, the purchase of equipment of $7,378 and $2,834,122 for the Tugaske Project development costs. The expenditure of the Tugaske Project development assets cost was mainly for engineering $450,299, geological and project management of $912,896, property acquisition and surface access fees of $235,215, and technical reports/feasibility analysis of $1,206,135.

Cash generated by financing activities during the year ended December 31, 2022 totaled $3,318,394, due to cash proceeds from Helm Credit facility of $2,000,000, cash proceeds from promissory note of $250,000, proceeds from the issuance of shares of $480,000, proceeds from units to be issued of $690,500, proceeds from the exercise of options of $536,910, offset by the deferred financing costs paid of $535,270, cost of issuance of $38,570 and repayment of lease on right-of-use asset of $65,176.

Selected Annual Information

The following table sets out selected financial information for the Company as at December 31, 2022, 2021 and 2020 and for the years ended December 31, 2022, December 31, 2021 and December 31, 2020 and should be read in conjunction with the Company's audited consolidated financial statements attached hereto:

Description	Year Ended December 31, 2022 ($)	Year Ended December 31, 2021 ($)	Year Ended December 31, 2020 ($)
Net sales/total revenues	nil	nil	nil
Total net (loss) earnings (1)(2)	(2,491,863)	(4,878,220)	(1,002,361)
Net (loss) earnings per common share	(0.01)	(0.01)	(0.00)
Net (loss) earnings per common share on a diluted basis (3)(4)	(0.01)	(0.01)	(0.00)
	As at	**As at**	**As at**

	December 31, 2022 ($)	December 31, 2021 ($)	December 31, 2020 ($)
Total assets	24,949,663	19,740,841	14,518,302
Current liabilities	6,613,765	318,771	530,625
Non-current liabilities	2,881,433	3,037,116	6,851
Deficit	(33,560,852)	(31,068,989)	(26,190,769)

(1) Loss / earnings from continuing operations attributable to owners of the parent, in total.
(2) Loss / earnings attributable to owners of the parent, in total.
(3) Loss / earnings attributable to owners of the parent, on a per-share and diluted per-share basis; and declared per-share for each class of share; and
(4) Loss from continuing operations attributable to owners of the parent, on a per-share and diluted per-share basis.

- The net loss for the year ended December 31, 2022, consisted primarily of (i) general and administrative of $2,441,647; (ii) share-based payments of $36,534; (iii) depreciation expense of $52,787; and (iv) accretion expense of $285,803.
- The net loss for the year ended December 31, 2021, consisted primarily of (i) general and administrative of $3,212,604; (ii) share-based payments of $1,593,400; (iii) depreciation expense of $55,141; and (iv) accretion expense of $52,327.
- The net loss for the year ended December 31, 2020, consisted primarily of (i) general and administrative of $961,098; (ii) share-based payments of $132,900; (iii) depreciation expense of $59,316; and (iv) accretion expense of $20,061.
- As the Company has no revenue, its ability to fund its operations is dependent upon securing financing. See "Trends" and "Risks factors".

Selected quarterly information

The following table summarizes Gensource's key financial information for the last eight quarters.

	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net loss	(857,210)(1)	(181,233)(2)	(728,342)(3)	(725,079)(4)	(867,347)(5)	(2,119,954)(6)	(1,127,460)(7)	(763,459)(8)
Net loss per share(9)	0.01	0.00	0.00	0.01	0.01	0.01	0.00	0.00
Total assets	24,949,663	25,074,940	24,102,703	22,406,753	19,740,841	17,486,147	18,632,473	18,831,912

Notes:

(1) Net loss of $857,210 principally relates to general and administrative expenses of $872,281 and depreciation of $13,197. All other expenses related to general working capital purposes.
(2) Net loss of $181,233 principally relates to general and administrative expenses of $204,476; share-based payments of $10,728; and depreciation of $13,197. All other expenses related to general working capital purposes.

(3) Net loss of $728,342 principally relates to general and administrative expenses of $639,610; share-based

payments of $20,033; and depreciation of $13,196. All other expenses related to general working capital purposes.

(4) Net loss of $725,079 principally relates to general and administrative expenses of $725,281and depreciation of $13,197. All other expenses related to general working capital purposes.

(5) Net loss of $867,347 principally relates to general and administrative expenses of $822,489; and depreciation of $13,023. All other expenses related to general working capital purposes.

(6) Net loss of $2,119,954 principally relates to general and administrative expenses of $1,033,154; share-based payments of $1,066,900; and depreciation of $12,953. All other expenses related to general working capital purposes.

(7) Net loss of $1,127,460 principally relates to general and administrative expenses of $964,468; share-based payments of $154,137; and depreciation of $14,256. All other expenses related to general working capital purposes.

(8) Net income of $763,459 principally relates to general and administrative expenses of $392,493; share-based payments of $372,363; depreciation of $14,909 and offset by foreign exchange gain of $15,240. All other expenses related to general working capital purposes.

(9) Per share amounts are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amount.

Factors, such as global market conditions and the general economic environment that have caused variations in the results of the Company over the last eight quarters are discussed below in the "Liquidity and Capital Resources" section.

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 working capital position:

As at	**December 31, 2022**	December 31, 2021
Working capital ($) deficiency	5,892,833	(1,852,642)

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 and investment portfolio. The Company manages capital in proportion to risk and manages the investment portfolio and capital structure based on economic conditions and prevailing commodity pricing and trends.

The following table is a summary of quantitative data about what the Company manages as capital:

As at	**December 31, 2022($)**	December 31, 2021($)	Change($)
Cash	337,831	1,712,079	1,374,248
Prepaids and deposits	74,557	304,628	230,070
Receivables	300,327	143,433	(156,893)
Investments	8,216	11,273	3,057

The Company monitors these items to assess its ability to fulfill its ongoing financial obligations.

The Company relies on equity financings to maintain adequate liquidity to support its ongoing working capital commitments.

The final 2023 corporate budget will be allocated as follows (see "Caution Regarding Forward-looking Statements"):

Expenditures	Funds Required
General & administrative budget (1)	$3,000,000
Carrying costs to maintain properties in good standing	$400,000
Miscellaneous	$200,000
Total Expenditures	**$3,600,000**

(1) Salaries and Benefits - $750,000; Contract Services - $775,000; Legal and Audit Services- $400,000; Transfer Agent & Regulatory Fees - $575,000; and Office and Operating Costs - $500,000.

Given that Gensource is in the exploration and development phases and the Company has not earned any revenue since its inception other than the sale from select portfolio investments and royalties, and while the Company intends to spend the funds available to it as stated, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

The Company will be required to raise additional funding in order to continue operations at the current level for the twelve-month period ending December 31, 2023. In the long term, business plans, further exploration of Gensource's potash assets and investing in the development of additional projects will continue to require investment.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

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 year ended December 31, 2022, compensation of $400,000, respectively, (year ended December 31, 2021 - $558,330) were paid to related companies controlled by the officers of the Company. They were included in general and administrative expenses and development expenses.

	Year Ended December 31, 2022 ($)	Year Ended December 31, 2021 ($)
Rob Theoret (1)	200,000	279,165
101188810 Saskatchewan Ltd. (2)	200,000	279,165
Total	**400,000**	**558,330**

(1) Compensation to the VP Finance and Business Development. For the year ended December 31, 2022, 83% is included in development expenses and 27% in general and administrative expenses (year ended December 31, 2021 – 47% in exploration and evaluation and 53% in general and administrative expenses).

(2) Controlled by VP, Corporate Services. For the year ended December 31, 2022, 22% is included in exploration and evaluation and 78% is included in general and administrative expenses (year ended December 31, 2021 – 14% included in exploration and evaluation and 86% in general and administrative expenses).

Remuneration of directors and key management personnel, other than consulting fees, of the Company was as follows:

	Salaries and director fees		Share based payments		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2022 ($)	2021 ($)	2022 ($)	2021 ($)	2022 ($)	2021 ($)
Michael Ferguson, Director and Officer(1)	300,000	435,000	Nil	224,557	300,000	659,557
Alton Anderson, Director and Officer(2)	250,000	250,000	Nil	452,833	250,000	702,833
Stephen Dyer, Director	Nil	Nil	Nil	203,433	Nil	203,433
Calvin Redlick, Director	Nil	Nil	Nil	74,852	Nil	74,852
Mike Mueller, Director	Nil	Nil	Nil	74,852	Nil	74,852
Amy O'Shea, Director	Nil	Nil	Nil	151,185	Nil	151,185
T. Robert Theoret, Officer	Nil	Nil	Nil	149,704	Nil	149,704
Deborah Morsky, Officer	Nil	Nil	Nil	149,704	Nil	149,704
Total	**550,000**	**685,000**	**Nil**	**1,481,120**	**550,000**	**2,166,120**

(1) (2)For the year ended December 31, 2022, 62% is included in development expenses and 38% is As at December 31, 2022, certain officers were owed $966 (December 31, 2021 - $nil) and this amount was included in amounts payable and other liabilities.

To the knowledge of the directors and executive officers of the Company as of December 31, 2022, the common shares of the Company were widely held, which includes various 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.

New Accounting Standards adopted

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, were issued in May 2020, and are effective on or after January 1, 2022, with earlier application permitted. The amendments update references within IFRS 3 to the 2018 Conceptual Framework and require that the principles in IAS 37 "provisions, Contingent Liabilities and Contingent Assets" be used to identify liabilities and contingent assets arising from a business combination. Adoption of these amendments is not expected to have a significant impact on the Company's consolidated financial statements.

Recent Accounting Pronouncements

There are no other relevant IFRS's or IFRS interpretations that are not yet effective that would be expected to have a material impact on the Company.

Critical judgments and accounting estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates. The key sources of judgment and estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the consolidated financial statements are:

Exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits will flow to the Company, based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of such expenditure is unlikely, the amount capitalized is written off in the statements of operations and comprehensive loss in the period the new information becomes available. No indications of impairment were present at December 31, 2022.

Discount rate on initial recognition

The convertible debt and all the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the Company's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the Company would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a convertible debt and/or right-of-use asset.

Impairment of mining interests

The Company's management reviews the carrying values of its mining interests on transfer from an exploration property to a development property and on a regular basis to determine whether any write-downs are necessary. Property, plant and equipment is also reviewed on a regular basis to determine whether any write-downs are necessary. The recovery of amounts recorded for mining interests and property, plant and equipment depends on the Company's interpretation of its interest in the underlying mineral claims based on existing regulations, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. Management relies on the life-of-mine plans in its assessments of economic recoverability and probability of future economic benefit. Life-of-mine plans provide an economic model to support the economic extraction of reserves and resources. The life-of-mine plan requires the use of estimates and assumptions such as long term commodity prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, closure and rehabilitation costs, mineral reserves, and operating performance (which includes production and sales volume). The company performed an impairment test on the Tugaske Project as it entered development staged during fiscal year 2021. No impairment was identified.

Capital Management

The Company's objectives are to safeguard the Company's ability to continue as a going concern in order to support the Company's normal operating requirements, continue the development and exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

At December 31, 2022, the Company's capital structure consists of the equity of the Company. The Company is not subject to any externally imposed capital requirements. In order to maximize ongoing development efforts, the Company does not pay dividends.

As at	**December 31, 2022($)**	December 31, 2021 ($)	Change ($)
Cash	**337,831**	**1,712,079**	1,374,248
Prepaids and deposits	**74,557**	**304,628**	230,070
Receivables	**300,327**	**143,433**	(156,893)
Investments	**8,216**	**11,273**	3,057

The Company monitors these items to assess its ability to fulfill its ongoing financial obligations. Gensource relies on ongoing cost cutting measures and additional financing initiatives, if required, to maintain adequate liquidity to support its ongoing working capital commitments. As a result of economic conditions and market uncertainty, Gensource may: streamline operational costs; preserve cash to the extent possible; and adjust its strategy with respect to the disposition of securities to create additional liquidity for opportunities that may become available and to fund working capital. The Company will require a cash injection during the 2023 financial year from either debt, funds from a new partner or from a private placement in order to pursue its business plan.

Financial Instruments and Risk Management

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, 2022, available on SEDAR at www.sedar.com.

Fair value hierarchy and liquidity risk disclosure

Cash and investments	Level 1 $	Level 2 $	Level 3 $	Total $
As at December 31, 2022	346,047	nil	nil	346,047
As at December 31, 2021	1,723,352	nil	nil	1,723,352

Share Capital

The Company is authorized to issue an unlimited number of common shares. At December 31, 2022 and 2021, the Company has the following shares, warrants and options issued and outstanding:

	December 31, 2022	December 31, 2021
Common shares outstanding	426,795,995	420,488,995
Warrants	1,373,228	1,373,228
Options	27,550,000	33,500,000
Fully diluted	**455,719,223**	**455,362,223**

At the date of this MD&A, the Company has the following shares, warrants and options issued and outstanding:

Common shares outstanding	438,765,993
Warrants	13,500,225
Options	23,050,000
Fully diluted	**475,316,218**

Risk Factors

Gensource's financial condition, results of operations and business are subject to certain risks which may negatively affect the Company. Certain of these risks are described below. Additional risks not currently known to the Company, or that the Company currently believes to be immaterial, may also affect and have a negative impact on the business.

Commodity Price Fluctuations
The Company does not have any potash mining operations. The profitability of any such operations in which the Company has, or may have an interest, will be significantly affected by changes in the market prices of potash. Prices for potash fluctuate and have historically been subject to wide fluctuations and are affected by numerous factors beyond the control of the Company such as the level of interest rates, the rate of inflation, central bank transactions, world supply of potash, foreign currency exchange rates, international investments, monetary systems and political developments. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values.

Operating Hazards and Risks
Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions can occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. The Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. Any compensation for such liabilities may have a material, adverse effect on the Company's financial position.

Exploration and Development
Development of the Company's properties will only follow upon obtaining continuing satisfactory exploration results and being able to obtain sufficient financing to continue the development and eventual commercial production of potash. Mineral exploration and development are speculative in nature and involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any additional discoveries of reserves of potash or that the current reserves or resources will be developed to production or be commercially viable. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish resources and reserves through drilling and development and for mining and processing facilities and infrastructure. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for minerals, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Calculation of Reserves and Resources and Potash Recoveries

There is a degree of uncertainty attributable to the calculation of reserves and resources and the corresponding grades to be mined and recovered. Until reserves or resources are actually mined and processed, the quantities of mineralization and grades must be considered as estimates only.

Reclamation
There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of the project to cover potential risks. These additional costs may have a material adverse impact on the financial condition and results of the Company.

Government Regulation
Operations, development and exploration on the Company's properties are affected to varying degrees by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform, restrictions on production, price controls, tax increases, maintenance of claims, tenure, limitations on assignability or corporate ownership of mineral properties, and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations.

The activities of the Company require licenses and permits from various governmental authorities. While the Company currently has been granted the requisite licenses and permits to enable it to carry on its existing business and operations, there can be no assurance that the Company will be able to obtain all the necessary licenses and permits which may be required to carry out exploration, development and mining operations for its projects or to sell its projects or the Company itself.

Indigenous Peoples
Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of Indigenous peoples. The Company operates in some areas presently or previously inhabited or used by Indigenous peoples. Many of these materials impose obligations on government to respect the rights of Indigenous people. Some mandate that government consult with Indigenous people regarding government actions which may affect Indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to Indigenous people continue to evolve and be defined. The Company's current and future operations are subject to a risk that one or more groups of Indigenous people may oppose continued operation, further development, or new development of the Company's projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. Opposition by Indigenous people to the Company's operations may require modification of or preclude operation or development of the Company's projects or may require the Company to enter into agreements with Indigenous people with respect to the Company's projects.

Environmental Factors
All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the Company's properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

Title to Assets
Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the leases or claims in which it holds direct or indirect interests. The precise area and location of such leases or claims may be in doubt. The Company's leases or claims may be subject to prior unregistered agreements or transfers or native or indigenous land claims and title may be affected by unidentified or unknown defects.

Uncertainty of Funding
The Company's current operations do not generate any positive cash flow and it is not anticipated that any positive cash flows will be generated in the near future. The Company has limited financial resources, and the mineral claims in which the Company has an interest, or an option to acquire an interest, require significant financial expenditures to be made by the Company. There can be no assurance that adequate funding will be available to the Company to maintain these interests or as applicable, to exercise its option to acquire those interests once those options have been exercised.

Further exploration work and development of the properties in which the Company has an interest or option to acquire depend upon the Company's ability to obtain financing through joint venturing of projects, debt financing, or equity financing or other means. Failure to obtain financing on a timely basis could cause the Company to forfeit all or parts of its interests in mineral properties or reduce or terminate its operations.

Competition and Agreements with Other Parties
The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Potential Conflicts of Interest
Certain directors and officers of the Company also serve as directors and officers of other public and private companies, such as Gensource. Consequently, there exists the possibility that such directors will be in a position of conflict of interest. Any decision made by such directors involving these other companies will be made in accordance with applicable laws and the duties and obligations to deal fairly and in good faith with the Company and these other companies. In addition, such directors must declare, and refrain from voting on, any matter in which such directors may have a material conflict of interest.

The Company has not entered into non-competition with certain consultants, other geologists and technical expertise and has no current plans to do so. The Company may hire consultants, other geologists and technical expertise but there is no guarantee that the Company will be able to retain personnel with sufficient technical expertise to carry out future development of its properties.

Share Prices of Investments
Gensource's investments in securities of public companies are subject to volatility in the share prices of the companies. There can be no assurance that an active trading market for any of the shares is sustainable. The trading prices of the shares could be subject to wide fluctuations in response to various factors beyond

the control of Gensource, including quarterly variations in the investee companies' results of operations; changes in earnings, if any; estimates or commentaries provided by research analysts; conditions in the emerging resource exploration mining sector; and general market or economic conditions. In recent years, equity markets have experienced extreme price and trading volume fluctuations. These fluctuations have had a substantial effect on market prices, sometimes unrelated to the operating performance of the specific companies. Such market fluctuations could adversely affect the market price of the Company's investments, which would have a significant negative impact on the Company's operating results.

Concentration of Investments
Gensource's investments are concentrated in the emerging resource mineral mining sector. The Company expects to focus on a smaller number of larger sized transactions and therefore performance may be disproportionately subject to adverse developments in the resource sector. There are currently no restrictions on the proportion or the amount of Gensource's funds that may be allocated to any particular investment. Accordingly, the Company's investment activities may be highly concentrated in a limited number of investments, or a particular segment within the mineral resource sector. The consequence of this type of concentration is that the Company's financial results may be substantially adversely affected by the unfavourable performance of any one of the limited number of investments or the particular segment within the mineral mining sector.

Thinly Traded Securities
Gensource has in the past invested in common shares of publicly traded companies and holds common shares in public companies that are characterized by thin, and sometimes uneven, trading volumes and are potentially subject to highly volatile price movements. One of the factors used when determining the valuation of common shares held in the Company's investment portfolio is price volatility; therefore, the theoretical valuation of common shares for thinly traded companies may be understated or overstated as a result.

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 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 financial statements; and (ii) the 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.

Outlook

For the immediate future, the Company intends to raise additional financing for the following purposes:

- complete the financing of the Tugaske Project,
- working capital purposes, and
- to begin to develop a second project.

The Company continues to monitor its spending and will amend its plans based on business opportunities that may arise in the future.

Subsequent Events

i) As of this writing, Helm has confirmed that it has withdrawn its proposed 33% ownership offer in KClean. Helm remains supportive of the Tugaske Project pursuant to the binding off-take agreement dated May 7, 2021.

ii) Subsequent to December 31, 2022, the Company closed the second and final closing of the non-brokered private placement. The Company issued 11,969,998 Units for aggregate gross proceeds of $1,795,499.70. Each Unit consists of one common share in the capital stock of the Company (a "Common Share") and one Common Share purchase warrant of the Company (a "Warrant"). Each whole Warrant is exercisable for one Common Share (a "Warrant Share") at an exercise price of $0.30 per Warrant Share for a period of 24 months following the date of issuance. Pursuant to the terms of this closing of the Offering, the Company paid certain finders an aggregate cash commission of $27,300 and issued 157,000 non-transferable warrants (the "Broker Warrants") of the Company to such finders, with each Broker Warrant exercisable, for a period of 24 months from the date hereof, into one Common Share (a "Broker Warrant Share") at an exercise price of $0.30 per Broker Warrant Share.

iii) On February 3, 2023, the Company issued 1,000,000 options to a consultant at an exercise price of $0.14 for 5 years. 333,333 options vested on February 3, 2023, 333,333 options vest on April 15, 2023 and 333,334 options vest on October 15, 2023.

iv) On February 1, 2023, 2,000,000 options with an exercise price of $0.09 expired.

v) In accordance with TSX-V, Board policy and AIM/MAR regulations in respect to the publication of scheduled material announcements, a securities trading blackout was in place restricting the exercise of 3,500,000 options that were due to expire respectively on November 13, 2022 and December 9, 2022. These options were extended as regulated by the TSX-V and Company Stock Option Policy to February 9, 2023. These options were not exercised and expired February 9, 2023.

vi) The Company advanced their business relationship with Nekaneet First Nation. The strategic relationship with Nekaneet First Nation was formalized through its participation in Gensource's recently closed private placement (see news release dated January 31, 2023). The relationship encompasses equity ownership in Gensource and therefore a direct interest in the development of the Gensource potash projects in Saskatchewan.