



MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED

MARCH 31, 2023

Introduction

The following interim Management's Discussion & Analysis ("Interim MD&A" or "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") for the three months ended March 31, 2023 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, 2022. 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 MD&A has been prepared in compliance with the requirements of 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 Annual MD&A, the audited annual financial statements of the Company for the years ended December 31, 2022 and December 31, 2021 and the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three months ended March 31, 2023 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at May 19, 2023 unless otherwise indicated.

The unaudited condensed interim consolidated financial statements for the three months ended March 31, 2023, have been prepared using accounting policies consistent 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.

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.

Summary of Key Activities

As of the date of the MD&A, the following significant events have occurred in the quarter ending March 31, 2023 and up to the date of this MD&A:

- The company was proud to appoint Mr. Wayne Brownlee as a director. Mr. Brownlee's expertise and experience in the potash industry is unparalleled and management looks forward to working with him to realize the Company's strategic vision.

- 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 most recent 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.
- 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.
- 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 vested on April 15, 2023 and 333,334 options vest on October 15, 2023.
- On February 1, 2023, 2,000,000 options with an exercise price of \$0.09 expired.
- 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 commission to a certain finder consisting of a cash payment of \$6,300 and issued 117,000 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.
- Helm confirmed that it had withdrawn its proposed 33% ownership offer in KClean. Helm remains supportive of the Tugaska Project pursuant to the binding off-take agreement dated May 7, 2021.

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	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

Forward-looking statements	Assumptions	Risk factors
	<p>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.</p>	<p>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.</p>
<p>The Company's ability to meet its working capital needs at the current level for the twelve-month period ending March 31, 2024.</p>	<p>The operating and development of the Company for the twelve-month period ending March 31, 2024, 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.</p>	<p>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.</p>
<p>The Company's ability to carry out anticipated exploration and development on its property interests.</p>	<p>The exploration and development activities of the Company for the twelve-month period ending March 31, 2024 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.</p>	<p>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.</p>
<p>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.</p>	<p>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</p>	<p>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</p>

Forward-looking statements	Assumptions	Risk factors
	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.	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 development 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 March 31, 2023, was \$312,883 (December 31, 2022 – \$337,831), 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 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:

- Planning for the drilling of the first production cavern at Tugaske is underway. Timing of the drilling will be driven by financing.
- In addition, work is being scoped and planned for performance verification of specific cooling crystallization equipment that the Company believes may yield significant capital and operating cost savings for Tugaske and future projects.

To provide context to the above two points, during 2022, the Company began to review and update designs for two high-cost and high-complexity areas of the Tugaske project: the underground caverns and the surface processing (cooling crystallization) area. The Company believes it 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 still 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 Q1 2023 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 (Three months ended March 31, 2023)	(A) Spent Vanguard Area	(B) Spent Tugaske	Plans for the Project (Calendar Year 2023)	(B) Planned Expenditures
Property acquisition and surface access fees	\$ 166,136	\$ 134,767	Property acquisition and surface access fees (Tugaske Project Area)	\$ 900,000
Geological and project management	\$ Nil	\$ 71,790		
Engineering	\$ Nil	\$ Nil	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.
Drilling	\$ Nil	\$ Nil		
Technical reports/feasibility study	\$ Nil	\$ Nil		
Environmental	\$ Nil	\$ Nil		
Project Finance	\$ Nil	\$ 92,925		
Total	\$ 166,136	\$ 299,482		

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%

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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 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 three months ended March 31, 2023.

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 (Three months ended March 31, 2023)	(A) Spent	Plans for the Project	(B) Planned Expenditures
Land acquisition and staking	\$2,479	At the date of this MD&A, it is more likely, in the immediate term, for the Company to pursue an initial project in the Vanguard Area and therefore the budgeted expenditures are not included here.	\$10,000
Total	\$2,479		\$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

Selected quarterly information

	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Net loss	(765,328)	(857,210)	(181,233)	(728,342)	(725,079)	(867,347)	(2,119,954)	(1,127,460)
Net loss per share	0.00	0.01	0.00	0.00	0.00	0.01	0.01	0.00
Total assets	25,356,454	24,949,663	25,074,940	24,102,703	22,406,753	19,740,841	17,486,147	18,632,473

Three Months Ended March 31, 2023, Compared to Three Months Ended March 31, 2022

During the three months ended March 31, 2023, the Company had a net loss of \$765,328 (three months ended March 31, 2022 – loss of \$725,079), resulting in a net loss increase of \$40,249.

Expenses during the three months ended March 31, 2023 were \$641,916 (three months ended March 31, 2022 - \$738,478), a decrease of \$96,562, and is primarily due to share-based payments \$64,725 during the three months ended March 31, 2023 compared to (NIL) during the three months ended March 31, 2022; general and administrative expenses of \$564,307 (three months ended March 31, 2022 - \$725,281), a decrease of \$160,974, primarily due to a decrease in AIM listing costs and in office and general expenses.

During the three months ended March 31, 2023, the Company recorded interest income of \$2,102, (three months ended March 31, 2022 – \$441), unrealized loss on investments of \$2,579 (three months ended March 31, 2022 – unrealized loss on investments of \$1,719) and accretion expense of \$79,569 (three months ended March 31, 2022– \$43,538).

During the three months ended March 31, 2023, overall general and administrative expenses were \$160,974 lower than the comparative period in 2022. The following is a breakdown of general and administrative expenses for the three months ended March 31, 2023 and 2022:

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Three Months Ended March 31,	2023	2022	Change
	\$	\$	\$
Wages, benefits and incentive compensation ⁽¹⁾	154,913	45,180	(109,733)
Marketing and Promotion ⁽²⁾	130,841	27,210	(103,631)
Professional fees ⁽³⁾	123,620	63,783	(59,837)
AIM listing costs ⁽⁴⁾	100,235	307,051	206,816
Office and general ⁽⁵⁾	54,698	282,057	227,359
Total general and administrative expenses	564,307	725,281	160,974

(1) Costs were higher due to increased salaries expensed.

(2) Costs were higher during the three months ended March 31, 2023 as a result of an increase in marketing costs.

(3) Costs were higher due to an increase in audit and accounting fees.

(4) Costs were lower due to the decrease in AIM related legal fees.

(5) Costs were lower due to recovery of expenses from KClean Potash Corporation.

Assets

Assets were \$25,356,454 at March 31, 2023 (December 31, 2022 - \$24,949,663), an increase of approximately 2%. Exploration and evaluation assets increased by approximately 4% from December 31, 2022. The total amount of exploration and evaluation assets represents approximately 16% of the total assets (December 31, 2022 – 16%). Property, plant and equipment increased by approximately 2%. The total amount of property, plant and equipment represents approximately 72% of total assets (December 31, 2022 – 71% of total assets).

Receivables decreased by \$2,496 from December 31, 2022 due to a decrease in GST/HST receivable. Further, the Company had a decrease in prepaid expenses of \$24,570. At March 31, 2023, the Company had cash of \$312,883 (December 31, 2022 - \$337,831), a decrease of \$24,948. The Company had Right-of-use assets of \$68,538 (December 31, 2022 - \$80,423) and deferred financing cost of \$2,383,919 (December 31, 2022 - \$2,377,748).

Liabilities

At March 31, 2023, current liabilities were \$6,608,260 (December 31, 2022 - \$6,613,765). The variation is primarily due to a decrease in amounts payable to vendors.

At March 31, 2023, non-current liabilities were \$2,916,432 (December 31, 2022 - \$2,881,433) for the lease liability 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 March 31, 2023, shareholders' equity increased by \$377,297 which is primarily due to the increase in PP&E during the three months ended March 31, 2023.

As at March 31, 2023, the Company had 438,765,993 common shares issued and outstanding, 13,460,225 common share purchase warrants outstanding and 23,050,000 stock options outstanding, of which 21,345,833 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, 2023, 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 \$2,579 (three months ended March 31, 2022 – unrealized loss of \$1,719). At March 31, 2023, the market value of the Company's investments was \$5,637 (December 31, 2022 – \$8,216).

Cash Flow

For the three months ended March 31, 2023, the Company decreased its cash position by \$24,948 as a result of an increase in expenses.

Cash used in operations, including changes in non-cash working capital deficiency of \$24,621, totaled a deficiency of \$611,699 during the three months ended March 31, 2023. This was as a result of net loss of \$765,328 for the three months ended March 31, 2023, adjusted for non-cash transactions including mainly depreciation \$12,884, share-based payments of \$64,725, accretion expense of \$79,569, unrealized gain on FVTPL investments of \$2,579 and interest on credit facility of \$18,493. For the three months ended March 31, 2022, cash used in operations, including changes in non-cash working capital of \$1,741,638, totaled \$1,085,218. This was as a result of a net loss of \$725,079 for the three months ended March 31, 2022, adjusted for non-cash transactions including mainly depreciation of \$13,197, accretion expense on \$43,538, unrealized gain on FVTPL investments of \$1,719 and interest on credit facility of \$10,205.

Cash used in investing activities during the three months ended March 31, 2023 totaled \$468,096, which consisted of the expenditure on property in development stage of \$299,482 and the expenditure of exploration and evaluation assets of \$168,614. The expenditure of exploration and evaluation assets cost was all for annual mining lease payments and surface access fees of \$168,614. The expenditures on property in development stage was for annual mining lease payments and surface access fees of \$134,767, geological and project management of \$71,790 and project finance costs of \$92,925. Cash used in investing activities during the three months ended March 31, 2022 totaled \$2,380,287 which consisted of the expenditure on property in development stage of \$2,123,697, the acquisition and expenditure of exploration and evaluation assets of \$254,820 and repayment of right-of-use assets of \$16,098. The expenditures on property in development stage was for engineering \$1,072,785, geological and project management of \$760,496, technical reports/feasibility study costs of \$238,836 and surface access fees of \$51,580.

Cash generated by financing activities during the three months ended March 31, 2023 totaled \$1,054,847, due to proceeds from the issuance of shares of \$1,105,000, offset by the cost of issuance of \$27,100, deferred financing costs of \$6,171 and the repayment of lease on right-of-use asset of \$16,882.

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	March 31, 2023	December 31, 2022
Working capital deficiency (\$)	5,941,922	5,892,834

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	March 31, 2023(\$)	December 31, 2022 (\$)	Change (\$)
Cash	312,883	337,831	24,948
Prepays and deposits	49,987	74,557	24,570
Receivables	297,831	300,327	2,496
Investments	5,637	8,216	2,579

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, 2023, compensation of \$100,000, (three months ended March 31, 2022 - \$99,998) were paid to related companies controlled by the officers of the Company. They were included in general and administrative expenses and development expenses. Included in amounts payable and other liabilities was \$35,000 (December 31, 2022 - \$nil) owed to related parties for fees and expenses.

	Three months ended March 31, 2023 (\$)	Three months ended March 31, 2022 (\$)
Rob Theoret ⁽¹⁾	50,000	49,998
101188810 Saskatchewan Ltd. ⁽²⁾	50,000	50,000
Total	100,000	99,998

⁽¹⁾ Compensation to the VP Finance and Business Development. For the three months ended March 31, 2023, 100% is included in development properties (three months ended March 31, 2022 – 100% is included in development properties).

Gensource Potash Corporation
Management's Discussion and Analysis – Quarterly Highlights
Three Months Ended March 31, 2023
Dated: May 19, 2023



(2) Controlled by VP, Corporate Services. For the three months ended March 31, 2023, 100% is included in general and administrative expenses (three months ended March 31, 2022 – 100% is included 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	
	Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
	2023 (\$)	2022 (\$)	2023 (\$)	2022 (\$)	2023 (\$)	2022 (\$)
Michael Ferguson, Director and Officer ^(a)	75,000	75,000	Nil	Nil	75,000	75,000
Alton Anderson, Director and Officer ^(b)	62,500	62,500	Nil	Nil	62,500	62,500
Stephen Dyer, Director	Nil	Nil	Nil	Nil	Nil	Nil
Calvin Redlick, Director	Nil	Nil	Nil	Nil	Nil	Nil
Mike Mueller, Director	Nil	Nil	Nil	Nil	Nil	Nil
Amy O'Shea, Director	Nil	Nil	Nil	Nil	Nil	Nil
T. Robert Theoret, Officer	Nil	Nil	Nil	Nil	Nil	Nil
Deborah Morsky, Officer	Nil	Nil	Nil	Nil	Nil	Nil
Total	137,500	137,500	Nil	Nil	137,500	137,500

(a) For the three months ended March 31, 2023, 80% is included in development expenses and 20% is included in general and administrative expenses.

(b) For the three months ended March 31, 2023, 70% is included in development expenses and 30% is included in general and administrative expenses.

As at March 31, 2023, certain officers were owed \$30,350 (December 31, 2022 - \$966) 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 March 31, 2023, 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

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements (“IAS 1”)

IAS 1 was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. Adoption of the amendment did not have a material impact on the Company's unaudited condensed interim consolidated financial statements.

Amendments to IAS 8 – accounting policies, changes in accounting estimates and errors

The amendments to IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. Adoption of the amendment did not have a material impact on the Company's unaudited condensed interim consolidated financial statements.

Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 16 - Leases (“IFRS 16”)

IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting however remains largely unchanged from IAS 17 and the distinction between operating and finance leases is retained. The amendment are effective for annual periods beginning on January 1, 2024.

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 March 31, 2023.

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.

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, 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 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 Tugaskie 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

- On April 14, 2023, Michael Mueller resigned his position as a Director of the Company.
- On April 24, 2023, the Company announced an amendment to the maturity date of the promissory note (the "Promissory Note") issued to Michael Ferguson. The maturity date was extended to July 1, 2024.
- On May 3, 2023, Wayne Brownlee was appointed as an Independent Director of the Company.
- On May 8, 2023, Wayne Brownlee, an independent director, was granted 1,000,000 stock options at an exercise price of \$0.125, exercisable for a period of 5 years.