

GENSOURCE ANNOUNCES KICK-OFF OF A TWO-WELL DRILLING PROGRAM FOR ITS VANGUARD PROJECT

SASKATOON, Saskatchewan – November 17, 2016 – Gensource Potash Corporation (“**Gensource**” or the “**Company**”) (**TSX.V: GSP**) is excited to announce the kick-off of its planned drilling program at its 100% owned Vanguard property in central Saskatchewan. The Vanguard area comprises two Saskatchewan subsurface mineral leases, KL 244 and KL 245, surrounding the towns of Tugaske and Eyebrow, Saskatchewan.

Two vertical resource confirmation wells are planned in the first focus area of Vanguard, just south and east of Tugaske. The purpose of the drilling is threefold:

- Confirm resource extent and grade in the area adjacent to one of the initial resource wells drilled in the area in 2012;
- Upgrade resource categorization from Inferred (see Gensource News Release dated April 28, 2016 for information on the initial NI 43-101 resource definition) to Measured and Indicated and issue a revised NI 43-101 Resource Report; and
- Prepare for the integration of the Resource into the on-going feasibility study and subsequent conversion to Reserve.

Well locations have been selected based on resource estimation criteria as well as seismic interpretation from the 2D seismic program shot during 2012. Both wells will be vertical and core is planned to be retrieved from top to bottom of the Prairie Evaporite formation. Core, of course, is the goal of the drilling program and will be analysed for KCl/K₂O (potash) grade and other geological features which will help confirm continuity of resource from well to well. Planned well locations are shown in Figure 1.

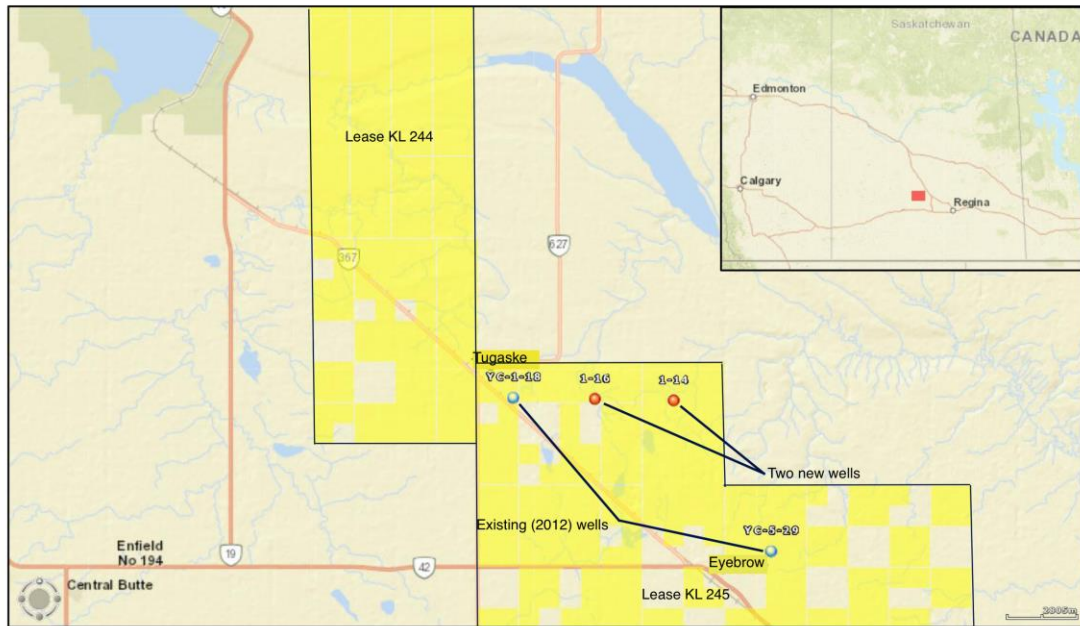


FIGURE 1 – Map Showing New and Historical (2012) Drilling

Gensource has completed its procurement process and is pleased to advise that it has contracted Akita Drilling to complete the two well program. Akita will be supported by many service providers at the site, lead by Artisan Consulting, who will be providing drill site supervision and coordination.

Drill site land lease agreements have been signed with land owners and construction of the first lease area has already begun. Rig move is planned for late this week (target November 18-19) and drilling will begin as soon thereafter as possible. It is estimated that each well will take approximately 12 days to complete.

Gensource’s President & CEO, Mike Ferguson, said, “We are excited to be kicking off the drilling program at Vanguard. As we’ve consistently communicated, a small project such as that planned for the Vanguard area is triggered by the required “market” demand for the product: Now that we have a signed off take agreement in place (see Gensource News Release dated September 26, 2016 for information on the Off Take Agreement), it is satisfying to see the beginning of detailed project development work like drilling and the detailed feasibility study. Timing of the drilling and assaying work has been managed to ensure that the results, i.e. resource estimation and 43-101 resource report, will be available for inclusion in the already-underway feasibility study. We will continue to communicate our progress as we go...”.

The scientific and technical information contained in this news release was reviewed and approved by Mike Ferguson, P.Eng., the President and CEO of Gensource and a Qualified Person under NI 43-101.

About Artisan Consulting Services

Artisan Consulting Services Ltd. is a privately owned company operating out of Carlyle, SK specializing in well planning, AFEs (Approvals for Expenditure), bidding and procurement, government requirements and licensing, site construction, drilling, reclamation, cost control, forecasting and end of well reporting. Artisan's teams of wellsite consultants have a wealth of experience in the drilling of vertical, directional and horizontal wells within the potash industry and are very active in the planning and drilling of injection, disposal and exploration wells for conventional and solution mining.

Over the past 31 years Artisan has been involved in the drilling of more than 180 potash exploration wells and more than 1200 potash related wells which include solution production, disposal, observation, freeze wells, pilot hole, shaft wells, grout and back fill wells.

In addition, Artisan has been involved in many wells outside the potash industry for oil, gas, heavy oil, coal, carbon capture or disposal wells using vertical, directional and horizontal technology including multi-pad drilling projects which involved multi-leg directional work.

About Akita Drilling

Established in 1992, AKITA is a diversified drilling contractor that provides contract drilling services primarily in Western Canada drilling conventional and nonconventional (pad) drilling plays. With its corporate office located in Calgary, Alberta and its operations office located in Nisku, Alberta, the company operates a modern fleet of 33 rigs, and at capacity employs a staff of nearly 600. AKITA is distinguished among its peers with its commitment to foster meaningful and long lasting business relationships with Aboriginal communities who live proximate to land base where resource development is occurring. AKITA is listed on the Toronto Stock Exchange under the Symbol "AKT.A."

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province. Gensource's President and CEO, Mike Ferguson P.Eng., has assembled a management and technical team with

direct and specific expertise and experience in potash development in Saskatchewan, and organized that team with a business plan focusing on small scale, economical production and vertical integration. Gensource plans to use up-to-date techniques and technologies to implement a potash facility like no other in the province – one that has a very small environmental footprint and community impact.

For further information about the Company please contact:

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This news release may contain forward looking information and Gensource cautions readers that forward looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of Gensource included in this news release. This news release includes certain "forward-looking statements", which often, but not always, can be identified by the use of words such as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". These statements are based on information currently available to Gensource and Gensource provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements with respect to Gensource's future plans, objectives or goals, to the effect that Gensource or management expects a stated condition or result to occur, including the expected timing for release of a reserve estimate and a feasibility study, and the establishment of vertical integration partnerships and the sourcing of end use potash purchasers. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Gensource's mineral properties, the ability to complete a feasibility which supports the technical and economic viability of mineral production, Gensource's financial condition and prospects, the ability to establish viable vertical integration partnerships and the sourcing of end use potash purchasers, including approval of the Yancoal Canada off take agreement by its parent company, could differ materially from those currently anticipated in such statements for many reasons such as: an inability to finance and/or complete an update of the resource estimate to a reserve estimate, and a feasibility study which supports the technical and economic viability of mineral production; changes in general economic conditions and conditions in the financial markets; the ability to find distributors and source off-take agreements including approval of the Yancoal Canada off take agreement by its parent company; changes in demand and prices for potash; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Gensource's activities; and other matters discussed in this news release and in filings made with securities regulators. This list is not exhaustive of the factors that may affect any of Gensource's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on Gensource's forward-looking statements. Gensource does not undertake to update any forward-looking statement that may be made from time to time by Gensource or on its behalf, except in accordance with applicable securities laws.
