

GENSOURCE ANNOUNCES INITIATION OF THE NEXT-STAGE RESOURCE CONFIRMATION WORK IN ITS VANGUARD AREA

SASKATOON, Saskatchewan – July 26, 2017 – Gensource Potash Corporation ("**Gensource**" or the "**Company**") (TSX.V: GSP) is pleased to announce that initial steps are underway to advance resource development work in its Vanguard Area in south central Saskatchewan. Expanding the definition of the resource in the Vanguard Area creates additional project opportunities for Gensource and potential market partners.

The general Vanguard Area consists of mineral extraction leases KL 245 and KL 244, surrounding the villages of Tugaske and Eyebrow in south central Saskatchewan. Field work completed to-date at Vanguard (2D seismic, drilling and 3D seismic) has been focused on the north-west portions of KL 245 and forms the basis of the Resource and Reserve associated with the Company's Vanguard One project and subsequent Feasibility Study (see May 31, 2017 News Release for Feasibility Study Results). As previously discussed, because of the small-scale nature of Gensource's projects, it is the Company's general business plan to implement several projects on each lease. Each small project will be executed under a joint venture arrangement and will allocate its production to a specific market as directed by the joint venture partner.

Gensource is excited to now kick-off initial work in the neighbouring lease, KL 244, with an aim to advance definition of the resource there. Lease KL 244 has a total area of 16,562.832 hectares (40,927.649 acres) of crown mineral rights available for development.

The normal course of work for resource confirmation is to execute a 2D (two dimensional) seismic program to obtain a better idea of the geological structures across large areas and to help determine drilling locations. A drilling program is then defined (number of holes, locations, drilling depths and coring procedures) and executed to provide reliable stratigraphic data and potash zone thicknesses and grades. Finally, a 3D (three dimensional) seismic program is executed across the area of the lease most prospective as a future mining area and is used to help define mineral reserves in conjunction with a feasibility study. All of these steps will be taken on the KL 244 lease.

Gensource, however, continues to drive innovation in the potash industry, just as it has done to-date with its advanced mining and processing techniques, significantly improved environmental impact and its unique business approach. With innovation at its core, the Company is pleased to announce it has entered into a test phase of using a novel set of geophysical tools as a first step in resource definition, prior to the 2D seismic program. The results of this new geophysical program will be correlated to existing well log and geological/geophysical data and then, once calibrated, will be utilized as a precursor to the planned 2D seismic program, with the aim of helping to optimize 2D seismic locations and augment the seismic results obtained from the program. These novel geophysical analyses will be executed over the summer period, allowing for the execution of the optimized 2D seismic program starting in the fall.

Mike Ferguson, President & CEO of Gensource, said "We are excited to move forward with plans to further define and understand our resource on the KL 244 lease. KL 245 has proven to be a fantastic area for project development, as evidenced by the recently completed NI 43-101 Technical Report summarizing the feasibility study and we are confident, from the data available to-date, that KL 244 will be an excellent addition to our overall resource available for our small-scale selective solution mining project modules. Using innovative techniques, and a staged-approach, our goal is to gain valuable information and insight into the geology of KL 244, and optimize our field programs to extract the most value for our shareholders in the most cost-efficient manner."

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on developing the next potash production facility in that province, using new and more efficient mining and processing methods and employing a new-to-the-potash-industry business model that connects the consumer of potash (agricultural producers) as directly as possible to the production of the product. 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.

Gensource operates under a business plan that has two key components: vertical integration with the market to ensure that all production capacity built is directed to a specific market, eliminating market-side risk, and technical innovation which will allow for a small *and* economic potash production facility, the output of which can then be directed to a single, specific market.

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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 funding and development pursuant to the definitive joint venture agreement with the EGME, the ability to successfully implement the feasibility study for mineral production on a technical and economic basis, 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, funding and development pursuant to a definitive joint venture agreement with the EGME, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Gensource's mineral properties, the ability to successfully implement the feasibility study for mineral production on a technical and economic basis, Gensource's financial condition and prospects, the ability to establish viable vertical integration partnerships and the sourcing of end use potash purchasers, could differ materially from those currently anticipated in such statements for many reasons such as: failure to obtain funding and undertake development pursuant to the definitive joint venture agreement with the EGME; an inability to successfully implement the feasibility study for mineral production on a technical and economic basis; changes in general economic conditions and conditions in the

financial markets; the ability to find distributors and source off-take agreements; 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.