

## **GENSOURCE PROVIDES UPDATE ON ITS VANGUARD POTASH CORP JOINT VENTURE**

**SASKATOON, Saskatchewan – August 30, 2017 – Gensource Potash Corporation** (“Gensource”) (**TSX.V: GSP**) is pleased to provide an update on its Vanguard Potash Corp. joint venture (“JV” or “Vanguard”) with Essel Group ME Limited (“EGME”).

Gensource and its JV partner, EGME, signed a shareholder agreement (the “Shareholder Agreement”) to create the Vanguard JV on April 4, 2017. The purpose of the JV is to finance, construct and operate a new potash production facility in Saskatchewan on Gensource’s wholly owned subsurface mineral lease KL 245.

The Company is pleased to advise that the parties (Gensource and EGME) are engaged in ongoing discussions on the operational details of how the JV will be structured and how it will move forward this fall. In-person planning meetings are set for London, UK, in early September to define and agree on the detailed work program and cash flow requirements for Vanguard. A subsequent Vanguard directors meeting is expected where the work plan and cash flow will be reviewed and hopefully approved, which would allow the JV to move ahead with project development activities. The Shareholder Agreement contained a deadline of August 31, 2017 for the completion of certain conditions precedent. With the planning meetings set for early September, the parties have therefore agreed to extend the August 31<sup>st</sup> deadline to September 30, 2017 to allow for the completion of these planning and approval activities.

On March 31, 2017, Gensource announced the completion of a feasibility study for one of its small scale selective solution mining projects. These small projects are referred to as modules and each module is capable of producing 250,000 tonnes per year (t/a) of final product. By design, any production facility can be easily expanded by simply constructing additional modules of 250,000 t/a. It is on the basis of this completed feasibility study that the JV is planning its next steps in the development of what it is calling the Vanguard One project.

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

### **About EGME**

EGME is a diversified conglomerate operating primarily in the Europe, Middle East, Africa and Asia Pacific region.

EGME is part of Essel Group, the Indian multinational conglomerate operating in a broad spectrum of industries including media, packaging, infrastructure and technology. Building on Essel Group's 90 year history of developing and promoting businesses, EGME is leading the Group's regional expansion and currently operates subsidiary businesses in the natural resources, energy, industrial supply and logistics, education and financial services sectors. For further information, please visit [www.esselgroupme.com](http://www.esselgroupme.com)

## **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.

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.

For further information please contact:

### **Gensource Potash Corporation:**

Mike Ferguson, President & CEO  
Telephone: (306) 974-6414  
Email: [mike@gensource.ca](mailto:mike@gensource.ca)

***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

---

### *Caution Regarding Forward-Looking Statements*

*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 settlement of a definitive joint venture agreement with the Essel Group on the terms of the memorandum of understanding between EGME and Gensource (announced on November 29, 2016) or at all, the expected timing for release of a reserve estimate and a feasibility study and whether or not the study will conclude that mineral production is feasible on a technical or 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, settlement of a definitive joint venture agreement with the Essel Group, 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: failure to settle a definitive joint venture agreement with the Essel Group on the terms as announced or at all, and advance and finance the project in accordance with the terms of the definitive joint venture agreement; 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.*

---