

A Better Approach to Potash Production

“Fundamental Shift in Logic Not Landscape...”

Disclaimer

This presentation does not constitute and offer to sell, or the solicitation for the offer to buy, the securities of Gensource.

The scientific and technical information contained in this presentation has been reviewed and approved by Mike Ferguson, P.Eng., who is the President and Chief Executive Officer of Gensource and a “qualified person” under National Instrument 43-101.

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 funding and development pursuant to the definitive joint venture agreement with the EGME, 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, 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 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, 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 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; 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.

How do you make \$\$ in Potash?

Disrupt the highly controlled potash market

Vertical Integration

- Creating an integrated business model with key single-market purchasing partners
- Product is pre-sold through negotiated take-or-pay agreements

Technical Innovation

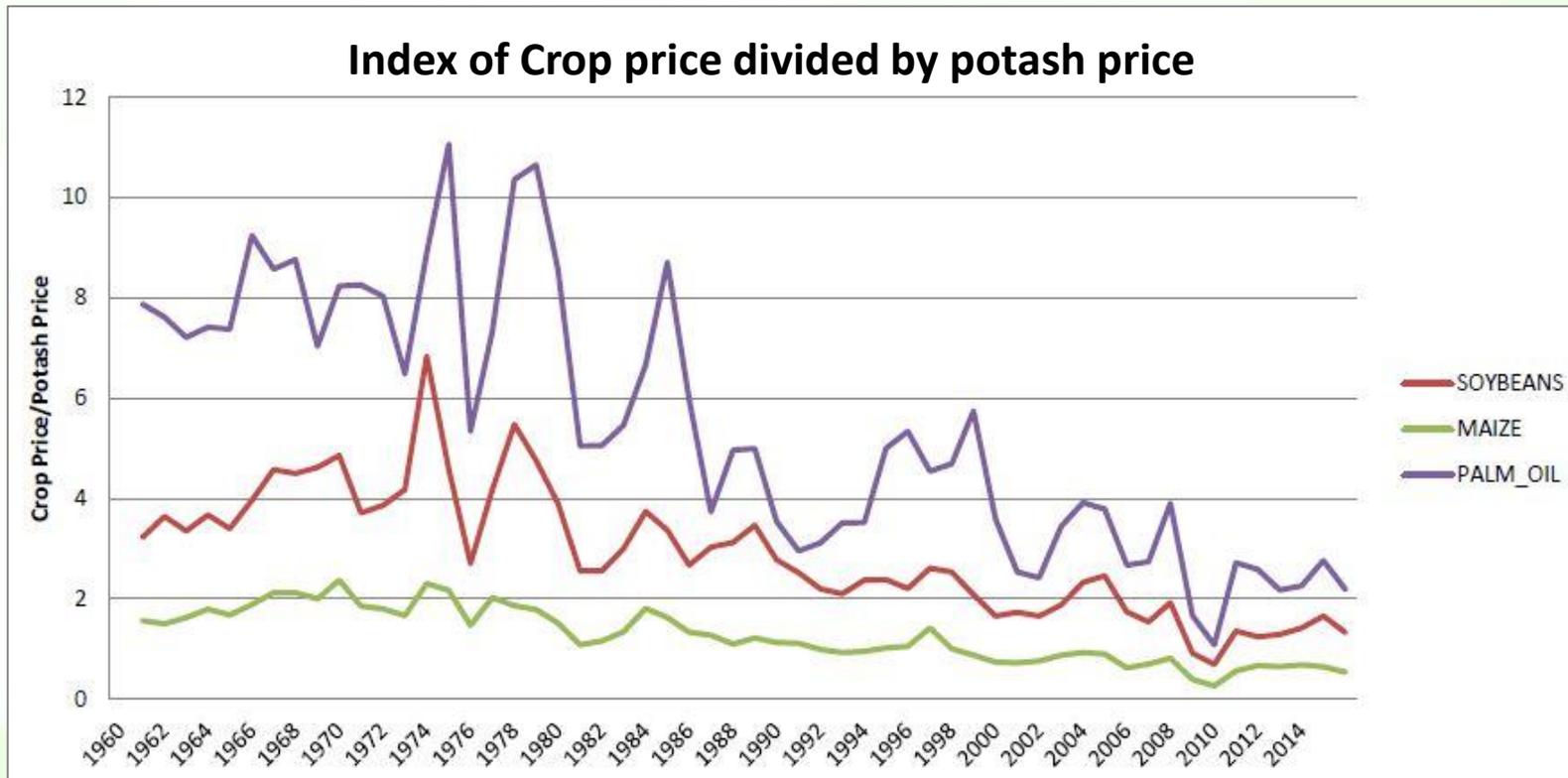
- Selective dissolution using directional drilling and horizontal caverns, a 21st century extraction and processing technique, provides significant lower Capex & Opex
- Leaves no environmental footprint

Small & Scalable

- Economic small scale extraction operations (250,000 t/a) are quicker to develop
- Ability to add numerous facilities on same project area

Why Nutrients? Why Potash?

Farmers face continued margin compression and have zero potash supply choice



Source: World Bank data statistics, IMF International Fin. Stats., Gensource Potash (TSX.V: GSP)

What are we solving?

Users seek additional potash sources to reduce dependency from the few large group of suppliers

Choice:

- Provides a dedicated supply to consumers from a new and independent producer direct from the mine gate

Cheaper:

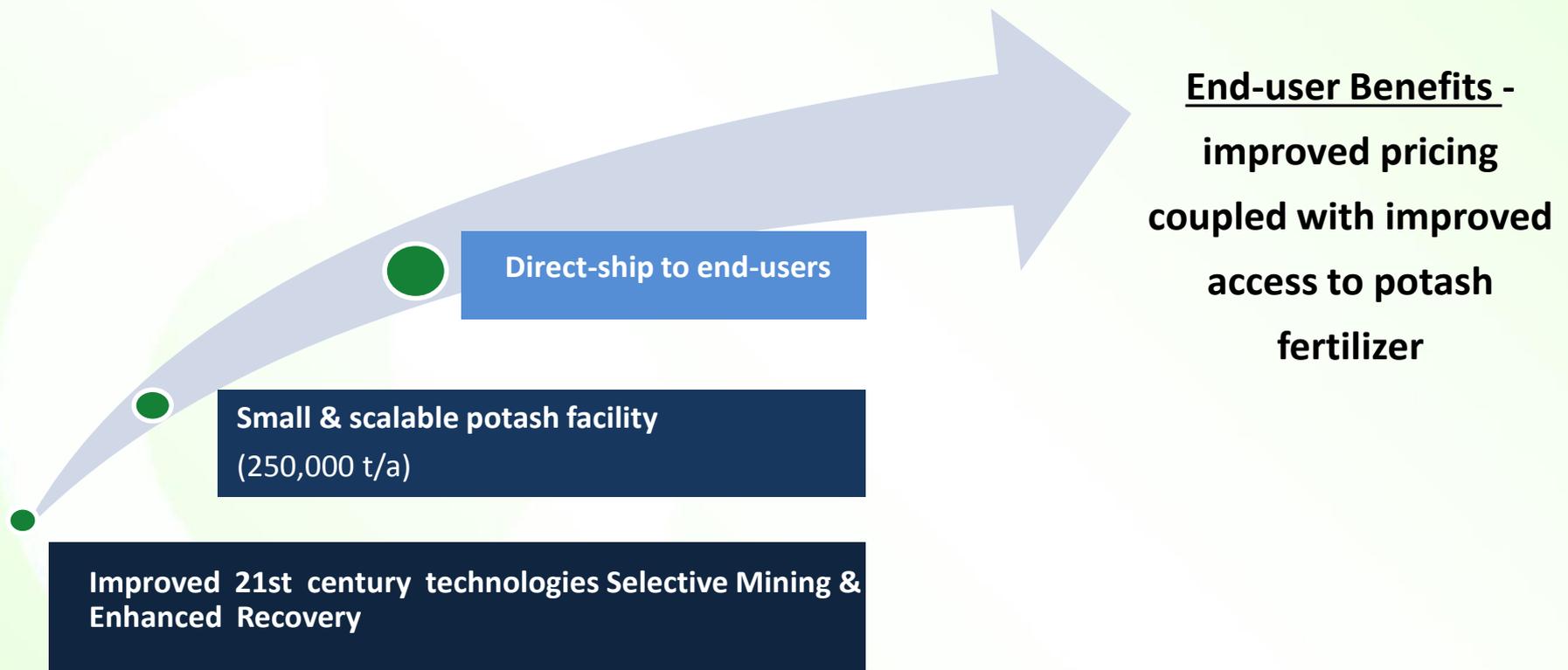
- Direct-to-consumer sales result in significant savings by avoiding the “middle man” distribution channel

Cleaner:

- Quicker to permit
- Environmentally head and shoulders above existing potash operations

Vertical Integration – Why Now?

Vertical integration was impossible due to high barriers of entry. New extraction methods have changed that.



Market Opportunity

How do you be vertically integrated in an industry that lives as an Oligopoly?

1. Start with a senior team of industry leading experts in cavern design, potash processing and project management
2. Assemble a massive resource. Gensource has three (3) project areas with +100,000 acres of mineral leases
3. Pre sell 100% of **initial** scoped potash production to credit worthy market partner
4. Utilize **existing** and up-to-date **selective mining** techniques and novel processing methods
5. Duplicate. Each project area can hold multiple satellite facilities to meet presold demand

1) Technical Team

These individuals, together with Mike Ferguson, comprised the core Potash One team responsible for the project's success

Max Ramey, P. Eng. - Solution Mining

Solution mining lead for the Potash One - Legacy Project (as well as the Rio Tinto - Potasio Rio Colorado Project in Argentina). Solution mining lead for the design, pilot testing, commissioning, and operation of the American Soda nahcolite solution mining project in Colorado, USA. With 31 years of solution mining experience and a track record in operations, design, and commissioning of solution mining facilities, Max is a world-class expert in high demand throughout the solution mining industry.

John McEwan, P. Eng. - Processing

Developed the process design for the Legacy project, as well as the Potasio Rio Colorado Project in Argentina based on his over 40 years in the mining/ mineral processing industry. With solution processing expertise in many minerals under varied chemical conditions, John leads the effort to move processing techniques into the 21st century, providing an exceptionally efficient processing solution for Gensource's selective dissolution projects.

Sandy Debusschere - Drilling

Sandy is a well-known and sought-after drilling design and execution consultant in the province, with extensive experience in oil & gas and potash exploration and operational drilling. Sandy is responsible for the drilling design for Potash One's Legacy Project as well as for several other solution mining projects in Saskatchewan and worldwide. Sandy's expertise extends to horizontal drilling and solution mining-specific aspects of drilling and casing operations.

Management & Board Strength

Experienced Leadership - Management

Mike Ferguson, P. Eng. - President & CEO

Led the world-class team that developed Potash One's Legacy Project, the only Saskatchewan greenfield potash development in 40 yrs to proceed to construction. **Sold to K+S for \$434 million**

Rob Theoret, B.Comm., CIM - CFO

20 years capital market experience. Co-founder of NEXXT Potash (predecessor to Gensource Potash) and successfully financed several junior development companies

Deborah Morsky – VP Corp. Services

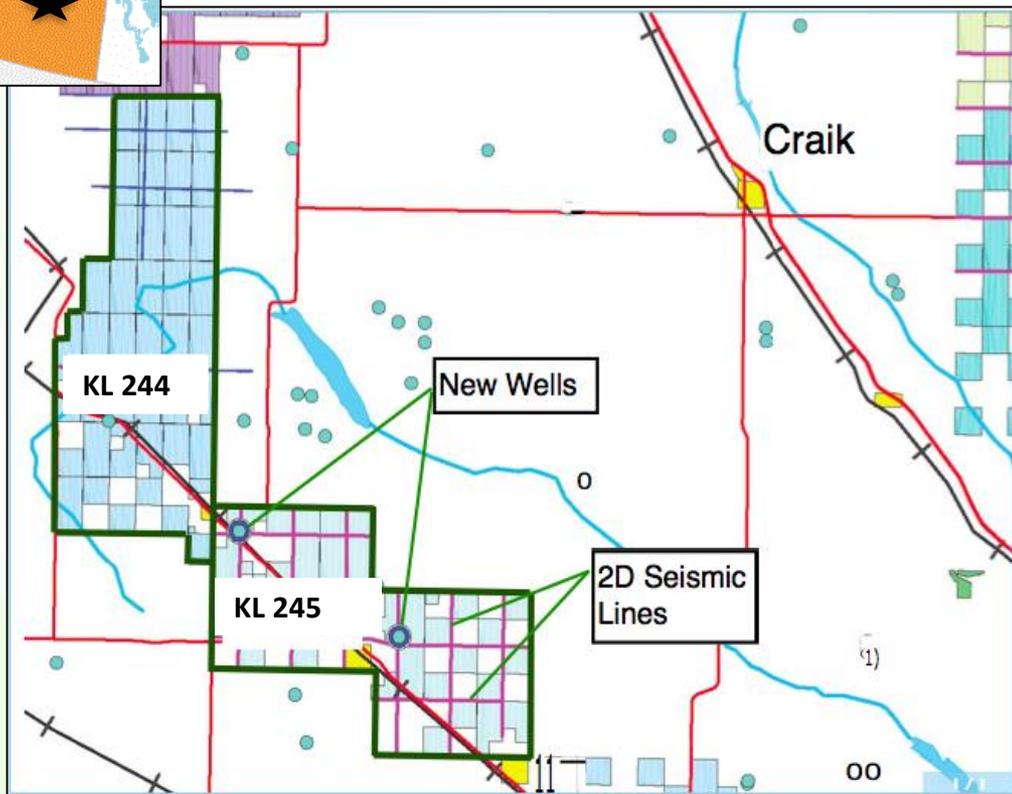
Deborah brings 25 plus years of family business leadership and experience as a professional in insolvency and financial restructuring.

Paul Neufeld, P. Eng. - Project Manager

Experienced project manager in the mining and minerals industry with specific experience managing potash related projects in Saskatchewan.

2) Assemble Resource - Vanguard Project

South Central Saskatchewan



- Vanguard project situated outside Craik along Provincial Highway 11 between Saskatoon (140 km) and Regina (120 km)
- Central to infrastructure including roads, rail, water, and power
- Strong local and provincial support
- Feb 17, 2017 Technical NI 43-101 Resource Report: **145 million tons** Indicated, **328 million tons** Inferred
- **Current: Feasibility Study (May 2017), bankable NI 43-101 resource**

3) First JV - Vanguard Potash Corp.

Key Joint Venture Terms

- EGME to contribute capital to Vanguard Potash Corp. (“VPC”):
 - (i) **First tranche** of **\$US 5M** will be used to fund the feasibility study
 - (ii) **Second tranche** of **\$US 200M**, representing 100% of the estimated capital to construct and commission first facility
- **49% EGME / 51% Gensource** ownership upon receipt of the first tranche (\$US 5M)
- **70% EGME / 30% Gensource** ownership once construction financing is committed and delivered
- Gensource brings its expertise, project area and selective mining and enhanced processing methods to the JPC;
- **Phase 1 production of 250,000 t/yr**, with commercially reasonable efforts to increase to a **final production target of 1M t/yr**;
- VPC Board will comprise of 3 EGME nominees and 2 Gensource nominees;
- A jointly appointed management team will lead the development while **Gensource will maintain control of Vanguard until construction financing is committed and spent**



EsseL Group (Middle East) Limited (“EGME”) is part of EsseL Group, an \$11 Billion Indian multinational conglomerate. EGME operates subsidiary businesses in energy, potash, iron ore, industrial supply and logistics, education and financial services sectors.

The Feasibility study for the Vanguard One Project, expected to be complete in Q2 2017, will determine the technical and economic viability of the Project. Without a formal and independent feasibility study, there is no assurance mineral production is feasible on an economic and technical basis.

4) The enabler - Selective Dissolution

Cost effective and efficient recovery method

Step 1

- Horizontal drilling techniques create horizontal **Selective Dissolution** caverns

Step 2

- Brackish formation water is used is made into an extraction brine by saturating it in NaCl (salt)

Step 3

- The extraction brine is pumped through horizontal caverns where only KCl (potash) is dissolved
- The saturated brine (NaCl and KCl) is pumped to a crystallization process at surface , removing the KCl and resulting in solid crystals of potassium nutrient (KCl)

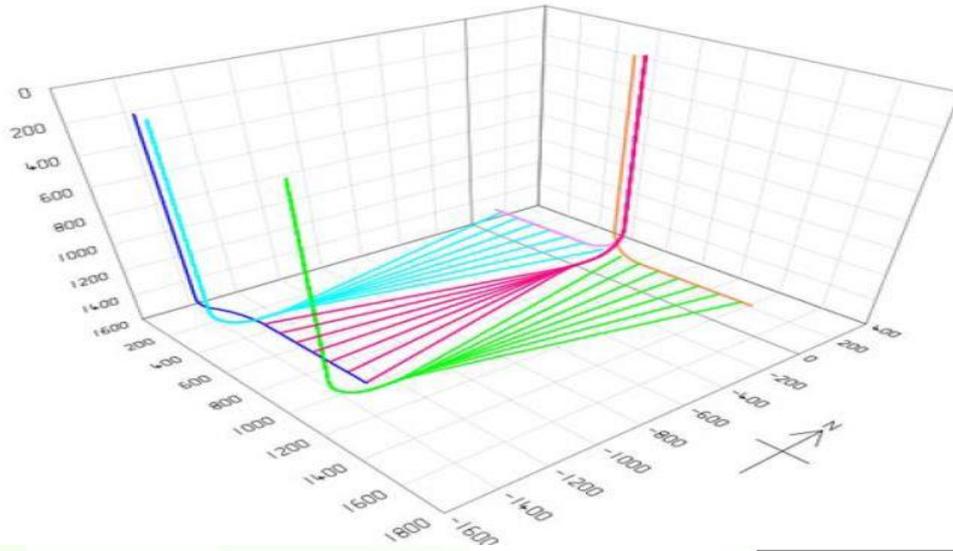
Step 4

- KCl is dried and screened to a specific size for sale as the final product

Step 5

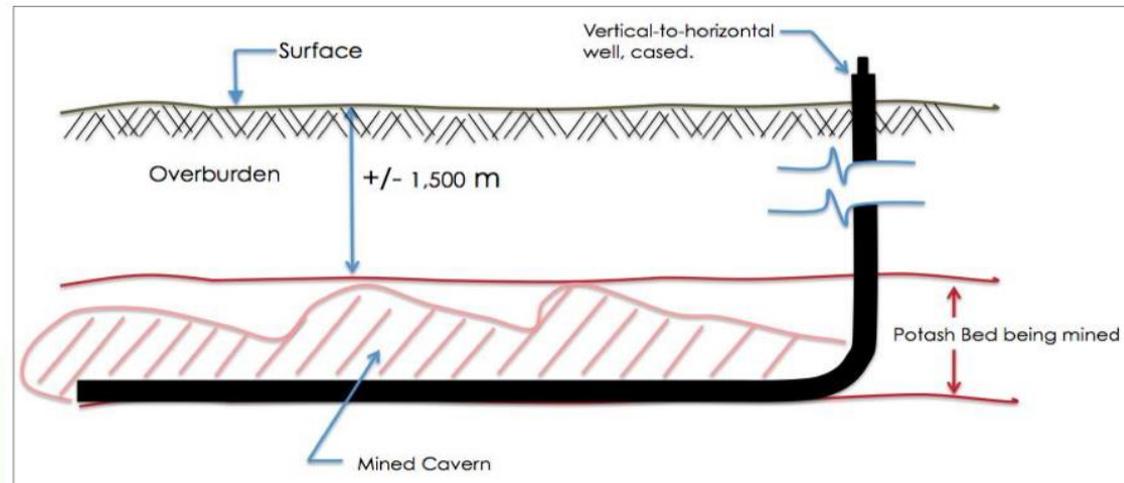
- Remaining brine is returned to the horizontal caverns, the cycle is repeated

Simple Mining Schematic



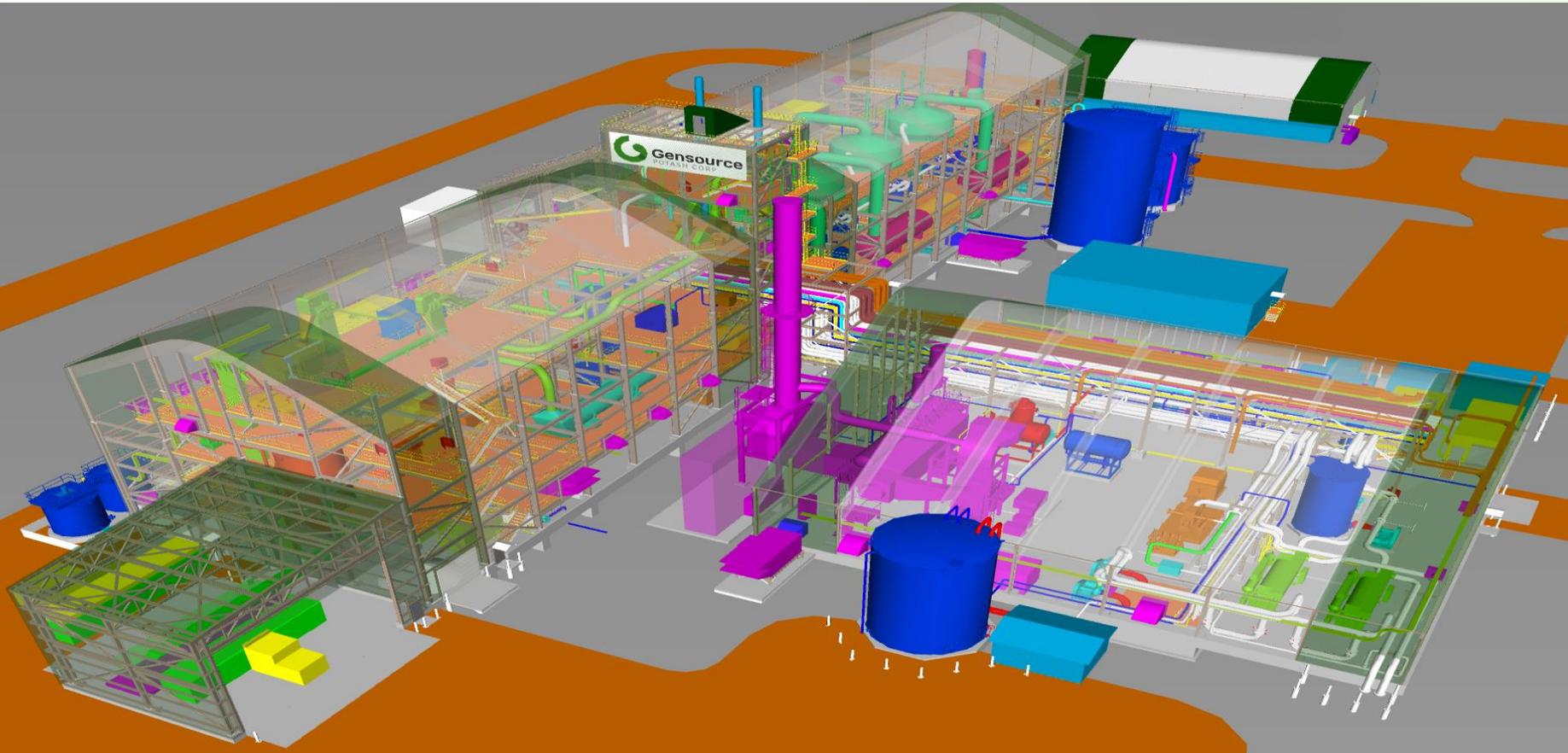
Conceptual Horizontal Well Pattern

Conceptual Horizontal Cavern for Selective Dissolution



Vanguard Plant Design

Advancing the engineering and design for the first module to be constructed in the Vanguard Area - Simple and Repeatable



Environmental Problem with Existing Technology

Gensource is NOT a Conventional Potash Mine



Gensource facility - 300 Meters by 300 Meters

Conventional = HUGE environmental footprint

- Massive salt tailings stored on surface for indefinite period
- Large fresh water consumption
- Large demand on utilities

Gensource = small environmental footprint

- No salt tailings or brine ponds
- Brackish groundwater for mining & process

Source: Google Earth, PCS Cory, Saskatchewan

The result -Vanguard PEA Results

- Project capacity:** 250,000 t/a final product, standard grade
- Mine life:** >100 years, 64 Mt of inferred resource (NI 43-101 Resource Estimate 04/28/16)
- Mining method:** Selective Dissolution using horizontal caverns
- Processing:** Cooling crystallization using energy efficiency measures
- Capex:** USD \$190M
- Opex:** USD \$40.30/tonne

Compelling Project NPV and IRR

Indicator	Pre Sask. Profit Tax	Post Sask. Profit Tax
NPV ₈	\$322,594,953	\$212,671,723
IRR	19.55%	16.86%

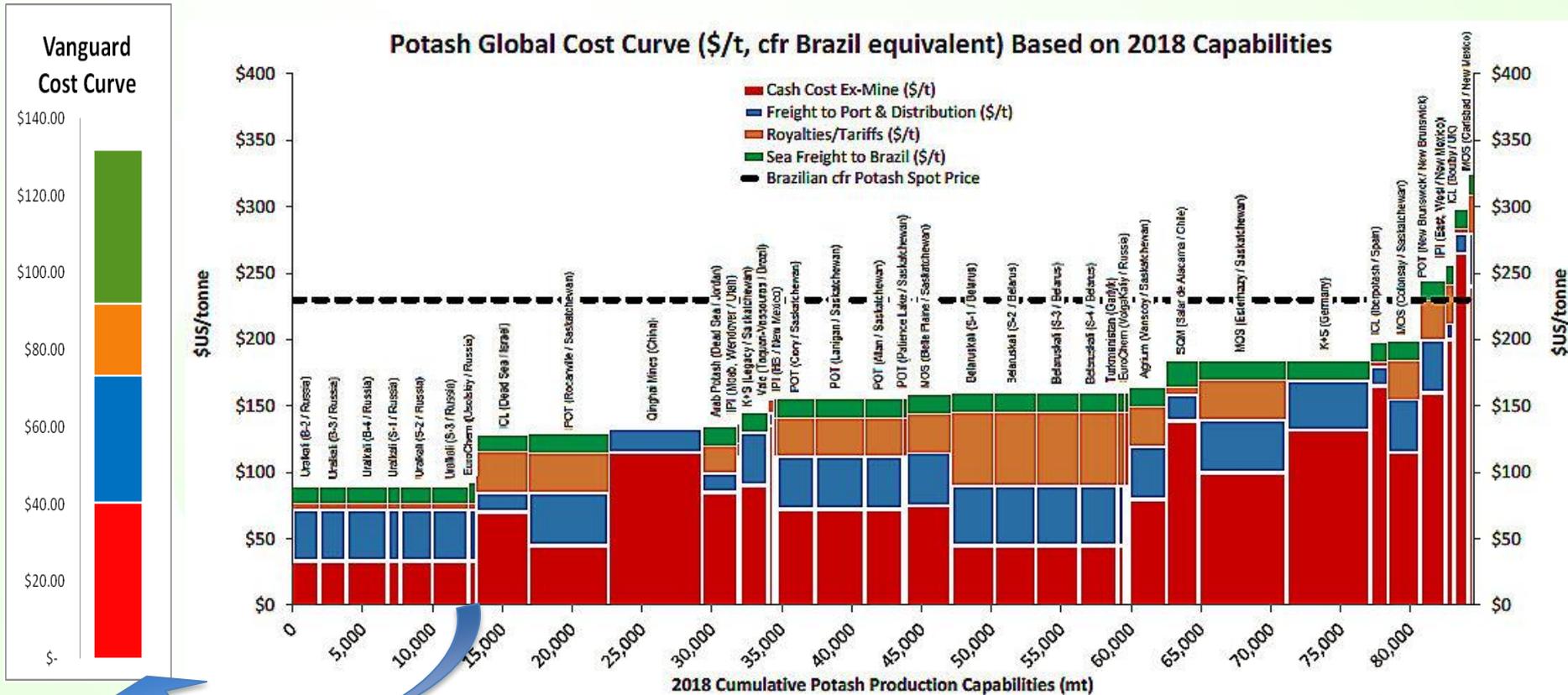
Terrific metrics in high and low pricing environments

Financial Performance post Potash Production Tax, Royalties, Levies and Surcharges

Price/Tonne US\$	Project IRR	NPV @			Opp Margin	Payback (Yrs)
		6.00%	8.00%	10.00%		
\$225	9.75%	\$ 110,984,504	\$39,607,094	(\$4,405,129)	78.16%	9.50
\$260	13.22%	\$ 222,182,583	\$ 121,863,851	\$58,819,659	80.72%	6.90
\$275	14.61%	\$ 268,590,720	\$ 156,021,252	\$84,960,726	81.62%	5.80
\$300	16.86%	\$ 345,716,684	\$ 212,671,723	\$128,221,109	82.92%	4.80
\$325	19.05%	\$ 422,688,112	\$ 269,122,515	\$ 171,256,685	84.02%	4.10
\$350	21.14%	\$ 495,516,738	\$ 324,548,037	\$ 213,373,513	84.97%	3.80
\$375	23.22%	\$ 575,111,273	\$ 380,577,517	\$ 255,965,046	85.78%	3.50
\$400	25.21%	\$ 650,626,535	\$ 435,650,211	\$ 297,707,217	86.50%	3.10
\$425	27.15%	\$ 726,061,619	\$ 490,629,112	\$ 339,346,279	87.13%	2.80
\$450	29.06%	\$ 801,471,630	\$ 545,578,683	\$ 380,953,098	87.69%	2.50
\$475	30.94%	\$ 876,881,641	\$ 600,528,254	\$ 422,559,916	88.19%	2.40
\$500	32.82%	\$ 952,587,980	\$ 655,728,331	\$ 464,379,387	88.64%	2.30

Comparative Project Economics

Vanguard's cash costs are the lowest in North America and on par with Russia



Comparative Mining Methods

	Conventional	Conventional Solution Mining	<i>Selective Dissolution (Vanguard)</i>
Min. viable production rate	2.5+ Mt/a	2.0 Mt/a	250 kt/a
Capex per tonne (\$US)	\$1,990 *	\$1,620 *	\$761 **
Operating costs (\$US)	\$80 /t *	\$118/t *	40.3/t**
Development Time	7-10 years	6-8 years	3 years **
Tailings	2 tonnes salt tailings per tonne of potash produced	2 tonnes salt tailings per tonne of potash produced	None
Brine containment structures on surface	Large (many Ha) salt tailings and brine pond containment structures required	Large salt tailings and brine pond containment structures req'd as well as cooling ponds	None

* Potash Mining Supply Chain Requirement Guide, Ministry of Economy, Government of Saskatchewan, September 14, 2012

** Gensource PEA June 2016 – the economic analysis in the PEA is based on Inferred Resources, and is preliminary in nature. Inferred Resources are considered too geologically speculative to have mining and economic considerations applied to them and to be categorized as Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is no certainty that the reserves development, production and economic forecasts on which this PEA is based will be realized. See “Disclaimer”.

5) Repeat – Current financing details

Proposed offering to launch second project area (Vanguard #2)

Offering: \$2,000,000 in Common Shares and \$4,000,000 in Flow-Through Shares

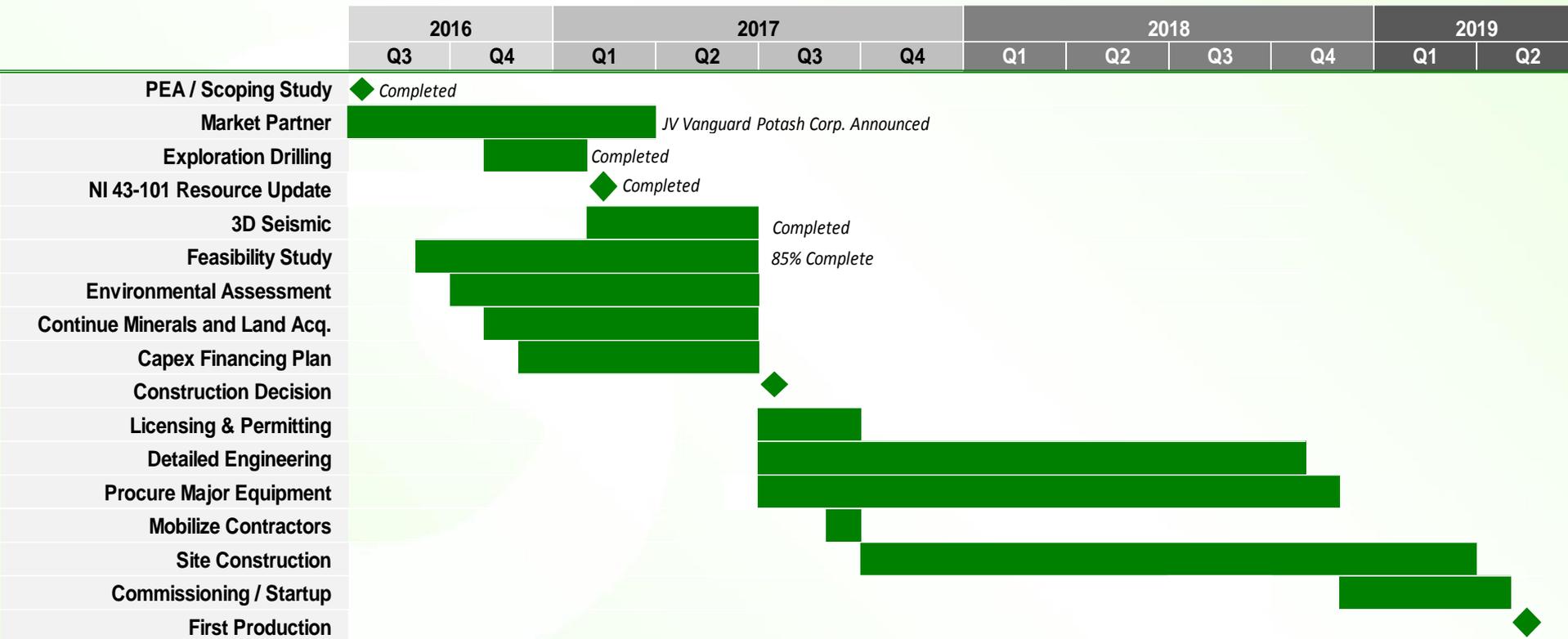
Over-allotment option will be granted to the Agent entitling the Agent to call upon the Corporation to issue up to an additional \$900,000 in Common Shares and/or Flow-Through Shares, in such combinations as mutually agreed by the Agent and the Corporation

Issue Price: \$0.18 Common Share and \$0.20 Flow-Through Share

Use of Proceeds: Drilling, seismic and engineering related work to Vanguard II and general working capital

Development Timelines

Proposed production horizon less than 3 years



Share Structure

As of April 26, 2017

Market Capitalization	\$49.3 Million
Recent Share Price	\$0.175
52 Week Range	\$0.06 - \$0.24
Basic Shares Outstanding	281.9 M
Options	15.8 M
Warrants	63.8 M
Cash Position	\$600 K
Debt	\$0
Management, Directors & Business Associates	~38%

GSP-V Stock Price



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Drilling & Geology

Technical NI 43-101 Resource Report

145 million tons Indicated – 328 million tons Inferred

INDICATED RESOURCE										
Member	Sub-Member	Total KCl Grade	Carnallite Grade	Insoluble Grade	Average Thickness	Total Sylvinite Tonnage	Sylvinite Tonnage with Deductions	Sylvite Tonnage (KCl), 30% recovery	Sylvite Tonnage (KCl), 40% recovery	Sylvite Tonnage (KCl), 50% recovery
		Weight %	Weight %	Weight %	meters	Weight %	Million tons	Million tons	Million tons	Million tons
Patience Lake Member	PLM1	39.03	0.75	6.21	4.40	290.00	232.00	27.16	36.22	45.27
	PLM2	28.91	0.60	7.03	3.65	240.07	192.06	16.66	22.21	27.76
	PLM3	39.33	0.60	9.24	2.91	145.84	116.67	13.77	18.36	22.94
	PLM4	36.32	0.67	10.43	1.90	125.48	100.38	10.94	14.58	18.23
Sub-Total		35.63	0.67	7.67	12.86	801.39	641.11	68.53	91.37	114.21
Belle Plaine Member	BPM1	37.82	0.98	6.2	0.79	35.24	28.19	3.20	4.26	5.33
	BPM2	41.18	0.44	2.69	2.06	81.79	65.43	8.08	10.78	13.47
	BPM3	33.36	0.45	2.38	1.27	59.09	47.27	4.73	6.31	7.88
	BPM4	28.7	0.7	3.58	2	130.12	104.09	8.96	11.95	14.94
	BPM5	35.65	1.4	4.83	1.26	82.05	65.64	7.02	9.36	11.70
	BPM6	26.53	1.62	2	1.7	110.51	88.41	7.04	9.38	11.73
	BPM7	55.73	1.64	0.63	0.45	8.58	6.86	1.15	1.53	1.91
Sub-Total		33.00	0.98	3.29	9.53	507.37	405.89	40.18	53.57	66.96
Total							1047.01	108.70	144.94	181.17

Drilling & Geology

Resource is thick, rich and consistent



Core #4 1-16-22-2W3

		Well #2 (Drilled early 2017)	1-18 (Drilled 2012)	Well #1 (Drilled late 2016)
Patience Lake Member	Average Grade (wt% KCl)	36.9	34.2	33.9
	Thickness (meters)	12.7	11.1	14.4
Belle Plaine Member	Average Grade (wt% KCl)	34.6	33.8	35.7
	Thickness (meters)	9.4	10.1	8.5
Esterhazy Member	Average Grade (wt% KCl)	18.3	18.7	15.8
	Thickness (meters)	6.3	6.7	10.5

Management & Board Strength

Experienced Leadership - Directors

Mike Ferguson, P. Eng. - President & CEO

Led the world-class team that developed Potash One's Legacy Project, the only Saskatchewan greenfield potash development in 40 yrs. to proceed to construction. **Sold to K+S for \$434 million**

Dwayne Dahl - Director

25 years of experience in the potash and fertilizer industry through senior positions at Canpotex Limited, including the last 16 years as CFO / Senior Vice President and Treasurer

Dr. Mark Stauffer - Director

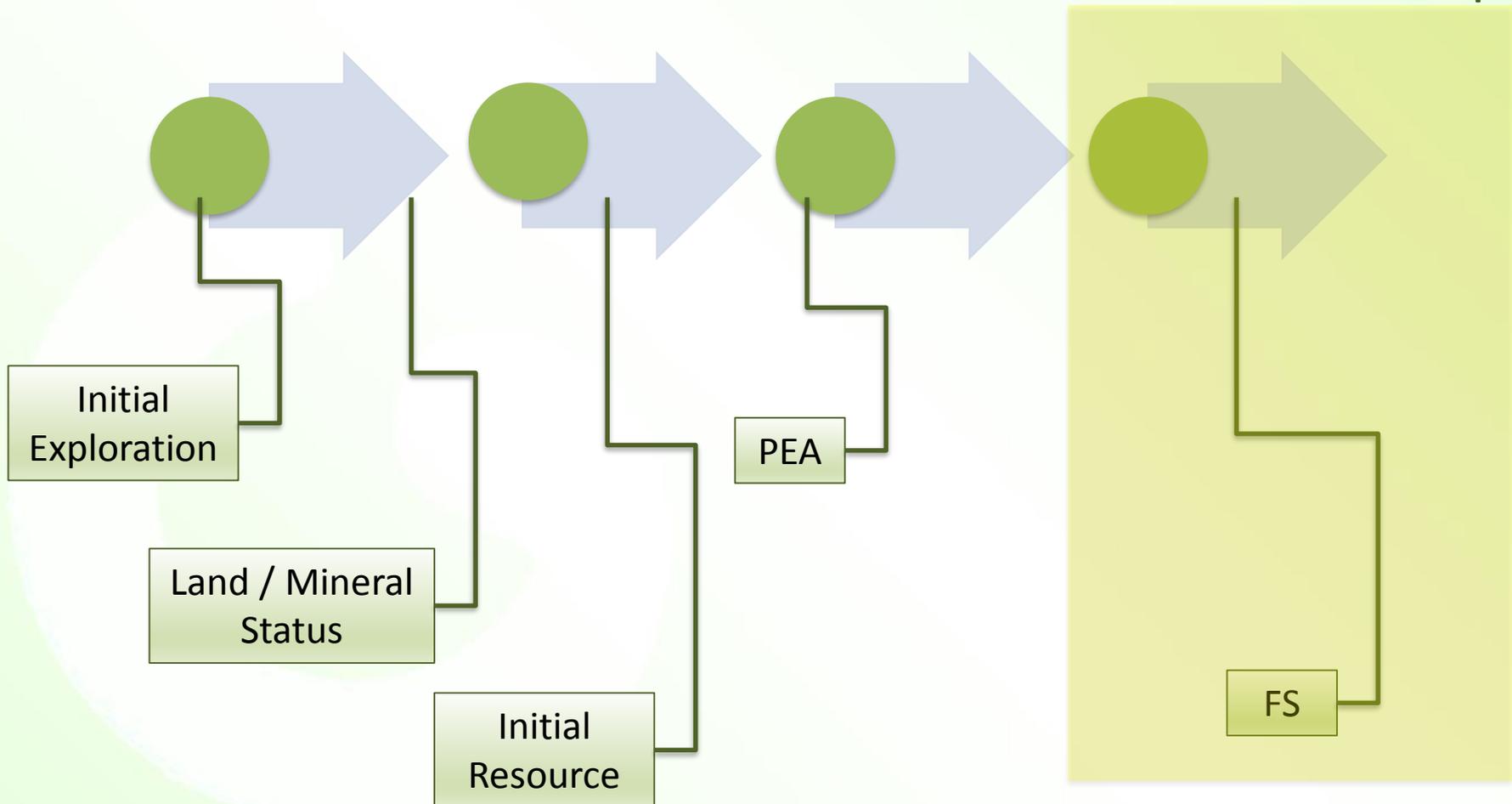
Dr. Stauffer has been a leader in the fertilizer industry for over 40 years, culminating his career as President of the Potash & Phosphate Institute of Canada. Served as a Director of Migao Corporation and Allana Potash Corporation

Paul Martin - Director

Chairman of Martin Charlton Communications, Saskatchewan's largest public relations firm specializing in communications strategy, media relations, government relations, and strategic advice

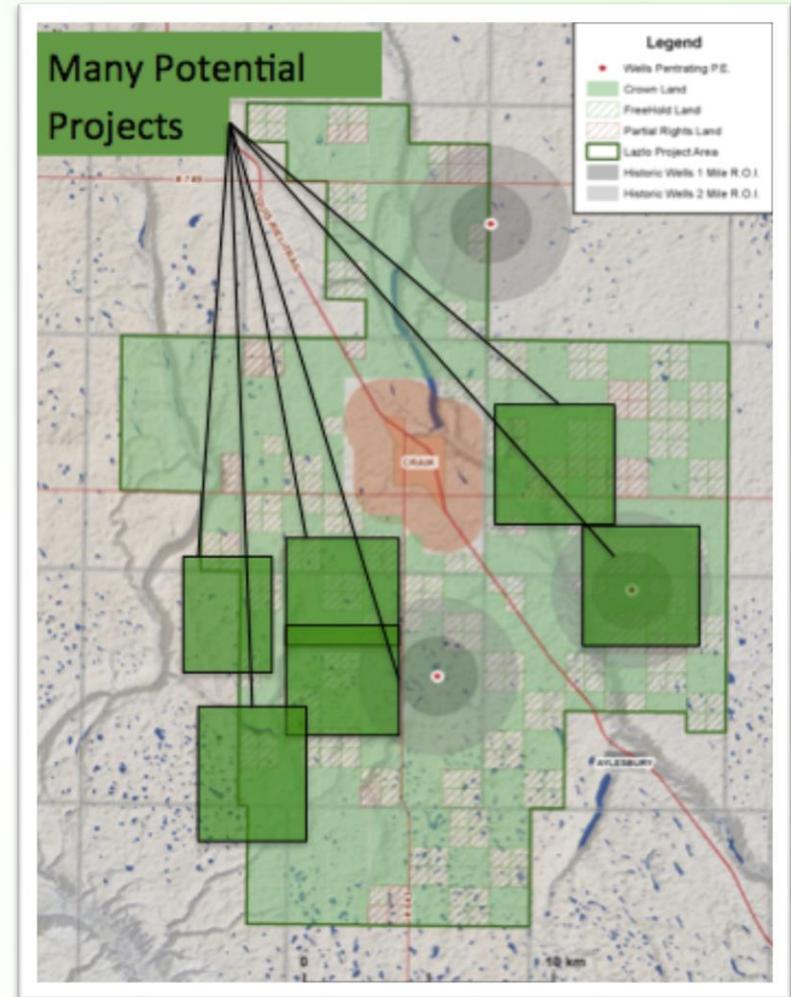
Project Development

Current Status & Next Steps



Lazlo Project

- Second project area, total of 123,000 acres and ideal candidate for a ***selective dissolution*** operation
- Lazlo Project is located in the “Davidson Sub-Basin” region of the Prairie Evaporite underlying central Saskatchewan, with combined thicknesses of about 30m of high-grade, mineable ore.
- Three historic drill holes exist, which indicate excellent grades, thicknesses, and temperature



Lazlo Project

The resource in the Lazlo area is rich and widespread

- Updated NI 43-101 report completed in December 2014
- Defines an “exploration target” complete with ranges of expected resource grades and tonnages

Table 4. Potential Mineralization at the Lazlo Project

	Area (acres)	Thickness (m)		Tonnage (Mt)		K ₂ O Grade (%)		K ₂ O Tonnage (Mt)	
		Minimum	Maximum	Minimum	Maximum	Cut-off Grade	Maximum	Minimum	Maximum
Patience Lake	4,322	9.50	18.20	346	662	15.0	22.35	51.84	147.99
Belle Plaine	4,322	8.90	10.12	324	368	15.0	19.93	48.57	73.38
Esterhazy	4,322	4.58	10.40	167	378	15.0	15.72	25.01	59.48

Subscriber Rights

The below rights are in addition to and do not derogate from any other right that the purchaser may have at law. Further, the below serves as a summary of the purchaser's rights as an investor in the event of a misrepresentation. The purchaser should refer to the provisions of the securities legislation of the purchaser's province or territory for the particulars of investor's rights, limitations of those rights and certain parties' defences to such rights and should consult with a legal advisor.

Statutory Rights of Action for Purchasers Resident in Alberta

This presentation could be designated as an offering memorandum under Alberta laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by the *Securities Act (Alberta) (the "Alberta Act") in the event of a misrepresentation. Where an offering memorandum contains a misrepresentation, the Alberta Act provides that a purchaser who purchases a security offered by the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, the following rights of action:*

1. for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; (iii) every person or company who signed the offering memorandum; and
2. for rescission against the issuer.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Alberta Act. *Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or three years after the date of the transaction that gave rise to the cause of action. The amount recoverable under the Securities Act (Alberta) may not exceed the price at which the securities were offered under the offering memorandum.*

Statutory Rights of Action for Purchasers Resident in Saskatchewan

This presentation could constitute an offering memorandum under Saskatchewan laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by *The Securities Act (Saskatchewan) (the "Saskatchewan Act") in the event of a misrepresentation. Where an offering memorandum, together with any amendment to it (in this part, collectively being referred to as an "offering memorandum"), sent or delivered to a purchaser contains a misrepresentation, a purchaser who purchases a security covered by the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, has the following rights of action:*

1. rescission against the issuer or a selling security holder on whose behalf the distribution is made; or
2. damages against: (i) the issuer or a selling security holder on whose behalf the distribution is made; (ii) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered; (iii) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; (iv) every person who or company that, in addition to the persons or companies mentioned in (i) to (iii) above, signed the offering memorandum or the amendment to the offering memorandum; and (v) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

In addition, if there is a misrepresentation (as defined in the Saskatchewan Act) in any "advertising" or "sales literature" (as those terms are defined in the Saskatchewan Act) distributed in connection with a private placement offering and the purchaser is a resident of Saskatchewan, the purchaser has a statutory right to sue:

1. the issuer or a selling security holder of whose behalf the distribution is made;
2. every promoter or director of the issuer or selling security holder, as the case may be, at the time the advertising or sales literature was disseminated; and
3. every person who or company that, at the time the advertising or sales literature was disseminated, sells securities on behalf of the issuer or selling security holder in the offering with respect to which the advertising or sales literature was disseminated.

Subscriber Rights Continued

Furthermore, if there is a misrepresentation in any verbal statement made to a purchaser relating to the securities purchased and the verbal statement was made either before or contemporaneously with the purchase of the securities, the purchaser has a statutory right to sue the individual who made the verbal statement. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Saskatchewan Act. *Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action. A purchaser that receives an amended offering memorandum also has the right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement. A purchaser must deliver the notice of withdrawal within two business days after receiving the amended offering memorandum.*

Statutory Rights of Action for Purchasers Resident in Manitoba

This presentation could constitute an offering memorandum under Manitoba laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by *The Securities Act (Manitoba) (the "Manitoba Act") in the event of a misrepresentation. When an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase and the purchase has:*

1.a right of action for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; and (iii) every person or company who signed the offering memorandum; and
2.a right of rescission against the issuer.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer and other parties sued as more particularly described in the Manitoba Act. *The Securities Act (Manitoba) also provides defences in addition to those summarized here. The amount recoverable cannot exceed the price at which the securities were offered under the offering memorandum. Additionally, in an action for damages, any defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) two years after the date of the transaction that gave rise to the cause of action.*

Statutory Rights of Action for Purchasers Resident in Ontario

This presentation could constitute an offering memorandum under Ontario laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by the *Securities Act (Ontario) (the "Ontario Act") in the event of a misrepresentation. Where an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum has, whether or not the purchaser relied on the misrepresentation, the following rights:*

1.right of action for damages against the issuer and a selling security holder on whose behalf the distribution is made; or
2.if the purchaser purchased the security from a person or company referred to above, the purchaser may elect to exercise a right of rescission against the person or company. If the purchaser exercises this right of recession, the purchaser ceases to have a right of action for damages against the person or company.

Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Ontario Act. *Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.*