GENSOURCE ANNOUNCES COMPLETION OF NI 43-101 TECHNICAL REPORT SUMMARIZING THE TUGASKE PROJECT

SASKATOON, Saskatchewan – March 22, 2021 – Gensource Potash Corporation ("Gensource" or the "Company") (TSX.V: GSP), a fertilizer development company focused on sustainable potash production, announces the completion of a National Instrument (NI) 43-101 Technical Report (the "2021 Technical Report"), providing the most current technical and economic information for its first project, the Tugaske Project (the "Project" or "Tugaske"). The Project is nearing completion of the non-recourse financing process with its debt and equity partners – aiming to move towards construction later this year. The Company is excited to be able to provide this up-to-date information to the public and its dedicated shareholder group.

Since the publication of the Company's previous NI 43-101 Technical Report in February, 2018 (the "2018 Technical Report"), Gensource has achieved key milestones required to move the Project forward to implementation, including: additional resource confirmation drilling and geological studies focused on operational items, securing a customer for 100% of the intended production from the Project (referred to as the "Offtaker"), arranging for the senior debt facility, attracting potential equity partners, advancing engineering and design efforts and completing land control activities to enable the project to proceed into construction smoothly. The previously disclosed Feasibility Study has been advanced past the feasibility level and, with the selection of key vendors and advancing long-lead procurement, the project has now completed a FEED (Front End Engineering and Design) level Study, ready for full execution. All of this work has been consolidated in the 2021 Technical Report.

Mike Ferguson, President & CEO of Gensource commented, "*Since our last technical report, the Company has grown rapidly and the Project has progressed notably. Gensource and our partners remain confident that the Tugaske Project, as validated by our team of experts and disclosed in this 2021 Technical Report, is technically and economically robust – and as such, we continue to move as swiftly as possible to complete the financing process in order to see the Project realized. We are pleased to share the updates on our first project, and look forward to more exciting announcements to come.*"

Following are the main highlights from the 2021 Technical Report.

Project Summary:

Modifications were made to the previous engineering work to allow the Tugaske Project to suit the requirements of the US market. Such modifications included the incorporation of a revised final product specification as well as a traditional bulk product storage,

loading and hauling strategy. See Table 1 for general highlights of the Tugaske Project. See Figure 1 for a conceptual rendering of the Tugaske Project plant site.

Table 1: Tugaske Project Highlights

Parameter	Results
Production capacity:	250,000 tonnes per year of final saleable product, 60% K_2O, granular grade (SGN 300), pink or white/clear ("MOP", or "potash")
Mine life:	58+ years based on the Reserve defined in the Patience Lake Sub-Member 1 (PLM 1) only (note: economic analysis only considers 40 years of full production)
Mining method:	Selective solution mining using horizontal caverns
Processing:	Cooling crystallization incorporating innovative energy efficiency measures
Product storage and loadout:	Approximately 25,000 short tons of total product storage at the Project site, comprising a bulk product storage warehouse and bulk rail car storage track. Ability to load and ship product via bulk rail and/or bulk truck
Product transport and logistics:	A rail spur is planned to the plant site to allow all product to be transported by rail. The Project's Offtaker will take title to the product FCA Tugaske Project mine site; as such, there are no transportation and logistics costs (shipping) borne by Gensource or the Project. All transportation and logistics costs appear as deductions to the net mine site price received for the product.
CAPEX:	$CAD 353.6 Million, including contingency (≈$US 261.9 Million)
Construction:	~ 24-month construction period, including commissioning and start-up. Peak construction work force of approximately 150.
OPEX:	$CAD 64.10/t final product ($US 47.48/t). The major components of OPEX are natural gas delivered to site at $CAD 3.12 /GJ and operating personnel count of 46 full time staff.
Sustaining CAPEX:	Average annual sustaining capital of $CAD 21.24/t ($US 15.73/t) per year, including full cavern (6) and pipeline replacement every 12 years

Figure 1: Conceptual Rendering for Tugaske Project Plant Site

Project Financing:

In a news release, dated May 21, 2019, Gensource announced it had entered into a non-binding Memorandum of Understanding (MOU) to form a joint venture (JV) company to develop the Tugaske Project. The parties to the JV reached an agreement in principle on offtake amount, duration of offtake, equity contribution and the JV operating structure.

In a subsequent news release dated January 30, 2020, Gensource officially announced Helm AG and its North American subsidiary, Helm Fertilizer Corp. (together "Helm"), as the Tugaske Project's Offtaker. Helm, founded in 1900, is a privately-owned company based in Hamburg, Germany. Helm is one of the world's largest chemical marketing companies and provides access to the world's key markets through its specific regional knowledge and more than 100 subsidiaries, sales offices, and participations in over 30 countries. The definitive offtake agreement for Tugaske will have Helm purchase 100% of the production from the Project for 10 years, renewable thereafter.

In a news release dated October 18, 2019, Gensource announced it formally mandated KfW IPEX-Bank GmbH ("KfW") to act as Lead Arranger for the senior debt component of the Tugaske Project finance package. KfW IPEX-Bank is responsible for international project finance within the larger KfW Bank Group, and is headquartered in Frankfurt, Germany. Further, in a news release dated May 19, 2020, Gensource announced that the French multinational bank, Société Générale ("SocGen"), has also joined the banking group for Tugaske as joint lead arranger of the debt facility. Together, KfW and SocGen are referred to as the "Senior Lenders".

Through the debt financing process, the Senior Lenders have engaged independent consultants to perform due diligence reviews on the following aspects of the Project: Technical, Marketing, Environmental & Social, Legal, Insurance, and Financial Modelling. While each review identifies and discusses risks related to the Project, no fatal flaws have been identified. Non-material risks can be mitigated through the implementation of accepted engineering practices.

As part of the financing, the Project is eligible for insurance coverage under the German Export Credit Agency ("ECA") Euler Hermes – who, on behalf of the German Government, provides an export credit guarantee in the form of insurance on the exports of services, materials, equipment, etc. from Germany.

To optimize qualifying German content in the Project, eligible for ECA coverage, Gensource formally engaged K-UTEC AG Salt Technologies, Koeppern GmbH & Co KG, and Ebner GmbH & Co KG (referred to as "KKE" for simplicity). Together, KKE represent world-class services in the area of potash process design, equipment fabrication and supply. Based on the combined experience and capabilities of KKE, Gensource saw an opportunity to not only work with these 3 select German companies and have this work qualify for ECA coverage, but also to simplify the number of Project interfaces by packaging the entire process plant into a single design-supply-commission contract package. Packaging the entire process plant into one export contract enables KKE to provide a process guarantee for the production quality and quantity specified for the Project.

In addition to the engagement of KKE, Siemens AG ("Siemens") has been engaged by Gensource to provide the design, supply and commission of the site-wide electrical, instrumentation and controls system. Siemens is a German multinational conglomerate company headquartered in Munich, Germany, with branch offices all over the world. Further, Gensource is also working with MAVEG Industrieausrüstungen GmbH ("MAVEG"), who is a procurement general contractor and content aggregator based in Ratingen, Germany. The role of MAVEG will be to help manage the procurement and export process, acting as the "exporter of record" for any services, equipment, and/or materials outside the KKE & Siemens packages that Gensource wishes to have covered under the ECA scheme.

Mineral Resources

The geological model of the deposit (constructed in Maptek Vulcan) was updated using all available drilling information, including the data collected from 2 most recent resource confirmation wells completed in the Project area by Gensource. The inclusion of these wells added to the robustness of the geological model and resulted in the reclassification of Resource previously estimated. Figure 2 shows the location of the exploration drill holes within the Project area, including the 2 additional wells drilled by Gensource in 2018

and 2019 (noted as “4-1” and “8-4” respectively). It should be noted that these 2 wells are drilled within the area covered by 3D seismic.

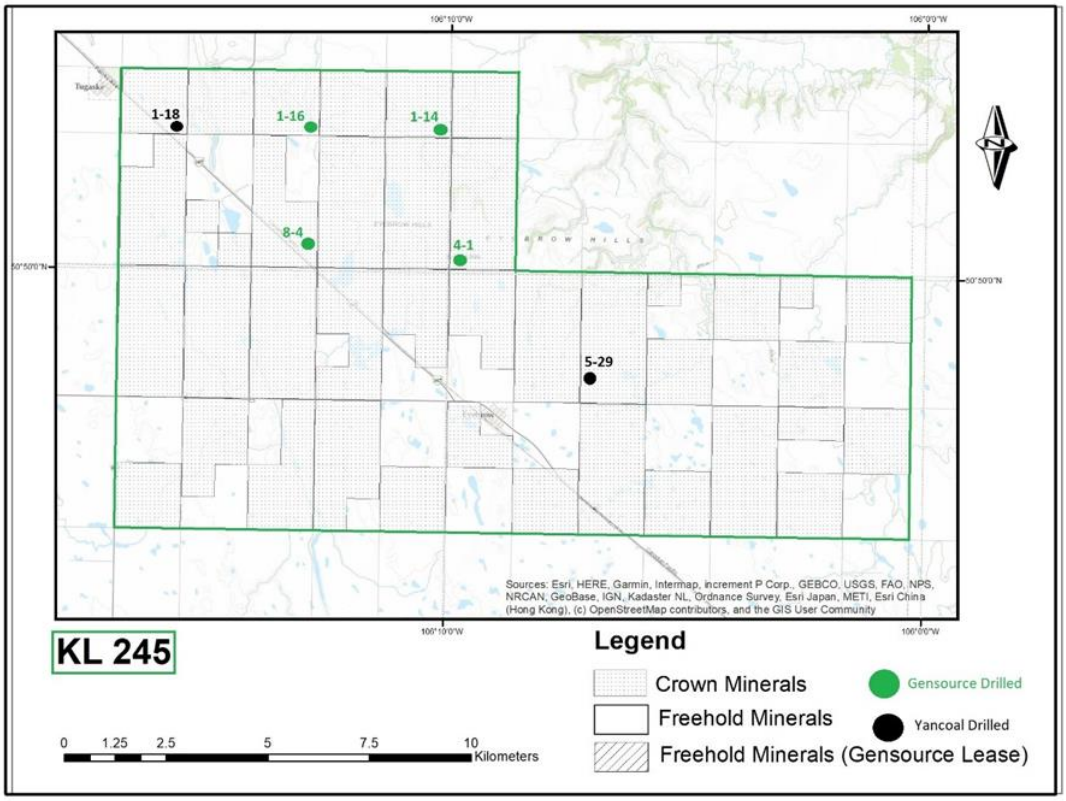

Figure 2: Exploration Drilling Locations

As per CIM Definition Standards (2014), Mineral Resource for the 2021 Technical Report was classified as: Inferred, Indicated, and Measured. The Resource categories were calculated for the Patience Lake and the Belle Plaine Members only. Due to the pervasive presence of carnallite and lower grades, no Resource was defined for the deepest horizon, the Esterhazy Member.

Table 2 shows a sensitivity analysis of the sylvite tonnage based on a range of possible recovery rates (Effective February 18, 2021) – with the assumed “base case” recovery of 40% (outlined in red) resulting in over 287 Million tonnes of Measured and Indicated Resource in the Vanguard Area. This is an increase of approximately 82% over the Measured and Indicated Resources estimated in the 2018 Technical Report.

Table 2: Measured & Indicated Resource Summary (With Base Case Highlighted)

Resource Category	Total Sylvinite Tonnage Million tonnes (Mt)	Sylvinite Tonnage with Deductions Million tonnes (Mt)	Sylvite Tonnage (KCl), 30% recovery Million tonnes (Mt)	Sylvite Tonnage (KCl), 40% recovery Million tonnes (Mt)	Sylvite Tonnage (KCl), 50% recovery Million tonnes (Mt)
Measured	1223.76	1162.57	124.49	165.99	207.49
Indicated	955.32	859.79	91.21	121.62	152.02
Total	**2179.08**	**2022.36**	**215.71**	**287.61**	**359.51**

Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserves – for which Modifying Factors are considered and applied. The following assumptions were applied during the Resource Estimation:

- K_2O cut off grade of 15% (this equates to 24.6% KCl).
- Maximum carnallite cut-off of 6%.
- No insoluble cut-off.
- No thickness cut-off.
- The following Radii-of-Influence (ROI) were used, consistent with previous NI 43-101 Technical Reports:
  - Inferred ROI = 6000 m
  - Indicated ROI = 2250 m
  - Measured = 1500 m.
- A deduction of 25% for unseen / unknown anomalies was made in the Inferred category and, based on the results of the 3D seismic, this deduction was reduced to 10% for the Indicated Resource, and 5% for the Measured Resource.

Assuming the base case recovery of 40%, over 287 Million tonnes of Resource has been classified in the Measured and Indicated categories in the Vanguard Area. Based on the potential of future work to devise suitable engineering and economics for the conversion of this Resource into Reserve (as has been regularly accomplished in Saskatchewan's Prairie Evaporite deposit since mining began in the late 1950's), and subsequent application of the pertinent Modifying Factors, when using the baseline design capacity for annual production of 250,000 tonnes for a Gensource module, it can be seen that the probable life of these modules could theoretically approach multiple centuries.

Mineral Reserves

International definitions of Mineral Resources and Mineral Reserves, including the CIM Definition Standards (2014) provide for a direct relationship between Indicated Mineral Resources and Probable Mineral Reserves, and between Measured Mineral Resources and Proven Mineral Reserves. The Modifying Factors applied to the Reserve calculated for the Tugaske Project in the 2021 Technical Report include:

- the cavern extraction ratio;

- the cavern brine recovery percentage;
- the processing plant recovery (including downstream transportation losses);
- the potash content in the salable Muriate of Potash (MOP) product; and
- a tonnage reduction allowance for unknown anomalies.

For conservatism, only continuous operation of the solution mining cavern, which is focused on the Lower sub-member of the Patience Lake ("PLM 1"), is being considered. Therefore, the Mineral Reserve represents only the base case for the feasibility economics. The PLM 1 is on average 3.9m thick, with average potash grades of 43% KCl, across the Vanguard Area.

Table 3: PLM 1 Proven & Probable Reserve Summary

Reserve Category	Mean Cavern Thickness (m)	KCl Grade (wt. %)	Carnallite Grade (wt. %)	Insolubles Grade (wt. %)	Cavern Volume (m^3)	Cavern Recovery (%)	Reduction for Unknown Anomalies	Recoverable Cavern Volume (m^3)	Sylvinite Tonnage Million Tonnes (Mt)	MOP Tonnage Million Tonnes (Mt)
Proven	3.90	42.02	0.71	6.44	15,657,077	60.3	0.95	8,966,928	18.65	7.84
Probable	3.86	42.56	0.69	6.35	13,055,672	63.7	0.91	7,566,632	15.74	6.70
TOTAL	**3.88**	**42.26**	**0.70**	**6.40**	**28,712,749**	**61.8**	**0.93**	**16,533,560**	**34.39**	**14.53**

Table 3 shows over 14.5 Million Tonnes of Proven and Probable Reserve for the Tugaske Project (Effective February 26, 2021), based on the PLM 1 only, which indicates a minimum expected mine life of at least 58 years – based on the annual production of 250,000 tonnes of saleable Muriate of Potash (MOP). This is an increase in Proven and Probable Reserves of approximately 48% compared to the results disclosed in the 2018 Technical Report.

Since the initial mine plan focuses only on the PLM 1, only a small portion of the overall Resource is converted to Reserve for the base case. In reality, mining of the PLM 1 is likely to progress upwards over time into other sub-members of the Patience Lake (i.e., PLM 2 through PLM 4); thus, increasing the potential amount of KCl tonnes recovered from each cavern.

Mining Methods

Gensource's selective solution mining method uses caverns created through horizontal drilling technics. The caverns are triangular in shape, approximately 800 m x 1600 m, and are located at the bottom of the target mining horizon, initially the PLM1. A mine plan was developed and caverns arranged throughout the solution mining area to optimize access to the PLM1 Reserve. The Life of Mine Plan, as presently configured, consists of 36 horizontal caverns. See Figure 3, showing the cavern layout within the initial solution mining area (marked by the black square). The contours represent the KCl grades of the PLM 1.

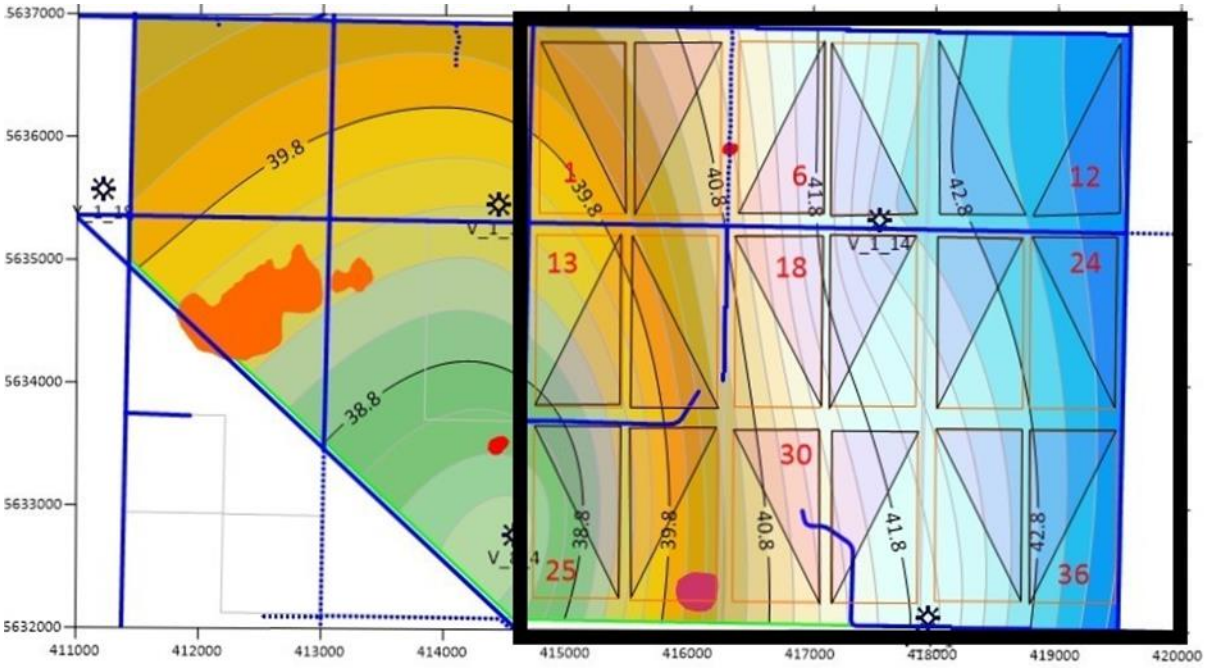

Figure 3: Initial Solution Mining Area

Based on the cavern plan dimensions, conservative factors were applied to develop the cavern production and resulting cavern life estimates. It is further estimated that each solution mining cavern will produce an average of about 499,000 tonnes over its life. The planned cavern production is 45,000 tonnes per year, per cavern, giving each cavern an estimated operating life of approximately 12 years. Ultimately, each cavern will be operated as long as it is economic, but for conservatism, a full cavern and wellfield replacement (~ $CAD 46 Million) is included twice over the economic life modelled for the Project.

Recovery Methods

The process design by KKE will guarantee a minimum of 250,000 tonnes per year of saleable MOP, granular grade (SGN 300), pink or clear (white). Overall, the fundamental process design remains unchanged, using cooling crystallization. Temperature reduction is accomplished by mechanical cooling process. The brine stream continuously recirculates between the solution mining caverns and the process plant, picking up KCl in the caverns and crystallizing it into solid KCl in the process plant. Once in crystalline form, the KCl is dewatered by centrifuged and dried. Dry crystals then report to the compaction and screening circuit where they are converted to SGN 300 granular grade product using industry standard methods.

Market Studies and Contracts

As disclosed, Helm is the offtaker for the project as well as an equity investor in Tugaske. Helm will purchase 100% of the production from the Project for a term of 10 years, renewable thereafter. The off-take includes typical take or pay provisions, standard industry commercial terms and market-based pricing. Title transfer will occur at the Tugaske plant site.

From the Tugaske site, Helm will place product with strategic customers located in the US with a goal of efficiency in the balance of market price and transportation and logistics costs. Due to the agreed pricing formula, transportation and logistics costs are accounted for in the determination of the net-back or net mine site price for the product.

Argus Consulting Services, ("Argus") was engaged in 2020 to conduct a market analysis and pricing forecast for Tugaske's defined market area. Argus and its industry experts executed a confidential study related to MOP supply, demand, costs and pricing, with specific focus on the Project's target market area, providing an in-depth look into MOP supply and demand fundamentals for the target market, including consumption by region, the cost to serve to these regions, the competitive environment and the margins on offer based on the marketing plan developed by Helm.

Capital & Operating Costs

A fundamental product of the recent Project efforts included an updated capital cost estimate ("CCE"), which is also referred to as the capital expenditure (or, "CAPEX"). Key aspects incorporated into the updated Project CAPEX estimate are:

- the integration of German content (vendors);
- inclusion of escalation since the original estimate was completed, bringing procurement and pricing up to date; and
- inclusion of a number of risk-mitigating items as deemed prudent by Gensource in consultation with the Senior Lenders' Independent Engineer.

The total CAPEX for the Tugaske Project is estimated at $CAD 353.6 Million ($US 261.9 Million), including contingency of approximately 10%. See Table 4 for the CAPEX summarized by Project Work Breakdown Structure (WBS) Area.

Table 4: CAPEX Estimate by WBS Area

WBS Area	$CAD
100 - Mining	30,760,003
200 - Well Field	17,084,230
300 - Process Plant	98,044,129
400 - Product Storage & Loadout	15,893,291
500 - Site Infrastructure	23,737,903
600 - Offsites	7,879,549

WBS Area	$CAD
700 - Non-Process Facilities	30,947,811
900 - Project Indirects	97,187,061
SUB-TOTAL (Pre-Contingency)	**321,533,977**
980 – Contingency	32,153,398
GRAND TOTAL	**353,687,375 *($US 261,990,648)**

*Note: Assumes $US:$CAD Exchange of 1:1.35

Updates have also been made to the anticipated operating expenditures ("OPEX"), as well as the budgeted maintenance costs and sustaining capital expenditures ("sustaining CAPEX") of the operations. The adjustments incorporated changes driven by the integration of KKE's technical design changes to the process and the resulting adjustments to the required utilities to support these process changes. Also, with feedback provided by the Senior Lenders' Independent Engineer during the technical due diligence process, adjustments were made to the annual budget estimates to provide additional risk-mitigation for the operations and conservatism in the Project economics. Figure 4 represents the "All-In" cash operating costs of the Tugaske Project (shown in $US per tonne KCl), once it reaches full production.

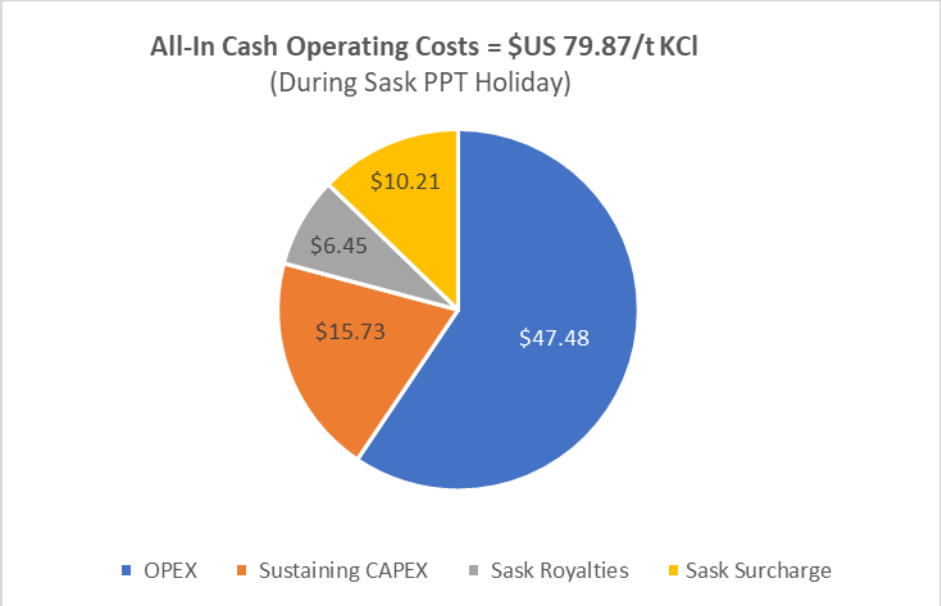

Figure 4: All-In Cash Operating Costs ($US/tonne KCl) – During PPT Tax Holiday

Due to the selective mining method and Gensource's processing enhancements, the small-scale facilities will run at extremely low cost per tonne of product produced. When compared to data published by other projects, the OPEX per tonne appears at the low end of the lowest quartile of all potash operations globally.

Economic Analysis

The financial performance of the Project has been updated, once again using a discounted cash flow ("DCF") analysis. The DCF analysis for the Project uses the following input parameters and is based on the assumptions as described below:

- The economic analysis is based on the sources and uses of funds;
- Potash production is 100% granular grade and conforms to the specifications required by the Offtaker (i.e., SGN 300, granular grade MOP);
- Approximately 25,000 short tons of combined storage capacity on site;
- Default currency reported in $US;
- Annual OPEX costs of $US 47.48/t KCl ($CAD 64.10/t KCl);
- Annual sustaining CAPEX costs of $US 15.73/t KCl ($CAD 21.24/t KCl;
- Currency exchange ($US:$CAD) was carefully considered. In order to appropriately reflect the historical, current and future currency fluctuations, an exchange rate of 1:1.35 was used in the first 2 years of construction with a 1:1.30 conversion factor for life of mine. When converting any values established during FEED from $CAD to $US for the sake of reporting/comparison, the June 2020 Bank of Canada $US:$CAD of 1:1.35 was used;
- Base case pricing for granular product is the net-back price of product "Free Carrier" (Incoterms®: FCA) mine site forecast supplied by Argus Consulting Services (June 6, 2020) net of a marketing fee. There was no price escalation applied after the 10-year forecast (i.e., flat forward pricing);
- Product delivery is FCA mine site (at Tugaske, SK), as per the terms of the detailed offtake agreement;
- There is no expansion assumed beyond 250,820 tonnes per annum (t/a);
- The economic mine life is estimated at 45 years, including 40 years of full production;
- Consideration was given to the expected timing and allocation of construction CAPEX;
- The cash flows include Saskatchewan Resource Surcharge (3% of revenue), Provincial Royalties (3% of K2O net revenue) and Saskatchewan Potash Profit Tax (PPT), as well as other commercial royalties as per royalty agreements negotiated by Gensource;
- Head office general and administrative ("G&A") expenses of 1.50% of gross revenue are included, over and above the identified management and administration personnel accounted for in the Project OPEX;
- Fixed OPEX costs reflects an inflator of 1% per annum; and

While CAPEX and OPEX were added to the Project to account for both identified and unidentified risks, the overall project financing package has also been defined. The financing package includes costs for not only CAPEX, but also other financing costs including fees, closing costs, ECA premiums, interest during construction, cost overrun

account, debt service reserve account, price protection account and other senior lender credit enhancements. Table 5 shows the baseline sources and uses of funds for the Project, which are the basis for the calculation of financial performance. These financial model input parameters are subject to change as the definitive senior debt facility agreement is completed and signed.

*Table 5: Project Sources & Uses of Funds**

Description	Amount ($US)	Percent of Total
Sources:		
Senior Debt	213,000,000	60.3%
Equity (Includes cash and Paid-In capital)	140,138,517	39.7%
Total Sources:	**353,138,517**	**100%**
Uses:		
Capex	238,173,316	67.4%
Cost Overrun Account	30,000,000	8.5%
Paid-In capital (non-cash)	30,000,000	8.5%
Project Contingency	23,817,332	6.7%
Banking fees, ECA premium and closing costs	25,660,079	7.3%
Interest during construction	5,487,790	1.6%
Total Uses of Funds:	**353,138,517**	100%

*Note: These financial model input parameters remain in negotiations and are subject to change as the definitive senior debt facility agreement is completed.

Incorporating these financing costs with the revised CAPEX and OPEX into the updated financial model (which, at the Effective Date of this Report is undergoing its final audit process), it has been found that the Tugaske Project remains financially robust, demonstrating attractive economics. The key financial performance indicators are provided in Table 6.

Table 6: Financial Performance Summary

Economic Indicator	Before Sask. Prof Tax	After Sask. Prof Tax*	Final After-Tax**
NPV8 ($CAD)	$646,448,619	$418,336,934	$362,428,730
NPV8 ($US)	$478,850,829	$309,879,210	$268,465,726
IRR	21.34%	18.48%	17.59%

*Note: The Saskatchewan Potash Profit Tax calculated does not take into account new regulations regarding R&D credits announced by the Saskatchewan Government December 2020.

**Note: Final After-tax (Corporate rate of 27%) IRR and NPV to do not take into account Net Operating Losses (NOL) that may be available to the Project. These NOL's may be used to offset corporate taxes. Thus, the published Final After-Tax IRR/NPV may be understated.

Conclusion & Recommendations

The conclusions and recommendations in the 2021 Technical Report, consistent with those discussed in the Tugaske Project Feasibility Report (Gensource, 2020) and Tugaske Project FEED Report (Gensource, 2020) are:

- The ongoing work on the Tugaske Project continues to demonstrate the technical and economic robustness of the Project - providing Gensource and its partners the confidence to continue to advance efforts to implement the Project;
- The next steps for implementing the Project include finalizing key financing activities and establishing the project joint venture company, both of which are underway and nearing completion at the Effective Date of this report;
- Upon completion of the project financing efforts, the JV group will make the final decision to advance the Project to the next stage of development: detailed engineering, procurement, and construction activities (i.e., Project Execution Phase); and
- With this "construction decision" made, resources will be allocated to Project execution, at which point it is anticipated to achieve first production from the Project within approximately 2 years.

Cautionary Notes:

- Note that the base unit for tonnages are listed as the Système international d'unités (SI) unit of tonnes (t) - with a measurement of 1000 kg (or approximately 2204.6 lbs) per tonne. Tonnes are sometimes referred to as "metric tons" to contrast with a "short ton" being equivalent to 2000 lbs (or approximately 907.2 kg). It is common for some information on potash to be listed in short tons, such as commodity pricing, when looking at public sources. The reader is cautioned about the difference in these 2 units and the impact these have on the resulting values reported.
- The Mineral Resource numbers presented are based on a sensitivity analysis of the sylvite tonnage based on a range of possible recovery rates. An assumed recovery rate of 40% is highlighted as the "base case" – and results for a lower and higher recovery than assumed (i.e., 30% and 50% respectively) are shown for comparison. The exact recovery rates are unknown and can only be confirmed through actual production numbers. However, based on the collective experience of the QPs, the base case of 40% represents a conservative assumption.

- Measured Mineral Resources do not automatically convert to Proven Mineral Reserves and may become Probable Mineral Reserves based on the "Modifying Factors". In other words, the level of geoscientific confidence for Probable Mineral Reserves is comparable to that required for the determination of Indicated Mineral Resources, and the level of confidence for Proven Mineral Reserves is comparable to that required for the in-situ determination of Measured Mineral Resources.
- Mineral Reserves have been defined in terms of tonnes of MOP, which is typically 98.1% KCl in the case of granular MOP produced from solution mining.
- The initial mine plan (and Reserve calculations) focuses only on the PLM 1. It is acknowledged that cavern development and growth targeted in the PLM will aim to be controlled through design and operating technologies and techniques, there is no guarantee that the actual growth/shape of each of the horizontal mining caverns will exactly match designed. They may not develop consistently across the length of the horizontal cavern, and therefore, may not be restricted to the PLM 1. It is the opinion of the QPs that, in reality, mining of the PLM 1 is likely to progress upwards over time into other sub-members of the Patience Lake (i.e., PLM 2 through PLM 4), and if this is to occur, it is most likely to occur nearest the injection points. In any case, there is high confidence that regardless of the actual shape of the cavern, or the potash sub-member that is being mined, more than adequate sylvinite thickness and grades exist in the Vanguard Area to support the development of the Project and mine as planned.
- The nominal production capacity of the Tugaske Project is 250,000 tonnes per annum (t/a) of final saleable MOP product. However, from the engineering analysis and process design work completed, the actual base case productive capacity of the Project, operating for 8,000 hours per year, is 250,820 t/a. When dealing with the analysis of cost per tonne of product produced in the 2021 Technical Report, the actual base case productive capacity of 250,820 t/a is used rather than the nominal capacity - resulting in a true reflection of actual costs per tonne. The difference between the two capacities is small at only 0.33%; however, note is made of this difference to the reader for completeness.
- With respect to the "All-In" cash operating costs of the Project, it should be noted that the first 5.5 years (approximately) are "free" of the PPT – as the regulations allow for tax shields through the grossed-up and accelerated depreciation of capital costs incurred during the construction of the Project. As such, the Tugaske Project will be shielded from PPT for approximately 5.5 years of full production, at which point this PPT "holiday" will conclude, and PPT will apply as discussed in sub-section 21.2.4. In the 2021 Technical Report, two figures are shown to depict the All-in cash operating costs, one during and one after the PPT holiday. What should be noted is that the PPT is not a fixed percent calculation but is based on quarter-to-quarter profitability. The PPT calculated does not include R&D tax credit provisions which are expected to be available to the Tugaske Project when operating. As such, the PPT as calculated is likely overstated.

- Key risks to the project include actual potash price and netback price received, currency exchange rates and the speed of solution mining ramp up.
- At the time of the FEED study, the US/CAD exchange rate was in the range of 1.35 to 1.38. For the purposes of the FEED Study, a rate of 1.35 was chosen. The currency exchange rate can have a material impact on capex and opex for the project and, because of that, a currency and interest rate hedge program will be implemented, per the requirements of the senior lenders, to minimize currency and interest rate risks.

The technical information presented in this news release has been reviewed and approved by Mr. Mike Ferguson, P.Eng., who is a Qualified Person (QP) according to NI 43-101 requirements. The following QPs, who contributed to the authoring of the Technical Report have reviewed and approved the content of this news release and consent to its disclosure:

- Louis Fourie, P.Geo.
- Douglas Hambley, Ph.D., P.E., P.Eng., P.G.
- Devon Atkings, P.Eng.
- Lindsay Ruel, P.Eng.
- Dany Bernard, P.Eng.
- Kyle Blixt, P.Eng.
- Sheridan Fjeld, P.Eng.

About Gensource

Gensource Potash is a fertilizer development company based in Saskatoon, Saskatchewan and is on track to become the next fertilizer production company in that province. With a small scale 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 small *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 and negative environmental aspect of potash mining.

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