



GENSOURCE ANNOUNCES BROKERED PRIVATE PLACEMENT FOR UP TO \$6,000,000

SASKATOON, Saskatchewan – April 27, 2017 – Gensource Potash Corporation (“Gensource” or the “Company”) (TSX.V: GSP) is pleased to announce that it has engaged Industrial Alliance Securities Inc. (“IA”) as sole agent in connection with a proposed best efforts marketed private placement for gross proceeds of up to \$6,000,000 (the “Offering”). The Offering will consist of the sale of up to 11,111,111 common shares in the capital stock of the Company (the “Common Shares”) at a price of \$0.18 per Common Share, for gross proceeds of up to \$2,000,000, and up to 20,000,000 Common Shares issued on a flow-through basis (the “Flow-Through Shares”) for gross proceeds of up to \$4,000,000 at a price of \$0.20 per Flow-Through Share. In addition, the Company has also granted IA an option (the “Agent’s Option”), exercisable up to 72 hours prior to the closing of the Offering, to cause the Company to issue up to an additional \$900,000 (15% of the maximum of the Offering in Common Shares and/or Flow-Through Shares).

The Company intends to use the proceeds from the sale of the Common Shares for general working capital. The gross proceeds from the sale of the Flow-Through Share portion of the Offering will be used to fund “Canadian exploration expenses” (“CEE”) (within the meaning of the *Income Tax Act* (Canada) (the “Tax Act”)) related to the Company’s projects in Saskatchewan, and the Company will use its best efforts to ensure that such CEE qualify as a “flow-through mining expenditure”, for purposes of the Tax Act, related to the exploration of the Company’s exploration projects. The Company will renounce such CEE with an effective date of no later than December 31, 2017.

The Offering will take place by way of a private placement to qualified investors in such provinces of Canada as IA may designate, and otherwise in those jurisdictions where the Offering can lawfully be made. The securities to be issued pursuant to the Offering will be subject to a statutory fourth month and one day hold period from the Closing Date (as defined herein).

It is expected that the closing of the Offering will occur on or about May 25, 2017 (the “Closing Date”) and is subject to the satisfaction of certain conditions, including receipt of all applicable regulatory approvals including the approval of the TSX Venture Exchange. In consideration for their services, IA will receive a cash commission equal to 8.0% of the gross proceeds of the Offering and compensation warrants to purchase common shares equal to 8.0% of the total number of Common Shares and Flow-Through Shares sold exercisable for 18 months from the Closing Date at \$0.18 per common share.

Gensource’s President and CEO, Mike Ferguson commented, “This is an exciting time for Gensource. With our Vanguard Potash Corporation joint venture now formed with Essel Group ME to finance and construct the first small scale project, we are able to step out and start to define additional resources and potential mining areas in the other Vanguard lease. Defining resources in Saskatchewan potash is fairly well understood process, but Gensource is now creating a track record of executing on resource definition in an extraordinarily time- and cost-efficient manner. With the Vanguard JV moving forward, we’re excited to seek additional opportunities - the future is bright!”



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.

The technical information presented in this news release has been reviewed and approved by Mike Ferguson, P.Eng., the President, CEO and a Director of the Corporation, who is a qualified person according to NI 43-101 requirements.

For further information, please contact:

Gensource Potash Corporation:

Mike Ferguson, President & CEO
Telephone: (306) 974-6414
Email: 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 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.
