

## **GENSOURCE ANNOUNCES \$3,000,000 NON-BROKERED PRIVATE PLACEMENT**

**SASKATOON, Saskatchewan – January 13, 2017 – Gensource Potash Corporation** (“**Gensource**” or the “**Company**”) (TSX.V: **GSP**) is pleased to announce a proposed best efforts non-brokered private placement for gross proceeds of up to \$3,000,000 (the “**Offering**”). The Offering will consist of the sale of up to 27,272,728 units of the Company (the “**Units**”) at a price of \$0.11 per Unit. Each Unit will consist of one common share and 1/2 of one purchase warrant. Each whole warrant will entitle the holder to acquire one share for \$0.17 for a period of 24 months after closing. The terms of the financing were established in the context of the market over the last 30 days.

The Company intends to use the proceeds from the Offering to initiate geological and engineering study work towards a second project module in the Vanguard Project area (“Vanguard Two”). Proceeds will also be used for matters relating to the completion of the proposed Joint Venture signed with Essel Group ME as detailed in the MOU announcement of November 28, 2016, as well as for general working capital purposes. The Offering will take place by way of a private placement to qualified investors in such provinces of Canada as the Company may designate, and otherwise in those jurisdictions where the Offering can lawfully be made. The securities to be issued pursuant to Offering will be subject to a statutory fourth month and one day hold period from the closing date.

It is expected that the closing of the Offering will occur on or before January 19, 2017 and is subject to the approval of the TSX Venture Exchange.

Gensource’s President and CEO, Mike Ferguson commented, “We are looking forward to closing this financing fully subscribed quickly. As indicated by the use of proceeds, this financing will help Gensource continue to execute its business plan in a methodical and aggressive manner, with each successful step bringing us closer to our goal of becoming a new and independent producer of potash”.

### **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 new 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:

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***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.***

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#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

*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 MOU 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.*

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