

Gensource Potash Announces Closing of Private Placement Offering of Convertible Debentures

SASKATOON, Saskatchewan--(BUSINESS WIRE)--October 19, 2021--Gensource Potash Corporation ("Gensource" or the "Company") (TSXV: GSP) today announces that it has completed the previously announced non-brokered private placement offering (the "Offering") of up to \$2,000,000 principal amount of 5% convertible redeemable unsecured debentures of the Company ("Debentures") at a price of \$1,000 per Debenture.

The net proceeds received by Gensource from the Offering are intended to be used to meet the Company's capital requirements for its previously announced intention to list its common shares on the AIM Market of the London Stock Exchange plc, which it hopes to achieve in early November.

Mike Ferguson, President & CEO, said, "I am so pleased to report that Offering was taken up by the core group of the Company. This direct and tangible support from the Gensource team should surprise no one. The team believes deeply in what Gensource is doing and is ready, as evidenced by this Offering, to stand behind that belief in a material way."

All directors and officers of the Company participated in the Offering, purchasing a total of \$1,985,000 principal amount of Debentures (the remaining amounts were purchased by other employees of the Company). These insider subscriptions are deemed to be "related party transactions" as defined under Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is exempt from the formal valuation and minority approval requirements for related party transactions pursuant to Subsection 5.5(a) and Subsection 5.7(a) of MI 61-101, respectively.

The Debentures bear interest at a rate of 5% per annum from the date of issue, payable in arrears on the maturity date of the Debentures, which will be June 30, 2023 (the "Maturity Date"). The principal amount of each Debenture are convertible, in whole or in part, for no additional consideration, into common shares of the Company ("Common Shares") at the option of the holder at any time prior to the earlier of: (i) the close of business on the Maturity Date, and (ii) the business day immediately preceding the date specified by the Company for redemption of the Debentures, at a conversion price equal to \$0.34 per Common Share.

The Debentures issued pursuant to the Offering will be subject to a hold period of four months plus a day expiring February 19, 2022.

The Offering remains subject to receipt of all necessary approvals, including the final approval of the TSX Venture Exchange.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state

securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

About Gensource

Gensource 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.

Neither the 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 Statement

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 the use of proceeds received from the listing on the AIM Market. 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 could differ materially from those currently anticipated in such statements for many reasons such as: failure to finance the Tugaske Project or other projects on terms which are economic or at all; failure to settle a definitive joint venture agreement with a party and advance and finance the Tugaske Project; changes in general economic conditions and conditions in the financial markets; the ability to find 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; an inability to predict and counteract the effects of COVID-19 on the business of Gensource, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and

supply chains, failure to obtain required regulatory approvals; 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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