

GENSOURCE ANNOUNCES CLOSING OF THE FIRST TRANCHE NON-BROKERED PRIVATE PLACEMENT

SASKATOON, Saskatchewan – May 6, 2016 – Further to its news releases dated April 21 and 23, 2016, Gensource Potash Corporation (“Gensource” or the “Company”) (TSX.V: GSP) is pleased to announce that it has completed tranche one of its previously announced non-brokered private placement financing (the “Offering”). Tranche one of the Offering consisted of the sale of 24,910,285 units (the “Units”) at \$0.07 per Unit for aggregate gross proceeds of \$1,743,720.00. Tranche two of the Offering is expected to close within the next 10 days.

Each Unit consisted of one (1) common share and one-half (1/2) of one common share purchase warrant (“Warrant”). Each whole Warrant shall entitle the holder to acquire an additional common share at a price of \$0.12 for a period of twenty-four (24) months from the date of issuance.

The net proceeds from the sale of the Units will be applied to acquisition cost of the mineral leases from Yancoal Canada Resources Co. Ltd. (“YCR”) as announced on April 6, 2016, to advance project work in Gensource’s Vanguard Project Area and for general working capital purposes

The Company also paid a total of \$55,458.20 in finders fees and has issued 792,260 broker warrants in connection with the Offering. Each Broker Warrant will entitle the holder thereof to purchase one Unit at an exercise price of \$0.07 for a period of 24 months following the closing date of the Offering.

All securities issued in conjunction with the Offering are subject to a statutory four-month and one day hold period.

Mike Ferguson, President & CEO of Gensource commented, “We are very pleased with the market interest in this financing. Initially, we set out to raise \$1.5 M, but demand quickly grew beyond that. With a second closing or tranche to the financing planned for next week, we have far exceeded our original goal. We are excited about the opportunities presented with the Yancoal Canada Resources lease acquisition, and very pleased with investor demand in connection with the Offering.

About Gensource

Gensource is based in Saskatoon, Saskatchewan and is focused on re-inventing the potash industry by becoming a new, independent potash producer. Gensource plans to accomplish this goal by creating a vertically integrated business structure in partnership with a specific market and developing the next potash production facility in Saskatchewan as a small operation that will specifically serve the selected market. The new facility is planned to use up-to-date selective dissolution technologies, which would result in a small operation that leaves no salt tailings on surface, uses no fresh surface water and creates a smaller carbon footprint than current operations in the province. 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. The operations of Gensource are in the development stage only and there is no actual mineral production. Without a formal independent feasibility study, there is no assurance that mineral production is feasible on an economic basis.

For further information please contact:

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Caution Regarding Forward-Looking Statements

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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 expected timing for release of a resource estimate and a preliminary economic assessment. 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, results of exploration, the economics of processing methods, project development, reclamation and capital costs of Gensource's mineral properties, and Gensource's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; the ability to find distributors and source offtake 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.
