

FIRST GOLD ORE DISPATCHED FROM ULYSSES

Genesis poised for first cash-flow as first parcel of ore departs for Paddington gold plant

Key points:

- Open pit mining operations progressing on schedule at Ulysses West open pit
- ~16,000 tonnes of ore now available on the run-of-mine (ROM) stockpile
- First parcel of ~8,500 tonnes of ore grading 2.5g/t Au currently being dispatched for processing at the 3.5Mtpa Paddington gold plant near Kalgoorlie
- First payment under the Toll Milling Agreement with Paddington Gold Pty Ltd imminent
- Estimated free cash flow of \$4-6M from mining Ulysses West open pit, subject to the gold price



Figure 1 – Ulysses Open Pit Floor ~395mRL

Genesis Minerals Limited (ASX: GMD) is pleased to advise that it is set to receive its first cash payment under the toll milling arrangement for ore from its 100%-owned **Ulysses Gold Project** near Leonora in WA after successfully commencing transporting of the first parcel of ore.

Open pit mining at the Ulysses West pit has progressed rapidly since the mining fleet mobilised in early October, with the Company's Mining Alliance partner, SMS Innovative Mining Pty Ltd making excellent progress with the mine plan (see Figures 2A to 2E). Mining is expected to be completed prior to Christmas.

Ore is currently being mined from the 390mRL and a total of ~16,000 tonnes of ore is available on the run-of-mine (ROM) pad (Figures 3A to 3D) for haulage to Paddington.

The first parcel of ore, comprising a total of 8,500 tonnes of ore at ~2.5g/t Au is currently being transported by road to the Paddington Mill. Haulage commenced on 10 November 2016.

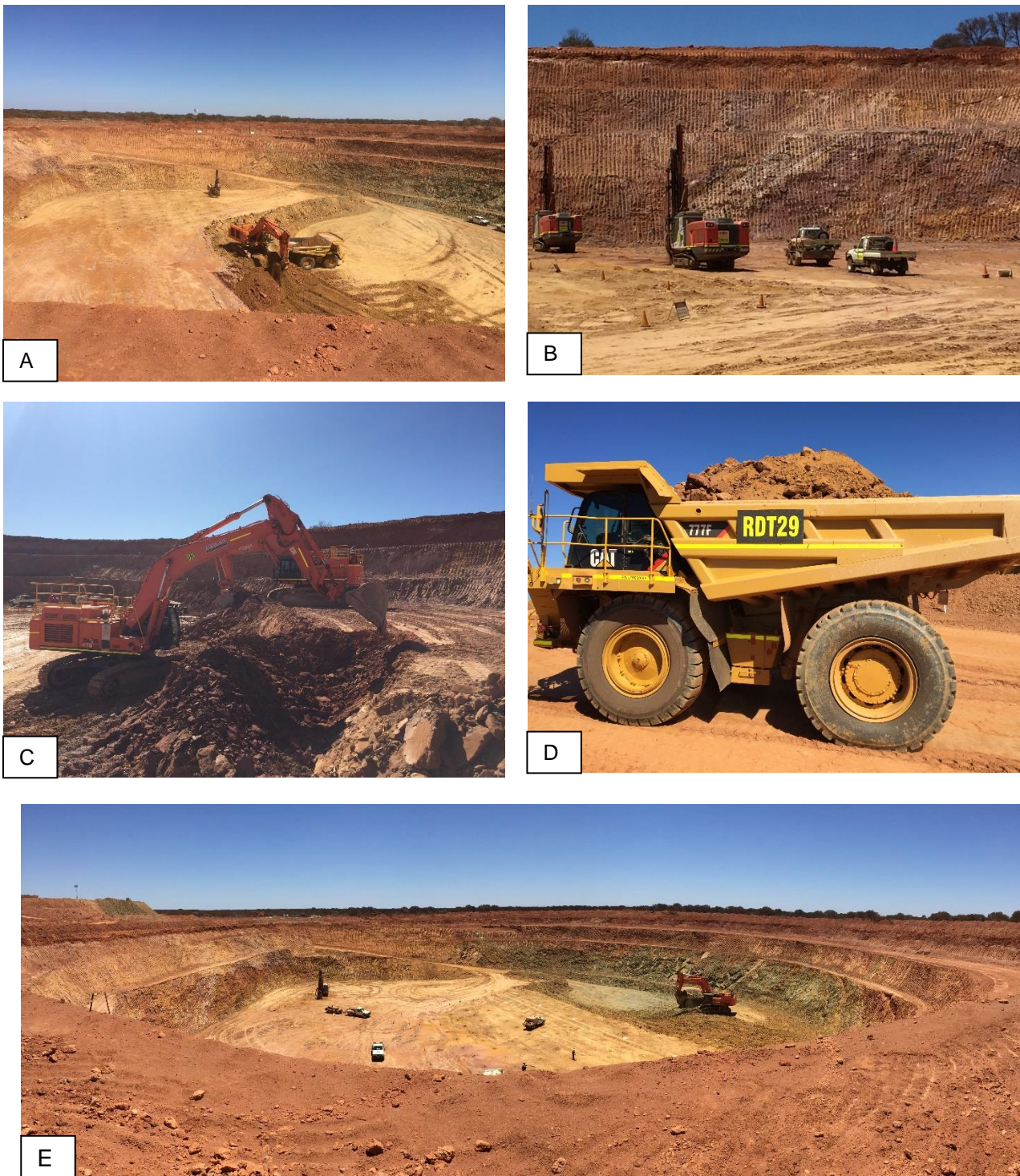


Figure 2A to E Mining activities between 400 to 392.5mRL in Ulysses West open pit.

The parcel of ore will be processed under the Company's Toll Milling Agreement with Paddington Gold Pty Ltd ("Paddington"), with the first payment expected within ~21 days.

Regular shipments of ~10,000 tonnes each are scheduled to be made to Paddington during November and December.

The project is forecast to generate total estimated free cash-flow of ~4 to \$6 million from the initial Ulysses West operation depending on the gold price at the time of delivery of batches of ore to Paddington.



Figure 3A to D ROM Stockpile and Ore Haulage

Management Comment

Genesis Managing Director Michael Fowler said the open pit mining operation at Ulysses West was making excellent progress, with the dispatch of the first ore parcel marking a significant milestone for the Company.

“SMS and Genesis personnel have been doing a fantastic job and should be commended for their efforts in delivering the first parcel of production ore from Ulysses West only five weeks after the commencement of mining. First cash flow from Ulysses represents an important achievement for Genesis, helping to underpin our next phase of growth and development initiatives.

“Early results from our ongoing exploration programs both at Ulysses and at the highly prospective Viking Project near Norseman have been very encouraging, with the latest results from Ulysses defining a large, coherent gold anomaly immediately east of the existing resource area.

“With production now well underway at Ulysses, the Company has strong ongoing funding in place to advance exploration across both of our key project areas to deliver on our objective of becoming a significant Western Australian gold producer,” he continued.

ENDS

For further information, visit: www.genesisminerals.com.au or please contact

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COMPETENT PERSONS' STATEMENTS

The information in this report that relates to Exploration Results is based on information compiled by Mr. Michael Fowler who is a full-time employee of the Company, a shareholder of Genesis Minerals Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr. Fowler has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Fowler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services and is a shareholder of Genesis Minerals Limited. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to Ore Reserves is based on information compiled by Mr Gary McCrae, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McCrae is a full-time employee of MineComp Pty Ltd. Mr McCrae has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCrae consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1 Ulysses Ore Reserve Summary – August 2016

Ore Reserve Category	Tonnes	Au g/t	Au Oz
Proved	-	-	-
Probable	74,000	4.1	9,700
Total	74,000	4.1	9,700

Note: Rounding errors may occur

Ulysses Mineral Resource Inclusive of Ore Reserves

Mineral Resource Category	Tonnes (Mt)	Au g/t	Au Oz
Measured	-	-	-
Indicated	1.62	2.4	122,500
Inferred	0.51	1.8	29,000
Total	2.13	2.2	151,500

Appendix 1: Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

This announcement has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.