

# ASX Announcement

Quarterly Activities Report  
For the Quarter Ended 30 September 2019



## HIGHLIGHTS

**Ongoing 20,000m drill program continues to confirm the continuity and robustness of mineralisation within the upper 200m of the 760koz<sup>1</sup> Ulysses Resource, with next Resource upgrade due in Q4 this year**

### **Ulysses Gold Project, Western Australia (GML: 100%)**

- Significant new assay results received from ongoing drilling designed to upgrade the current Ulysses Mineral Resource (7.1Mt @ 3.3g/t for 760,400oz<sup>1</sup>).
- Drilling continuing over a 1km strike length to in-fill and extend the Resource, with significant new results including:

- |                                      |           |
|--------------------------------------|-----------|
| • 9.05m @ 9.94g/t gold from 142.15m  | 19USDH079 |
| ➤ including 5.6m @ 14.92g/t gold     |           |
| • 6.24m @ 10.62g/t gold from 223.03m | 19USDH083 |
| ➤ including 4.63m @ 14.1g/t gold     |           |
| • 6.14m @ 9.52g/t gold from 232.48m  | 19USDH085 |
| ➤ including 2.82m @ 19.8g/t gold     |           |
| • 6.00m @ 10.23g/t gold from 154.0m  | 19USDH113 |
| ➤ including 2.43m @ 20.33g/t gold    |           |
| • 4.52m @ 9.71g/t gold from 145m     | 19USDH114 |
| • 5.46m @ 10.71g/t gold from 229m    | 19USDH115 |
| • 2.00m @ 28.76g/t gold from 188m    | 19USDH105 |
| • 1.00m @ 33.86g/t gold from 103m    | 19USDH089 |
| • 2.36m @ 9.41g/t gold from 142.64m  | 19USDH110 |
| • 2.00m @ 9.20g/t gold from 179m     | 19USDH100 |
| • 4.25m @ 5.29g/t gold from 240.85m  | 19USDH084 |
| • 12.09m @ 2.31g/t gold from 121.4m  | 19USDH091 |
| ➤ including 5.66m @ 3.72g/t gold     |           |
| • 3.00m @ 5.56g/t gold from 174m     | 19USDH080 |
| ➤ including 0.87m @ 13.4g/t gold     |           |
| • 3.00m @ 8.6g/t gold from 216m      | 19USRC378 |
| ➤ including 2m @ 11.6g/t gold        |           |

*True widths are ~90% to 100% of down-hole lengths*

- Genesis plans to complete ~20,000m of drilling by mid-November to upgrade and extend the top 200m of the Resource in preparation for eventual mining.
- Three rigs operating as part of the in-fill and extensional drilling program. Updated Mineral Resource estimate scheduled for Q4, 2019.

<sup>1</sup> Measured, Indicated and Inferred Resource of 7.1Mt @ 3.3g/t gold for 760,400oz – refer to the original ASX announcement dated 9 October 2018 for full details and Table 1 in this report. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resource estimates, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from the original market announcement.

## ULYSSES GOLD PROJECT, WA (Genesis: 100%)

The Ulysses Gold Project is located ~30km south of Leonora and 200km north of Kalgoorlie, in the mineral-rich and highly prospective Eastern Goldfields of WA.

It lies 30km south of the Gwalia mine (6Moz of Production and 2.1Moz of Ore Reserves) and along strike from the Orient Well and Kookynie mine camps, which have produced over 0.5Moz.

Genesis acquired the Ulysses Project in 2015 and, following initial exploration success, completed two open pit mining campaigns at the Ulysses West Pit in 2016 and 2017. Ore from Ulysses West was processed under a toll-treatment arrangement at the Paddington Mill, located 160km south of Ulysses along the Goldfields Highway.

Genesis is now targeting the development of a long-life, standalone underground mining operation at Ulysses with major resource expansion drilling programs underway.

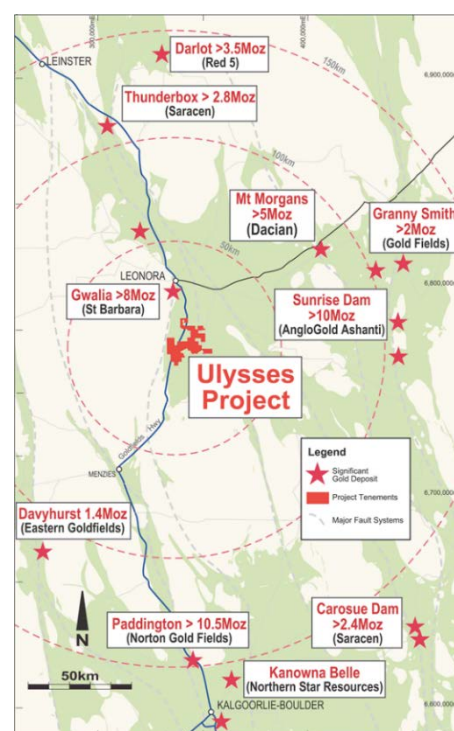


Figure 1. Ulysses Gold Project location.

## Ulysses Drilling Results

A program of Reverse Circulation (RC) and diamond Resource upgrade drilling commenced in August 2019. Over 20,000m of drilling will be completed by mid-November to upgrade the top 200m of the Resource in preparation for mining. Drilling will target approximately 1,000m of strike and some 300m of down-dip extent within and adjacent to the current Resource envelope.

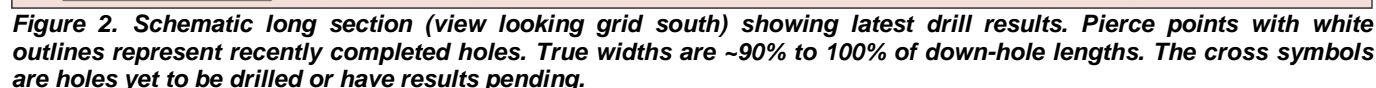
At Ulysses West, drilling will target ~600m of down-plunge extent.

Results have been received from the ongoing Resource upgrade drilling program with holes targeting the upper parts of the Ulysses Mineral Resource (see Figure 2) with the drilling continuing to strongly support the continuity of the higher-grade gold mineralisation.

High-grade gold intersections from the recent holes include:

- |                                      |           |
|--------------------------------------|-----------|
| • 9.05m @ 9.94g/t gold from 142.15m  | 19USDH079 |
| ➤ including 5.6m @ 14.92g/t gold     |           |
| • 6.24m @ 10.62g/t gold from 223.03m | 19USDH083 |
| ➤ including 4.63m @ 14.1g/t gold     |           |
| • 6.14m @ 9.52g/t gold from 232.48m  | 19USDH085 |
| ➤ including 2.82m @ 19.8g/t gold     |           |
| • 6.00m @ 10.23g/t gold from 154.0m  | 19USDH113 |
| ➤ including 2.43m @ 20.33g/t gold    |           |
| • 4.52m @ 9.71g/t gold from 145m     | 19USDH114 |
| • 5.46m @ 10.71g/t gold from 229m    | 19USDH115 |
| • 2.00m @ 28.76g/t gold from 188m    | 19USDH105 |
| • 1.00m @ 33.86g/t gold from 103m    | 19USDH089 |
| • 2.36m @ 9.41g/t gold from 142.64m  | 19USDH110 |

- True widths are ~90% to 100% of down-hole lengths**



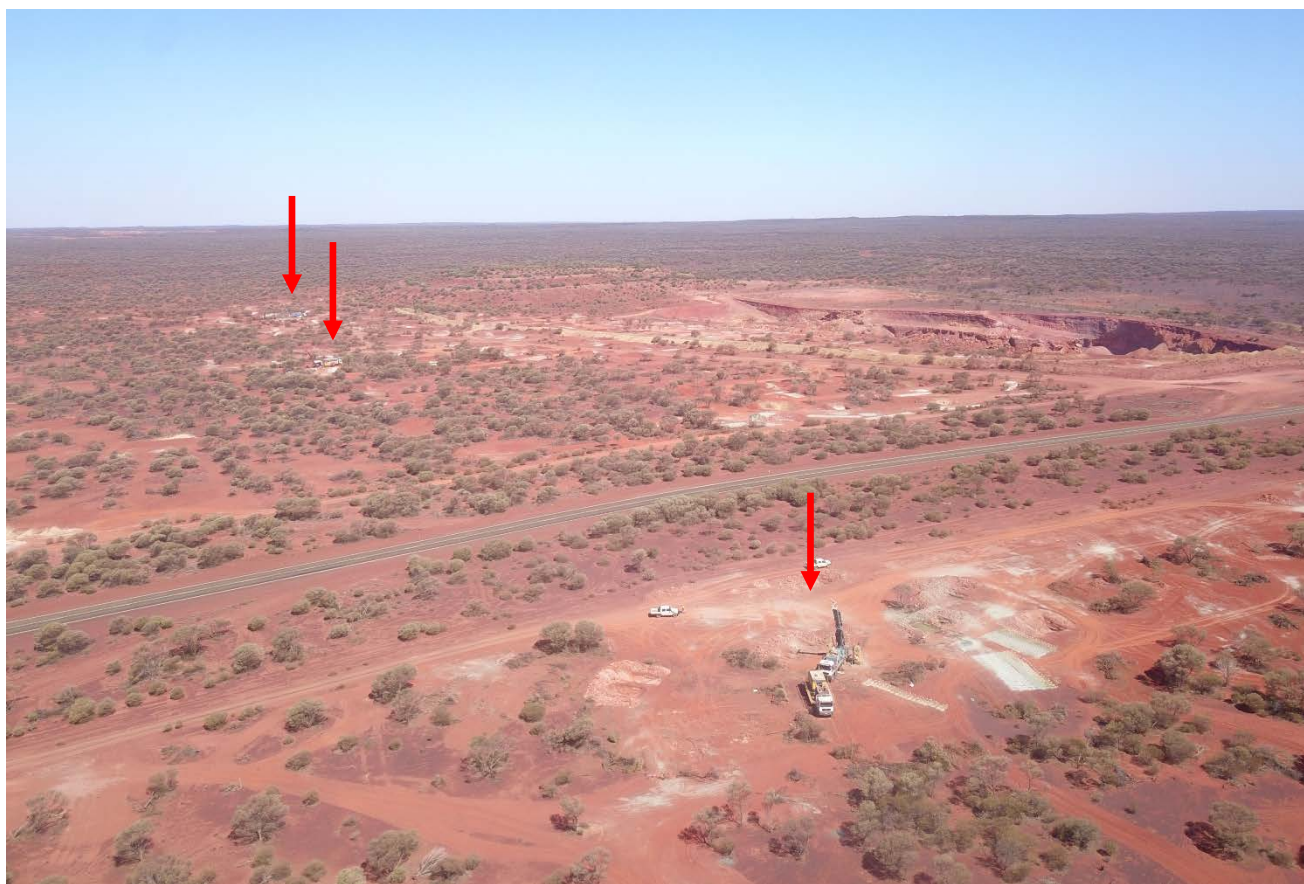
## Planned Activities

- Completion of the 20,000m RC and diamond in-fill drilling program to increase confidence in the current Ulysses Mineral Resource.
- Update the Mineral Resource Estimate.
- Ongoing feasibility work in preparation for eventual mining.
- RC drilling at Orient Well NW to follow up previous drilling.
- AC drilling to continue to identify new resource targets.





**Figure 3. Drilling at Ulysses West.**



**Figure 4. Three drill rigs operating at Ulysses during October. Photo looking to the south east.**

**BARIMAIA GOLD PROJECT, WESTERN AUSTRALIA (Genesis: 65%)**

The Barimaia Gold Project is located in the Murchison District of Western Australia, 10km south-east of the 6Moz<sup>2</sup> Mt Magnet Gold Mine, operated by ASX-listed Ramelius Resources Limited (see Figure 5).

An initial “proof-of-concept” drilling program completed in the September 2017 Quarter confirmed the presence of a substantial gold system at Barimaia. Based on the strength of the results from this initial work, Genesis moved ahead to complete the acquisition of Metallo Resources Pty Ltd, a company that holds the right to earn 80% in the project, in September 2017.

Genesis has now earned an initial 65% interest in the project and has elected to form a Joint Venture for the continued development of the project.

Previous Reverse Circulation drilling completed in late 2018 has defined significant shallow gold mineralisation over 1km of strike, centred on the McNabs and McNabs East prospects (see Figures 6 and 7).

Although at an early stage of definition and based on wide-spaced drilling, the gold mineralisation at McNabs and McNabs East is considered to occur within the same east-west oriented structural trend.

The bedrock mineralisation now represents a very large bedrock gold target that requires systematic drill testing.

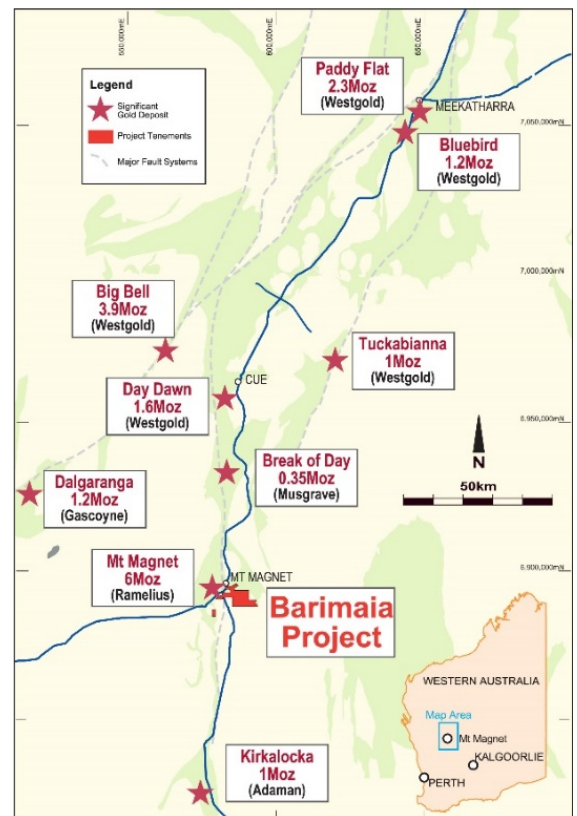
A 1,500m wide-spaced air-core program was completed in July 2019 to complete a first pass test of the eastern strike extensions to the interpreted gold mineralised corridor (highlighted in Figures 8 and 9).

The results from the drilling program have identified significant extensions of the east-west trending gold mineralised system to the east of McNabs East.

The recent drilling comprised a total of 24 holes, with nine holes (19BAAC085 to 19BAAC093) drilled 600m to 1,200m south of the McNabs prospects and a further 15 holes (19BAAC094 to 19BAAC108) drilled to the east of McNabs East targeting extensions to the interpreted E-W trending structural corridor that links McNabs and McNabs East.

One north-south orientated line of air-core drilling was completed on 586,600E about 500m east of McNabs East (see Figure 8). Drilling on this section was completed at 100m hole spacings on the northern part of the line, increasing to 200m for the southern holes.

Hole 19BAAC105 returned a significant intercept of **2m @ 14.27g/t gold from 25m** and is interpreted to be associated with an east-northeast trending arm of the main mineralised corridor (see Figures 7 to 9), associated with a granodiorite. Hole 19BAAC097 returned **5m @ 0.11g/t gold** from 40m some 500m east of McNabs East and is associated with weather and foliated mafic rocks. This zone is interpreted to be open to the east and south-east.



**Figure 5. Barimaia Project location**

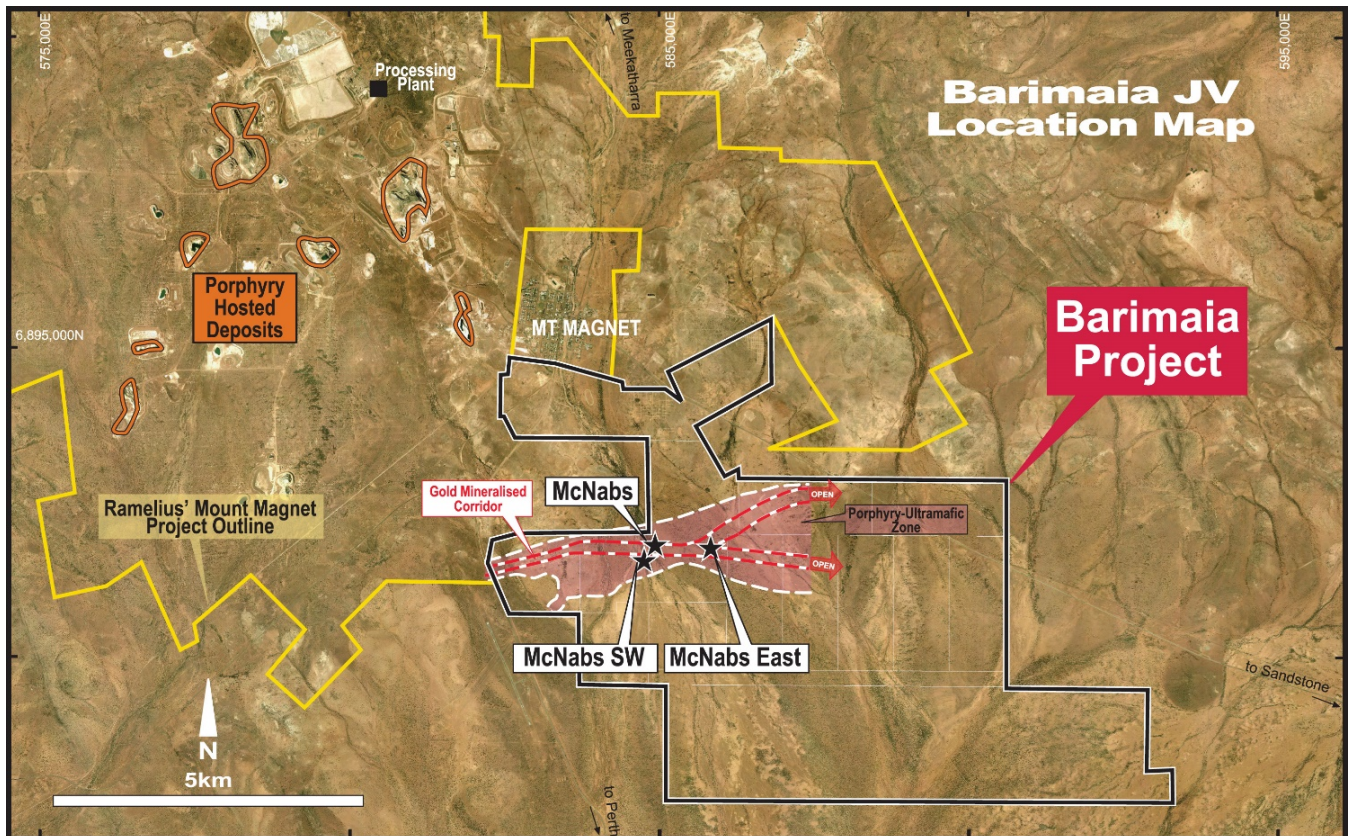
<sup>2</sup> Refer Ramelius Resources' ASX Announcement dated 22 February 2017.



Hole 19BAAC100 (5m @ 0.14g/t gold) and 19BAAC102 (5m @ 0.17g/t gold) are located to the south-east of the McNabs Prospects. These holes, together with 17BAAC013 (5m @ 0.26g/t gold), have outlined a saprolite-hosted zone of persistent anomalism over 600m of strike spatially associated with the interpreted position of the granite-greenstone contact.

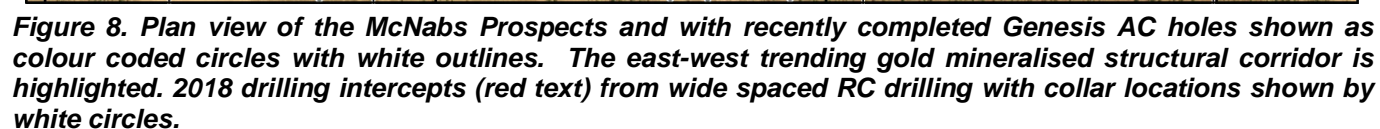
Further work is required in this area to understand the significance of the anomalism.

Full details of the assay results were provided in the Company's ASX Announcements dated 15 August 2019.



**Figure 6. Barimaia Project showing prospect locations. The Barimaia Project is adjacent to Ramelius' Mt Magnet Gold Mine. Target mineralised corridor highlighted.**







## McNabs and McNabs East Drilling Background

The gold mineralisation at McNabs and McNabs East is considered to occur within the same east-west oriented structural trend, which has been drill defined over 1.5km of strike. This drilling was a combination of RC and AC. A series of south-oriented wide-spaced RC holes drilled in late 2018 at McNabs and McNabs East strongly supported the interpreted overall east-west trend of the bedrock mineralisation.

Significant results (see Figure 8) from this drilling in late 2018 at McNabs and McNabs East are summarised below and include:

- **74m @ 0.66g/t gold from 59m 18BARC028**
  - *including 8m @ 1.44g/t gold from 59m*
  - *including 7m @ 1.79g/t gold from 77m*
  - *including 5m @ 2.18g/t gold from 106m*
- **26m @ 1.15g/t gold from 17m 18BARC029**
  - *including 11m @ 2.21g/t gold from 18m*
- **6m @ 2.56g/t gold from 103m 18BARC029**
  - *including 1m @ 12.6g/t gold from 107m*
- **14m @ 0.60g/t gold from 30m 18BARC030**
- **29m @ 0.84g/t gold from 43m 18BARC031**
  - *including 8m @ 2.08g/t gold from 63m*
- **28m @ 0.71g/t gold from 90m 18BARC031**
  - *including 6m @ 1.44g/t gold from 102m*
- **13m @ 0.52g/t gold from 94m 18BARC032**
- **14m @ 0.87g/t gold from 77m 18BARC037**
- **12m @ 1.61g/t gold from 93m 18BARC041**
- **11m @ 1.08g/t gold from 82m 18BARC042**
  - *including 2m @ 1.38g/t gold from 82m*
  - *including 2m @ 4.23g/t gold from 90m*
- **3m @ 1.64g/t gold from 104m 18BARC042**
- **17m @ 0.94g/t gold from 51m 18BARC046**
  - *including 9m @ 1.38g/t gold from 57m*

Figure 8 above shows the location of the 2018 RC holes, the drill-defined porphyry bodies at 50m below surface and the bedrock gold mineralised corridor drill target zones, which extend for over 1.5km on Figure 7 and are open and untested along strike.

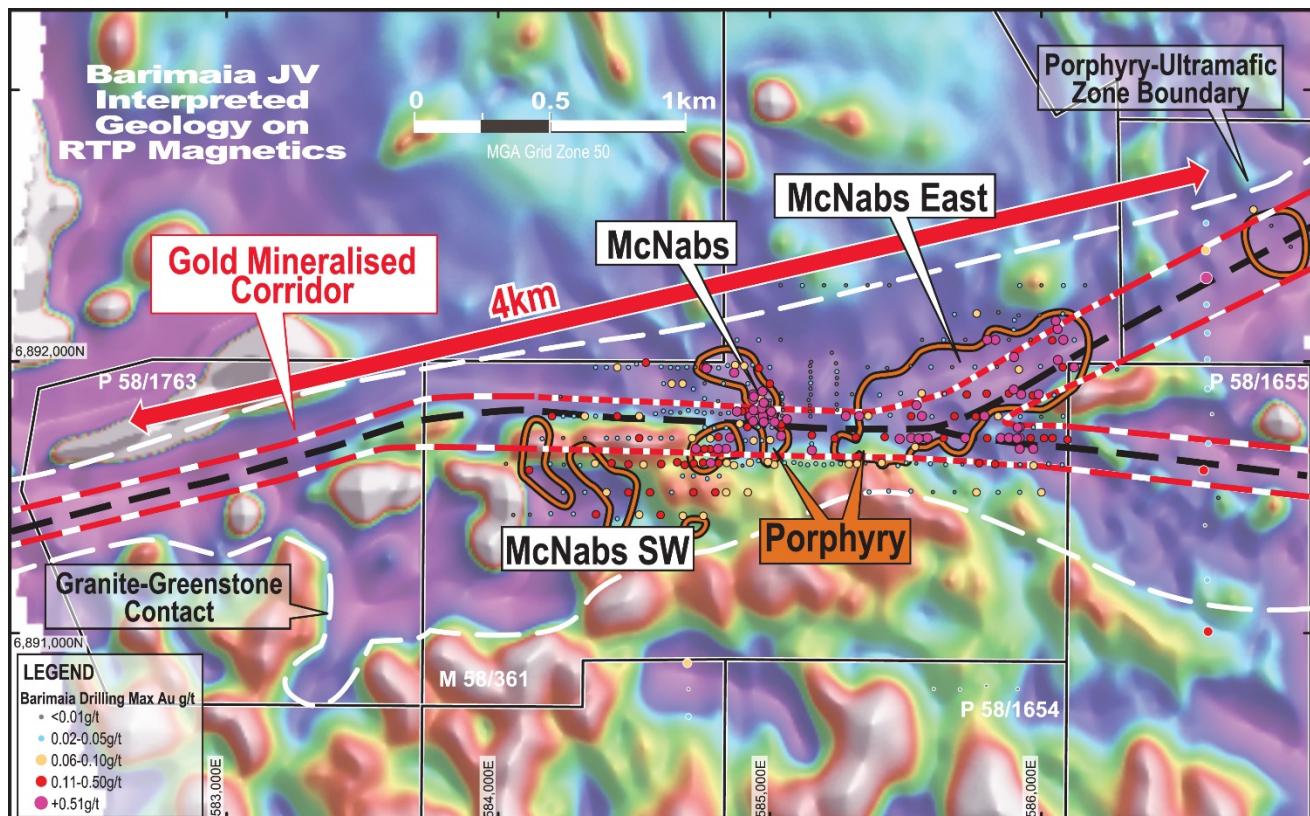
The current interpretation indicates that the currently drilled porphyries link up at depth to form one body.

Previous drilling at McNabs by Genesis was all orientated to the west with the aim of intersecting mineralised trends/structures striking in a more north-south orientation.

Drilling by Genesis in 2017 at McNabs returned intercepts including **9m at 18.8g/t gold from 75m** at the McNabs prospect and **17m at 3.36g/t gold from 49m** at the McNabs East prospect<sup>3</sup>.

<sup>3</sup> Refer to the GMD ASX Announcement dated 21 August 2017 for full details of the exploration results.





**Figure 9. RTP (reduced to pole) magnetics showing interpreted porphyry – ultramafic corridor and interpreted east-west gold target zone. Magnetic lows show a reasonable correlation to the mapped porphyries from drilling and also highlight the east-west structural corridor.**

## Future Activities

Future planned activities at Barimaia include:

- Further systematic air-core drilling to test the area east, west and south of the currently identified bedrock gold targets to extend the mineralised system which is open in all directions;
- Diamond drilling to confirm the current structural model; and
- RC drilling to systematically test the +1.5km of E-W striking bedrock gold targets associated with the McNabs Prospects.

The McNabs Prospects area is entirely under shallow cover and comprises significant gold mineralisation associated with porphyry bodies intruding an ultramafic dominated volcano-sedimentary package.

The prospect geology and mineralisation has strong similarities (including geochemical signature being anomalous in Au-Bi-Te-Pb-W-Ag) with the nearby porphyry-hosted, structurally controlled gold deposits of Ramelius Resources Limited.

## Barimaia Joint Venture Terms

The **Barimaia Joint Venture Gold Project** is subject to a Farm-in and Joint Venture Agreement (Mt Magnet JV), under which Genesis has now earned an initial 65% interest in the project by spending \$750,000.

Following satisfaction of this initial earn-in Genesis has elected to form a joint venture.

**CORPORATE***Capital Raising and Strategic Investment by Alkane Resources*

On 2 August 2019, Genesis announced a three-part capital raising (**Capital Raising**) at an issue price of \$0.032 per share which raised \$7.6 million (before costs).

As part of the Capital Raising, Australian gold producer Alkane Resources Limited agreed to make a strategic investment by subscribing for shares under an initial placement, participating in and partially underwriting an entitlement offer and subscribing for additional shares in a conditional placement.

Following the completion of the Capital Raising, Alkane became the largest shareholder in the Company with a 15% interest. A technical committee with members from Genesis and Alkane will be formed to allow Genesis to leverage Alkane's operational expertise as required. Subject to certain conditions, Alkane will have anti-dilution rights to participate in future equity raisings (subject to obtaining the requisite ASX waiver).

Nic Earner was appointed to the Board of Genesis following the completion of the capital raising.

*Cash*

At 30 September 2019, the Company held cash reserves of A\$8.6 million.

For further information, visit: [www.genesisminerals.com.au](http://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.

### TABLE 1: MINERAL RESOURCE TABLE

#### October 2018 Mineral Resource Estimate 0.75g/t Cut-off above 200mRL, 2.0g/t Below 200mRL

Type	Measured		Indicated		Inferred		Total		
	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Au Ounces
Oxide	6,000	2.1	143,000	1.6	146,000	1.6	295,000	1.6	15,200
Transition	6,000	3.1	364,000	1.9	234,000	1.6	604,000	1.8	34,700
Fresh	21,000	5.0	3,647,000	3.7	2,551,000	3.3	6,220,000	3.6	710,500
<b>Total</b>	<b>33,000</b>	<b>4.1</b>	<b>4,154,000</b>	<b>3.5</b>	<b>2,932,000</b>	<b>3.0</b>	<b>7,119,000</b>	<b>3.3</b>	<b>760,400</b>

#### October 2018 Mineral Resource Estimate 2.0g/t Global Cut-off

Type	Measured		Indicated		Inferred		Total		
	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Au Ounces
Oxide	4,000	2.5	26,000	2.8	22,000	2.2	51,000	2.5	4,200
Transition	5,000	3.3	114,000	3.1	20,000	2.2	138,000	3.0	13,400
Fresh	21,000	5.0	2,323,000	5.2	1,605,000	4.3	3,949,000	4.8	610,800
<b>Total</b>	<b>29,000</b>	<b>4.4</b>	<b>2,463,000</b>	<b>5.0</b>	<b>1,647,000</b>	<b>4.3</b>	<b>4,139,000</b>	<b>4.7</b>	<b>628,400</b>

#### October 2018 Mineral Resource Estimate High Grade Shoots

Type	Measured		Indicated		Inferred		Total		
	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Au Ounces
<b>HG Shoots</b>	<b>21,000</b>	<b>5.2</b>	<b>1,398,000</b>	<b>6.4</b>	<b>187,000</b>	<b>10.8</b>	<b>1,606,000</b>	<b>6.9</b>	<b>356,100</b>

**NB. Rounding errors may occur**

Full details of the Mineral Resource estimate are provided in the Company's ASX announcement dated 9 October 2018.

**FORWARD LOOKING 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 report 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 report has been prepared in compliance with the JORC Code (2012) and the ASX Listing Rules.

The Company has concluded it has a reasonable basis for providing the forward looking statements included in this report, including with respect to any production targets and financial estimates, based on the information contained in this report.

This report has been prepared by Genesis Minerals Limited. This document contains background information current at the date of this report. The report is in summary form and does not purport to be all-inclusive or complete.

Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this report.

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