ASX Announcement

18 July 2016

FURTHER HIGH-GRADE GOLD EXTENSIONS CONFIRMED AT ULYSSES

Follow up drilling to commence in August

KEY POINTS

- **High-grade gold intersected beneath historically mined pit outside of the existing Ulysses Mineral Resource**
- **First ever drill program targeting locations below the Ulysses Pit confirms significant potential to continue to expand Ulysses Resource base**
- **Further exploration drilling to continue in August to include extensional RC drilling and AC drilling at Ulysses East and West**
- **Grade control drilling set to commence at Ulysses West in advance of planned mining later this quarter**

Genesis Minerals Limited (ASX: GMD) ('Genesis' or the 'Company') is pleased to advise that further high-grade gold mineralisation has been intersected outside of the Ulysses Resource beneath the historically mined Ulysses Pit at the Company's 100% owned Ulysses Gold Project ('Ulysses" or the "Project").

The 7 hole RC drill program recently completed included 4 holes that targeted potential high-grade shoot positions below the historically mined Ulysses Open Pit. Significant results from this initial work below the pit by the Company includes:

- **6m @ 4.5g/t gold from 120m** including **3m @ 7.8g/t gold**; and
- **13m @ 2.2g/t gold from 115m** including **5m @ 3.8g/t gold**.

Importantly, these intersections are located at shallow depths and confirm a large prospective area for future resource expansion **(+500m of strike in this zone and open at depth)** at Ulysses and continue to enhance the potential to develop a future underground operation at Ulysses.

The base of the Ulysses Mineral Resource, comprising 2.1Mt at 2.2g/t Au for 151,000 ounces of gold (*see GMD ASX Release dated February 1, 2016*), is ~100m below surface (Figure 1) with no drilling completed beneath the pit since 2001 until this recently completed program.

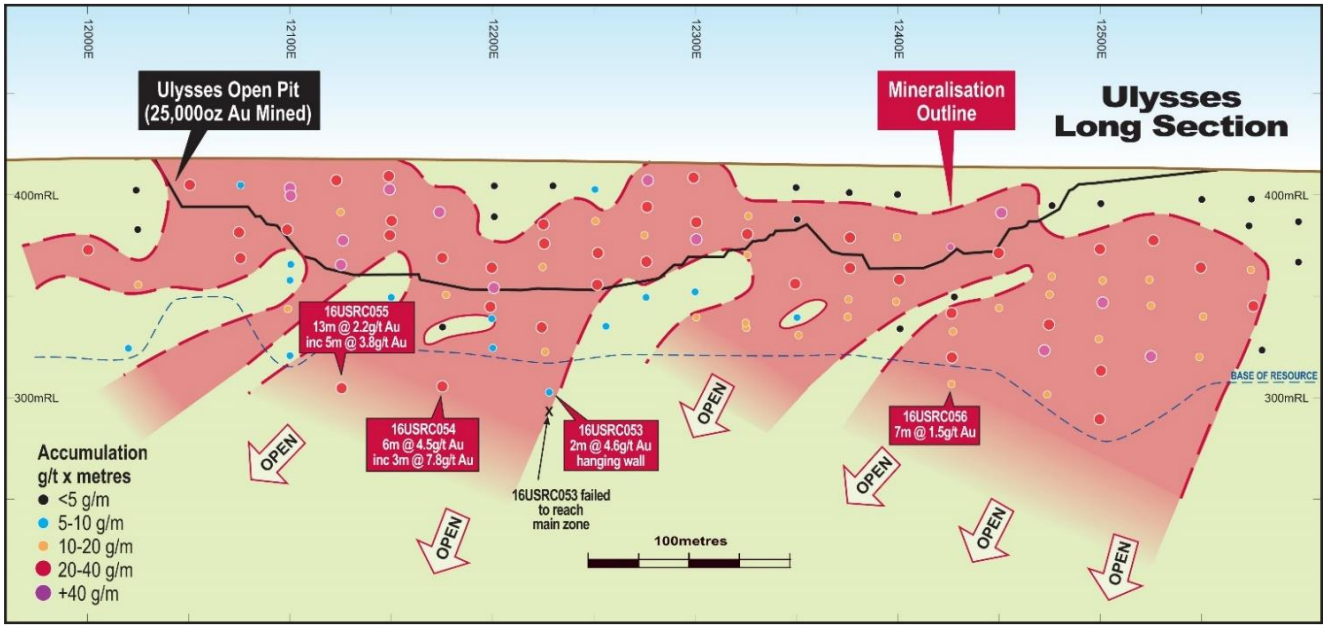

Figure 1 - Long section of Ulysses Resource looking north highlighting the main Ulysses mineralized zone.

The recent reverse circulation (RC) drilling program comprised 7 holes (1,041m) (see Figure 2) which continued to target the depth extensions along the Ulysses resource particularly the positions of potentially north plunging high-grade gold shoots which are interpreted to result from the intersection of the WNW-trending Ulysses shear zone where it cuts across favourable lithologies in the (locally) NW-trending mafic sequence.

Results from the program are listed in Appendix 1 and include:

- 6m @ 4.5g/t gold from 120m in 16USRC054
  - **Includes 3m @ 7.8 g/t gold**
- 13m @ 2.2g/t gold from 115m in 16USRC055
  - **Includes 5m @ 3.8 g/t gold**
- 7m @ 1.5g/t gold from 108m in 16USRC056
- 2m @ 4.2g/t gold from 115m in 16USRC053 (hanging wall to main zone)
- 1m @ 5.3g/t gold from 163m in 16USRC052

Holes 16USRC054 to 16USRC056 intersected mineralisation within the preferred Ti-rich dolerite host rock with mineralisation associated with biotite and pyrite altered zones with variable amounts of quartz veining.

Mineralisation in 16USRC052 and 16USRC050 is hosted within dolerite and 16USRC051 within a mafic schist associated with the moderately north east dipping Ulysses shear zone. Hole 16USRC053 was terminated short of the main target zone due to down hole drilling issues and this position remains to be tested.

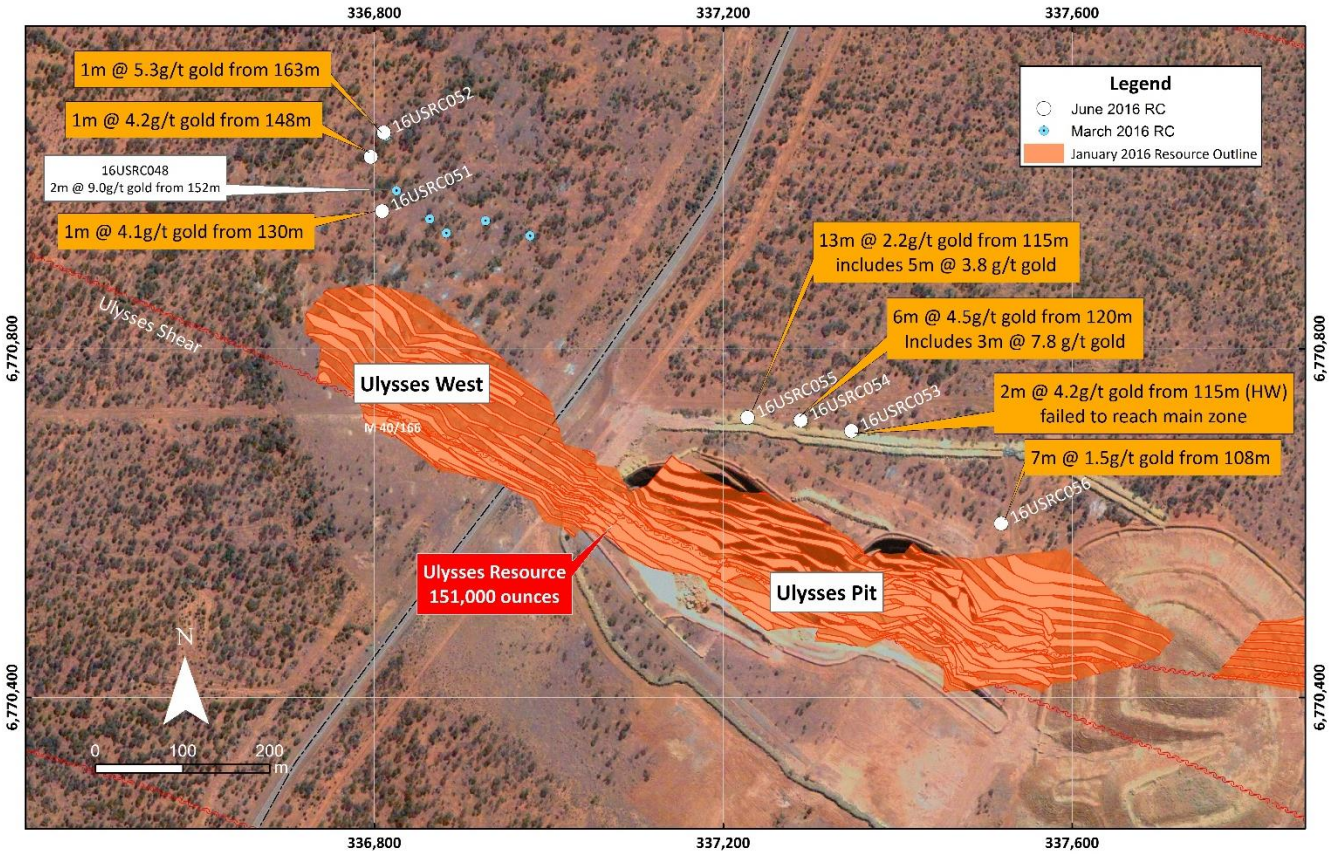

Figure 2 Ulysses RC Drilling June 2016

Follow up drilling

Drilling will continue in August to follow up these RC results which will initially involve further extensional RC drilling down plunge. Systematic aircore drilling at Ulysses East following up significant gold anomalism that was recently defined over 2km of strike and a combination of aircore and RC drilling at Ulysses West will also be completed.

The Company also plans to utilise the RC drill rig to undertake a grade control drilling program at Ulysses West in advance of the planned commencement of mining at Ulysses West later in the quarter.

Genesis' Managing Director, Mr Michael Fowler said, the intersections of high grade mineralisation from our first drill program under the old open pit is a real positive for the Company and confirms the significant potential to expand the current resource base at Ulysses.

"Drilling will continue next month in a number of areas and we expect to have significant news flow in the coming months relating to upcoming drilling results and mining." he added.

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.

Ulysses Project Background

Ulysses is centred about 30km south of Leonora and 200km north of Kalgoorlie in Western Australia (Figure 3). The Project comprises a granted mining lease and two granted exploration licences.

Ulysses is located in the minerals rich and highly prospective Eastern Goldfields of Western Australia. It is located 30km south of the Sons of Gwalia (6Moz of Production and 1.8Moz Reserve) mine and along strike of Orient Well and Kookynie mine camps which have produced over 0.7Moz. It is close to world leading mining infrastructure which will allow toll treatment of ore from Ulysses. The Project contains a shallow JORC 2012 compliant resource of 151,000 ounces of gold (*see GMD ASX Release dated February 1, 2016*).

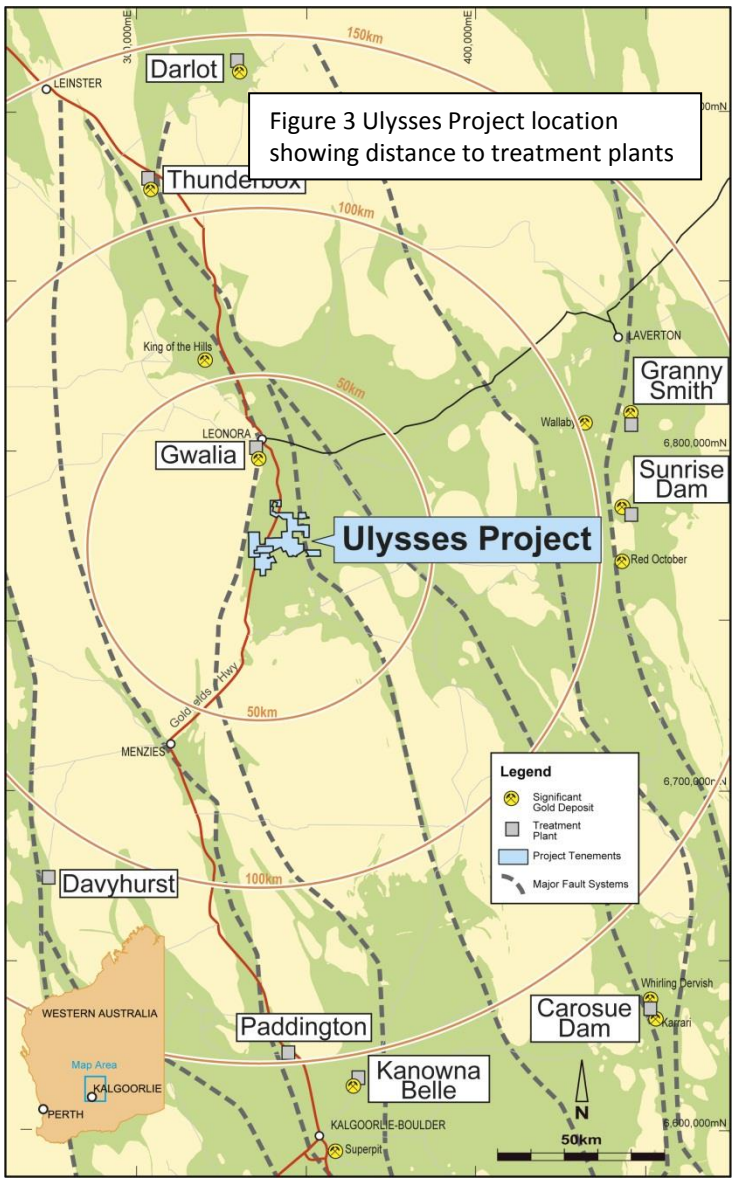

Figure 3 Ulysses Project location showing distance to treatment plants

The Ulysses Deposit was mined by Sons of Gwalia in 2002 producing 266,358 t @ 2.92 g/t Au for 24,985 Oz Au. Ore was treated at the Gwalia Treatment plant. St Barbara Limited acquired the project in April 2004 as part of the purchase of the Sons of Gwalia Gold Division.

No exploration has been completed on M40/166 since mining was completed in 2002 and no significant exploration has occurred on the surrounding exploration licences since 2004. Numerous high priority exploration targets remain at the Project.

Appendix 1 Significant intersections in local grid and MGA from RC drilling at Ulysses

Hole ID	Local East	Local North	mRL	MGA East	MGA North	Depth	Local Grid Azimuth	Dip	From (m)	To (m)	Interval	Gold (g/t)
16USRC050	11,600	19,950	413	336,796	6,771,020	168	180	-60	148	149	1	4.2
16USRC051	11,650	19,910	413	336,809	6,770,958	150	180	-60	130	131	1	4.1
16USRC052	11,600	19,978	413	336,811	6,771,048	186	180	-60	163	164	1	5.3
									179	181	2	1.1
16USRC053	12,225	20,060	415	337,347	6,770,706	138	180	-60	118	120	2	4.2
16USRC054	12,175	20,030	415	337,289	6,770,718	139	180	-60	120	126	6	4.5
								Includes	**121**	**124**	**3**	**7.8**
16USRC055	12,125	20,000	415	337,228	6,770,721	133	180	-60	115	128	13	2.2
								includes	**118**	**123**	**5**	**3.8**
16USRC056	12,425	20,100	415	337,519	6,770,600	127	180	-60	108	115	7	1.5
									118	123	5	0.8

JORC Table 1 Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Certified Person Commentary
Sampling techniques	Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	Sampling was undertaken using standard industry practices with reverse circulation (RC) drilling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Holes were generally angled to optimally intersect the mineralised zones.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	RC drilling was used to obtain 1 m samples from which 2 kg was dried, crushed and pulverised to produce a 50 g charge for fire assay. RC samples were split using a rig-mounted cone splitter at 1m intervals to obtain an analytical sample. Ten metre composite spear samples were collected for each hole outside of the known mineralised zones. 1m samples were submitted to the laboratory for areas of known mineralisation or anomalism.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	RC face sampling drilling was completed using a 5.75" drill bit.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	RC sample recoveries were visually estimated to be of an industry acceptable standard. Moisture content and sample recovery is recorded for each RC sample.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The majority of samples were dry and very limited ground water was encountered.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No bias was noted between sample recovery and grade.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	The detail of logging is considered suitable to support a Mineral Resource estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of lithology, structure, alteration, mineralisation, regolith and veining was undertaken at 1m intervals.

	The total length and percentage of the relevant intersections logged.	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	Drilling was completed using Reverse Circulation (RC).
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Reverse circulation holes were sampled at 1m intervals collected via a cyclone, dust collection system and cone splitter.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples were analysed at Intertek Genalysis in Perth following preparation in Kalgoorlie. Samples were dried at approximately 120°C with the sample then being presented to a robotic circuit. In the robotic circuit, a modified and automated Boyd crusher crushes the samples to –2mm. The resulting material is then passed to a series of modified LM5 pulverisers and ground to a nominal 85% passing of 75µm. The milled pulps were weighed out (50g) and underwent analysis by fire assay (method FA50/OE04).
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Genesis submitted standards and blanks into the sample sequence as part of the QAQC process. CRM's were inserted at a ratio of approximately 1-in-40 samples.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Sampling was carried out using Genesis' protocols and QAQC procedures as per industry best practice. Duplicate samples were routinely submitted and checked against originals.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered to be appropriate to correctly represent the style of mineralisation, the thickness and consistency of the intersections.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Analytical samples were analysed through Intertek Genalysis in Perth. All RC samples were analysed by 50g Fire Assay.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to estimate mineral or element percentages.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	In addition to Genesis' standards, duplicates and blanks, Intertek Genalysis incorporated laboratory QAQC including standards, blanks and repeats as a standard procedure. Certified reference materials that are relevant to the type and style of mineralisation targeted were inserted at regular intervals. Results from certified reference material highlight that sample assay values are accurate. Duplicate analysis of samples showed the precision of samples is within acceptable limits.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	The Managing Director of Genesis and an independent consultant verified significant intercepts.
	The use of twinned holes.	No twinned holes were completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Logging of data was completed in the field with logging data entered using a Toughbook with a standardised excel template with drop down fields.
	Discuss any adjustment to assay data.	No adjustments have been made to assay data.

Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	All maps and sample locations are in MGA Zone51 GDA grid and have been measured by hand-held GPS with an accuracy of ±2 metres. Collar locations were planned and pegged using a handheld Garmin GPS with reference to known collar positions in the field. At the completion of the program the collar locations were picked up using a hand held Garmin GPS +-2m accuracy.
	Specification of the grid system used.	Both the MGA Zone51 GDA grid and the Ulysses local grid (magnetic north 40.5°) are used.
	Quality and adequacy of topographic control.	Drill hole collar RL's are +/- 0.2m accuracy. Topographic control is considered adequate for the stage of development.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	For RC drilling the hole spacing is mostly 50/25m (E-W) by 80m (N-S).
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The drilling has demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code.
	Whether sample compositing has been applied.	No compositing has been applied.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Holes were generally angled to grid south or to optimize the intersection angle with the interpreted structures.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias is known at this time.
Sample security	The measures taken to ensure sample security.	Chain of custody was managed by Genesis. No issues were reported.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques and data were completed.

JORC Table 1 Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Certified Person Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The deposit is located within Mining Lease M40/166 which is owned by Ulysses Mining Pty Ltd. The Mining Lease was granted for a term of 21 years and expires 28 January 2022.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The tenement was previously held in a joint venture between Sons of Gwalia Limited ("SWG") and Dalrymple Resources NL. The majority of drilling was completed by SWG between 1999 and 2001. The project was acquired by St Barbara Limited ("SMB") in 2004. SBM work was limited to resource modelling and geological review.

Geology	Deposit type, geological setting and style of mineralisation.	Ulysses is an orogenic, lode-style deposit hosted within mafic rocks of the Norseman-Wiluna greenstone belt Gold mineralisation occurs within a strong zone of shearing and biotite-sericite-pyrite alteration typically 5-10m true width. The shear zone strikes east-west and dips 30-40^{o} to the north.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length.	Appropriate tabulations for drill results have been included in this release as Appendix 1.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Appropriate tabulations for drill results have been included in this release.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated	No top cuts were applied. Intercepts results were formed from weighted averages.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No internal dilution was included.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are currently used for reporting of exploration results
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Drill holes are angled to local grid south which is approximately perpendicular to the orientation of the mineralised trend. Some shallow holes are vertical. Only down hole lengths are reported.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and	Appropriate plans are included in this release.

	appropriate sectional views.	
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All exploration results are reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	A mining study is currently being undertaken.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).	Further work will include systematic infill and extensional drilling of the currently defined resource.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Appropriate plans are included in this release.