



TO: COMPANY ANNOUNCEMENTS OFFICE
COMPANY: ASX LIMITED
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UNALY HILL DRILLING UPDATE

Genesis Biomedical Ltd are pleased to release to the market the following information in respect of the recent Unaly Hill drilling programme.

Geochemical results from samples collected during recent reconnaissance drill investigation of their E57/420 Unaly Hill titanomagnetite prospect, have returned results that confirm the presence of significant anomalous vanadium and titanium mineralisation within the Atley Layered Intrusive Complex.

Tenement E57/420 is located some 50 kilometres south of Sandstone, in the East Murchison Mineral Field, Western Australia.

The anomalous zones identified were as follows:-

- #UH 1 38 to 58 metres drill depth
 TiO₂ 6 to 7%, V₂O₅ 0.4 to 0.5% with Fe₂O₃ values of between 16 to 39%.

- #UH 2 30 to 58 metres drill depth
 TiO₂ average 6% , V₂O₅ 0.4 and with a high of 0.7%. The Fe₂O₃ ranged between 10 to 37%.

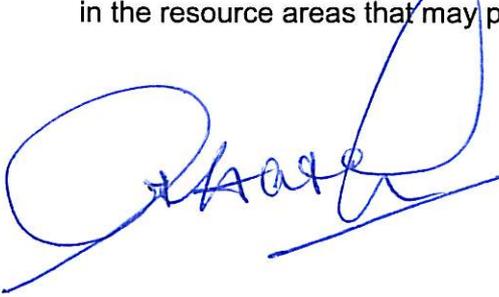
- #UH 3 30 to 36 metres drill depth
 TiO₂ values ranged from 7 to 12%, V₂O₅ ranged from 0.5 to 1.0%. The Fe₂O₃ values ranged from 29 to 43%.

Due to unexpected heavy rainfalls that occurred in the area whilst drilling, only three of the planned six RC drill holes (UH 1 to UH 3) were completed and, whereas Hole UH 3 reached the optimum target zone the hole had to be stopped some 30 metres short of it's planned depth of 140 metres.

These preliminary values compare most favourably with historical values for titanium and vanadium obtained in 1981 from diamond drilling of the Atley Layered Complex several kilometres to the north at Victory Bore. In that programme, reported intersections were in Hole UD 1, between 51 to 100 metres TiO₂ 6.8%, V₂O₅ 0.45%. In hole UD 2, between 49 to 90 metres TiO₂ 4.8%, V₂O₅ 0.55%. In hole UD 3, between 53 to 87 metres TiO₂ 6.7%, V₂O₅ 0.5%.

Genesis are currently reviewing the results which will determine the future of their drilling programme.

Genesis Biomedical Ltd continues to seek company enhancing opportunities particularly in the resource areas that may provide an avenue to diversify its current asset portfolio.

A handwritten signature in blue ink, appearing to read 'Gordon S. Hatch', with a large loop at the top and a horizontal line at the bottom.

Gordon S. Hatch
Director

Notes:

Information in this report that relates to the Unaly Hill Prospect was compiled by John D Wyatt, FAusIMM, who has sufficient experience to the activity which he is reporting on as a Competent Person as defined in the 2004 Edition of "The Australian Code of Reporting Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Wyatt consents to the inclusion in this report of the matters based on the information compiled by him in the form and context in which it appears.