



ASX Release
GENESIS RESOURCES LIMITED
(ASX:GES)

23 January 2014

Genesis secures funding through placement of shares

The Board of Genesis Resources Limited (**Genesis** or the **Company**) is pleased to advise that the Company has entered into a subscription agreement with an unrelated sophisticated investor, under which Genesis will raise \$1,000,000 through a placement of ordinary shares (**Placement**).

Under the Placement, the investor will subscribe for a total of 11,764,706 ordinary shares in Genesis, which will represent 7.1% of the Company's enlarged share capital, at an issue price of \$0.085 per share.

Genesis will apply to ASX for quotation of the Placement shares in an Appendix 3B once the Placement proceeds to completion, which the Company expects to occur shortly.

Purpose of funds

The Board has reviewed the Company's cash flow position and budgeted expenditure for 2014, and has determined that the Company requires additional funds to sustain its drilling and exploration programs in Macedonia and in Australia, as well as to facilitate cash flow requirements.

The funds of \$1,000,000 expected to be raised under the Placement will be used to pay for costs of the Placement and finance the Company's ongoing drilling and exploration programs at its Plavica Project and in Australia.

The Board recognises the dilutionary effect of equity capital raisings on shareholders, and continues to seek to reconcile this with the Company's need for capital to fund exploration activity aimed at the maximising the potential of its projects.

The Directors remain committed to striking an appropriate balance between preventing unnecessary dilution to existing shareholders and raising an appropriate amount of funds as the need arises, in the best interests of all shareholders.

The Board is pleased at having secured further funding, which will facilitate Genesis' cash flow requirements and in particular enable the Company to achieve its strategic objectives at the Plavica Project, for the benefit of the Company and by extension its shareholders.

-Ends

For further information, please contact:

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