



Notice of extraordinary general meeting and explanatory memorandum

Genesis Resources Limited

ACN 114 787 469

Date: Friday 22 April 2016

Time: 1.30pm (Melbourne time)

Place: RSM Australia
Level 21, 55 Collins Street
Melbourne, Victoria, 3000

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is given that an Extraordinary General Meeting of Genesis Resources Limited will be held at RSM Australia, Level 21, 55 Collins Street, Victoria 3000 on Friday 22 April 2016 at 1.30pm (Melbourne time).

BUSINESS

Shareholders are invited to consider the following items of business at the Extraordinary General Meeting:

1. RATIFICATION OF ISSUE OF SHARES

Resolution 1	Ratification of issue of shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of shares made by the Company on 26 February 2016 in retirement of debt under a loan facility.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>“THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 45,111,481 fully paid ordinary shares in the Company on 26 February 2016 at a deemed issue price of \$0.055 per share in retirement of debt and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast on this resolution by any person who participated in the issue of the shares and any of their associates. However, the Company need not disregard a vote if it is cast by: (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or; (b) the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

2. APPROVAL OF PROPOSED PLACEMENT SHARES

Resolution 2	Approval of issue of Proposed Placement Shares
Description	Genesis seeks approval of shareholders to be able to issue up to 180,000,000 fully paid ordinary shares during the period of 3 months after the Extraordinary General Meeting (or a longer period if allowed by ASX) without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>“THAT for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of up to 180,000,000 fully paid ordinary shares in the Company to such allottees and on such terms as more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>

Voting Exclusion	The Company will disregard any votes cast on this resolution by a person (and any associates of such a person) who may participate in the Proposed Placement and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if this resolution is passed. However, the Company will not disregard a vote if it is cast by: (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or (b) the person chairing the meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.
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Dated 24 March 2016

By order of the Board of Genesis Resources Limited



Sophie Karzis
Company Secretary

VOTING INFORMATION

Voting by proxy

- (a) A shareholder entitled to attend and vote at the Extraordinary General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
- (e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority **by 1.30pm (Melbourne time) on Wednesday 20 April 2016**:
 - by post at GPO Box 242, Melbourne, Victoria 3001; or
 - by personal delivery at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067; or
 - by facsimile: Australia – 1800 783 447, overseas - +61 3 9473 2555; or
 - Custodian voting – For Intermediary Online subscribers only (custodians) please visit **www.intermediaryonline.com** to submit your voting intentions.

Voting and other entitlements at the Extraordinary General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations* 2001 that shares in the Company which are on issue at **7.00pm (Melbourne time) on Wednesday 20 April 2016** will be taken to be held by the persons who held them at that time for the purposes of the general meeting (including determining voting entitlements at the meeting).

EXPLANATORY MEMORANDUM TO NOTICE OF EXTRAORDINARY GENERAL MEETING

1. RATIFICATION OF ISSUE OF SHARES

Resolution 1	Ratification of issue of shares
Explanation	Further to the Company's announcement to the ASX dated 24 March 2016, the Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 45,111,481 of the fully paid ordinary shares issued by the Company on 26 February 2016 to the Lender's nominee, at a deemed issued price of \$0.055 per share, in satisfaction of the Company's obligation to repay drawn down amounts under an existing loan facility provided by the Lender. The loan amounts were applied towards the funding of the Company's drilling programs at the Plavica Project.
ASX Listing Rules	ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without shareholder approval (15% Capacity). ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1, by permitting the ratification of previous issues of shares which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If shareholders of a company approve the ratification of such previous issues of shares at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.
Reason for resolution	The effect of ratification in accordance with ASX Listing Rule 7.4 is the reinstatement of the Company's maximum capacity to issue further shares up to 15% of the issued capital of the Company, if required, in the next 12 months without requiring shareholder approval, subject to the Company's undertaking to the ASX not to issue shares under its 15% Capacity prior to 1 June 2016 as explained in the Company's announcement to the ASX dated 24 March 2016. The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% of the issued capital of the Company following 1 June 2016. Save for as otherwise set out in this Notice, the Directors do not currently have any specific intention to make any further issue of shares without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2. However, the Directors consider it to be appropriate and prudent for approval to be sought at the Extraordinary General Meeting, in respect of the relevant issue of shares previously made by the Company. The Directors believe this approval will enhance the Company's flexibility to finance its exploration programs through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so. In particular, the Directors note that if this approval is not obtained at the Extraordinary General Meeting, the Company may be required to incur the additional costs and delay of convening another extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.

Information required to be provided under the ASX Listing Rules	The Company issued 57,002,640 fully paid ordinary shares to the Lender's nominee on 26 February 2016 in retirement of debt owed by the Company to the Lender. The Company seeks shareholder approval for 45,111,481 of these fully paid ordinary shares issued to the Lender's nominee which were issued under the Company's 15% Capacity as explained in the Company's announcement to the ASX dated 24 March 2016. The Company confirms that the issue of these 45,111,481 shares to the Lender's Nominee did not breach ASX Listing Rule 7.1. In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders: ▪ Reason for issue – the shares were issued in satisfaction of the Company's obligation to repay drawn down amounts under an existing loan facility. ▪ Date of issue – 26 February 2016. ▪ No. of shares issued – 45,111,481. ▪ Issue price per share – \$0.055 per share. ▪ Terms of issue – fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. ▪ Recipient of issue – the Lender's nominee. ▪ Use of funds raised – no funds were raised through the issue of these shares. The loan amounts which the Company repaid through the issue of these shares were applied towards the funding of the Company's drilling programs at the Plavica Project.
Voting Exclusion	A voting exclusion statement applies to this resolution, as set out in the Notice.
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of this resolution.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

2. APPROVAL OF PROPOSED PLACEMENT SHARES

Resolution 2	Approval of issue of Proposed Placement Shares				
Explanation	Resolution 2 seeks shareholder approval pursuant to Listing Rule 7.1 for the issue of up to 180,000,000 ordinary shares in Genesis at a minimum issue price of \$0.04 per share (Proposed Placement).				
Purpose of funds raised	As announced to the market on 24 March 2016, the Company has entered into a mandate agreement under which a Dealer's Representative of RHB Investment Bank Berhad (Lead Manager) will assist the Company in a capital raising of US\$4 million or such other amount as agreed between the parties (Mandate Agreement), by way of progressive placements of Genesis shares to investors introduced by the Lead Manager to the Company. The Company is seeking shareholder approval to be able to undertake the Proposed Placement, and such placements that may be secured by the Board. The funds raised under these placements will be used for Genesis' general working capital purposes, and to fund Genesis' joint venture obligations with respect to the Plavica Project as described below. Fund Raising for Plavica Project As announced to the market on 12 May 2015, Silgen Resources International Ltd, Kratovo (Silgen), the joint venture company owned by the Company and its joint venture partner RIK Sileks AD Kratovo (Sileks) in 62% and 38% proportions respectively, has been granted a 30 years exploitation (mining) licence for the Plavica tenement (Licence). As the joint venture party responsible for managing the Plavica Project, the Company is seeking to raise capital under the Proposed Placement to meet its obligations under its joint venture agreement with Sileks to undertake infill and extensional drilling and complete a feasibility study in respect of the exploitation licence area (as required to obtain funding for mine development). Genesis expects to complete the proposed infill and extensional drilling and the feasibility study within 2.5 years of the JV Company being granted the exploitation licence, and has agreed to commit up to US\$7.5M for such activities.				
ASX Listing Rules	ASX Listing Rule 7.1 provides, subject to certain exceptions, that shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue. The effect of Resolution 2 will be to allow the Company to issue up to 180,000,000 shares during the period of 3 months after the Extraordinary General Meeting (or a longer period if allowed by ASX) without using the Company's 15% Capacity.				
Specific information required by ASX Listing Rule 7.3	In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders: <table> <tr> <td>Maximum no. of shares to be issued</td><td>180,000,000.</td></tr> <tr> <td>Date by which shares will be issued</td><td>The Company will issue and allot the shares under the Proposed Placement no later than 3 months after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).</td></tr> </table>	Maximum no. of shares to be issued	180,000,000.	Date by which shares will be issued	The Company will issue and allot the shares under the Proposed Placement no later than 3 months after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).
Maximum no. of shares to be issued	180,000,000.				
Date by which shares will be issued	The Company will issue and allot the shares under the Proposed Placement no later than 3 months after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).				

	Issue price per share The shares under the Proposed Placement will be allotted at a minimum issue price of \$0.04 per share. Basis on which allottees will be determined The Directors intend that the shares be issued and allotted to various sophisticated investors and professional investors introduced to the Company by the Company's advisors (including the Lead Manager) and/or invited by the Company to participate in the Proposed Placement. Terms of shares Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. Use of funds raised The funds raised under the Proposed Placement will be used to pay for costs associated with the Proposed Placement and for the purposes described above. Progressive issue The Directors intend that the issue of the shares under the Proposed Placement will occur progressively. Voting Exclusion Statement A voting exclusion statement applies to this resolution, as set out in the Notice.
Proposed Placement facility to lapse if not utilised	In the event that Resolution 2 is approved by shareholders, but not utilised by the Company, the Proposed Placement facility will lapse within 3 months after the date of the Extraordinary General Meeting.
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of this resolution.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

DEFINITIONS

15% Capacity	Means the Company's capacity to issue shares under ASX Listing Rule 7.1.
Company or Genesis	Means Genesis Resources Limited ACN 114 787 469.
Lead Manager	Means a Dealer's Representative of RHB Investment Bank Berhad.
Lender	Means Axle Capital Sdn Bhd.
Mandate Agreement	Means the mandate agreement entered into between the Company and the Lead Manager as announced to the market on 24 March 2016.
Proposed Placement	Means the capital raising placement the subject of Resolution 2 which the Company proposes to undertake, under which the Company will issue up to 180,000,000 fully paid ordinary shares at a minimum issue price of \$0.04 per share.
Proposed Placement Shares	Means the 180,000,000 fully paid ordinary shares proposed to be issued under the Proposed Placement.

-ENDS-

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote and view the Notice of Meeting online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 9999999

SRN/HIN: I9999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 1:30pm (Melbourne time) on Wednesday 20 April 2016

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Genesis Resources Limited hereby appoint

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the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Genesis Resources Limited to be held at RSM Australia, Level 21, 55 Collins Street, Melbourne Victoria 3000 on Friday 22 April 2016 at 1:30pm (Melbourne time) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Ratification of issue of shares	☐	☐	☐
Resolution 2 Approval of issue of Proposed Placement Shares	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

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