

ASX Announcement

Quarterly Activities Report
For the Quarter Ended 30 June 2016
29 July 2016



Genesis Minerals Limited

Quarterly Report Highlights

ASX Code: GMD

Issued Capital

567.8 million shares
27.2 million options

Current Share Price

\$0.03

Market Capitalisation

\$17 million

Key Assets

Ulysses Gold Project (WA)
Viking Gold Project (WA)

Board Members

Richard Hill
Chairman

Michael Fowler
Managing Director/CEO

Darren Gordon
Non-Executive Director

Company Secretary

Geoff James

ABN: 72 124 772 041

Registered Office

Unit 6, 1 Clive St
West Perth, WA, Australia, 6005

PO BOX 937, West Perth
WA, Australia, 6872

T: +618 9322 6178
info@genesisminerals.com.au
www.genesisminerals.com.au

Ulysses Gold Project, Western Australia

- Aircore drilling intersected significant new gold zones at Ulysses East and Ulysses West outside of the existing Ulysses Mineral Resource
- Mineralised corridor over 1.5km in strike has now been identified at Ulysses East
- High-grade gold intersected in RC drilling beneath historically mined pit – intersections outside of the existing Ulysses Mineral Resource
- Drilling continues to demonstrate the significant potential for near term resource growth at the Ulysses Project from new discoveries
- 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
- Environmental approvals to commence mining activities at Ulysses received during July

Viking Gold Project, Western Australia

- Systematic infill and extensional drill testing of the strike extensive Beaker gold prospect to commence in September quarter
- Infill auger sampling and first pass aircore drilling of the strike extensive 7km long Dr Bunsen gold prospect to commence
- Genesis remains focussed on defining shallow gold resources capable of being rapidly and efficiently advanced towards development

ULYSSES GOLD PROJECT, WESTERN AUSTRALIA (100%)

ULYSSES EXPLORATION

AIRCORE DRILLING

Wide spaced aircore (AC) drilling during the quarter returned significant new gold zones at Ulysses East and Ulysses West (see Figure 1) which have been identified outside of the existing Mineral Resource base which currently stands at 2.1Mt at 2.2g/t Au for 151,000 ounces of gold (see GMD ASX Release dated February 1, 2016 and Table 1 for a breakdown of the individual Mineral Resource categories) at the Ulysses Gold Project (“Ulysses” or the “Project”).

The zones were identified in a program that was designed to test immediate strike extensions to the Ulysses Mineral Resource and other strongly gold anomalous geochemical and structural targets in the area.

Significant shallow gold intersections (see GMD ASX release dated June 27, 2016) from the wide spaced aircore drilling included;

- 10m @ 1.50 g/t gold from 0m in hole 16USAC136
- 5m @ 0.76 g/t gold from 45m in hole 16USAC035
- 8m @ 0.70 g/t gold from 60m in hole 16USAC072
 - includes 3m @ 1.6 g/t gold to the end of hole
- 5m @ 0.56g/t gold from 40m in hole 16USAC057
- 20m @ 0.22g/t gold from 0m in hole 16USAC036

Ulysses East

A significant mineralised corridor over 1.5km in strike has now been identified at Ulysses East, which to date has only been poorly tested and further follow up is planned to evaluate this corridor which has high potential to define resources capable of being mined by open pit methods.

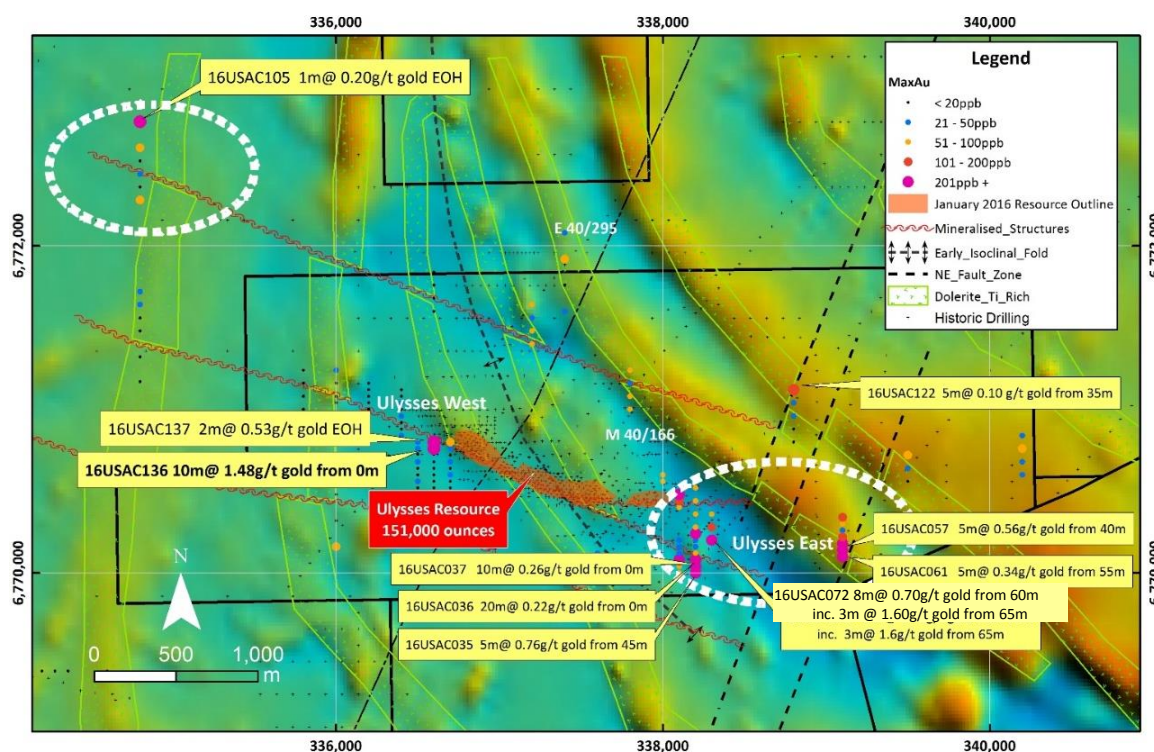


Figure 1 Drill results from recent aircore drilling at Ulysses.

Drilling during the quarter targeted shallow mineralisation east of the current Ulysses Mineral Resource returned 8m @ 0.7g/t gold from 60m (Including 3m @ 1.6g/t gold to the end of hole) in hole 16USAC072 which lies more than 600m along strike from the current Ulysses resource (see Figure 1). Hole 16USAC057 returned 5m @ 0.56g/t gold from 40m in an area of very strong aircore defined gold anomalism located a further 800m to the east.

Ulysses West

Significant shallow mineralisation was intersected at Ulysses West in hole 16USAC136 which returned 10m @ 1.50 g/t gold from 0m. The mineralisation is interpreted to dip to the north, subparallel to the main Ulysses shear zone with hole 16USAC137 (located 40m north of Hole 16USAC136) returning 2m @ 0.53g/t gold from 20m to the end of the hole. This intersection is located ~100m to the WSW of the Ulysses West resource.

This area has now been identified as an area of high priority for follow up drilling in the coming months with excellent potential to define additional open pit resources in the immediate vicinity of the Ulysses West resource.

Hole 16USAC105 located ~2.5km north west of the Ulysses Resource returned 1m @ 0.2g/t gold at the bottom of the hole. This intersection opens up a significant area of untested greenstone belt that requires follow up drilling.

RC DRILLING

A 7 hole (1,041m) reverse circulation (RC) drill program completed in the quarter included 4 holes that targeted potential high-grade shoot positions below the historically mined Ulysses Open Pit. The drilling continued to target the depth extensions along the Ulysses Mineral 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 RC program (see GMD ASX release dated July 18, 2016) included:

- 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.

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 is ~100m below surface (Figure 2) with no drilling completed beneath the pit since 2001 until this recently completed program.

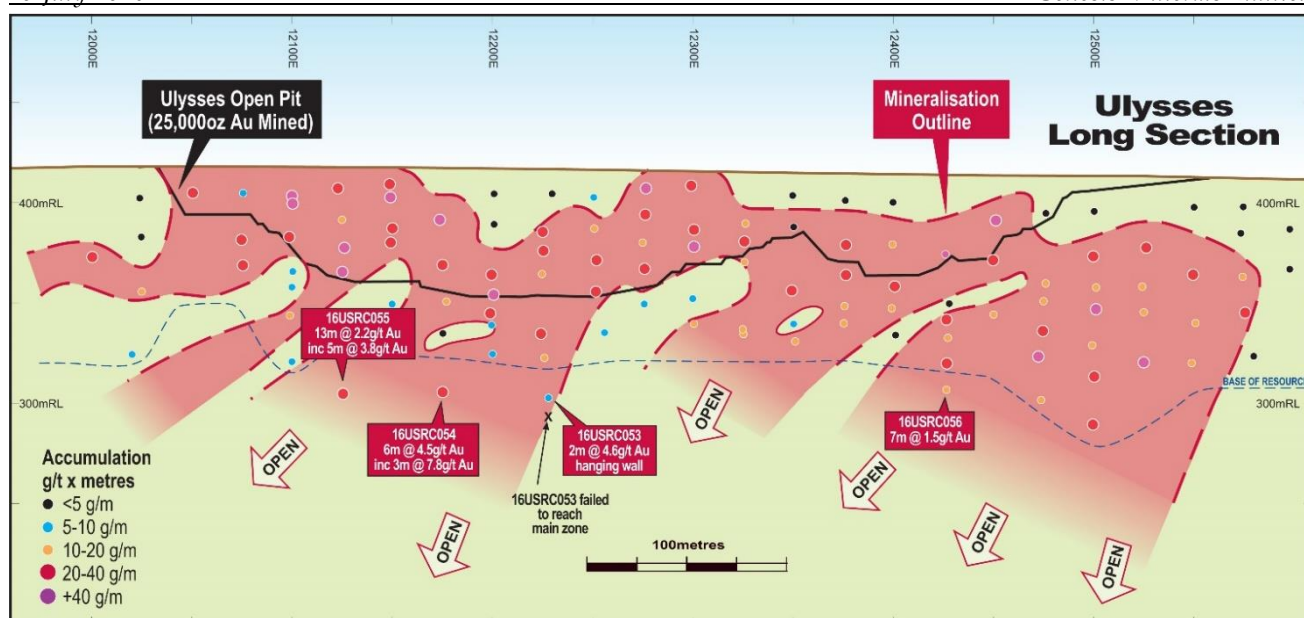


Figure 2 - Long section of Ulysses Resource looking north highlighting the main Ulysses mineralized zone.

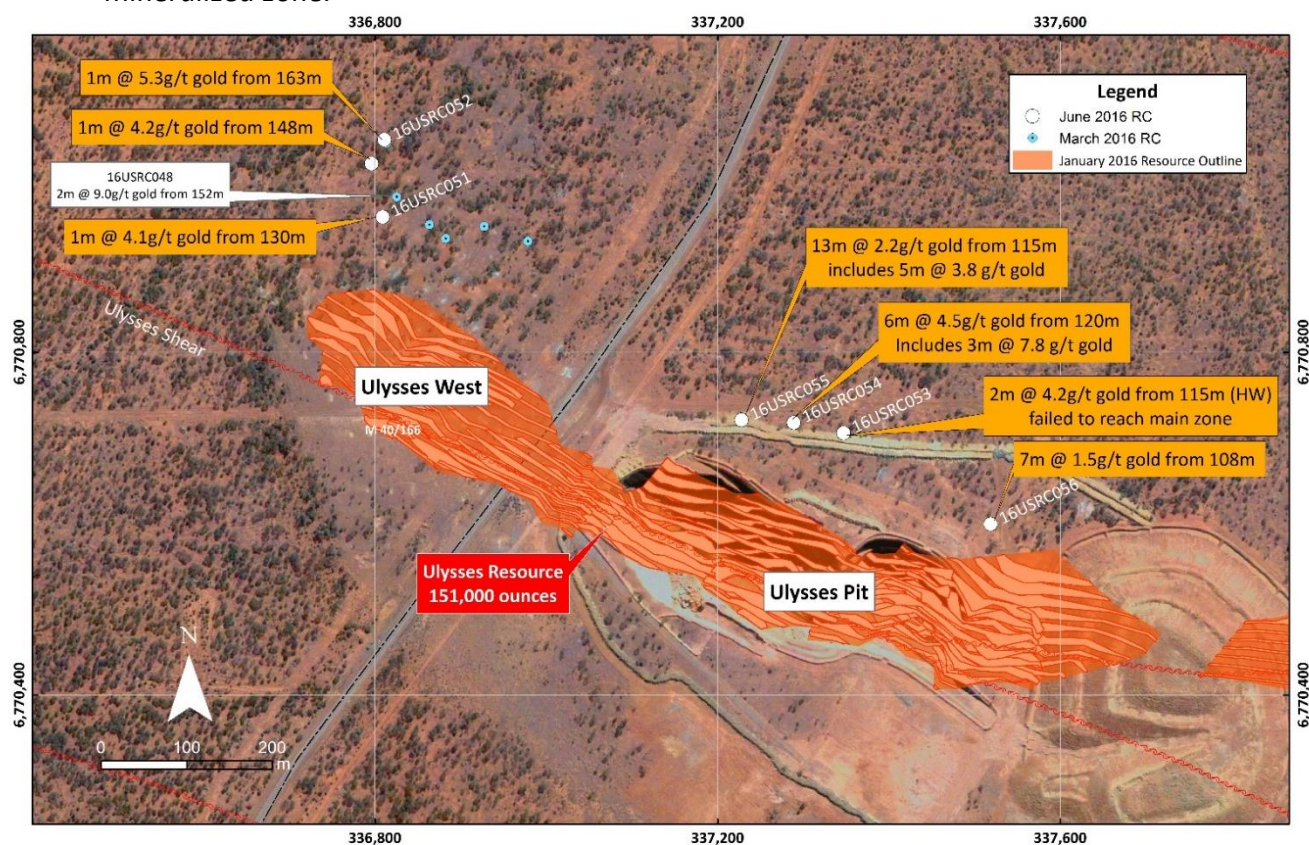


Figure 3 Ulysses RC Drilling June 2016

FOLLOWUP 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 1.5km 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.

ULYSSES MINING STUDY

Toll Treatment and Mining Contract

The Company continued discussions with a number of parties regarding the treatment of ore from the Ulysses Project. Genesis expects to make an announcement on toll treatment of the Ulysses ore during August 2016.

Formal requests for earthmoving proposals were issued during the quarter and the Company aims to close the process and award preferred supplier status in August 2016.

Environmental & Permitting

During July 2016 the Company received approval for its Mining Proposal and Mine Closure Plan together with the DMP Clearing Permit. The Clearing Permit is subject to final advertising. A Project Management Plan has been submitted with approval pending.

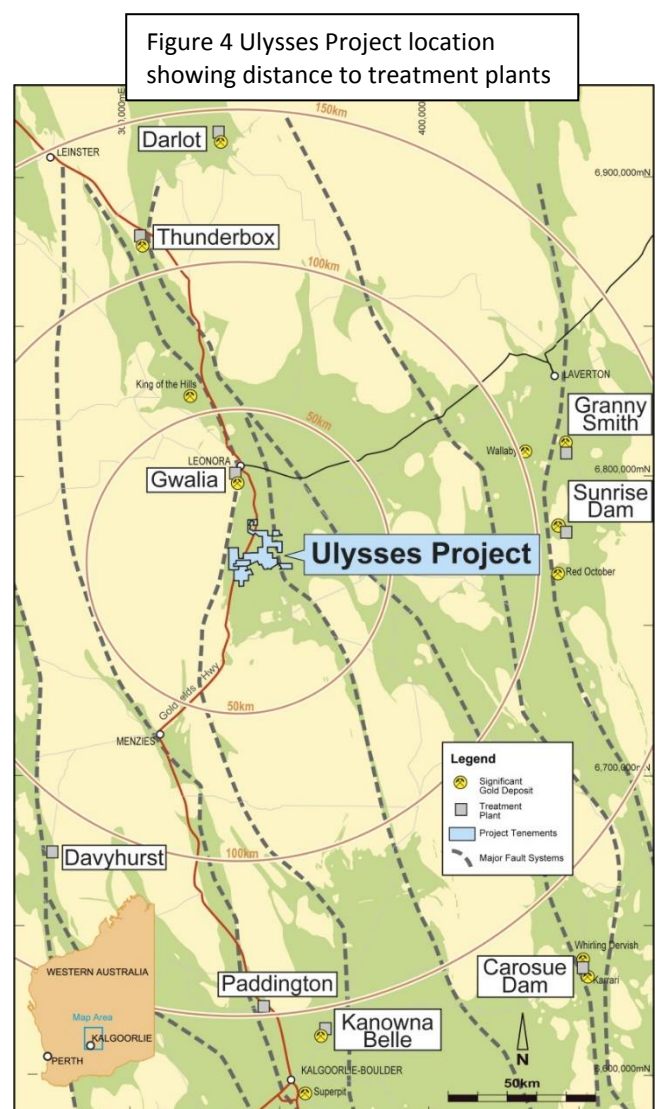
Ulysses Project Background

Ulysses is centred about 30km south of Leonora and 200km north of Kalgoorlie in Western Australia (Figure 4). 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*).

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 had 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.

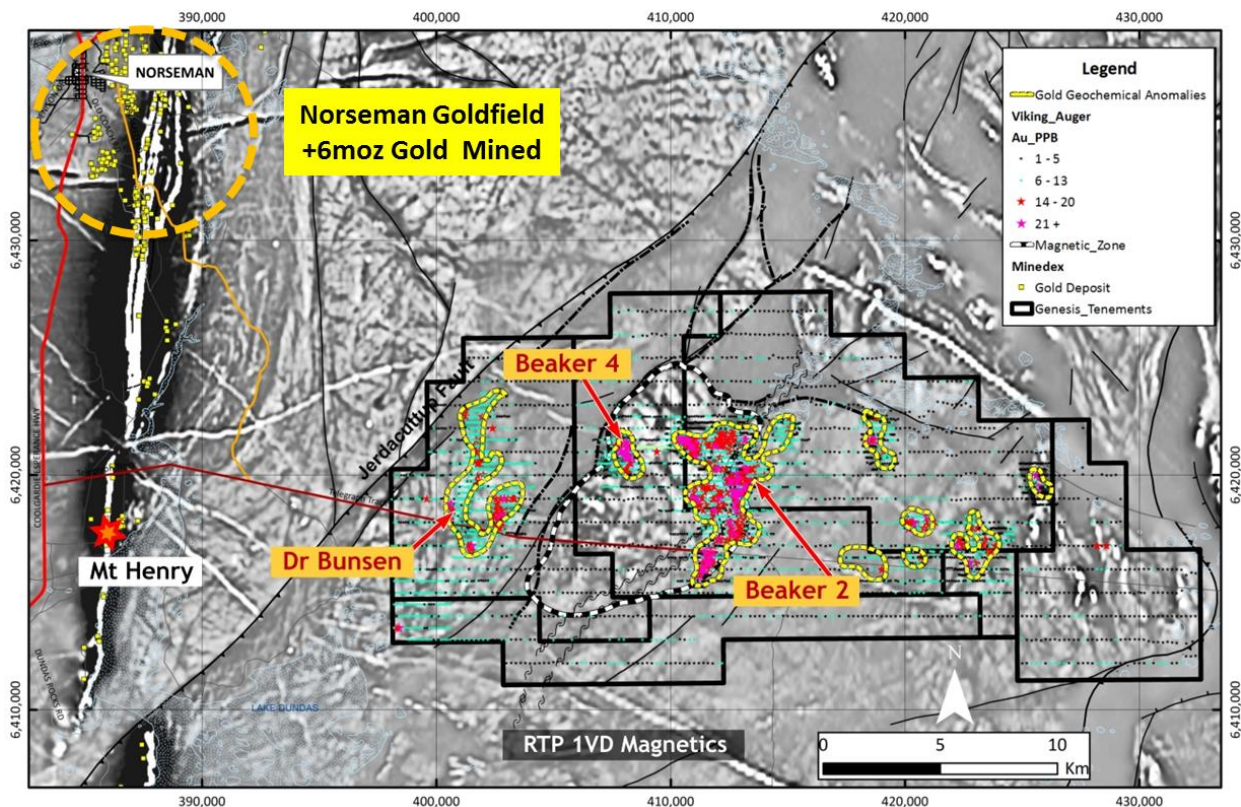


VIKING GOLD PROJECT, WESTERN AUSTRALIA

During the quarter preparations continued for follow-up drilling at the Beaker Prospect, particularly Beaker 2.

Proposed exploration programs to be completed in September include:

- Aircore drilling at Beaker 2 and 4
- Infill auger sampling at the strike extensive, 7km long Dr Bunsen gold Prospect
- A program of auger sampling at a number of the auger defined regional gold anomalies at the Viking Project



PROJECT EVALUATIONS

Genesis continues to review both advanced and early stage gold and copper projects focussing on near term cash generating opportunities.

For further information, visit: www.genesisminerals.com.au or please contact

Michael Fowler
Managing Director
Genesis Minerals Limited

T: +61 8 9322 6178

E: mfowler@genesisminerals.com.au

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. Ulysses Mineral Resource Summary - January 2016 (0.75g/t gold lower cut off)

Mineral Resource Category	Tonnes (Mt)	Au g/t	Au Oz
Measured	-	-	-
Indicated	1.62	2.4	122,500
Inferred	0.51	1.8	29,000
Total	2.13	2.2	151,500