

GENESIS SET TO GROW AS ULYSSES MINING CAMPAIGN WINDS UP FOR 2016

~50,000t of ore now shipped to Paddington and awaiting processing as mining finishes

Key points:

- Ulysses West open pit mining operations largely completed with mining fleet demobilised for the year.
- ~50,000 tonnes of ore now successfully dispatched for processing at the Paddington Mill under the toll milling arrangement.
- Processing of the first parcel of ore at Paddington indicates an overcall in the grade with 3.2g/t Au returned compared with the estimated mine claim grade of 2.5g/t Au.
- Further cash in-flows expected to be received every couple of weeks until the end of February 2017.
- A limited mining campaign will be undertaken in the New Year with smaller equipment to extract an additional ~8,000 - 12,000t of high-grade material remaining at the base of the open pit.

Genesis Minerals Limited (ASX: GMD) is pleased to advise that its first toll treatment mining operation at the 100%-owned Ulysses Gold Project near Leonora in WA has been successfully executed, with the main open pit mining campaign now completed for the year.

Open pit mining at the Ulysses West pit has progressed on schedule with the Company's Mining Alliance partner, SMS Innovative Mining Pty Ltd making further excellent progress with the mine plan.

Ore has been mined to the 362.5mRL (~52m below surface) with the mining fleet now demobilising from site.

A small parcel of high grade ore, totalling ~8,000 to 12,000 tonnes, remains at the base of the pit and requires smaller mining equipment to be brought to site to extract the remaining ore. This campaign will be undertaken early in the New Year. Genesis will also review a potential larger cutback of the Ulysses West pit in the New Year.

All ore has now been transported from the Ulysses West run-of-mine (ROM) pad on site and approximately 50,000 tonnes of ore grading ~4g/t Au is currently being processed at Paddington.

Pleasingly, grade reconciliation from the first batch of ore (UW01) processed at Paddington in November indicates an overcall in grade, with the final provisional reconciled head grade coming in at 3.2g/t Au compared with the mine claimed grade of 2.5g/t Au.

This grade overcall is subject to final verification by Paddington Gold Pty Ltd using the umpire sample for Batch UW001.

Regular cash payments are expected to be received from Paddington Gold Pty Ltd as additional batches of ore are processed through the Paddington mill.

Genesis Managing Director Michael Fowler said the initial Ulysses West open pit operation had been a success, demonstrating the Company's ability to successfully execute a boutique open pit toll-treatment style operation.

"Our alliance partner SMS, drill and blast contractor Rock on Ground and the Genesis team have done an outstanding job, and are to be congratulated on their efforts over the past three months," he said.

"The mining has gone well and according to plan, with only a short mining campaign with smaller equipment required in the New Year to extract the material remaining at the base of the open pit."

"The mining of Ulysses West has put us in a great position for 2017 to tackle the next stages of our growth plan."

"As previously outlined, this includes potential expansion of the Ulysses West operation to the west, at depth and at the newly discovered Ulysses East prospect, as well as RC drilling at the exciting Viking Gold Project."

"The objective of the Ulysses West Project was also to ensure that Genesis could be self-sufficient as a small-scale miner with great exploration upside and growth potential. We can now look forward to a very positive year in 2017 as we begin to unlock some of these opportunities," he added.

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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.

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.

The Information in this report that relates to Ore Reserves is based on information compiled by Mr Gary McCrae, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McCrae is a full-time employee of MineComp Pty Ltd. Mr McCrae 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 McCrae 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 Ore Reserve Summary – August 2016

Ore Reserve Category	Tonnes	Au g/t	Au Oz
Proved	-	-	-
Probable	74,000	4.1	9,700
Total	74,000	4.1	9,700

Note: Rounding errors may occur

Ulysses Mineral Resource Inclusive of Ore Reserves

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

Appendix 1: Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

This announcement has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.