

FEASIBILITY STUDY COMMENCES ON ULYSSES UNDERGROUND MINE DEVELOPMENT FOLLOWING POSITIVE SCOPING STUDY

*Major new 6,400 metre drilling program to commence this week to
upgrade and extend Mineral Resource*

Key Points:

- 6,400m RC and diamond drilling program commences to upgrade and expand the Mineral Resource at Ulysses below the existing open pits.
- Positive Scoping Study results demonstrate the potential technical and economic viability of developing a long-term underground mining operation at the Ulysses Gold Project in WA.
- Scoping Study also highlights strong potential to develop a standalone underground mining and processing operation, subject to further drilling success at depth. This potential will be targeted by the current drill program.
- Scoping Study results support the potential for Ulysses to develop into a sustainable long-term cash-flow business for Genesis, following the success of the recent deep drilling campaign which confirmed significant high-grade extensions of the existing Mineral Resource (2.8Mt at 2.3g/t Au for 206,400oz).
- Feasibility Study now underway with the aim of commencing underground development in Q2 2018.
- Feasibility Study activities planned for the coming months include geotechnical drilling, permitting, toll-treatment and ore purchase negotiations, commencement of the underground mining contract tender process and financing negotiations.

Genesis Minerals Limited (ASX: GMD) is pleased to announce that it has approved the immediate commencement of a Feasibility Study on the development of a long-term standalone underground mining operation at its 100%-owned **Ulysses Gold Project**, located 30km south of Leonora in WA.

The decision to move ahead immediately with a Feasibility Study follows the completion of a positive Scoping Study which confirmed the potential of an underground mine at Ulysses assuming a toll-treatment of ore as the base case scenario. The Scoping Study was undertaken internally with assistance from independent consultants and was based on the current Ulysses Mineral Resource.

The drill results from the most recent 8-hole RC drill program (see ASX announcement, 6 September 2017) reinforced and extended the mineralisation intersected in the deeper drilling reported on 3 July 2017 and confirmed the potential for significant high-grade mineralisation at depth directly below the Ulysses and Ulysses West open pits and the existing 206,400oz Mineral Resource. The recent positive drill results at depth fall outside the current Scoping Study limits.

Cautionary Statement

The Scoping Study referred to in this report is based on a low level of technical and economic assessment that is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

Drilling has now confirmed that the Ulysses West shoot has a plunge extent of more than 400 metres and remains open at depth, with the recent drilling continuing to improve the Company's understanding of the geological controls on the high-grade mineralisation.

An initial 4,000m RC and diamond drill program (see Figure 4 for hole positions) will commence this week to upgrade and expand the current Mineral Resource to a vertical depth of ~215m below the current open pits (currently drilled to only 150m), with the updated Resource to underpin the Feasibility Study. A further 2,400 metres of drilling (see Figure 4 for hole positions) is planned to be undertaken should the results of this first 4,000 metres be successful in expanding the Mineral Resource.

Genesis Managing Director Michael Fowler said the Company's decision to move ahead immediately with a Feasibility Study reflected the potential robustness of the underground project:

"The recently completed Scoping Study has outlined a strong case for the development of an underground mine at Ulysses which we believe represents an attractive opportunity for the Company to generate significant cash-flows assuming a toll-treatment scenario.

"That said, should we be successful in expanding the Resource outside of the area included in the Scoping Study, there is strong potential for us to consider a much longer life standalone underground mining and processing operation.

"We have therefore decided to move ahead immediately with a Feasibility Study targeting commencement of underground mining in the second quarter of 2018. We have also approved an immediate 4,000m extensional and in-fill drilling program to a depth of 215m below surface to upgrade the Mineral Resource and allow us to move forward with permitting and other pre-development activities.

Ulysses Underground Project

The positive Scoping Study results have confirmed the potential technical and economic viability of an underground mine at Ulysses, based on decline access from the Ulysses West open pit (see Figure 1).

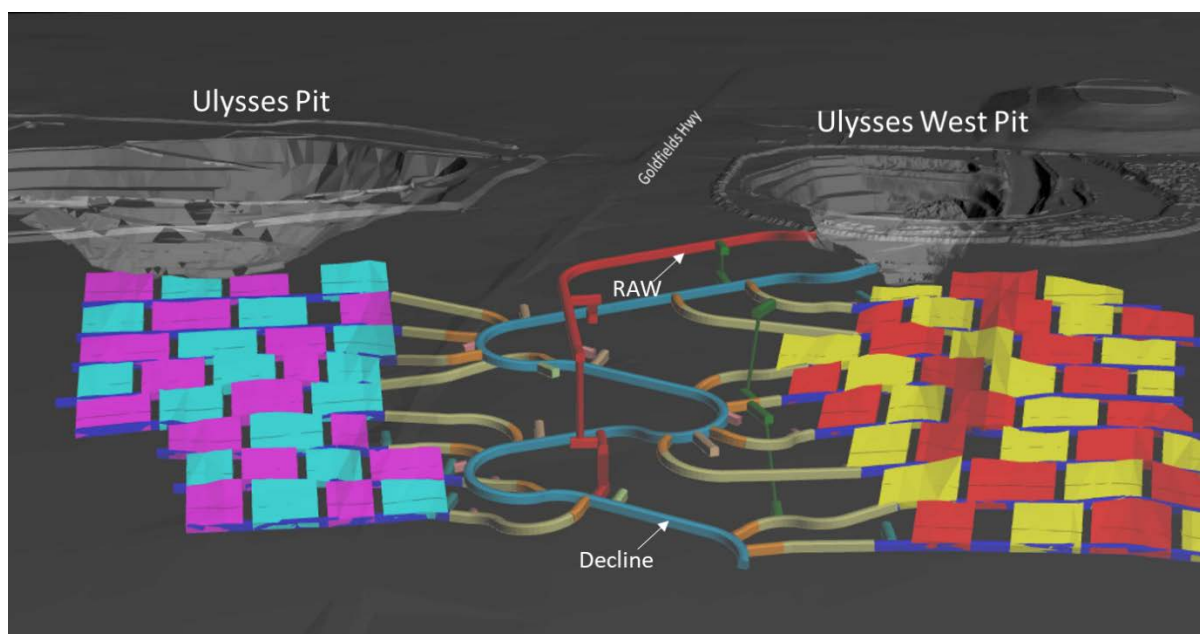


Figure 1. View looking south showing conceptual underground development and stoping beneath the Ulysses and Ulysses West pits based on the Scoping Study. Decline access proposed from the Ulysses West pit.

Recent drilling has confirmed that the Ulysses West shoot has a plunge extent of more than 400m and remains open at depth, with the recent drilling continuing to improve the Company's understanding of the geological controls on the high-grade mineralisation. The recently drilled areas were not included in the Scoping Study and are shown in Figures 2 and 3 below.

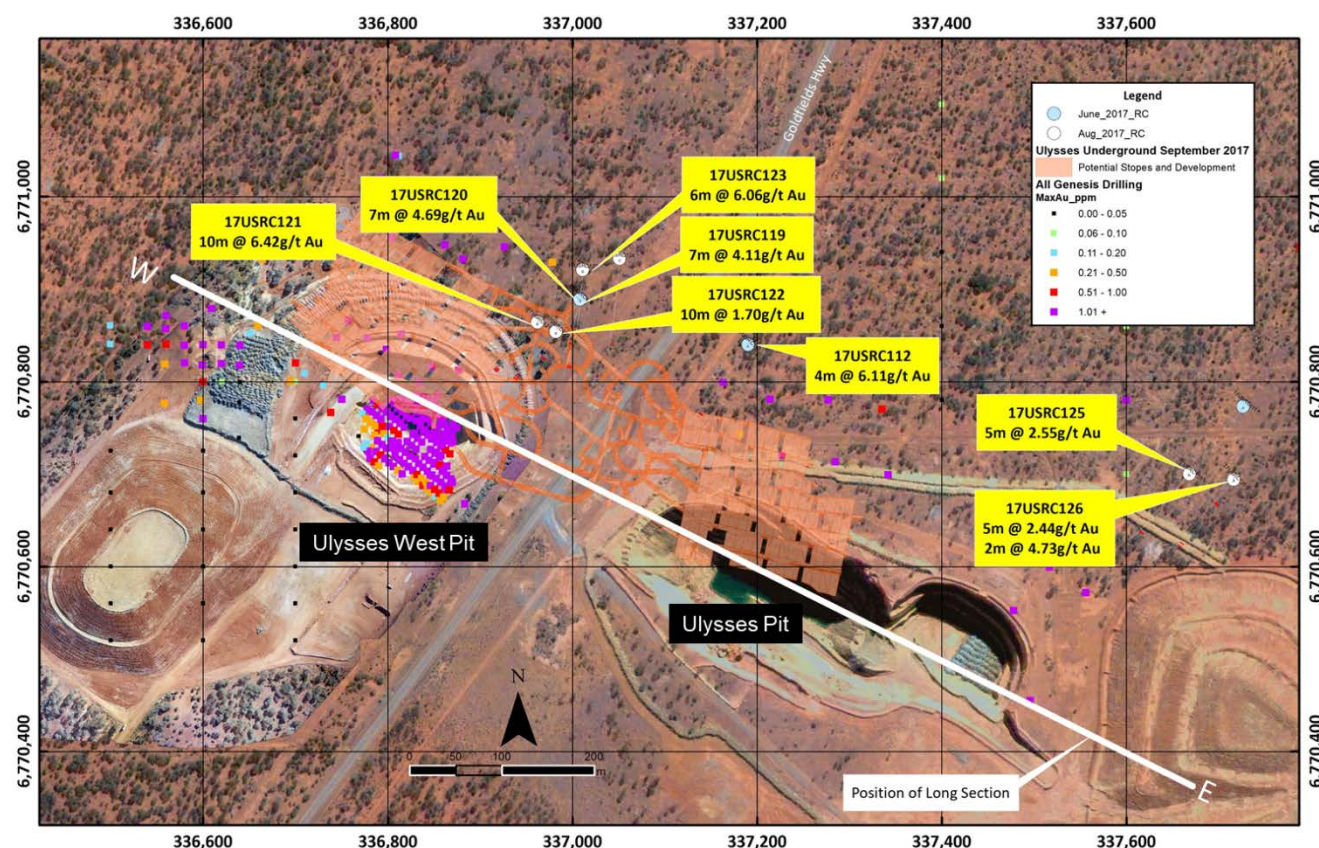


Figure 2 Plan view in MGA coordinates. Location of 2017 RC hole collar positions. Long section position in Figures 3 and 4 highlighted by white solid line. Orange hatching shows conceptual mine design projected to surface based on the Scoping Study.

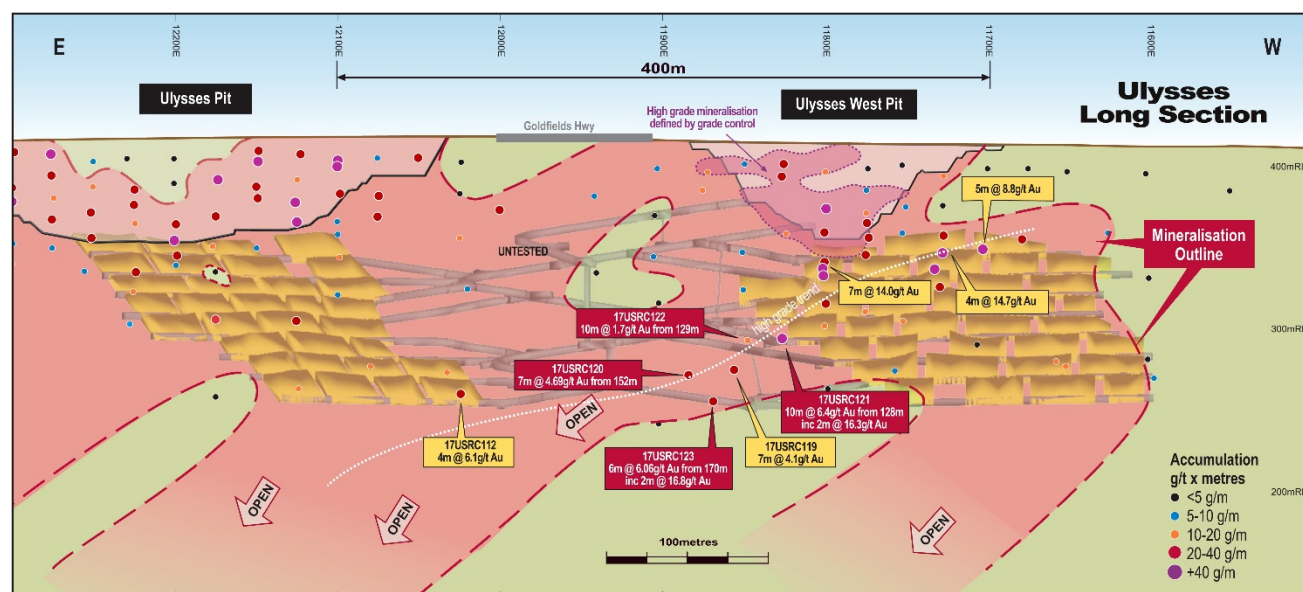


Figure 3. Long Section showing the recent high-grade drilling results and conceptual mine design. Potential decline development in grey and stoping blocks in yellow. Recent drilling results shown in red boxes outside of the scoping study area.

Based on the strength of the internal Scoping Study results, which allowed for the toll-treatment of the underground ore from Ulysses, the Company has sufficient confidence to move ahead immediately with a full Feasibility Study. On the basis that the Feasibility Study drilling is successful in extending the Mineral Resource, the Feasibility Study will be expanded to assess the viability of a long-life standalone operation.

Activities to be completed in the December 2017 Quarter at Ulysses to allow the Company to target potential commencement of underground development and ore mining in Q2 2018 include:

- Stage 1 drilling program comprising 4,000m of Reverse Circulation and diamond drilling to upgrade the Mineral Resource between the base of the open pits from ~350mRL to 200mRL (~215m below surface) (see Figure 4). This program will commence later this week and will run for approximately six weeks. Significant results will be reported as they are received;
- Stage 2 drilling program comprising 2,400m of Reverse Circulation and diamond drilling to expand resource at depth (see Figure 4). The drilling will be subject to results from the Stage 1 program;
- Geotechnical drilling to support the Feasibility Study and provide data for modelling to estimate potential dilution, to determine crown pillar requirements and appropriate ground support standards;
- Submission to the DMIRS of an updated Mining Proposal and Mine Closure Plan;
- Toll-treatment and ore purchase negotiations;
- Commencement of a tender process to select a suitable underground mining contractor;
- Completion of an updated Mineral Resource estimate and a maiden Ore Reserve estimate; and
- Financing negotiations.

It should be noted that there is excellent potential to significantly expand the Ulysses Mineral Resource outside of the area of the subject of the Scoping Study.

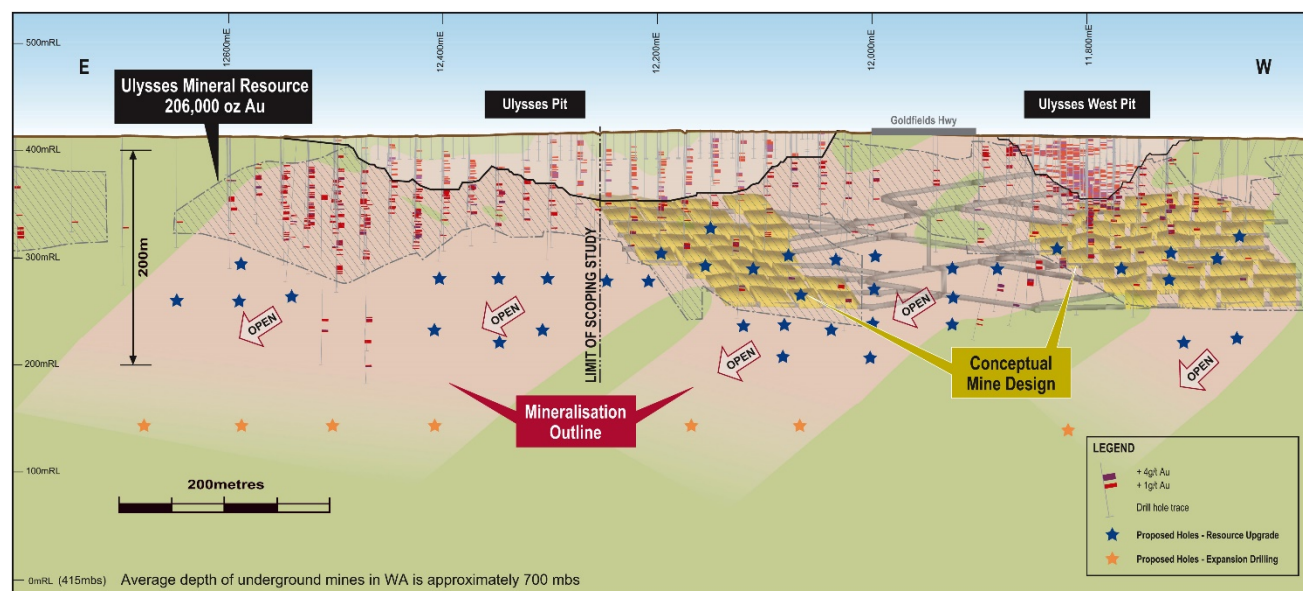


Figure 4. Long Section showing the current Mineral Resource, the recent drilling and the proposed drill-holes in the upcoming 4,000m in-fill and extensional program in blue. Upside expansion holes in orange ~2,400m.

ENDS

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

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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.

Appendix 1: Ulysses Gold Deposit – May 2017 Mineral Resource (0.75g/t Cut-off)

Type	Measured		Indicated		Inferred		Total		
	Tonnes t	Au Cut g/t	Tonnes t	Au Cut g/t	Tonnes t	Au Cut g/t	Tonnes t	Au Cut g/t	Cut Ounces
Oxide	7,000	2.0	176,000	1.7	79,000	1.5	262,000	1.6	13,800
Transition	8,000	2.6	392,000	1.8	172,000	1.7	573,000	1.8	32,900
Fresh	10,000	5.3	1,285,000	2.7	674,000	2.2	1,968,000	2.5	159,700
Total	26,000	3.4	1,853,000	2.4	924,000	2.0	2,803,000	2.3	206,400

NB. Rounding errors may occur

Full details of the Mineral Resource estimate are provided in the Company's ASX announcement dated 8 May 2017.