

ASX Announcement

Quarterly Activities Report
For the Quarter Ended 30 September 2017



HIGHLIGHTS

Ulysses Gold Project, Western Australia

Strong drilling results and positive Scoping Study pave way for Underground Feasibility Study at Ulysses

- Positive Scoping Study completed indicating strong potential to develop a standalone underground mining and processing operation, subject to further drilling success at depth.
- Feasibility Study underway with the aim of commencing underground development in Q2 2018.
- 6,400m drilling program commenced to upgrade and expand the Ulysses Resource.
- Wide, high-grade gold intersections returned from follow-up RC drilling targeting down-plunge extensions of the existing Ulysses Mineral Resource (2.8Mt @ 2.3g/t Au for 206,400oz):
 - **7m @ 4.69g/t gold**
 - **10m @ 6.42g/t gold**
 - **6m @ 6.06g/t gold**
- Drilling confirms Ulysses West shoot has a plunge extent of +400m and remains open at depth.
- One-off RC hole drilled at Orient Well NW returned an impressive intercept of **5m at 22.2g/t gold** from 95m with follow-up drilling planned for the December Quarter.

Barimaia Gold Project, Western Australia

Drilling confirms potential of new Barimaia Gold Project

- Thick, high-grade gold intercepts returned from wide-spaced drilling, with 1-metre splits of 5-metre composite samples returning:
 - **17m @ 3.36g/t gold**
 - **9m @ 18.8g/t gold including 5m @ 31.8 g/t gold**
 - **1m @ 11.7g/t gold**
- The high-grade intercepts are located up to 800m apart at the McNabs and McNabs East prospects, opening up the potential for significant new primary, high-grade gold discoveries.
- Drilling has now identified three large bedrock gold targets, and confirmed a 1.0km x 1.5km zone of anomalous gold mineralisation centred on McNabs and McNabs East.
- Both the anomalous gold zone and targeted porphyry host rock which hosts the high-grade mineralisation remain open in all directions.
- 2,500m follow-up drilling program scheduled to commence in early November 2017.

Corporate

- Acquisition of Metallo Resources Pty Ltd completed, giving Genesis the right to earn up to 80% of the highly prospective Barimaia Gold Project.
- Australian mining executive Craig Bradshaw appointed as a non-executive Director.

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.

EXPLORATION

ULYSSES GOLD PROJECT, WA (Genesis: 100%)

Activities during the quarter included a successful RC drilling program which returned strong drilling results and the completion of a positive Scoping Study.

Ulysses RC Drilling Program, August 2017

A drilling program comprising eight Reverse Circulation (RC) holes for 1,505m was completed at the Ulysses Gold Project in August 2017 with all but one of the holes targeted at the Ulysses Resource. This followed up the 9-hole RC program completed in May and reported in the ASX announcement of 3 July 2017.

One hole as part of the recent program was drilled at Orient Well NW to follow up significant mineralisation defined by previous Aircore (AC) drilling.

Drilling at Ulysses during the Quarter continued to target the high-grade shoot which is interpreted to extend beneath the Goldfields Highway at depth from below the Ulysses West pit. It should be noted that there is no restriction on mining beneath the highway.

All assay results were received from this latest drilling program, with the results confirming significant down-plunge extensions of the existing Ulysses Mineral Resource (2.8Mt at 2.3g/t Au for 206,400oz).

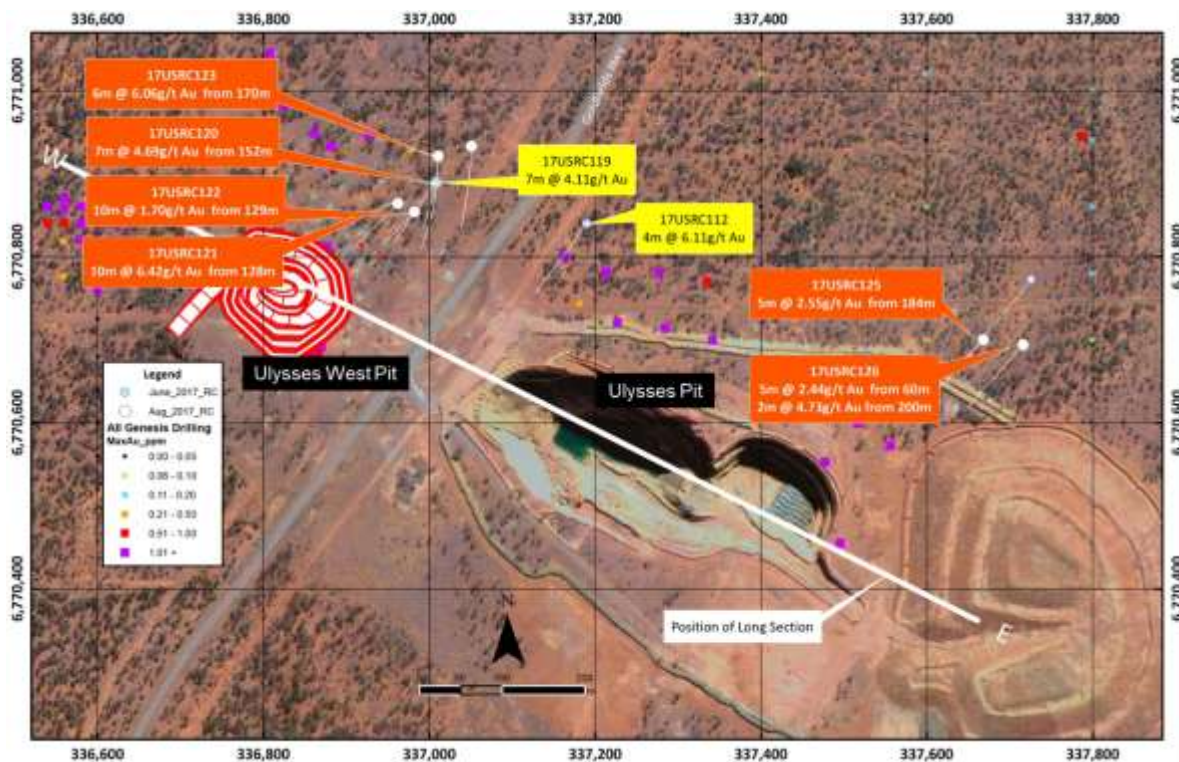


Figure 1. August 2017 RC drill-hole collar positions (white circles). New drill-hole intercepts are shown in orange boxes, with the previously announced 2017 intersections shown in yellow boxes.

Results returned from the August drilling (see Figure 1) campaign included:

- **7m @ 4.69g/t gold from 152m** **17USRC120**
- **10m @ 6.42g/t gold from 128m** **17USRC121**
 - **including 2m @ 16.3g/t gold**
- **10m @ 1.70g/t gold from 129m** **17USRC122**

- **6m @ 6.06g/t gold from 170m** **17USRC123**
 - **including 2m @ 16.8g/t gold**
- **5m @ 2.55g/t gold from 184m** **17USRC125**
- **5m @ 2.44g/t gold from 60m** **17USRC126**
- **2m @ 4.73g/t gold from 200m** **17USRC126**

The new results correlate with and complement the high-grade results reported in the ASX announcement of 3 July 2017 (from the May drilling campaign), which included:

- **7m @ 4.11g/t gold from 153m** **17USRC119**
- **4m @ 6.11g/t gold from 177m** **17USRC112**
- **3m @ 1.87g/t gold from 220m and 2m at 3.34g/t Au from 246m** **17USRC111**

Drilling has confirmed the Ulysses West shoot now has a plunge extent of over 400m and is open at depth (see Figure 4). The drilling has also continued to improve the Company's understanding of the geological controls on the high-grade mineralisation.

The recent results indicate that the intersection of **4m @ 6.11g/t gold** returned in 17USRC112 forms part of the Ulysses West high-grade shoot. This intersection sits below the eastern side of the Goldfields Highway some 140m east of the recently completed hole 17USRC120 which was drilled from the western side of the highway (see Figure 3).

A full list of results from the August 2017 drill campaign was provided in the Company's ASX Announcement dated 6 September 2017.

Ulysses Underground Scoping Study

During the Quarter, Genesis completed a positive Scoping Study which confirmed the potential of an underground mine at Ulysses assuming 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 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 2).

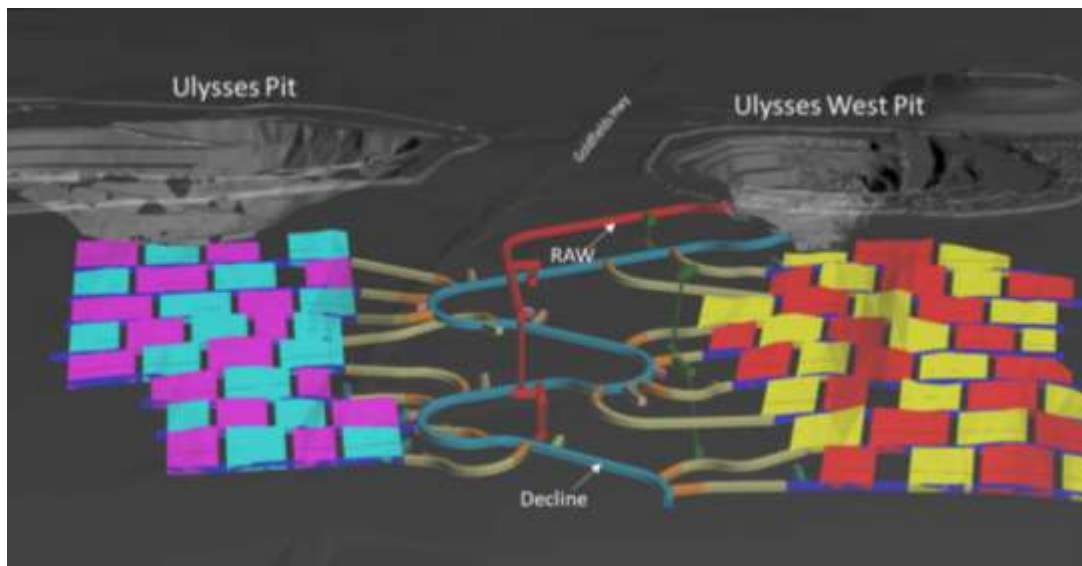


Figure 2. View looking south showing conceptual underground development and stoping beneath the Ulysses and Ulysses West pits based on the Scoping Study. Decline access proposed from the Ulysses West pit.

The recent drilling that was completed in August into the Ulysses West shoot was not included in the Scoping Study and are shown in Figures 3 and 4 below.

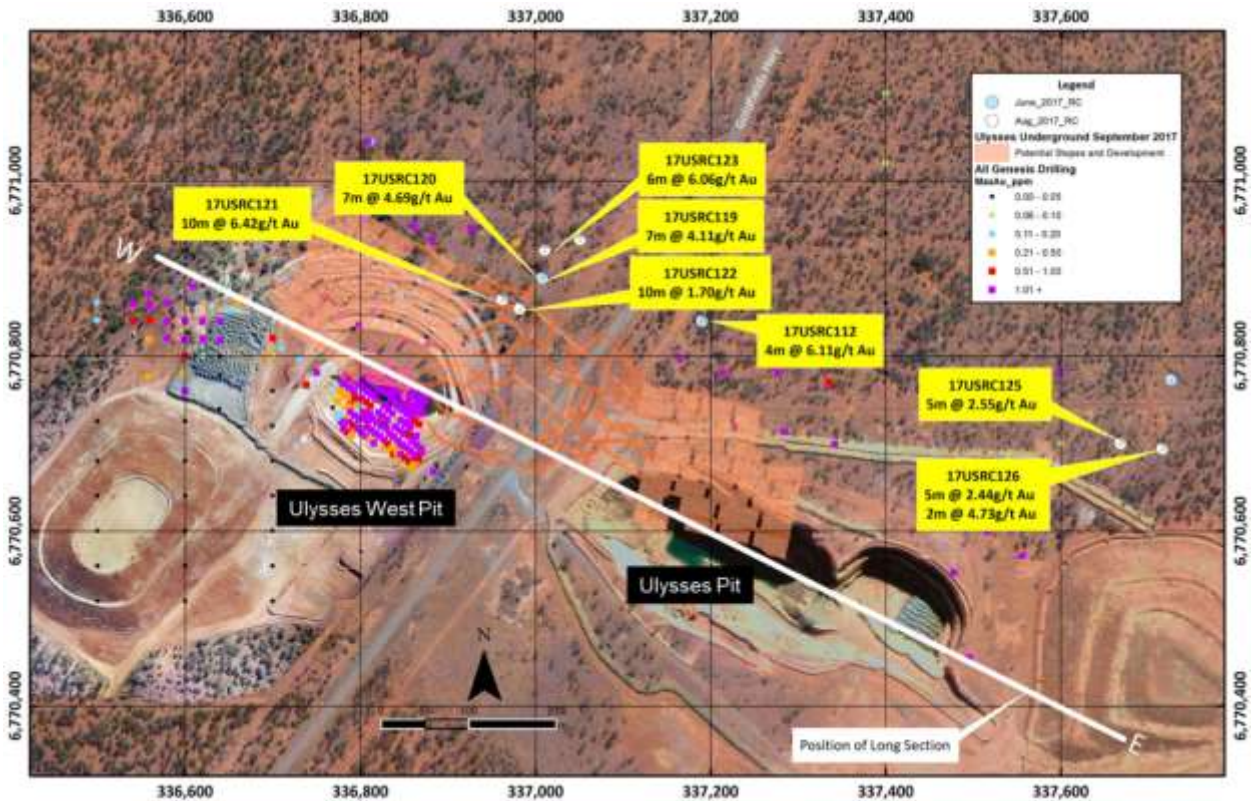


Figure 3. Plan view in MGA coordinates. Location of 2017 RC hole collar positions. Long section position in Figures 4 and 5 highlighted by white solid line. Orange hatching shows conceptual mine design projected to surface based on the Scoping Study.

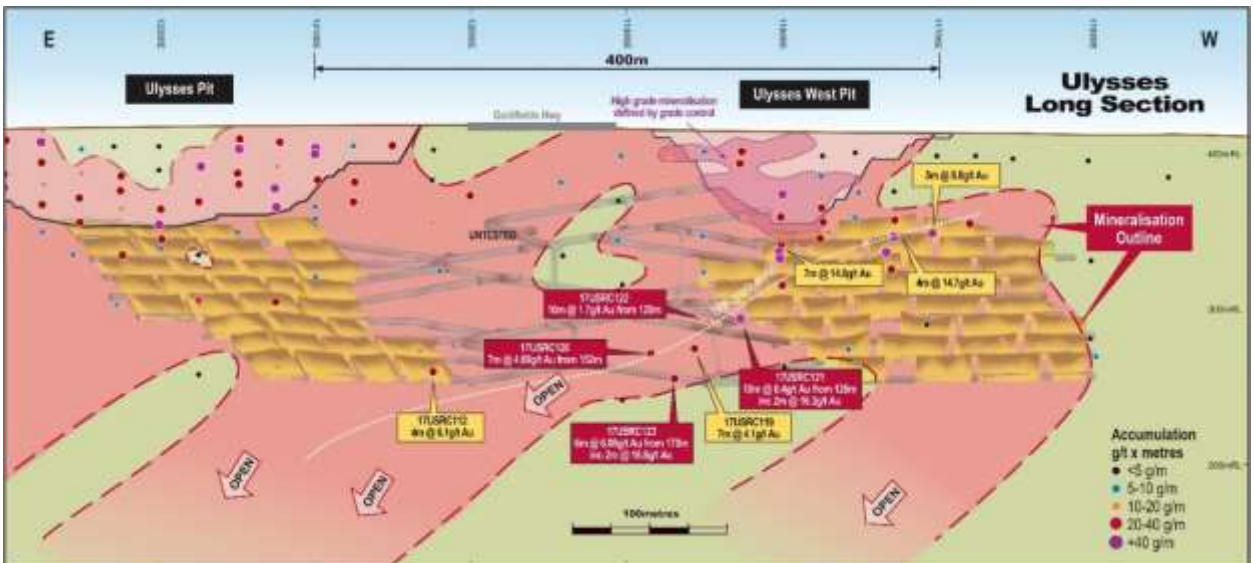


Figure 4. Long Section showing the recent high-grade drilling results and conceptual mine design. Potential decline development in grey and stoping blocks in yellow. Recent drilling results shown in red boxes were not included in the Scoping Study.

Based on the strength of the internal Scoping Study results the Company has sufficient confidence to move ahead immediately with a 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.

Feasibility Study 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 5). This program commenced in late September and will run for approximately six weeks. Significant results will be reported as they are received;
- Stage 2 drilling program comprising up to 2,400m of Reverse Circulation and diamond drilling to expand resource at depth (see Figure 5). This phase of drilling will be subject to results from the Stage 1 program;
- Geotechnical drilling to 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 and beyond the area of the subject of the Scoping Study.

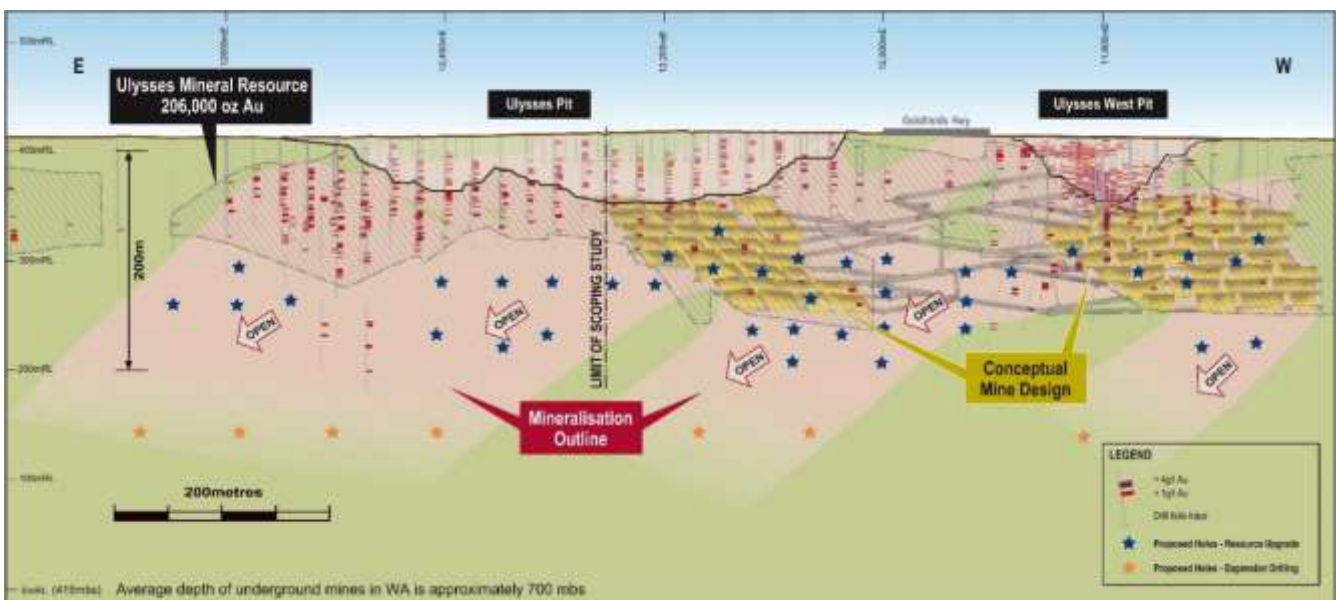


Figure 5. Long Section showing the current Mineral Resource, the recent drilling and the proposed drill-holes in the upcoming in-fill and extensional program in blue. Upside expansion holes in orange.

Orient Well NW

A one-off RC hole drilled at the Orient Well NW prospect to follow-up a zone of anomalous gold intersected in previous aircore drilling (Figure 6) returned an outstanding intercept of **5m @ 22.2g/t gold** from 95m and 20m @ 0.43g/t Au from 100m in 17USRC127.

The intersections highlight the significant potential to define a large, gold mineralised system at Orient Well NW. Mineralisation is hosted within a highly weathered and foliated felsic unit with quartz veining and iron oxide after sulphide.

The style of mineralisation has similarities to the Orient Well deposit located about 2km to the SE of 17USRC127. The orientation and geometry of the mineralisation in 17USRC127 is unclear but a NW trend to the overall strike of the mineralisation is interpreted. The Orient Well NW prospect sits in a similar structural position to Ulysses.

Further drilling is planned for the December Quarter.

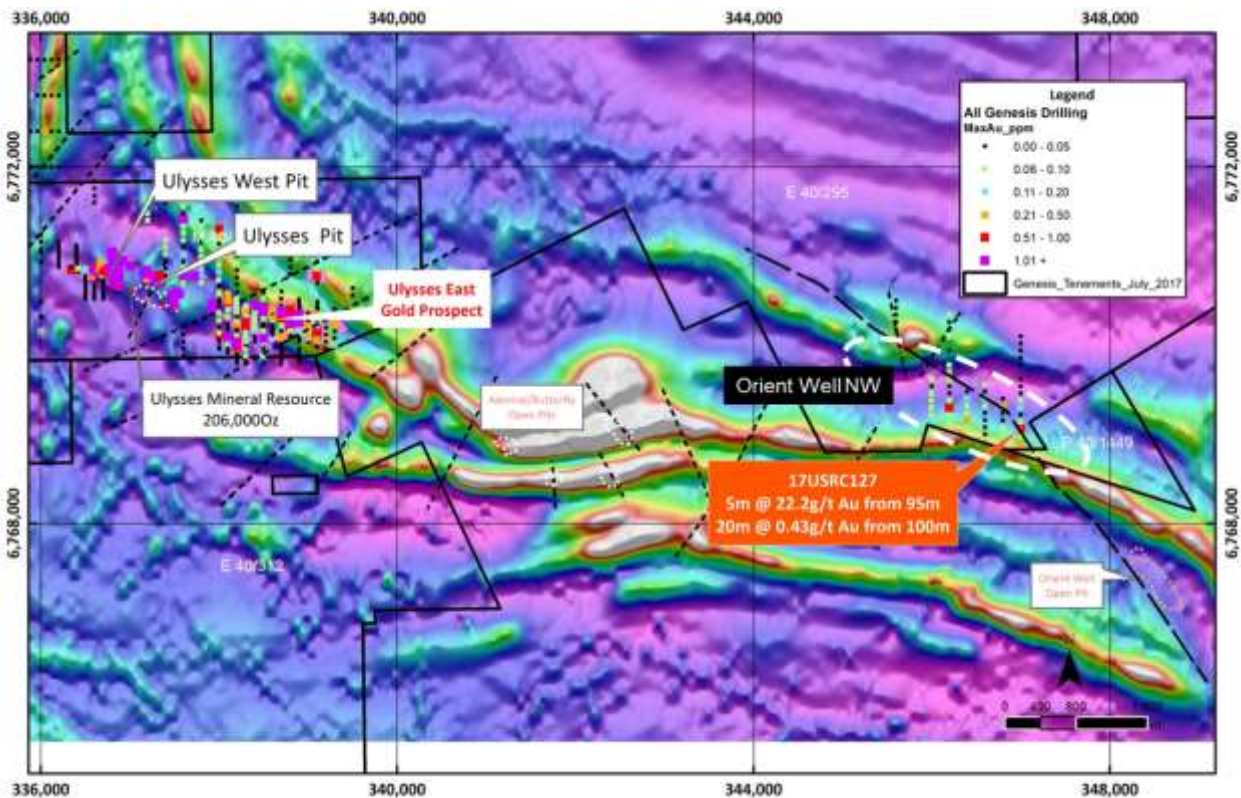


Figure 6. Location of the Orient Well NW prospect. 17USRC127 is the only RC hole drilled to date at the prospect.

BARIMAIA GOLD PROJECT, WESTERN AUSTRALIA (Genesis: RTE up to 80%)

The Barimaia Gold Project is located in the Murchison District of Western Australia, 10km south-east of the 6Moz¹ Mt Magnet Gold Mine, operated by ASX-listed Ramelius Resources Limited (see Figure 7).

Exploration activities completed during the Quarter confirmed the presence of a substantial gold system at Barimaia. Based on the strength of the latest results, the Company moved ahead to complete the acquisition of Metallo Resources Pty Ltd (see Corporate Section below).

RC and AC drilling has identified three large bedrock gold targets (see Figures 8 and 9) associated with the McNabs porphyry system, with final assay results returning impressive thick high-grade gold intercepts including hits of up to **17m at 3.36g/t Au** from 49m and **9m at 18.8g/t Au** from 75m.

The results to date indicate that Barimaia, has all the hallmarks of a significant standalone gold mineralised system.

A program of systematic RC drill testing is proposed to commence in early November to test the three extensive and highly prospective bedrock gold targets defined at the McNabs Prospects. This program was initially planned to commence in September but has been slightly delayed due to drill rig availability.

Results from the 84-hole/2,129m AC drilling program received during the Quarter have confirmed an extensive area of anomalous gold mineralisation over a 1.0km x 1.5km area centred on the McNabs and McNabs East Prospects (see Figures 8 and 9).

The strongly anomalous gold mineralisation and the targeted porphyry host rock remain open in all directions (see Figure 9). Further AC drilling will be undertaken to extend the gold mineralised system to the north, south and east.

In addition, the AC drilling has also identified a significant new target to the east and south of the McNabs Prospects. This target area is located beneath alluvial cover, with the potential for gold mineralised porphyry intrusions hosted within an ultramafic dominated volcano-sedimentary package (see Figure 9).

This area remains untested by drilling, and the Company will shortly embark on a drilling program to test the full extent of the volcano-sedimentary package.

Two of the identified gold targets – McNabs and McNabs East – contain significant bedrock targets associated with significant high-grade gold-in-bedrock (primary mineralisation) immediately below anomalous (~0.1g/t gold) leached, weathered saprolite.

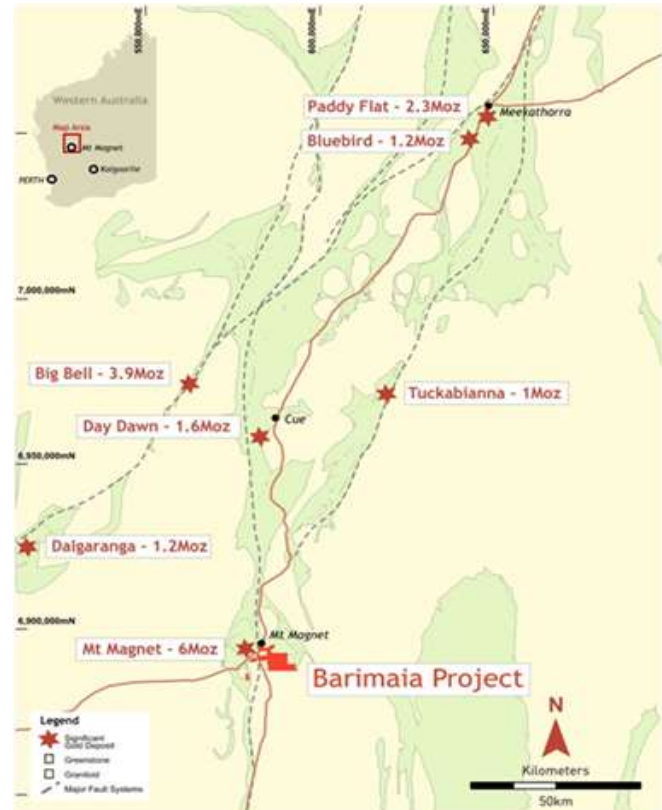


Figure 7. Barimaia Project Location

¹ Refer Ramelius Resources' ASX Announcement dated 22 February 2017.

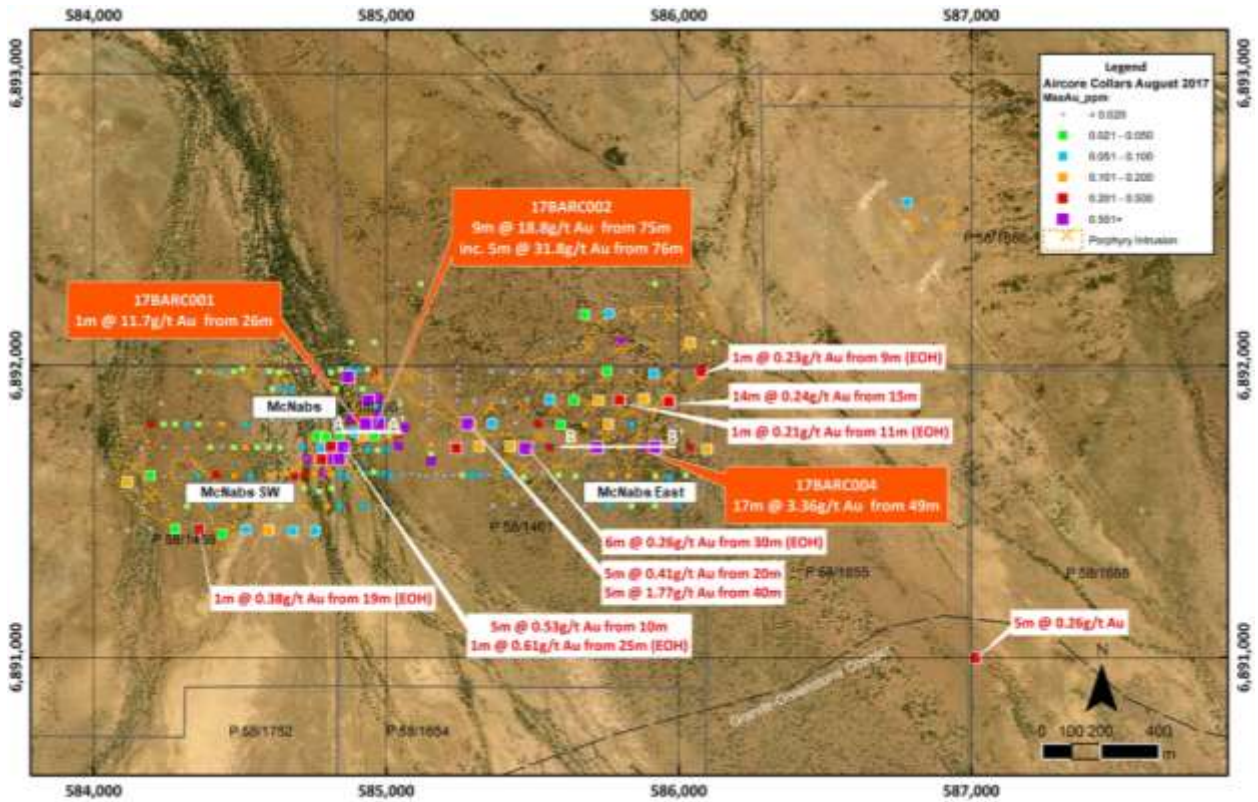


Figure 8. RC 1m split results and aircore results from recent drilling. Recent aircore results shown as larger squares with white outlines. Interpreted porphyry intrusions shown as orange hatching.

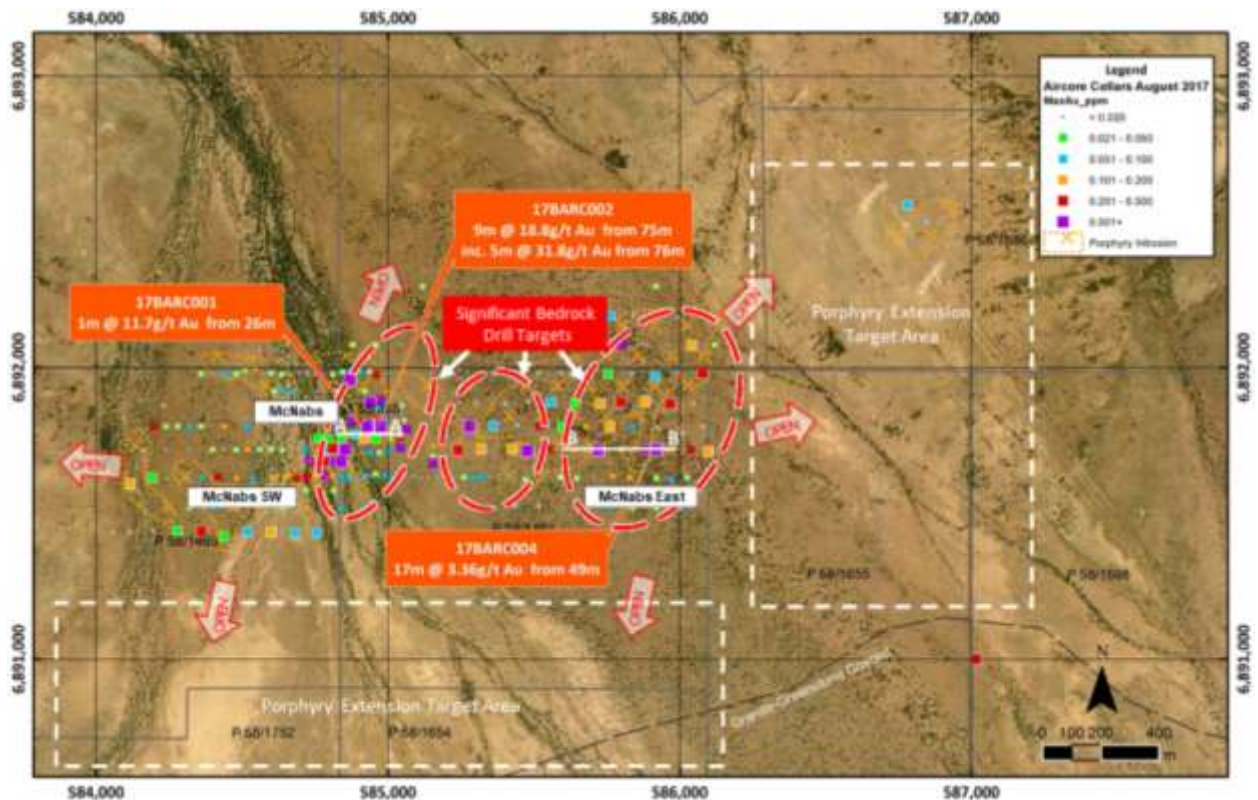


Figure 9. Bedrock drill targets in the McNabs and McNabs East area. Porphyry extension target areas within white dashed outlines.

RC Drilling 1m Splits

Significant high-grade bedrock gold has been confirmed in one metre split assays from Genesis' RC drilling at Barimaia (previously reported as five metre composite sample intervals – see ASX Release 20 July 2017).

These 1m splits have returned high-grade gold mineralisation from both McNabs and McNabs East including:

- 17BARC001 **1m @ 11.7g/t gold** from 26m (previously reported as 5m @ 1.04g/t gold) (see Figure 10)
- 17BARC002 **9m @ 18.8g/t gold** from 75m including **5m @ 31.8 g/t gold** from 76m (previously reported as 10m @ 7.9g/t gold) (see Figure 10)
- 17BARC004 **17m @ 3.36g/t gold** from 49m (previously reported as 15m @ 3.05g/t gold) (see Figure 11)

These results confirm the strong potential to identify significant porphyry-hosted gold mineralisation adjacent to ultramafic contacts at Barimaia.

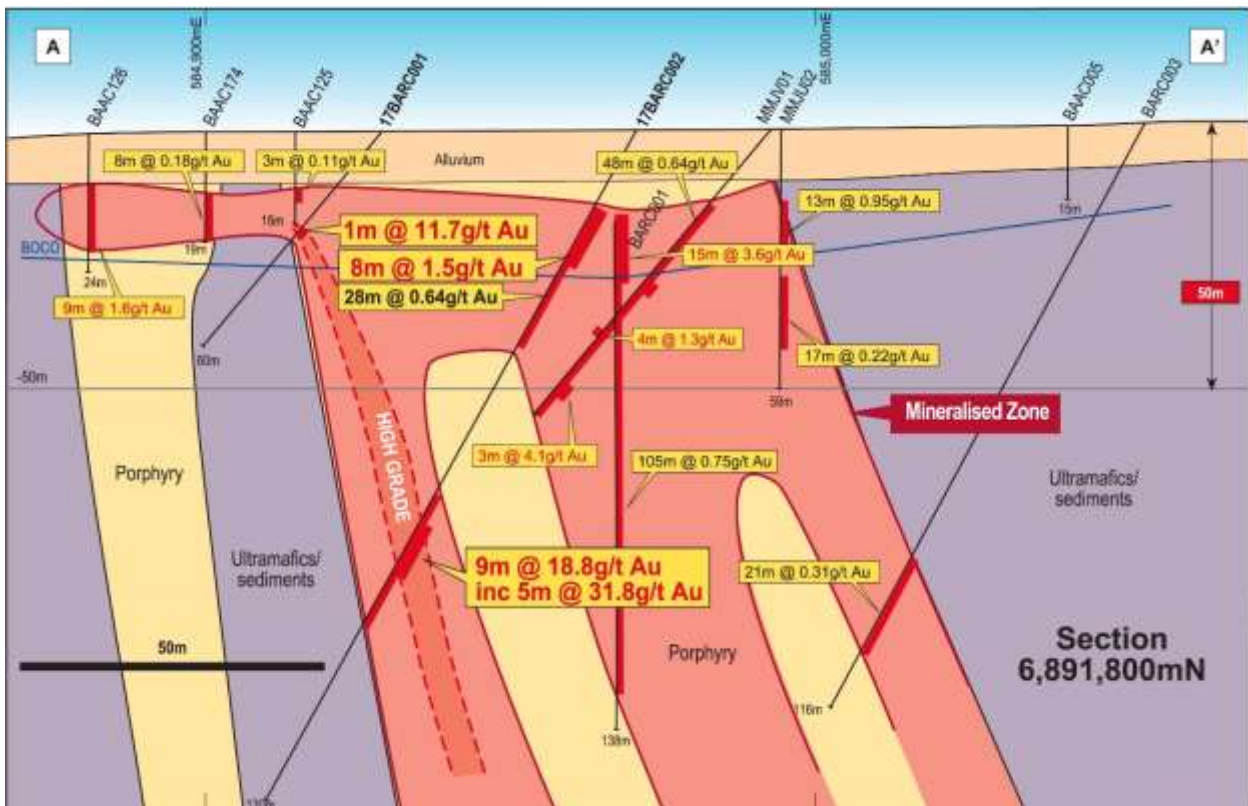


Figure 10. Section 6,891,800N at McNabs with recent 1m split intersections for 17BARC001 and 17BARC002. Note the high-grade mineralisation adjacent to the ultramafic contact.

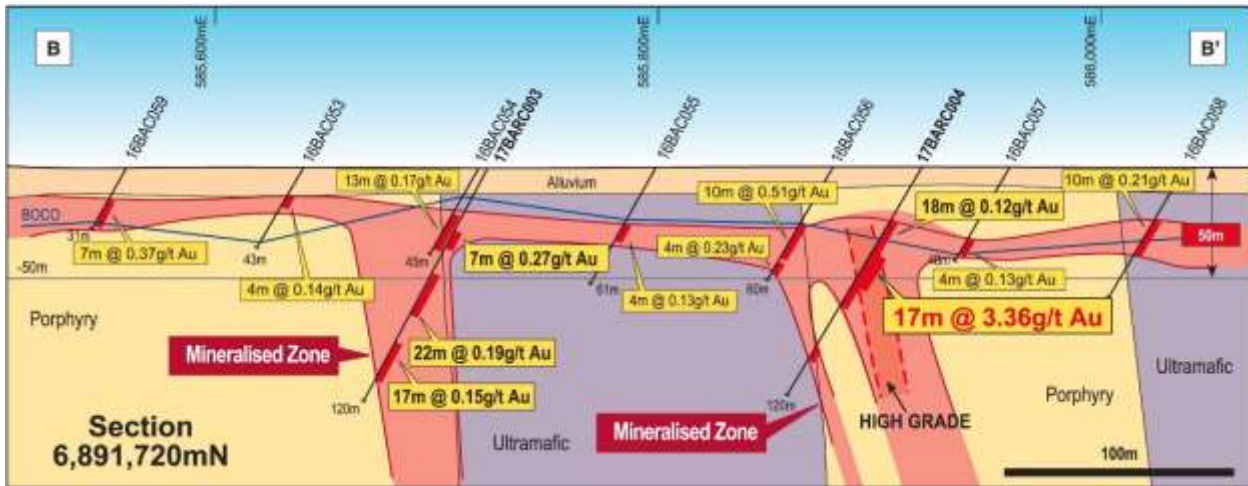


Figure 11. Section 6,891,720N at McNabs East with recent 1m split intersections for 17BARC003 and 17BARC004. Note the high-grade mineralisation adjacent to the ultramafic contact.

Aircore drilling results

The three currently defined gold targets identified within the 1.0km x 1.5km area centred on the McNabs and McNabs East Prospects (within the current limits of drilling), are associated with extensive zones of oxide gold mineralisation and anomalism under shallow alluvial cover.

The alluvial cover ranges from 2m to 12m in depth, with the depth of weathering beneath the alluvial cover ranging from 8m to 40m.

Extensive gold anomalism (0.05g/t gold to +1.0g/t gold) was returned from shallow AC drilling (average hole depth 22m, with hole depths ranging from 3m to 67m), mainly within leached and gold depleted saprolitic clays. It should also be noted that in a number of the shallow holes (<20m) the strongest gold anomalism was returned from the bottom-of-the-hole samples.

An example of gold depletion in the weathered saprolitic clays can be seen in Figure 11, where 17BARC004 returned significant bedrock gold mineralisation at McNabs East on section 6,891,720N immediately below the extensive blanket of anomalous gold mineralisation which has an average grade of ~0.1g/t gold in leached saprolite.

Significant results from the aircore drilling program include 5m @ 1.77g/t gold from 40m, 14m @ 0.24g/t gold from 15m and 5m @ 0.53g/t gold from 15m with results provided in the Company's ASX Announcement dated 21 August 2017.

The McNabs Prospects area is an entirely new discovery under shallow cover and comprises significant gold mineralisation associated with porphyry intrusions in an ultramafic dominated volcano-sedimentary package.

VIKING GOLD PROJECT, WESTERN AUSTRALIA

No exploration activities were conducted during the Quarter.

CORPORATE*Exercise of Option Agreement with Metallo Resources Pty Ltd*

Genesis held an option over the rights to Barimaia JV Project under an Option Agreement with private company, Metallo Resources Pty Ltd (“Metallo”) (see ASX Announcement – 12 May 2017).

Under the terms of the agreement, Genesis had a four-month period in which to complete a “proof-of-concept” exploration program, after which it could elect to acquire 100% of the ordinary shares in Metallo for total consideration of \$250,000, which may be paid in cash or shares at its discretion.

Metallo holds the right to earn-in to an initial 65 per cent interest in the Barimaia Project (the Mt Magnet JV), with the potential to earn up to a maximum 80 per cent stake.

Following the very positive results generated by the exploration program outlined above, Genesis exercised the option to acquire Metallo Resources on 19 September 2017 by means of issuing 11,363,636 shares at a price of \$0.022 per share for total consideration of \$250,000.

Appointment of non-executive Director

During the Quarter Genesis has appointed highly experienced Australian mining executive Mr Craig Bradshaw to its board as a non-executive Director.

Mr Bradshaw has more than 22 years’ experience in the Australian and international mining industry, and brings high-level operational and corporate experience to the Company’s board which will be invaluable as it continues to add value to its existing portfolio of WA gold projects and pursue new growth opportunities.

A graduate of the world-renowned WA School of Mines, Mr Bradshaw is a mining engineer who has held numerous senior operational and executive roles with a range of companies and spanning several different commodities.

He was Chief Operating Officer for Saracen Mineral Holdings from 2013 to 2017, a period of rapid growth for the leading mid-tier gold producer during which he oversaw the delivery of the Feasibility Study on the Thunderbox Gold Project and the commencement of the Karari underground mine.

Prior to joining Saracen, Mr Bradshaw was Chief Operating Officer for Inter Mining and Navigator Resources, Operations Manager at St Ives Gold Mines for Gold Fields Australia, Mining Manager for Albidon at the Munali Nickel Project in Zambia and Chief Operating Officer for Fox Resources. He also worked for WMC Limited at the Perseverance Nickel Mine and Leinster Nickel Operations.

Mr Bradshaw is currently CEO of Adaman Resources, a privately owned resource investment company.

Cash

At 30 September 2017, the Company held cash reserves of ~A\$4.05million.

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

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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.

Ulysses Mineral Resource

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