

DRILLING UNDERWAY TO TEST EXTENSIVE GOLD ZONE AND NEWLY IDENTIFIED COBALT ANOMALY AT ULYSSES EAST

Exciting new phase of extended exploration activity begins for Genesis with drilling to commence at highly prospective Viking Gold Project immediately after Ulysses

Key points:

- Reverse Circulation (RC) drilling has commenced to test the 1.3km long coherent gold anomaly identified immediately east of the 151,000oz Ulysses Resource (see ASX Announcement – 25 January 2017).
- Impressive results received from recent, shallow aircore drilling at Ulysses East included intercepts of up to 5m at 3.41g/t.
- A first-pass RC drill program to test the nickel-cobalt anomaly defined by the recent aircore drilling will also be undertaken, where bottom-of-hole values of up to 0.38% cobalt, 0.17% nickel and 0.05% copper were returned.
- A limited mining campaign is currently being finalised to extract an additional 10,000t of high-grade material remaining at the base of the Ulysses West open pit. This is expected to commence in the first week of March.
- Wide-spaced aircore drilling will commence in late February to test a number of strike-parallel targets to the main mineralised trend at Ulysses.
- Planning now completed for a follow-up RC exploration drilling program at the highly prospective 100%-owned Viking Gold Project, located near Norseman, where drilling will follow immediately after the aircore and RC drilling at Ulysses.

Genesis Minerals Limited (ASX: GMD) is pleased to advise that it has embarked on an exciting new phase of exploration across its two flagship gold projects in Western Australia.

An important program of Reverse Circulation (RC) drilling has commenced at the 100%-owned **Ulysses Gold Project** near Leonora to test an extensive, coherent gold anomaly located immediately east of the existing 151,000oz Ulysses Gold Deposit.

As part of this drilling, a nickel-cobalt anomaly identified in recent aircore drilling will also be tested on the southern margin of the main Ulysses East anomaly (Figure 1). A new aircore drilling program will also commence towards the end of February to test strike-parallel targets to the main mineralised trend.

Immediately following the conclusion of these programs, the Company's focus will turn to the highly prospective 100%-owned **Viking Gold Project** near Norseman to test a series of highly prospective targets. This drilling is expected to commence in March and will continue for several weeks.

The combined exploration programs will ensure strong and consistent news-flow for Genesis over the coming months as it works to unlock the value of these highly prospective projects.

Ulysses East Gold Target

The Ulysses East RC drill program will comprise approximately 2,500 metres of drilling and will consist of 10 fences of drilling at 100 to 200 metre spacings to test the anomaly over its entire strike length of 1.3km. The drilling is designed to establish the presence of economic accumulations of bedrock gold mineralisation at Ulysses East which could lead to the definition of a resource.

As outlined in the ASX Announcement on 10 November 2016, the mineralised trend at Ulysses East cuts across the WNW trending stratigraphy. The target zone at Ulysses East is highlighted by the east-west aircore defined gold anomaly (see pink polygon in Figures 1 and 2), WNW trending magnetic dolerite and ENE trending fault zone.

The current phase of drilling will also test the recently identified nickel-cobalt mineralisation on the southern margin of the anomaly. This target was identified by bottom-of-hole 1m sampling to the south of the Ulysses East gold prospect which returned values of up to 0.38% cobalt, 0.17% nickel, and 0.05% copper.

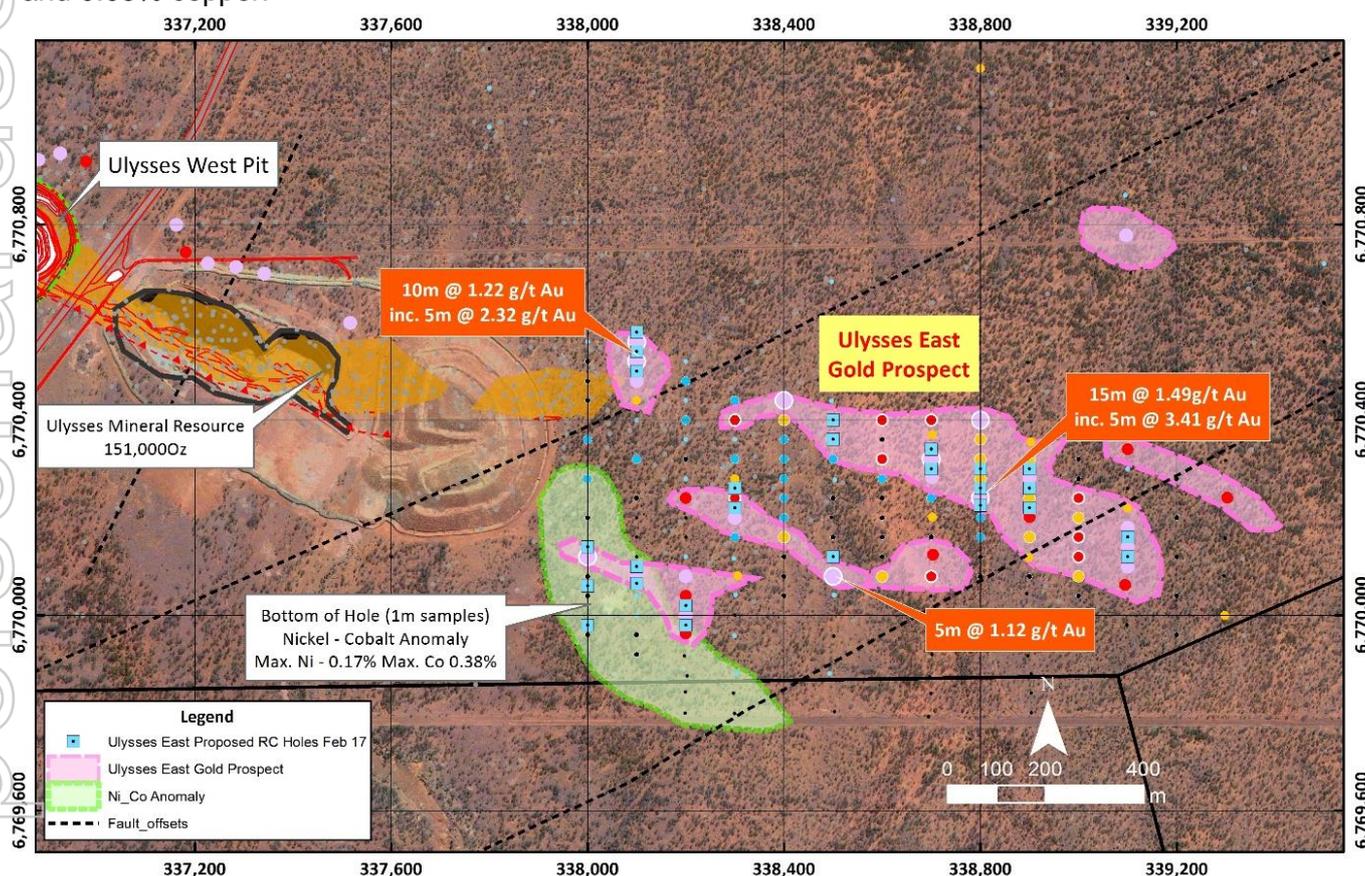


Figure 1. Ulysses East aircore defined gold prospect highlighted in pink. Significant aircore results shown in red together with location of the new RC drill-holes. The nickel-cobalt anomaly to be tested is shown in green to the south. Proposed holes shown as light blue squares.

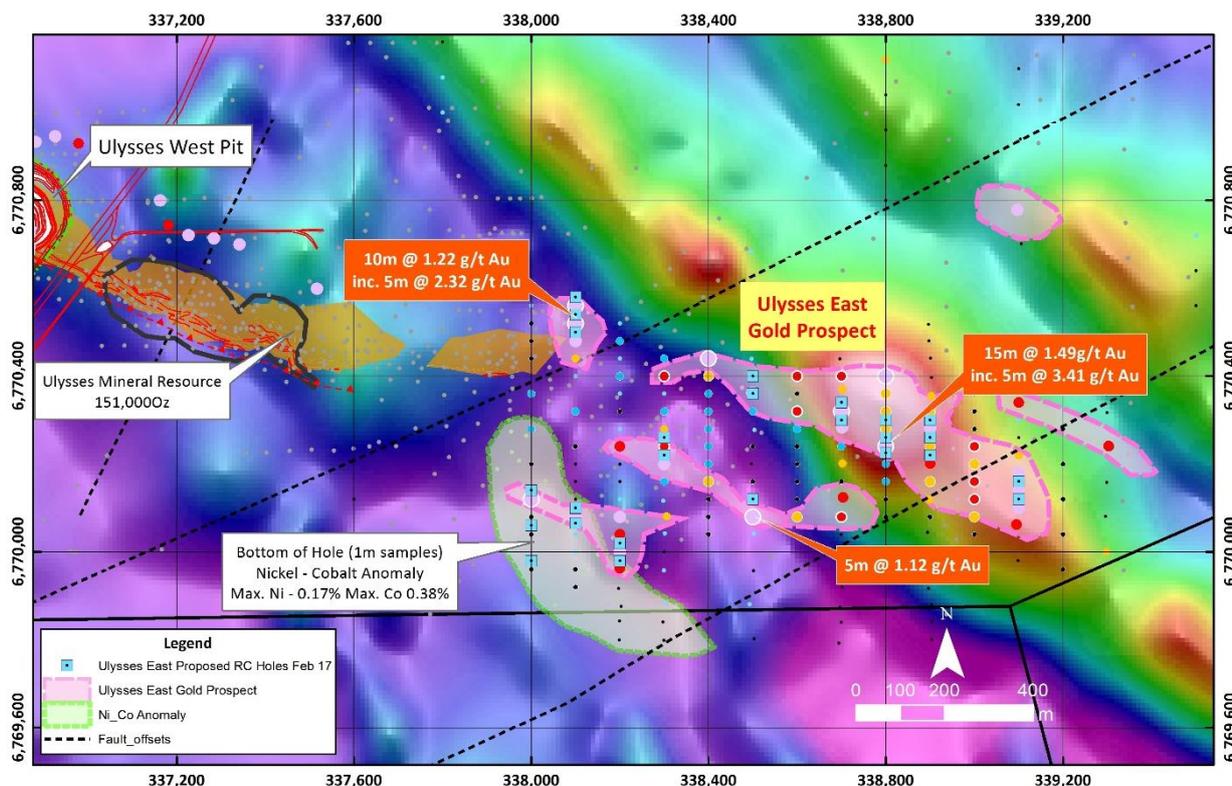


Figure 2. Ulysses East aircore defined gold prospect highlighted in pink on RTP 1VD Magnetics. The nickel-cobalt anomaly to be tested is shown in green to the south. Proposed holes shown as light blue squares

Ulysses West Open Pit Mining Update

Following the successful initial open pit mining campaign at the Ulysses West open pit at the end of last year, the Company is currently planning a limited mining campaign using smaller equipment to extract an additional 10,000 tonnes of high-grade material remaining at the base of the open pit. The final depth of the pit and the number of tonnes extracted will depend on the geotechnical performance of the pit.

Mining is expected to commence in the first week of March.

Viking Update

Planning has also been finalised for a program of RC drilling at the Viking Project. This drilling will commence immediately following the Ulysses exploration programs.

Management Comment

Genesis Managing Director Michael Fowler said the start of RC drilling at Ulysses East marked the beginning of an exciting period of exploration activity for the Company.

“The aircore results from Ulysses East last year were very pleasing and we are looking forward to seeing the results of this pivotal program of RC drilling across the newly defined targets. If we are able to establish additional open pittable resources at Ulysses East, this will enable us to consider immediate follow-up campaign mining operations using the same model as we have successfully executed at Ulysses West.”

“We will also take this opportunity to test an exciting nickel-cobalt anomaly identified in the recent aircore drilling. Given the dramatic increase in the cobalt price over the past year and the current supply shortages being experienced in that market, it makes complete sense for us to fully investigate this opportunity for our shareholders,” Mr Fowler said.

ENDS

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

Investors:

Michael Fowler

Managing Director

Genesis Minerals Limited

T: +61 8 9322 6178

E: mfowler@genesisminerals.com.au

Media:

Nicholas Read

Read Corporate

T: +61 8 9388 1474

E: nicholas@readcorporate.com.au

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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

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.