

Genesis Minerals Limited

ASX Code: GMD

Issued Capital

122.1 million shares
53.8 million options

Current Share Price

\$0.05

Market Capitalisation

\$6 million

Board Members

Richard Hill
Chairman

Michael Fowler
Managing Director/CEO

Damian Delaney
Non-Executive Director
Company Secretary

Major Shareholders

Investmet Limited
Argonaut Group
Wyllie Group Pty Ltd
Westoria Fund

ABN: 72 124 772 041

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Genesis to Raise \$2.15 Million

*Funding to accelerate drilling across
Company's Projects in Chile and Argentina*

Highlights

- Genesis completes \$0.5 million Placement
- \$1.65 million fully Underwritten Entitlements Issue to follow
- Ongoing strong support from major shareholders including Investmet Limited
- Genesis to rapidly advance drill programs at the Poncha and Cerro Verde Projects
- Teck to spend \$1.2M to fully fund the next phase of drilling at the Company's Las Opeñas Gold Project in Argentina
- Strong news-flow expected over the next 3 to 6 months from drilling of advanced targets in world class gold-base metal terrains.

Genesis Minerals Limited (ASX Code: **GMD**) is pleased to announce that it has secured funding of approximately \$2.15 million via a Placement of 10 million fully paid ordinary shares at \$0.05, raising \$0.5 million immediately, to be followed by a one-for-four (1 for 4) underwritten non-renounceable entitlements issue to all shareholders at \$0.05 per new share, to raise a further \$1.65 million. The Placement will be made using the Company's available 15% placement capacity and participants will have the right to participate in the entitlements issue. An appendix 3B is attached.

The entitlements issue is underwritten by Argonaut, who has also been appointed as Lead Manager to the Placement.

This raising will provide funding for drill programs at the Poncha Project in Argentina, Cerro Verde Project in Chile and for working capital. Additionally, Teck will spend \$1.2 million to fully fund the next phase of drilling at the Company's Las Opeñas gold project in Argentina following their decision to earn back into the project based on the exciting drill results (see *Genesis ASX release dated December 17, 2012*) recently released by Genesis.

The timetable for the raising is currently being finalised but it is anticipated that the Record Date for Shareholders to participate in the Entitlement Issue will be March 8, 2013 with a Closing Date of April 2, 2013.

ARGENTINA PROJECTS, SAN JUAN PROVINCE

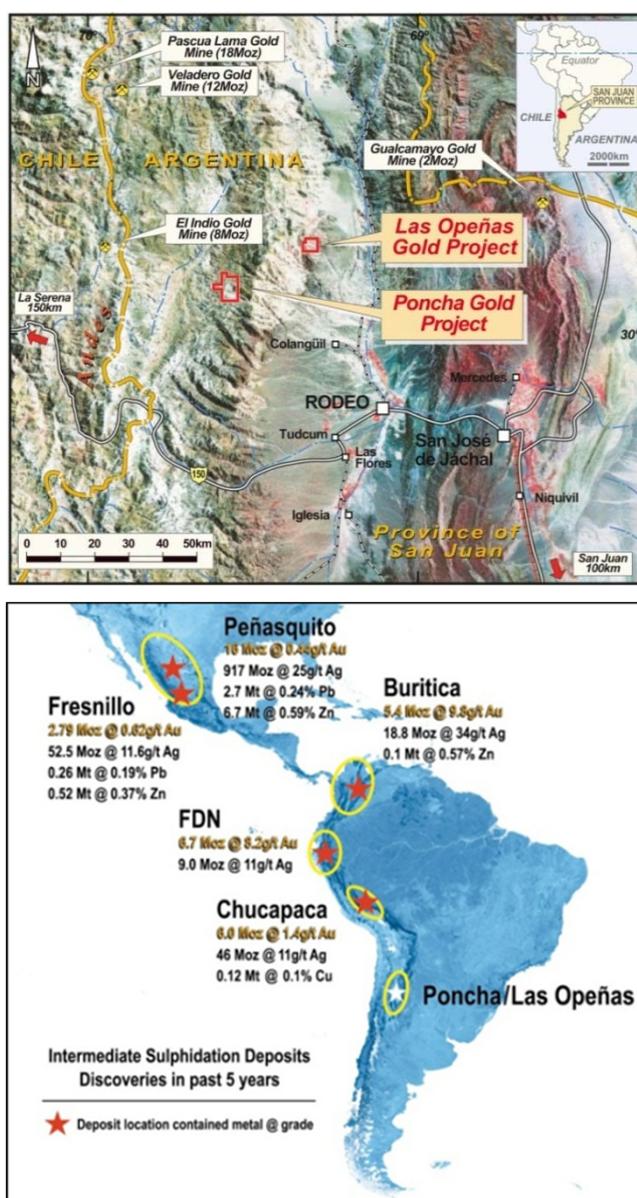
The Poncha and Las Opeñas Projects are located in San Juan Province, 200km northwest of the regional capital San Juan and about 40km northwest of the town of Rodeo in the eastern foothills of the Andes, at elevations of between 2,800m and 4,500m above sea level. Infrastructure in the area is good. Access to the Projects is gained via good paved and gravel roads from Rodeo. The Projects are approximately 25km apart.

Figure 1. Project Location Plan, San Juan, Argentina.

Target Type

Recent exploration at the Projects highlights the potential to discover large “intermediate sulphidation” epithermal gold mineralised systems at Las Opeñas and Poncha, similar to those being developed at numerous locations in northern South America (e.g. Fruta del Norte, Ecuador, and Buritica, Colombia) and being mined in Mexico (e.g. Penasquito). Intermediate sulphidation epithermal systems typically have high-grade, narrow, sulphide-only veins within haloes of lower grade gold-silver-base metal mineralisation. This style of mineralisation commonly has a strong base-metal mineralisation and large vertical extent. A number of these types of deposits have been discovered in South America in the past 5 to 10 years (see Figure 2).

Figure 2. Intermediate Sulphidation Deposits.



Genesis believes that the exploration results to date, indicate that Poncha and Las Opeñas has the potential to host a large “intermediate sulphidation”, high grade epithermal gold deposit similar in nature to such projects as those multi-million ounce deposits being developed in northern South America (Fruta del Norte in Ecuador and Buritica in Colombia) and already being mined in Mexico (Penasquito).

Genesis has an agreement with Teck Argentina Ltd. (“Teck”), a wholly owned subsidiary of Teck Resources Limited, to acquire 100% of Teck’s right and interest in the Poncha subject to an earn-back right or royalty to Teck.

Poncha

Exploration at the Poncha Project will target high-grade epithermal gold and porphyry gold-copper targets. Drilling will continue at the Epithermal South target to follow up high-grade gold mineralisation (see *Genesis ASX release dated July 30, 2012*) returned in 2012. Also to be targeted in the upcoming drilling program is the large untested alteration system (2km by 2km) coincident with a strong, induced polarisation chargeability anomaly at the Northern Porphyry target at Poncha which points to a large bulk tonnage porphyry system.

Drilling will commence in the first half of March 2013.

Las Opeñas

Following Genesis' notification to Teck in December 2012 that Genesis had earned a 100 per cent interest to Teck's rights and interest in the Project, Teck recently notified Genesis that it has elected to exercise its pre-emptive Back-in Right to earn a 60 per cent interest in the Project by spending \$1.2 million.

Teck plans to advance exploration at Las Opeñas in the coming months by targeting the large, strongly mineralised polymictic breccia system highlighted by Genesis as well as the numerous high-grade vein targets.

Genesis discovered wide zones of gold mineralisation with associated silver, lead and zinc (see *Genesis ASX release dated December 17, 2012*) during its first drilling program at its Las Opeñas Project during November 2012.

The results from the November 2012 drilling program support Genesis' belief that Las Opeñas has the potential to host a multi-million-ounce gold deposit in a large epithermal system.

CERRO VERDE PROJECT, CHILE

The Cerro Verde Project is located in the Atacama Desert in an area serviced by very good infrastructure about 850km north of Santiago, 80km south of the city of Copiapó and 75km east of the Pacific Ocean. The Project is easily accessed by a sealed road and well-formed gravel roads from Copiapó. The altitude ranges from 1,800 to 2,200m, with low to moderate relief. Mining in the area dates back to the 1800's but only limited modern exploration has been completed at the Project. Importantly exploration can be conducted all year round.

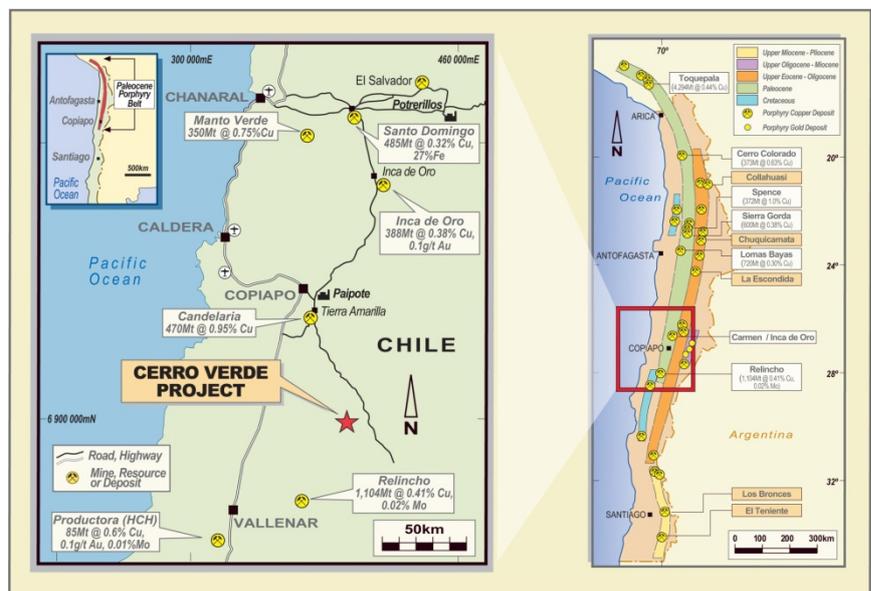


Figure 3. Cerro Verde Location Plan

Exploration will focus on drilling a series of high-grade, undrilled vein targets together with the detailed systematic sampling of a recently identified 4km x 1km structural corridor from which sampling returned high-grade gold and copper results.

Mineralisation has now been identified to extend over a 6km long by 3km wide zone and is still open to the south, north and east, and a number of areas within the Project area remain partially or completely unexplored and warrant first pass sampling and mapping.

Exploration is planned to commence in March 2013.

Michael Fowler

Managing Director

+61 8 9 322 6178 or mfowler@genesisminerals.com.au

The information in this announcement was compiled by Michael Fowler, Genesis Minerals Limited's Managing Director, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Fowler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 JORC Code. Michael Fowler consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

GENESIS MINERALS LIMITED

ABN

72 124 772 041

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 43,031,560 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 10,000,000 Fully paid ordinary shares issued at \$0.05 per new share.
33,031,560 Fully paid ordinary shares issued on the basis of a 1 for 4 entitlements issue at \$0.05 per new share |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.05</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To raise additional working capital to fund ongoing exploration programs.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2012</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>10,000,000</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil				
6f	Number of securities issued under an exception in rule 7.2	33,031,560				
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A				
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<p>Remaining Capacity:</p> <p>7.1 Capacity is 3,341,313</p> <p>7.1A Capacity is 11,845,004</p> <p>Aggregate 15,186,317</p>				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates					
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">165,157,799</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	165,157,799	Fully paid ordinary shares
Number	+Class					
165,157,799	Fully paid ordinary shares					

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9		Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)
	500,000	Options exercisable at 20 cents and expiring 28 February 2013
	75,000	Options exercisable at 20 cents and expiring 23 August 2013
	75,000	Options exercisable at 15 cents and expiring 23 August 2013
	2,400,000	Options exercisable at 31 cents and expiring 30 November 2013
	9,500,000	Options exercisable at 22 cents and expiring 31 December 2014
	13,510,596	Options exercisable at 12 cents and expiring 1 March 2013
	13,510,596	Options exercisable at 15 cents and expiring 1 March 2014
	13,510,596	Options exercisable at 20 cents and expiring 1 March 2014
	750,000	Options exercisable at 12 cents and expiring 30 November 2015

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
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12	Is the issue renounceable or non-renounceable?	Non renounceable
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+ See chapter 19 for defined terms.

13	Ratio in which the +securities will be offered	1 new share for every 4 shares held on the record date
14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	TBA
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Fractions to be ignored
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	TBA
19	Closing date for receipt of acceptances or renunciations	TBA
20	Names of any underwriters	Argonaut Securities Limited
21	Amount of any underwriting fee or commission	\$107,579
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	TBA
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	TBA
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	TBA

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1

+ See chapter 19 for defined terms.

- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

39 Class of +securities for which
 quotation is sought

40 Do the +securities rank equally in
 all respects from the date of
 allotment with an existing +class
 of quoted +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next
 dividend, (in the case of a
 trust, distribution) or interest
 payment
- the extent to which they do
 not rank equally, other than in
 relation to the next dividend,
 distribution or interest
 payment

41 Reason for request for quotation
 now

Example: In the case of restricted securities, end
 of restriction period

(if issued upon conversion of
 another security, clearly identify
 that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 20 February 2013

(Director/Company secretary)

Print name: Damian Delaney

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	77,918,477
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period 	13,531,569 27,000,000 Nil
Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	118,450,046

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	17,767,506
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	14,426,193
“C”	14,426,193
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	17,767,506
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	14,426,193
Total [“A” x 0.15] – “C”	3,341,313 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	118,450,046
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	11,845,004
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>11,845,004</p>
<p>Subtract “E”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p>Total [“A” x 0.10] – “E”</p>	<p style="text-align: center;">11,845,004</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

+ See chapter 19 for defined terms.