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ASX Announcement

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RIGHTS TO ACQUIRE TWO HIGH GRADE GOLD PROJECTS, SAN JUAN PROVINCE, ARGENTINA

Genesis Minerals Limited ("Genesis", ASX: GMD) is pleased to advise that it has entered into agreements 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 and Los Opeñas epithermal gold projects in San Juan Province, Argentina (the "Projects").

Highlights of the acquisitions include:

Poncha Gold Project

- High grade epithermal gold system outlined by limited previous exploration
- Numerous drill ready high grade gold targets
- Results from historical wide spaced drilling include:
 - **Hole PC13 - 266m @ 1.21g/t gold including,**
 - **22m @ 3.01 g/t gold, 5.4g/t silver, 0.3% zinc; and**
 - **61m @ 3.04 g/t gold containing 4m @ 10.84g/t gold and 7.9g/t silver, and 8m @ 10.91g/t gold and 24g/t silver.**
 - **Hole PC09 - 6m @ 7.4g/t gold, 7.0g/t silver, 0.5% zinc**

Los Opeñas Gold Project

- Extensive high grade epithermal vein system identified at surface with considerable potential to define a significant high grade gold-silver deposit
- Numerous untested vein targets evident over 4.5km of strike
- No drilling undertaken on the Project
- Rock chip sampling has returned values up to **49g/t gold, 183g/t gold and 6,800g/t silver**
- Channel sampling has returned **20m @ 4.69g/t gold in breccia**
- Strong gold and silver association

Genesis' Managing Director Michael Fowler commented, "This is a fantastic opportunity for Genesis to discover a high to bonanza grade epithermal gold deposit. There are a number of drill ready targets at both Projects. These Projects fit very well with our high-grade gold projects in Chile and we look forward to commencing exploration in the coming months."

The target types for both Projects are multi million ounce bulk mineable and high grade vein/structural targets.*

A 4,000m drilling program is planned for the Poncha Project, commencing as soon as possible. Los Opeñas exploration will focus on drill testing the 4.5km of high grade vein structures defined to date.

Introduction

Genesis Minerals Limited has entered into an agreement with Teck to acquire 100% of the Poncha and Los Opeñas epithermal gold Projects in San Juan Province, Argentina subject to back-in right and a royalty rights to Teck. Work carried out previously by Teck and other operators at the Projects indicate the presence of significant epithermal gold systems. Both Projects contain a number of drill ready targets. The Projects are located in the mining friendly San Juan Province, which has both large operating and development stage projects.

Location and Access

The Poncha and Los Opeñas Projects are located 200km northwest of the regional capital San Juan and about 40km northwest of the town of Rodeo in the foothills of the Andes, at elevations of between 3,000 and 4,500m above sea level. Infrastructure in the area is good and access to the Projects is gained via good paved and gravel roads from Rodeo. The Projects are approximately 25km apart.

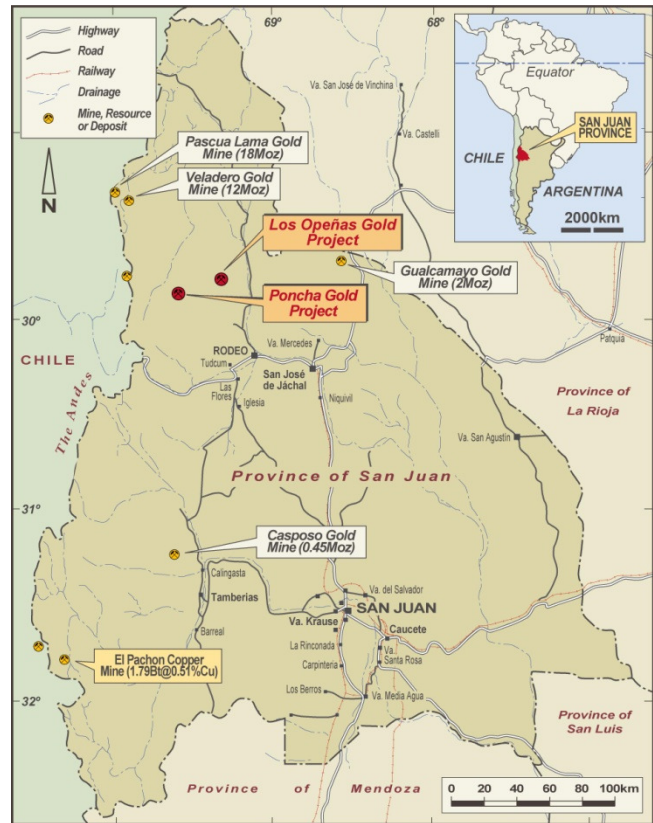


Figure 1 San Juan Province Location Map.

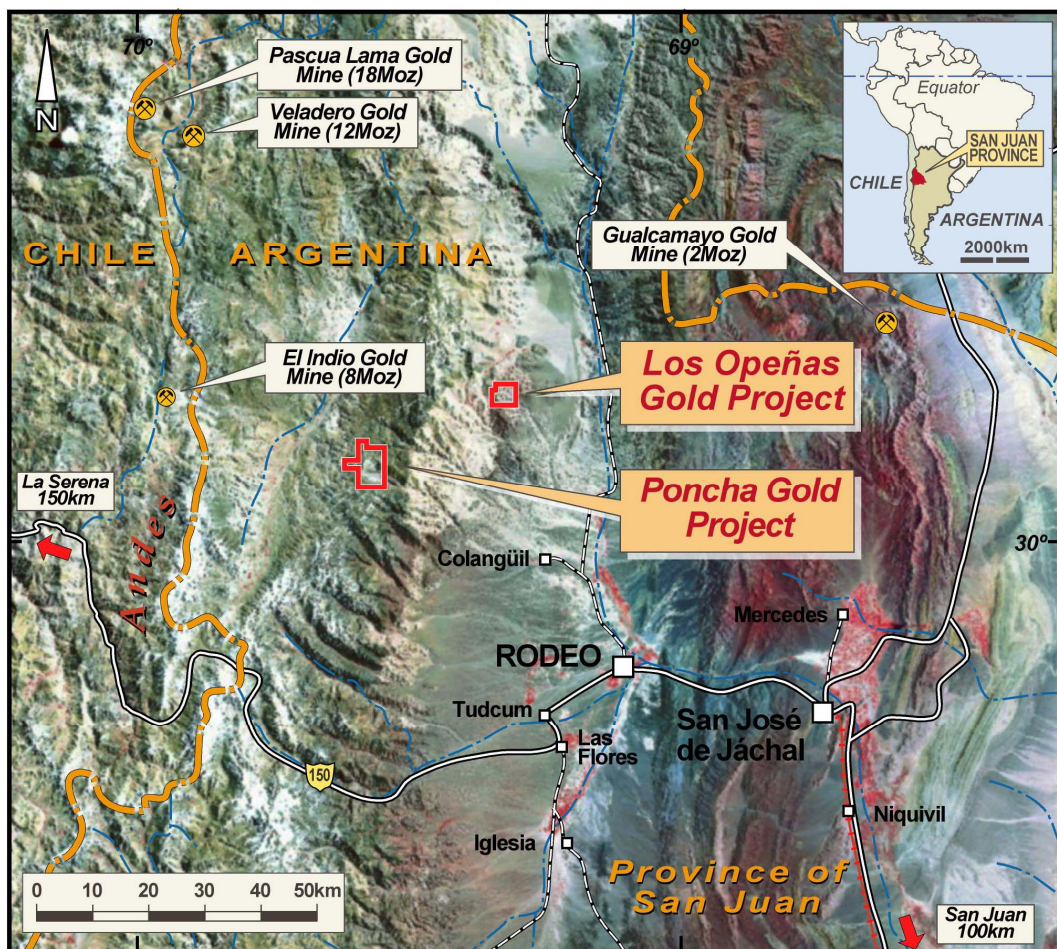


Figure 2 Project Location Map.

Previous Exploration

Poncha

Teck first identified the Poncha Project in 2005. Exploration between 2006 and 2009 at the Poncha Project comprised drilling of 18 holes for 6,531m; geochemical sampling, geophysical surveying and geological mapping. Two targets were explored during this period; a northern porphyry copper-gold target and a southern epithermal gold target. The majority of the drilling was completed at the southern epithermal target.

Wide-spaced drilling at the southern epithermal target returned results (see Table 1 for detail) including:

- Hole PC13 - 266m @ 1.21g/t gold including,
 - 22m @ 3.01 g/t gold, 5.4g/t silver, 0.3% zinc; and
 - 61m @3.04 g/t gold containing 4m @ 10.84g/t gold and 7.9g/t silver, and 8m @ 10.91g/t gold and 24g/t silver.
- Hole PC 09 - 6m @ 7.4g/t gold, 7.0g/t silver, 0.5% zinc

A recent mapping program and re-interpretation by Teck identified a strong north to north northeast control on gold mineralisation associated with jarosite-pyrolusite faults and/or phreatomagmatic breccia bodies. This north to north northeast orientation has had very limited testing and will be subject to testing by east-west orientated drilling in a forthcoming drilling program. An initial area of 800m x 400m will be targeted. This area occurs within a much larger target area under scree cover.

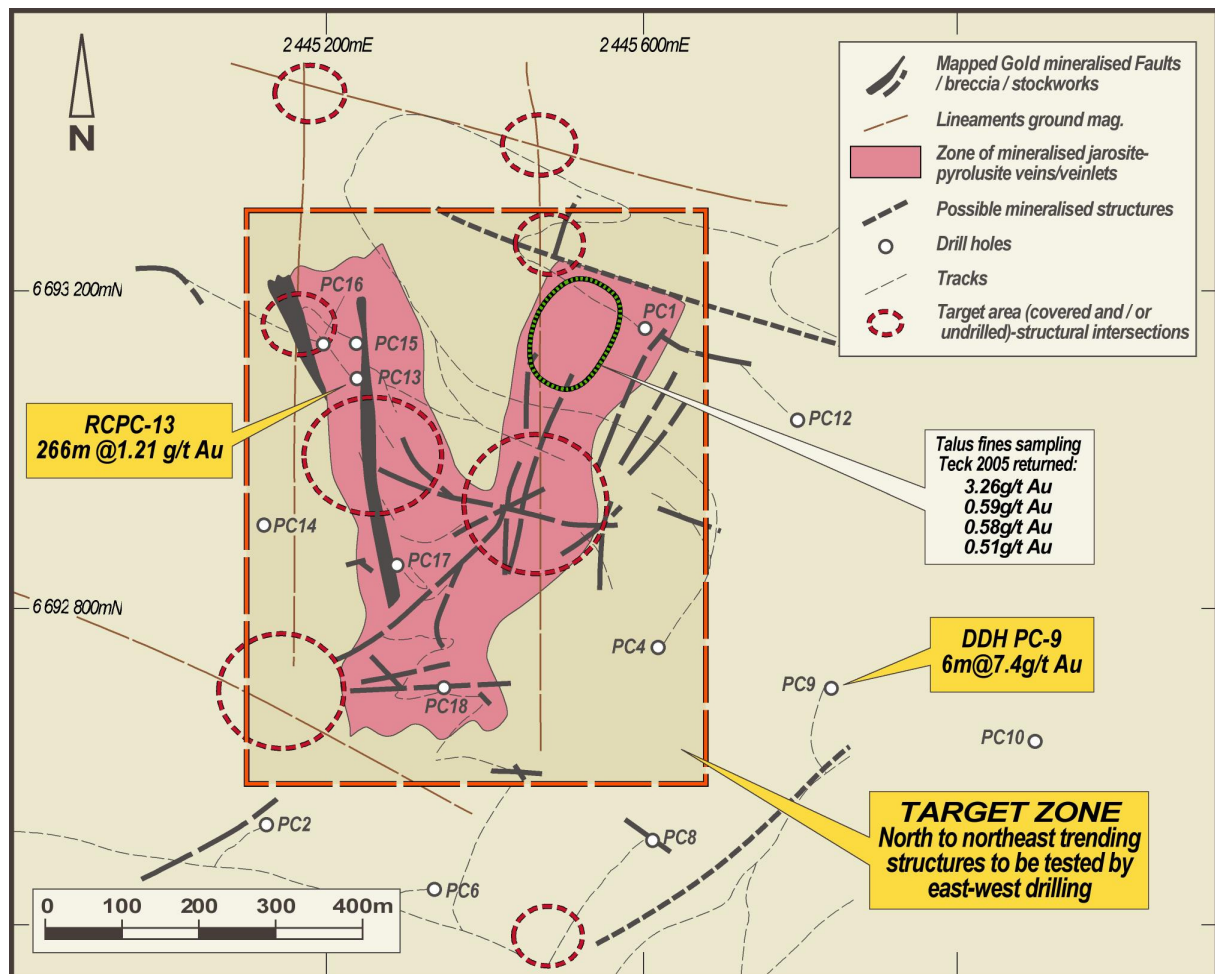


Figure 3 Poncha Exploration – Southern Epithermal Target

Los Opeñas

Teck completed geochemical sampling, first pass mapping and rock chip sampling (897 samples) at Los Opeñas between 2005 and 2009. An extensive epithermal vein system was identified from this work. Rock samples at surface returned values as high as 49g/t gold and 183g/t gold, and up to 6,789g/t silver. Channel sampling of mapped breccia bodies have returned results of 20m @ 4.69g/t gold associated with strongly anomalous zinc, lead and silver.

No drilling has been undertaken at the project. Exploration will focus on drill testing the 4.5km of high grade vein structures that have been defined to date.

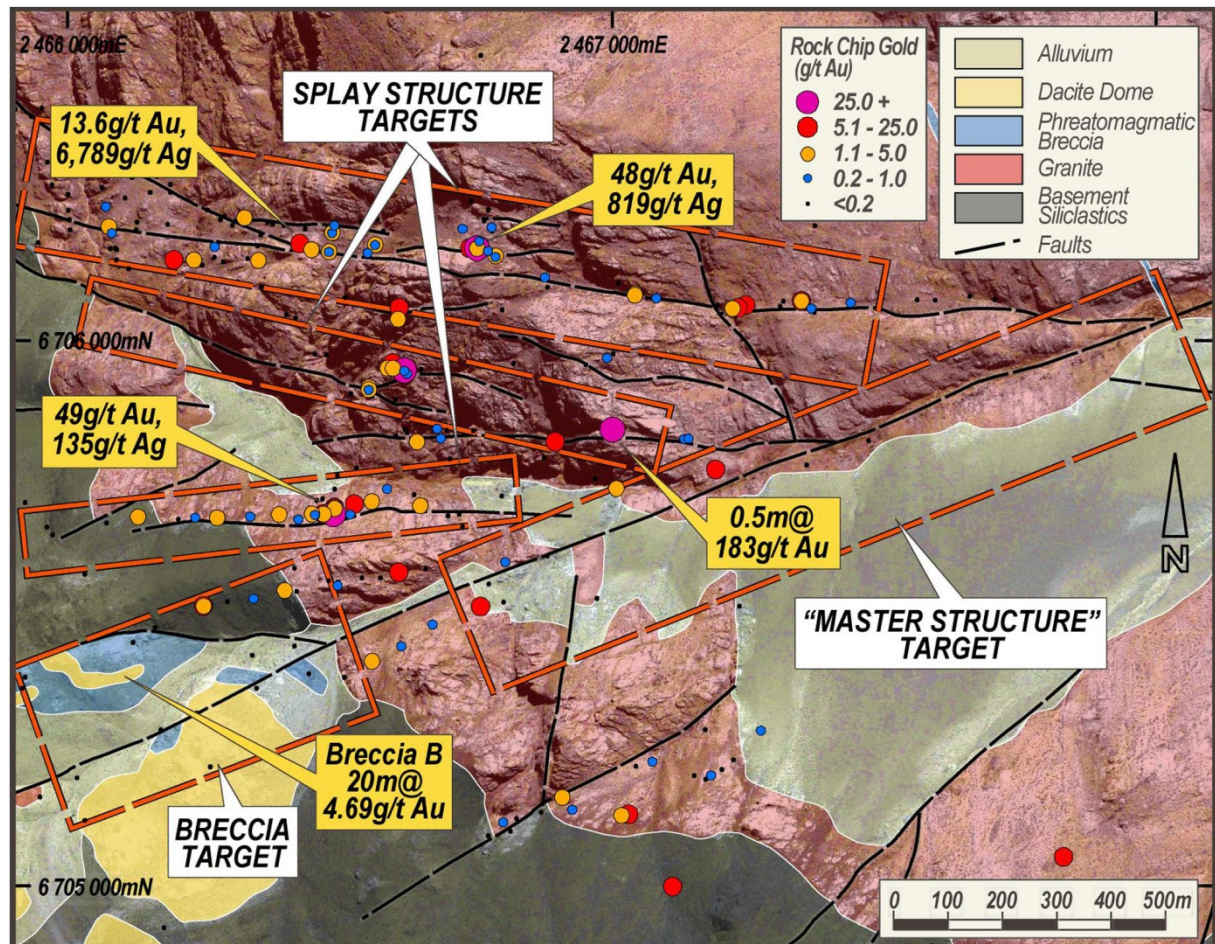


Figure 4 Los Opeñas Rock Chip Samples

Target Type

Analysis of the alteration, structural setting and geochemistry of the Poncha and Los Opeñas Projects, together with their spatial association with diatreme breccias highlight the possibility for "intermediate sulphidation" epithermal gold systems. They appear similar to gold-rich systems of the south west Pacific (e.g. Kelian, Indonesia, 8Moz gold¹, Acupan (Baguio district), Philippines 6Moz gold²), and to those being developed in northern South America (e.g., Fruta del Norte, Ecuador, 10Moz gold³) and in Mexico (e.g. Penasquito 40Moz gold (eq)⁴). The target types* for both Projects are multi million ounce bulk mineable and high grade vein/structural targets.

Agreement Terms

Genesis has executed two Umbrella Agreements with Teck Argentina Ltd which give Genesis the exclusive right to acquire 100% interests in Teck's right and interest to the Poncha and Los Opeñas Projects, portions of both of which are subject to underlying agreements whereby Teck can earn a 100% interest by making cash payments to the underlying owners. A portion of Poncha is subject to a capped NSR royalty. Genesis will issue Teck 250,000 Genesis shares, being 50,000 in consideration of Los Opeñas and 200,000 in consideration of Poncha for this exclusive right.

Upon Genesis incorporating a wholly owned subsidiary under the laws of Argentina, Teck and Genesis will then enter into individual Option/Joint Venture agreements with respect to the Poncha and Los Opeñas Projects.

The Poncha Agreement with Teck requires Genesis to undertake work expenditures on the Project totalling US\$5,000,000 and issue a further 1,500,000 Genesis shares to Teck on or before March 31, 2014 to acquire a 100% interest, with a commitment to complete 4,000m of drilling on the Poncha Project by June 30, 2012.

The Los Opeñas Agreement with Teck requires Genesis to undertake work expenditures on the Project totalling US\$500,000 and issue a further 500,000 Genesis shares to Teck on or before March 31, 2013 to acquire a 100% interest, with a commitment to complete 1,500m of drilling on the Los Opeñas Project by June 30, 2012.

Teck can earn back to a 60% interest in the Poncha Project by incurring expenditures equal to four times Genesis' expenditures multiplied by the percentage interest Teck is earning back, to a maximum of \$12 million over 3 years. The right to earn back expires within 60 days of Genesis notifying Teck that it has earned 100% in the Project. If Teck elects not to earn back in, Teck's interest will revert to a 2% NSR on production. Genesis will make all payments to ensure the licences are kept in good standing.

Teck can earn back to a 60% interest in the Los Opeñas Project by incurring expenditures equal to four times Genesis' expenditures multiplied by the percentage interest Teck is earning back, to a maximum of \$1.2 million. The right to earn back expires within 60 days of Genesis notifying Teck that it has earned 100% in the Project. If Teck elects not to earn back in, Teck's interest will revert to a 2% NSR on production.

Work Program

Genesis intends undertaking a 4,000 metre drilling program at the Poncha Project to follow up highly encouraging intersections of gold mineralisation returned from previous drilling. It will target the very strong N-S and NNE-SSW orientated mineralised jarosite-pyrolusite faults and/or phreatomagmatic breccia bodies that have been identified by recent mapping. Genesis intends commencing exploration in 2011 as soon as permitting and incorporating a subsidiary allows.

Exploration at Los Openas will target 4.5km of high grade vein structures which have never been drill tested. Further mapping, geochemical sampling will be completed prior to drilling in the 2nd half of 2011.



Michael Fowler

Managing Director

Further Information

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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.

* Any statement or information relating to the potential size, quantity and grade of the Target Type is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource

¹Kelian – Society of Economic Geologists

²Acupan - Benguet Corporation website

³Fruta del Norte - Kinross December 2010 Resources and Reserves Statement

⁴Penasquito – Goldcorp Resource and Reserves 2008

Table 1 Intersections from the Southern Epithermal target at Poncha PC1 – PC2, PC4, PC6 to PC18

Hole ID	GK2PoE	GK2PoN	mRL	Azimuth	Dip	Depth	From	To	Length	Au (ppm)	Ag (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
PC1	2,445,609	6,693,155	4,190	180	-65	319.1	229	238	9	0.52	<1			
							290	291	1	1.82	<1			
PC2	2,445,124	6,692,524	4,300	0	-60	301	40	48	8	0.75	6.16	149	721	1556
							151	155	4	0.63	3.44	1110	153	1135
PC4	2,445,625	6,692,750	4,280	0	-80	351	0	54	54	<0.1	<1			2758
PC8	2,445,618	6,692,505	4,178	0	-60	450	207	208	1	0.63	33.12	3562	1484	10001
							431	432	1	1.78	64.77	279	949	10001
							445	446	1	0.53	7.55	220	960	10001
PC9	2,445,846	6,692,698	4,180	0	-60	296.35	57	62	5	0.33	3.49	12	80	101
							107	113	6	7.40	7.13	1096	2138	5997
							251	265	14	0.52	2.32	58	147	1473
PC10	2,446,097	6,692,631	4,109	0	-70	269	202	222	20	0.37	4.00	264	112	964
PC11	2,444,635	6,692,130	4,365	0	-60	200	37	40	3	0.49	1.98	60	1532	5521
PC12	2,445,801	6,693,040	4,148	180	-70	335	161	164	3	0.56	<1	23	142	3885
							186	187	1	0.69	3.28	31	695	3638
							229	230	1	2.13	11.02	41	514	391
PC13	2,445,241	6,693,093	4,292	180	-70	395	36	41	5	0.26	7.3	1089	635	1114
							129	395	266	1.21	3.3	281	336	1318
							incl 133	155	22	3.02	5.4	542	191	3300
							incl 270	331	61	3.04	7.16	457	699	1649
PC14	2,445,122	6,692,907	4,395	0	-80	354	217	320	103	0.19	<1	50	101	1505
PC15	2445197.0	6693135.0	4290	180	-70	500	71	77	6	1.16	7.59	330	2855	4370
PC16	2,445,197	6,693,135	4,290	180	-70	500	219	228	9	1.19	12.4	578	2033	2868

Intersections compiled from technical data supplied by Teck.

Holes not listed did not report significant intersections >0.2g/t gold.