

GENESIS MINERALS LIMITED

ACN 124 772 041

PROSPECTUS

For the offer of a non-renounceable pro rata rights issue of approximately 13,531,476 New Shares on the basis of 1 New Share and 1 free attaching New Option for every 8 Shares held on the Record Date at an issue price of \$0.10 per New Share to raise approximately \$1,353,148.

Important Notice

This is an important document and should be read in its entirety. This Prospectus is a transaction-specific prospectus issued in accordance with Section 713 of the Corporations Act 2001. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay.

The Securities offered by this Prospectus should be considered speculative.

GENESIS MINERALS LIMITED
CONTENTS

IMPORTANT NOTICES	1
PROPOSED TIMETABLE	2
1. DETAILS OF THE OFFER	3
2. ACTION REQUIRED BY SHAREHOLDERS	7
3. RISK FACTORS	9
4. EFFECT OF THE OFFER	14
5. ADDITIONAL INFORMATION	17
6. AUTHORISATION	25
7. GLOSSARY OF TERMS	30

CORPORATE DIRECTORY

Directors

Mr Michael Haynes – Non-Executive Chairman

Mr Michael Fowler – Managing Director

Mr Damian Delaney – Non-Executive Director

Company Secretary

Mr Graeme Smith

Registered Office and Principal Place of Business

Unit 6, 1 Clive Street
WEST PERTH WA 6005

Telephone: +61 8 9322 6178

Postal Address

PO Box 437
WEST PERTH WA 6872

Share Registry

Computershare Investor Services Pty Ltd*
Level 2, 45 St Georges Tce
PERTH WA Australia

Telephone: 1300 850 505

Stock Exchange Listing

ASX (GMD)

Corporate Advisors to the Company

DWCorporate Pty Ltd
Ground Floor, 20 Kings Park Road
WEST PERTH WA 6005

Lawyers

Kings Park Corporate Lawyers
Suite 8/8 Clive Street
WEST PERTH WA 6005

Auditors

Bentleys
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

Underwriter

Investmet Limited
Level 1, 24 Mumford Place
BALCATTWA WA 6021

Internet Address

www.genesisminerals.com.au

Email Address

info@genesisminerals.com.au

*These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

IMPORTANT NOTICES

This Prospectus is dated 30 March 2012 and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the contents of this Prospectus. No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus. The Company has applied to ASX for Official Quotation by ASX of the Shares offered by this Prospectus. No application will be made for quotation of the New Options.

A copy of this Prospectus can be downloaded from the Company's website at www.genesisminerals.com.au and Eligible Shareholders will be mailed a hard copy of this Prospectus along with a personalized Entitlement and Acceptance Form.

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to Section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

Applications for Securities by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form mailed to Eligible Shareholders with this Prospectus. The Entitlement and Acceptance Form sets out an Eligible Shareholders' Entitlement to participate in the Offer.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus.

No action has been taken to permit the offer of Securities under this Offer Document in any jurisdiction other than Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons in to whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus. It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company as a representation that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office. If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

GENESIS MINERALS LIMITED
PROPOSED TIMETABLE

PROPOSED TIMETABLE

Announcement Date	30 March 2012
Release of Offer Document, Cleansing Notice and Appendix 3B lodged to ASX	30 March 2012
Notice sent to Shareholders	3 April 2012
Ex Date	4 April 2012
Record Date The Company determines eligible shareholders	12 April 2012
Opening Date Offer Documents sent to all eligible shareholders	17 April 2012
Closing Date* The date on which the Offer closes. Applications must be received by 5.00pm (WST)	2 May 2012
Securities quoted on a deferred settlement basis	3 May 2012
Notification of Shortfall	7 May 2012
Dispatch Date** The date on which holding statements are sent to shareholders that have taken up their entitlement of New Shares.	10 May 2012
Share Trading Date The date upon which New Shares commence trading on the ASX	11 May 2012

* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares and New Options.

** These dates are indicative only.

1. Details of the Offer

1.1. The Offer

The Company is making a non-renounceable pro rata offer to issue approximately 13,531,476 New Shares (assuming all Securities under the Placement are issued and no existing Options are exercised between the lodgment date of this Prospectus and the Record Date) each with one free attaching New Option at an issue price of \$0.10 each to Eligible Shareholders on the basis of 1 New Share and New Option for every eight (8) Shares held at 5:00 pm (WST) on the Record Date. Refer to Section 4.1 of this Prospectus for further details in relation to the proposed capital structure following completion of the Offer.

The New Options have the following exercise price and expiry date:

- (a) one third issued will have an exercise price of \$0.12 and an expiry date of 1 March 2013;
- (b) one third issued will have an exercise price of \$0.15 and an expiry date of 1 March 2014; and
- (c) one third issued will have an exercise price of \$0.20 and an expiry date of 1 March 2015.

In the calculation of an Eligible Shareholders' Entitlement and the number of the New Options to be issued, fractions will be rounded up to the nearest whole number.

The Offer is fully underwritten by the Underwriter. Refer to Section 5.1 for a summary of the terms of the Underwriting Agreement including the commission payable to the Underwriter for fully underwriting the Offer.

Refer to Sections 5.2 and 5.3 for a summary of the rights attaching to the New Shares and New Options.

1.2. Background and Purpose of the Offer

As announced on 23 November 2011, Investmet Limited (**Investmet**) has agreed to take a strategic stake in the Company and assist it to raise up to \$3.1m through a two stage capital raising, comprising of the Placement followed by a fully underwritten rights issue. Funds were immediately advanced to the Company by way of a \$500,000 Convertible Note, to be repaid through the issue of Shares at an issue price of \$0.10. Shareholders approved the Placement and conversion of the Convertible Note on 21 March 2012.

Completion of Stage 1, being the Placement, will result in the issue of 27m Shares each with one free attaching New Option, and (including the Convertible Note Shares) will result in \$2.7m being raised. Funds raised under the Placement will be used to advance exploration on the Company's Chile and Argentina projects.

Stage 2, being the New Shares offered by this Prospectus, will result in an increase in the cash on hand of approximately \$1,256,020 after costs. The Company has existing cash funds of approximately \$0.4m as at 30 March 2012 and total cash on hand following the Placement and Offer will be approximately \$4.4m.

The funds raised under the Offer are proposed to be expended as follows:

Description of Cash Outflows	Offer A\$
1. Project Exploration Chile and Argentina	\$950,000
2. Business development activities	\$100,000
3. Working Capital	\$206,021
4. Costs of Offer	\$97,127
Total funds raised under the Offer	\$1,353,148

Actual expenditure may differ significantly from the above estimates due to a number of factors including market conditions, the development of new opportunities, the results obtained from the staged approach to exploration, appraisal and development activities and other factors (including the risk factors outlined in

Section 3).

Unallocated working capital may be utilised by the Company to pay for cost overruns in budgeted expenditures (if any), additional exploration and development expenditure, the acquisition of new resource opportunities and in the administration of the Company.

Existing funds of the Company and proceeds from the Placement and Offer are currently the only sources of funds to finance the exploration programs of the Company. Genesis may require further capital from external sources for further exploration and to cover administrative and corporate overheads. There can be no assurance that additional financing will be available on terms acceptable to the Company to develop any newly discovered mineral deposits or to finance further exploration.

Funds raised on exercise of the New Options will be used for further exploration and general working capital.

1.3. Your Entitlement and Acceptance

Your entitlement to participate in the Offer will be determined on the Record Date, being 12 April 2012. The entitlement of Eligible Shareholders receiving this Prospectus is shown on the Entitlement and Acceptance Form sent to Eligible Shareholders with this Prospectus.

You may accept all or part of your Entitlement. Acceptances in excess of your Entitlement will be deemed to be for Shortfall Securities and dealt with in accordance with section 1.6.

1.4. Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms from Eligible Shareholders until 5.00 pm WST on the Closing Date, 2 May 2012 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

1.5. Underwriting

This Offer is fully underwritten by Investmet Limited (**Underwriter**), which will hold approximately 17,880,000 Shares (equal to 16.52%) and 17,880,000 Options following the Placement. Messrs Michael Fotios (and his controlled entities) and Damian Delaney (a Director) have agreed to sub underwrite 40% and 10% respectively of the Shortfall Securities.

A summary of the material terms of the Underwriting Agreement is set out at Section 5.1. The Underwriter will be paid an underwriting fee of the greater of 5% of the underwritten amount or \$50,000 and will be reimbursed all reasonable costs, charges and expenses incurred in connection with the Offer. The Underwriter is responsible for fees to be paid to the sub-underwriters.

See section 4.2 for details of the effect of the underwriting on the control of the Company.

1.6. Shortfall

Any Entitlements not taken up may become available as Shortfall Securities. The Offer is fully underwritten by the Underwriter, however, in the event that not all Eligible Shareholders accept their full entitlement pursuant to the Offer, the Directors reserve the right, together with the Underwriter and subject to any restrictions imposed by the Corporations Act and the Listing Rules, to issue the Shortfall Securities at their sole discretion at the same issue price (or higher) as the Securities offered pursuant to this Prospectus.

Eligible Shareholders may, in addition to their Entitlement, apply for additional Shortfall Securities regardless of the size of their present holding. It is possible that there will be few or no Shortfall Securities available for issue, depending on the level of take up of Entitlements by Shareholders. There is also no guarantee that in the event Shortfall Securities are available for issue, they will be allocated to all or any of the Eligible Shareholders who have applied for them.

The Company reserves the right to scale back any applications for Shortfall Securities in its absolute discretion and it is an express term of the Offer that applicants for Shortfall Securities will be bound to accept a lesser number of Shortfall Securities allocated to them than applied for. If a lesser number is allocated to them, excess application money will be refunded without interest as soon as practicable after all Shortfall Securities have been issued.

1.7. Rights Trading

Entitlements to Securities offered pursuant to the Offer are non-renounceable and therefore Shareholders will not be able to trade their respective rights under this Offer.

1.8. Entitlement and Acceptance Form

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for accepted Entitlement. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of your Entitlement.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance of an Entitlement and Acceptance Form as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

1.9. Issue and Dispatch

All Securities offered by this Prospectus are expected to be issued, and security holder statements dispatched, on or before the date specified in the timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

1.10. Application Monies held on Trust

All Application Monies received for the New Securities will be held in trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Securities are issued. All Application Monies will be returned (without interest) if the New Securities are not issued.

1.11. ASX Quotation

Application has been made to ASX for the Official Quotation of the New Shares. If permission is not granted by ASX for the Official Quotation of the New Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

Application will not be made for quotation of the New Options.

1.12. CHES

The Company participates in the Clearing House Electronic Subregister System, known as CHES. ASX Settlement, a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHES, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement will send you a CHES statement.

The CHES statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Computershare Investor Services Pty Ltd and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHES statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.13. Overseas Shareholders

The Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia and New Zealand. Where the Prospectus has been dispatched to Shareholders domiciled outside Australia or New Zealand and the

country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by the Prospectus, the Prospectus is provided for information purposes only.

The Company may, in its absolute discretion, extend the offer to persons resident in any other country who are reasonably able to demonstrate to the Company that they are otherwise eligible to participate in the Offer relying on a relevant exemption from, or are not otherwise subject to, the lodgment, filing, registration or other requirements of any applicable securities laws in the jurisdiction in which they are resident or have a registered address,

It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their application. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company as a representation that there has been no breach of such laws and that the Applicant is an Eligible Shareholder.

1.14. Risk Factors

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are summarized below and provided in further detail in Section 3.

Key risk factors affecting an investment in the Company include:

- The Company's properties may be adversely affected by political instability in Chile & Argentina.
- Changes to government regulations and policy may have adverse impacts on the development options available to the Company and its projects.
- Economic conditions, both domestic and global may affect the performance of the Company.
- Exploration programs impact on the environment. These impacts are minimized by the Company's application of best practice principles.

1.15. Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares and New Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Securities under this Prospectus.

1.16. Major Activities and Financial Information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2011 is in the Annual Financial Report which was lodged with ASX on 30 September 2011.

The Company's continuous disclosure notices (i.e. ASX announcements) since 30 September 2011 are listed in Section 5.6.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.17. Enquiries Concerning Prospectus

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting Computershare Investor Services Pty Ltd by telephone on 1300 850 505.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on (08) 9389 2124.

2. Action required by Shareholders

2.1. If you wish to take up all of your Entitlement

Should you wish to accept all of your Entitlement to the Securities, then applications for New Shares and New Options under this Prospectus must be made on the original Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the Application Monies indicated on the Entitlement and Acceptance Form.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your entitlements upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form.

If you elect to pay via BPAY® then your payment must be made before 3.00 pm (WST) on the Closing Date. Please read the instructions carefully.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "**Genesis Minerals Limited**" and lodged and received at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at:

By delivery Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
PERTH WA 6000

By Post Computershare Investor Services Pty Ltd
GPO Box 2975
MELBOURNE VIC 3001

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

2.2. If you wish to take up part of your Entitlement only

Should you wish to only take up part of your Entitlement, then applications for New Shares under this Prospectus must be made on the Entitlement and Acceptance Form which accompanies this Prospectus or by completing a BPAY® payment in respect of the portion of your entitlement you wish to take up, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the Application Monies (calculated at \$0.10 per New Share accepted), and attach a cheque for the appropriate Application Monies.

If you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your entitlements upon receipt of the BPAY® payment by the Company. Eligible Shareholders who elect to pay via BPAY® do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® then your payment must be made before 3.00 pm (WST) on the Closing Date. Please read the instructions carefully.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "**Genesis Minerals Limited**" and lodged and received at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at:

By delivery Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
PERTH WA 6000

By Post Computershare Investor Services Pty Ltd
GPO Box 2975
MELBOURNE VIC 3001

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

2.3. If you wish to apply for Shortfall Shares

Eligible Shareholders may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Application Form in accordance with the instructions set out on that form. Refer to section 1.6 for details of the manner in which Shortfall Shares will be allocated.

A single cheque should be used for the application money for your Entitlement and the number of Shortfall Shares you wish to apply for as stated on the Application Form.

Surplus application moneys will be returned to Applicants as soon as practicable following the issue of all Shortfall Shares

2.4. If you do not wish to accept any of your Entitlement

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

3. Risk Factors

Activities in the Company, as in any business, are subject to risks, which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Shareholders should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

3.1 Specific Risks associated with the Company

- (a) The Company's properties may be adversely affected by political instability in Argentina.

The Company conducts exploration activities in Chile & Argentina.

The Company's properties in South America may be subject to the effects of political changes, war and civil conflict, changes in government policy, lack of law enforcement and labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact the profitability and viability of its properties. The effect of unrest and instability on political, social or economic conditions in Argentina could result in the impairment of exploration, development and mining operations and the Company's legal title to its mineral tenements. Any such changes are beyond the control of the Company and may adversely affect its business.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of Australian courts. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for Genesis to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company's operations.

- (b) Operating Risks of the Company

The prospects of the Company must be considered in light of the considerable risks, expenses and difficulties frequently encountered by companies in a similar stage of resource exploration and development activities as the Company.

The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and other factors, many of which are beyond the Company's control.

The Company expects to incur losses unless and until such time as any new or current projects enter into commercial production and generate sufficient revenues to fund their continuing operations. The development of the new and current projects will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability.

- (c) Reliance on Key Personnel

The resources business in which the Company is involved is reliance upon a number of directors and key management personnel. The loss of any of these personnel could have a material adverse impact on the resources business of the Company.

- (d) Additional Requirements for Funding

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its projects, the results of joint venture operations, future exploration and work programs and the acquisition of new projects. It may require further funding in addition to current cash reserves to fund exploration activities.

Additional equity financing, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

(e) Markets

The marketability of the Company's production depends in part upon the availability, proximity and capacity of infrastructure such as ports, railways, pipelines and processing facilities. Federal and state regulation of resources production and transportation, tax and energy policies, changes in supply and demand and general economic conditions all could adversely affect the ability to produce and market mineral commodities.

(f) Service Capacity

Exploration and development activities may be undertaken in locations that have limited or no spare service capacity. There may be delays in securing equipment and personnel required to carry out the Company's planned activities.

Due to the demand for equipment and personnel there may also be upward pressure on costs and mechanical failure may result in delays.

Any of these factors may result in cost and time overruns which may have a material impact on the Company's profitability and cash flows.

(g) Title to Tenements

The Company cannot guarantee that those Tenements in which it has an interest and which are still in the application stage or require transfer will ultimately be granted or transferred in whole or in part pursuant to the applicable legislation. There is also no guarantee that the Tenements will be granted or transferred without undue delay or that the Company can economically comply with any conditions imposed on any granted exploration permits.

The Company has an interest in applications for Tenements that have been applied for but not granted. In order for these tenements to be granted the Company must satisfy the mining legislation. There is no guarantee that the Tenements will be granted to the relevant parties, that they will be granted without undue delay, that the Tenements will be transferred to the Company (when applicable) and the holder can comply with any conditions imposed on or granted exploration permits.

The Company's mining exploration activities are dependent upon the maintenance (including renewal) of its Tenements. Although the Company has no reason to think that these Tenements will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will be imposed.

(h) New Options will not be quoted

No application will be made for quotation for the New Options and there will not be a ready market in which to offer the New Options for sale.

3.2 Mineral Industry Risks

(a) Exploration and development risks

The exploration for, and development of, mineral deposits involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. Resource exploration and development is a speculative business, characterised by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in developing its properties.

(b) Resource estimates

Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and consequently, the actual Ore Reserves and Mineral Resources may differ from those estimated, which may result in either a positive or negative effect on operations.

(c) Payment obligations

Under the exploration permits and licences and certain other contractual agreements to which the Company is or may in the future become party, the Company is or may become subject to payment and other obligations. In particular, the permit holders are required to expend the funds necessary to meet the minimum work commitments attaching to the permits and licences. Failure to meet these work commitments will render the permit liable to be cancelled. Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company.

(d) Operating risks

The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(e) Commodity price volatility

Metal prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for minerals and metals, forward selling by producers, and production cost levels in major mineral-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations

regarding inflation, interest rates and global and regional demand for, and supply of, the metal as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(f) Insurances

Insurance of all risks associated with exploration and production is not always available and, where it is available, the cost may be high.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly as the Company is seeking to acquire new projects which are located in other jurisdictions or involve a new commodity.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

3.3 Environmental risks

(a) Environmental risk

The operations and activities of the Company are subject to regulations concerning the environment. The Government and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidents or other unforeseen circumstances, which could subject the Company to extensive liability.

3.4 General Risks

(a) Securities investments

There are risks associated with any securities investment. The prices at which the Shares trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that these trading prices will be sustained. These factors may materially affect the market price of the Shares regardless of the Company's operational performance.

(b) Share market conditions

Share market conditions may affect the value of Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- changes in investor sentiment toward particular countries;
- global media reports;
- the demand for, and supply of, capital; and
- other external factors whether real or perceived by the market.

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company, or any return on an investment in the Company.

(c) Economic Risk

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption, the rate of growth of gross domestic product in Australia, or any other country in which the Company may operate, interest rates and the rate of inflation.

(d) Changes in Government Policies and Legislation

Any material adverse changes in government policies or legislation of Australia or any other country where the Company may acquire economic interests may affect the viability and profitability of the Company.

3.5 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Securities pursuant to this Prospectus.

4. Effect of the Offer

4.1 Capital Structure on completion of the Offer

If all Shareholders take up their full Entitlement under the Offer, the capital structure will be as follows:

	Shares	Options
Balance at the date of this Prospectus	81,251,810	12,900,000
Securities to be issued in accordance with approval obtained at the Shareholders' Meeting	27,000,000	36,500,000
Estimated total number of Securities on issue as at the Record Date (assuming no further Options are exercised)	108,251,810	49,400,000
Securities to be issued under the Offer	13,531,476	13,531,476
Total	121,783,286	62,931,476

If all of the Options currently on issue are exercised prior to the Record Date and Shareholders take up their full Entitlement under the Offer an additional 49,400,000 Shares will be issued pursuant to the exercise of Options and an additional 6,175,000 Shares will be issued pursuant to the Offer. The Directors consider the probability of Option holders exercising their Options prior to the Record Date to be low.

The Placement Shares will be issued after the date this Prospectus is lodged with ASIC but the Company intends that these Shares will be issued before the Record Date, allowing Shareholders with Placement Shares to participate in the Offer.

4.2 Effect of the Offer on Control of the Company

After the issue of the Placement Shares, the Underwriter will hold 17,880,000 Shares, or 16.52% of the voting power in the Company, and 17,880,000 Options.

The Underwriter's voting power in the Company following the Offer will depend upon the number of Securities taken up. Furthermore, Mr Michael Fotios (and his controlled entities) and Mr Damian Delaney have agreed to sub-underwrite 40% and 10% of the Shortfall Securities respectively – meaning that the Underwriter will be issued 50% of the Shortfall Securities. The following table sets out the Underwriter's voting power in the Company's Shares under various scenarios of take-up (assuming that all Shares and Options are issued under the Placement but no Options are exercised prior to the Record Date).

The table also sets out the effect that exercising the New Options acquired by the Underwriter under this Prospectus will have on the Underwriter's voting power in the Company.

By virtue of their relationship with the Underwriter, Messrs Fotios (the executive chairman of the Underwriter) and Delaney (nominated by the Underwriter as a Director) are considered to have a relevant interest in the Shares held by the Underwriter. As a result, the voting power (as defined in the Corporations Act) of each of Messrs Fotios and Delaney in the Company includes the Shares held by the Underwriter.

Following the Placement:

- (a) Mr Fotios and his controlled entities will hold 2,480,000 Shares and 5,480,000 Options; and
- (b) Mr Delaney will hold 200,000 Shares and 4,200,000 Options.

Given these additional holdings, the below table also sets out the effect that exercising the New Options acquired by the Underwriter under this Prospectus will have on the voting power of Messrs Fotios and Delaney (and in the case of Mr Fotios, his controlled entity Delta Resource Management Pty Limited) respectively in the Company under various levels of take-up, and which includes the Shares held by Investmet.

The maximum voting power that Messrs Fotios (and his controlled entities) and Delaney will have in the Company following the exercise of the New Options is 41.80% and 34.63% respectively, assuming no other Shares are issued.

GENESIS MINERALS LIMITED
EFFECT OF THE OFFER

		Shares		Options	Total voting power if Investmet and Messrs Fotios and Delaney exercise all Options (including New Options acquired under the Offer) ¹	
		Number	% voting power	Number	Total number of Shares	% voting power
Total currently on issue		81,251,810		12,900,000		
Total securities issued following the Placement		108,251,810		49,400,000	135,811,810	
Voting power held by the Underwriter		17,880,000	16.52%	17,880,000	35,760,000	26.33%
Voting power held by Investmet and Mr Fotios and his controlled entities		20,360,000	18.81%	23,360,000	43,720,000	32.19%
Voting power held by Investmet and Mr Delaney		18,080,000	16.70%	22,080,000	40,160,000	29.57%
Total voting power following the Offer						
0% take-up	Investmet	24,645,738	20.24%	24,645,738	49,291,476	30.26%
	Investmet and Mr Fotios and his controlled entities	32,538,329	26.72%	35,538,329	68,076,657	41.80%
	Investmet and Mr Delaney	26,198,886	21.51%	30,198,886	56,397,772	34.63%
25% take-up	Investmet	23,513,054	19.31%	23,513,054	47,026,107	28.87%
	Investmet and Mr Fotios and his controlled entities	30,129,996	24.74%	33,129,996	63,259,993	38.84%
	Investmet and Mr Delaney	24,734,164	20.31%	28,734,164	53,468,329	32.83%
50% take-up	Investmet	22,380,369	18.38%	22,380,369	44,760,738	27.48%
	Investmet and Mr Fotios and his controlled entities	27,721,664	22.76%	30,721,664	58,443,329	35.88%
	Investmet and Mr Delaney	23,269,443	19.11%	27,269,443	50,538,886	31.03%
75% take-up	Investmet	21,247,685	17.45%	21,247,685	42,495,369	26.09%
	Investmet and Mr Fotios and his controlled entities	25,313,332	20.79%	28,313,332	53,626,664	32.93%
	Investmet and Mr Delaney	21,804,721	17.90%	25,804,721	47,609,443	29.23%
100% take-up	Investmet	20,115,000	16.52%	20,115,000	40,230,000	24.70%
	Investmet and Mr Fotios and his controlled entities	22,905,000	18.81%	25,905,000	48,810,000	29.97%
	Investmet and Mr Delaney	20,340,000	16.70%	24,340,000	44,680,000	27.43%

Note: 1 This assumes that no further Shares are issued other than on exercise of New Options held by Investmet and Messrs Delaney and Fotios (and his controlled entity, Delta Resource Management Pty Ltd).

4.3 Proposed Offer

Basis of Preparation

The pro-forma statement of financial position is based on the reviewed management prepared statement of financial position at 31 December 2011.

	Actual	Proforma
Current Assets		
Cash and cash equivalents	258,379	4,414,399
Trade and other receivables	6,958	6,958
	265,337	4,421,357
Non-Current Assets		
Plant and equipment	14,440	14,440
	14,440	14,440
Total Assets	279,777	4,422,797
Current Liabilities		
Trade and other payables	455,121	455,121
Borrowings	281,476	
Total Liabilities	736,597	299,111
Net (Deficiency) / Assets	(456,820)	3,980,676
Equity		
Contributed equity	7,925,860	12,407,513
Reserves	417,538	1,358,326
Accumulated losses	(8,800,218)	(9,785,163)
	(456,820)	3,980,676

The Pro-Forma Statement of Financial Position includes the following adjustments:

- (a) Placement to sophisticated and professional investors of 3,333,333 at 15 cents each to raise \$500,000 (and which completed on 1 March 2012);
- (b) Completion of the Placement;
- (c) Drawdown under Loan and Convertible Note Agreement of \$200,000;
- (d) Entitlements issue of 13,531,476 New Shares on a 1 for 8 basis at 10 cents each; and
- (e) Costs of issue of \$97,127.

The significant accounting policies upon which this Pro-Forma Statement of Financial Position are based are stipulated in the audited financial report for year ended June 2011.

4.4 Market Price of Shares

The highest and lowest market sale prices of the Company's Shares on the ASX during the 3 months immediately preceding the date of lodgment of this Prospectus with ASIC and the respective dates of those sales were:

Highest:	\$0.20 per Share on 25 January 2012
Lowest:	\$0.13 per Share on 30 December 2011

The latest available market sale price of the Company's Shares on ASX prior to the date of lodgment of this Prospectus with ASIC was \$0.14 per Share on 29 March 2012.

4.5 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

5. Additional information

5.1 Material Contracts

Underwriting Agreement

The Underwriter has agreed to fully underwrite the Offer and to manage and co-ordinate the Offer pursuant to an Underwriting Agreement. The Underwriter may procure the sub-underwriting of the Shortfall Securities.

The Underwriter will be paid an underwriting fee of the greater of \$50,000 or 5% of the underwritten amount and will be reimbursed all reasonable costs, charges and expenses incurred in connection with the Offer.

The Underwriting Agreement contains the usual representations and warranties usually contained in an agreement of this nature.

The Company has agreed to indemnify the Underwriter (including its employees, officers, agents and servants) against any claim, action, damage, loss, liability, cost, expense or payment in connection with the Offer, the Prospectus, the Underwriting Agreement, reliance on information supplied by the Company, an announcement, advertisement or publicity made by the Company in relation to the Offer and any investigation, enquiry or hearing by ASIC or ASX.

The Underwriter may terminate by notice to the Company at any time before Completion if the Underwriter becomes aware of the happening or, in the opinion of the Underwriter, the threat of the happening of any one or more of certain events usually contained in an agreement of this nature, including the following events:

- (a) (S&P/ASX 200 Index fall) the S&P/ASX 200 Index is on any two consecutive Trading Days prior to the Allotment Date more than 10% below the level of that Index at the close of Normal Trading on the Trading Day before the date of signing the agreement;
- (b) (market conditions) any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, the Peoples' Republic of China, the United Kingdom, the United States of America or in the international financial markets or any material adverse change occurs in national or international political, financial or economic conditions, in each case the effect of which is that, in the reasonable opinion of the Underwriter reached in good faith, the success of the Offer is likely to be adversely affected;
- (c) (adverse change) any material adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company and the Group (insofar as the position in relation to an entity in the Group affects the overall position of the Company) from those respectively disclosed in the Prospectus or the Public Information, including:
 - (i) any change in the earnings, future prospects or forecasts of the Company or an entity in the Group;
 - (ii) any change in the nature of the business conducted by the Company or an entity in the Group; or
 - (iii) the insolvency or voluntary winding up of the Company or an entity in the Group or the appointment of any receiver, receiver and manager, liquidator or other external administrator;
- (d) (hostilities) hostilities, political or civil unrest not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities, terrorist threats, political or civil unrest occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, Israel, Japan, Indonesia or the Peoples' Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (e) (change of law) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia, or any State or Territory of Australia or other jurisdiction in which

the Company has assets, a new law, or the Reserve Bank of Australia, or any Commonwealth, State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the agreement), any of which does or is likely to have a material adverse effect on the success of the Offer;

- (f) (change in management) a change in the board of Directors or senior management of the Company occurs;
- (g) (timetable) an event specified in the Timetable is delayed for more than 5 Business Days other than as the direct result of actions taken by the Underwriter (unless those actions were requested by the Company) or the actions of the Company (where those actions were taken with the Underwriter's prior consent).

The Underwriter may not exercise its rights of termination unless it reasonably believes that the event has or is likely to have a materially adverse effect on the outcome of the Offer or could give rise to liability for the Underwriter under any law or regulation.

5.2 Rights Attaching to Shares

(a) General

The New Shares to be issued pursuant to this Prospectus are ordinary shares and will, as from their allotment, rank equally in all respects with all ordinary shares in the Company.

The rights attaching to the New Shares arise from a combination of the Company's Constitution, statute and general law. Copies of the Company's Constitution are available for inspection during business hours at its registered office. The Constitution has been lodged with ASIC.

A summary of the more significant rights is set out below.

(b) Reports and Notices

Shareholders are entitled to receive all notices, reports, accounts and other documents required to be furnished to shareholders under the Company's Constitution, the Corporations Act and the Listing Rules.

(c) General Meetings

Directors may call a meeting of members whenever they think fit. Members may call a meeting as provided by the Corporations Act. All members are entitled to a notice of meeting. A quorum for a meeting of members is 3 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) to speak and to vote at general meetings of the Company.

(d) Voting

Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the Company on a show of hands, every ordinary Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any Share held by the Shareholder. In the case of an equality of votes, the chairperson has a casting vote.

A poll may be demanded by the chairperson of the meeting, any 2 Shareholders entitled to vote in person or by any one or more Shareholders holding not less than 5% of the total voting rights of all Shareholders having the right to vote.

(e) Dividends

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, the Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may determine the method and time for payment of the dividend.

(f) Winding Up

Subject to any rights or restrictions attached to a class of shares, on a winding up of the Company, any surplus must be divided among the Shareholders in the proportion to the shares held by them. Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Shareholders:

- (i) distribute among Shareholders the whole or any part of the property of the Company; and
- (ii) vest any part of the assets of the Company in a trustee upon such trust for the benefit of the members.

(g) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, and to the registration of the transfer not resulting in a contravention of, or failure to observe, the provisions of a law of Australia.

(h) Issue of Further Shares

The Directors may, subject to any restrictions imposed by the Constitution and the Corporations Act, allot, issue and grant Options over further Shares, on such terms and conditions as they see fit.

(i) Directors

The existing Directors may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as a Director).

The Constitution contains provisions relating to the rotation and election of directors. No Director other than the Managing Director may hold office later than the third annual general meeting after his or her appointment or election without submitting himself or herself for re-election.

(j) Variation of Shares and Rights Attaching to Shares

Shares may be converted or cancelled with member approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act.

(k) Changes to the Constitution

The Company's Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(l) Listing Rules

Provided the Company remains admitted to the Official List of the Australian Stock Exchange Ltd, then despite anything in the Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. If as a result of an amendment to the Listing Rules, there is an inconsistency between the Constitution and the Listing Rules, the Company shall, subject to the Corporations Act, do all things necessary to change the Constitution to remove the inconsistency as soon as possible and in any event, at the first general meeting of the Company held after the date on which the relevant amendment the Listing Rules comes into operation.

5.3 Rights Attaching to New Options

The New Options each have the same terms, save that:

- (a) one third issued to each Applicant under this Prospectus will have an exercise price of \$0.12 and will lapse at 5.00 pm, Western Standard Time on 1 March 2013;
- (b) one third issued to each Applicant under this Prospectus will have an exercise price of \$0.15 and will lapse at 5.00 pm, Western Standard Time on 1 March 2014; and
- (c) one third issued to each Applicant under this Prospectus will have an exercise price of \$0.20 and will lapse at 5.00 pm, Western Standard Time on 1 March 2015.

The remaining terms of the New Options are as follows:

- (a) Each New Option shall be issued for no consideration.
- (b) Each New Option entitles the holder to subscribe for one Share in the Company upon the payment of the exercise price per Share subscribed for.
- (c) The New Options will vest immediately.
- (d) The New Options may be transferred at any time in accordance with the Corporations Law, the SCH Business Rules and/or the Listing Rules.
- (e) There are no participating rights or entitlements inherent in these New Options and holders of the New Options will not be entitled to participate in new issues of capital that may be offered to shareholders during the currency of the New Option.
- (f) New Option holders have the right to exercise their New Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the New Options, and will be granted a period of at least 10 business days before books closing date to exercise the New Options.
- (g) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to the holders of Shares after the date of issue of the New Options, the exercise price of the New Options will be adjusted in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (h) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the New Options will be re-organised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (i) The New Options shall be exercisable at any time until the Expiry Date ("Exercise Period") by the delivery to the registered office of the Company of a notice in writing ("Notice") stating the intention of the New Option holder to exercise all or a specified number of New Options held by them accompanied by an New Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some New Options shall not affect the rights of the New Option holder to the balance of the New Options held by it.
- (j) The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the New Options.
- (k) The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary shares of the Company in all respects.
- (l) The Company will pursuant to the exercise of a New Option apply to ASX for quotation of all the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules. Application will not be made for the New Options to be quoted on the Official List of ASX.

5.4 Nature of this Prospectus

This Prospectus issued under the special content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company to issue a prospectus for continuously quoted securities and options to acquire continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offer and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offer on the Company;
- (b) the rights and liabilities attaching to the New Shares offered pursuant to this Prospectus; and
- (c) the rights and liabilities attaching to the free attaching New Options and the underlying securities.

This Prospectus is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASX and does not include all of the information included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Shareholders should therefore also have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company.

5.5 Company is a Disclosing Entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules of ASX.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.6 below).

5.6 Copies of Documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it, a copy of:

- (a) the Annual Financial Report of the Company for the year ended 30 June 2011, being the last financial year for which an annual financial report has been lodged with ASIC in relation to the Company before the issue of this Prospectus;
- (b) the half-year financial report lodged with ASIC by the Company on 15 March 2012; and
- (c) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgment of the Annual Financial Report referred to in paragraph (a) and before the date of issue of this Prospectus are as follows:

Date Lodged	Subject of Announcement
26/03/2012	Final Director's Interest Notice G Smith
26/03/2012	Initial Directors Interest Notice D Delaney
21/03/2012	Results of Meeting
15/03/2012	Half Year Accounts
2/03/2012	Placement App 3B and Cleansing Statement
29/02/2012	Genesis Capital Raising
21/02/2012	Notice of General Meeting/Proxy Form and IER
31/01/2012	Dec 2011 Quarterly Activities and Cashflow report
7/12/2011	Cerro Verde Project Exploration Update
25/11/2011	Results of Meeting
25/11/2011	2011 AGM Presentation
23/11/2011	Placement and Non-renounceable Rights Issue
21/11/2011	Trading Halt
31/10/2011	Quarterly Activities and Cashflow Report
19/10/2011	Notice of Annual General Meeting/Proxy Form
11/10/2011	Further Positive Results From the Dinamarquesa Project
6/10/2011	Appendix 3B and Cleansing Statement

The following documents are available for inspection throughout the application period of this Prospectus during normal business hours at the principal office of the Company (details are provided in the Corporate Directory):

- (a) this Prospectus;
- (b) the Company's Constitution; and
- (c) the consents referred to in Section 5.2 and the consents provided by the Directors to the issue of this Prospectus.

5.7 Information Excluded from Continuous Disclosure Notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

5.8 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

5.9 Directors' interests

(a) Directors' Holdings

Set out in the table below are details of Directors' relevant interests in the securities of the Company following the Placement. The Directors intend to take up their full Entitlement under the Offer.

Director	No of Shares Held ⁽¹⁾	No. of Options Held ⁽¹⁾	Entitlement to Subscribe for Shares ⁽³⁾
Michael Haynes	993,334	2,000,000	124,167
Michael Fowler	3,166,667	8,500,000	395,833
Damian Delaney ⁽²⁾	200,000	4,200,000	25,000

- (1). Held directly or indirectly by the Director or a related party of the Director.
- (2). Mr Delaney will have a relevant interest in 18,080,000 Shares to be issued under the Placement (such Shares to be issued prior to the Record Date), consisting of 200,000 Shares held directly and 17,880,000 Shares held by the Underwriter (of which Mr Delaney has a relevant interest by virtue of his relationship with the Underwriter). Only those Shares held by Mr Delaney are shown.
- (3). Entitlement to subscribe for Shares that will be held directly or indirectly held assuming no existing Options held are exercised before the Record Date. This excludes the Underwriter's Entitlement and underwriting obligations under the Underwriting Agreement.

(b) Remuneration of Directors

No person has paid or agreed to pay any amount or has given any benefit to any Director to induce them to become, or qualify as a Director or for services provided by the Director, in connection with:

- (i) the formation or promotion of the Company; or
- (ii) the offer of Shares under this Prospectus, except asset out below or elsewhere in this Prospectus.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. Total directors' fees paid to all non-executive directors is not to exceed \$300,000 per annum.

Remuneration (plus superannuation where applicable) for the Chairman is presently \$50,000 per annum plus superannuation and remuneration for non-executive directors is \$30,000 per annum (exclusive of superannuation).

Information regarding the remuneration received by Directors for the preceding two financial years can be found in the 2011 Annual Report.

Mr Fowler has entered into a services agreement with the Company with respect to his engagement as Managing Director. Pursuant to that services agreement, Mr Fowler is paid a salary of \$275,000 exclusive of superannuation.

Mr Delaney and the Company are proposing to enter into an agreement whereby he will provide the Company with company secretarial services and be paid \$3,000 per month. The Company's remaining Directors consider this agreement to be at arm's length and for that reason shareholder approval is not required.

(c) Other interests

The Company has entered into Deeds of Indemnity, Access and Insurance on standard terms with each of its current directors. Those deeds indemnify these Directors in respect of certain liabilities and legal expenses incurred by them whilst acting as Directors and insures them against certain risks they are exposed to as Directors. The Company has paid insurance premiums to insure each of the Directors

against liabilities for costs and expenses incurred by them in defending any legal proceedings while acting in the capacity of a Director.

5.10 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Offer or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Offer.

DWCorporate Pty Ltd will be paid fees of approximately \$7,000 (plus GST) in relation to the preparation of this Prospectus. In the past two years DWCorporate Pty Ltd has provided company secretarial and corporate advisory services to the Company to a total value of approximately \$130,000.

Kings Park Corporate Lawyers will be paid fees of approximately \$8,000 (plus GST) in relation to the preparation of this Prospectus. In the past two years Kings Park Corporate Lawyers has provided legal advice to the Company to a total value of approximately \$13,325.

Computershare Investor Services Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

Investmet will be paid such fees as outlined in section 1.5. Investmet has not received any other fees for services to the Company in the 2 years prior to the date of this Prospectus.

5.11 Expenses of issue

The estimated expenses of the issue are as follows:

	\$
ASIC lodgment fee	2,137
ASX quotation fee	5,333
Corporate advisor/ legal expenses	15,000
Printing, mailing and other expenses	7,000
Underwriter Fee	67,657
Total	97,127

5.12 Consents

The following persons have consented to being named in this Prospectus in accordance with the Corporations Act, but have not made any statements that are included in this Prospectus or statements identified in this Prospectus as being based on any statements made by those persons and have had no involvement in the preparation of any part of this Prospectus other than to be named as the respective adviser as described below. The parties listed below have not withdrawn their consent before lodgment of this Prospectus with ASIC:

- DWCorporate Pty Ltd – as corporate adviser;
- Kings Park Corporate Lawyers – as lawyers to the Offer;
- Investmet Limited – as Underwriter;
- Bentleys – as auditor; and
- Computershare Investor Services – as share registry.

To the maximum extent permitted by law, each of the persons referred to above expressly disclaims and takes no responsibility for any part of this Prospectus other than the references to their name.

GENESIS MINERALS LIMITED
ADDITIONAL INFORMATION

Kings Park Corporate Lawyers, Computershare Investor Services, Investmet Limited, Bentleys and DWCorporate Pty Ltd have given and, as at the date hereof, have not withdrawn, their written consent to be named in the form and context in which they are named. These parties do not make an offer of securities, have had no involvement in the preparation of any part of this Prospectus and have been mentioned in the Prospectus for information purposes only. These parties have not authorised or caused the issue of, and expressly disclaim and take no responsibility for, any part of this Prospectus.

6. Authorisation

Each of the Directors of the Company has consented to the lodgment of this Prospectus in accordance with Section 720 of the Corporations Act. This Prospectus is signed for and on behalf of Company by:

Michael Fowler
Managing Director
Date: 30 March 2012

7. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

Acceptance means a valid application for New Shares made pursuant to this Prospectus on an Entitlement and Acceptance Form.

Annual Financial Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2011 and includes the corporate directory, Shareholder information, Directors' declaration, financial statements and the notes thereto, of the Company and its controlled entities for the year ended 30 June 2011, together with a Directors' report in relation to that financial year and the auditor's report for the year to 30 June 2011.

Applicant means a person who submits an Entitlement and Acceptance Form.

Application Monies means application monies for New Shares received by the Company.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given to it in the Corporations Act.

ASX means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

Board means the Directors meeting as a board.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Subregister System.

Closing Date means 2 May 2012 or such later date as the Directors may determine.

Company or **Genesis** means Genesis Minerals Limited ACN 124 772 041.

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Notes means up to 5 convertible notes each with a face value of \$100,000 issued under a convertible note agreement between the Company and Investmet dated 22 November 2011.

Convertible Note Shares means the Shares issued on conversion of the Convertible Notes.

Corporations Act means the Corporations Act (Cth) 2001.

Directors mean the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a person registered as the holder of Shares on the Record Date with a registered address in Australia or New Zealand.

Entitlement or **Right** means an Eligible Shareholder's entitlement to New Shares under the Offer.

Entitlement and Acceptance Form or **Form** means the entitlement and acceptance form attached to this Prospectus that sets out the entitlement of Shareholders to subscribe for New Shares pursuant to the Offer.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Listing Rules means the Listing Rules of ASX.

New Shares means the Share issued under this Prospectus.

New Option means an Option on the terms set out in this Prospectus.

Offer means as defined in Section 1.1.

Official List means the official list of ASX.

Official Quotation means quotation of Shares on the Official List.

Option means an option to acquire one Share.

Placement means the issue of up to 27,000,000 Shares and 34,000,000 Options issued pursuant to the shareholder approval granted at the Shareholder Meeting.

Placement Shares means the Shares issued under the Placement and includes the Convertible Note Shares.

Prospectus means this prospectus dated 30 March 2012.

Record Date means the day specified in the proposed timetable.

Section means a section of this Prospectus.

Security means a Share or Option (or where the context requires New Shares or New Options).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Shareholder Meeting means the meeting of Shareholders held on 21 March 2012 at 10am (WST).

Shortfall means the number of New Shares not taken up by Shareholders under the Offer.

Shortfall Securities means that number of Securities that have not validly been applied for under the Offer by the Closing Date.

\$ means Australian dollars.

Underwriter or **Investmet** means Investmet Limited (ACN 125 585 935).

Underwriting Agreement means the underwriting agreement dated 20 March 2012 between the Company and the Underwriter and summarized in Section 5.1 of this Prospectus.

WST means Western Standard Time, being the time in Perth, Western Australia.