EXPLORATION UPDATE

ARGENTINA

• Environmental Approval for Las Opeñas drilling received
• Drilling set to start next week at Las Opeñas to test high-grade gold targets
• Further drilling at Poncha to be completed as soon as possible following Las Opeñas drilling

CHILE

• Sampling and mapping at Cerro Verde in northern Chile continues to outline an extensive vein system

Genesis Minerals Limited (ASX:GMD) is pleased to announce that environmental approval has been received for the Las Opeñas Project in San Juan Province, Argentina which will allow drilling to commence in the first week of October.

An extensive high-grade epithermal system has been identified by mapping at Las Opeñas at surface over 4.5 km of strike, with rock grab sampling returning values including 49 g/t gold, 183 g/t gold and 6,800 g/t silver. Channel sampling of outcropping breccia bodies has returned results including 20m @ 4.69 g/t gold together with strongly anomalous zinc, lead and silver (see Genesis ASX Release dated April 6, 2011). This area has never been drill-tested.

A 1,500m drilling program will target both the epithermal vein system and the breccia bodies. There is considerable potential to define significant high grade gold and silver mineralisation at Las Opeñas.

Drilling of a further 2,500m will be completed at the Poncha Project as soon as possible following the Las Opeñas drilling.

Cerro Verde, Chile

A program of sampling and mapping is ongoing at Genesis’ Cerro Verde Project in northern Chile. Two field crews are working to the north, south and east of the central area that has previously been mapped and sampled. Results from this work will be released during October.
Background

Genesis Minerals Limited has 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 Las Opeñas epithermal gold projects in San Juan Province, Argentina subject to an earn-back right or royalty to Teck.

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 2,800m and 4,500m above sea level. Infrastructure in the area is good. Access to the Projects is gained via good paved and gravel roads from Rodeo. The Projects are approximately 25km apart.
Previous Exploration

An extensive epithermal vein system was identified from mapping and rock chip sampling which returned values including 49 g/t gold and 183 g/t gold, and up to 6,800 g/t silver. Channel sampling of mapped breccia bodies has returned results including 20m @ 4.69 g/t gold together with strongly anomalous zinc, lead and silver.

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

Cerro Verde

Genesis entered into an agreement in August 2010 with a private Chilean company to acquire a 100% interest in the Cerro Verde Gold-Copper-Silver Project in northern Chile (Figure 3). Mining in the area dates back to the 1800s but only limited modern exploration has been completed at the Project. Numerous high grade structures remain untested and the potential to discover new veins is considered high; as is the potential to define a large porphyry system at the Project.

The Project is located in the Atacama Desert in an area serviced by very good infrastructure about 750 km north of Santiago, 80 km south of the city of Copiapó and 75 km east of the Pacific Ocean. The Project is easily accessed by a sealed road and well-formed gravel roads from Copiapó. The altitude ranges from 1,800 to 2,200m, with low to moderate relief. Exploration can be conducted all year round.

Exploration Completed

A mapping and sampling program, undertaken over a 4km by 2km area at Cerro Verde during the second half of 2011, outlined over 11.2 km of prospective veins and structures (Figure 5). A total of 185 rock chip samples were collected during the mapping phase with analytical results up to 17.3 g/t gold, 7.69% copper and 360 g/t silver returned (see Genesis ASX Release dated December 7, 2011).

Further exploration will comprise detailed rock chip sampling, geological structural mapping and geophysical surveying prior to drilling. A number of areas within the Project area, that may host extensions to the delineated mineralisation, remain unexplored and warrant first pass sampling and mapping. These include more than 4 km of strike to the north, 2 km of strike to the south and 1 km of strike to the east of the recently mapped area.
Figure 5 Rock chip sample locations with gold and copper values and mapped structures

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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.