

12 August 2019

Dear Shareholder,

Pro-Rata Non-Renounceable Rights Issue – Notification to Shareholders

On 2 August 2019, Genesis Minerals Limited (**Genesis** or the **Company**) announced that it would undertake a partially underwritten one (1) for six (6) non-renounceable pro-rata rights issue at \$0.032 per New Share to raise approximately \$6,046,363 (the **Offer**). An Offer Document setting out the terms and conditions of the Offer was lodged with ASX Limited (**ASX**) on 12 August 2019 and will be sent to eligible shareholders together with a personalised Entitlement and Acceptance Form on 19 August 2019.

The Offer is only open to eligible shareholders whose registered address is in Australia or New Zealand (**Eligible Shareholders**) as at 7:00pm (Melbourne time) on 15 August 2019 (**Record Date**).

New shares issued under the Offer will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

The Offer is partially underwritten by Alkane Resources Limited (ACN 000 689 216) (**Underwriter**) to the value of \$4,229,613 (**Underwritten Amount**). The Company has agreed to pay the Underwriter an underwriting fee of 3% of the Underwritten Amount (being an underwriting fee of \$126,888).

The Company has determined that it would be unreasonable to extend the Offer to any shareholder with a registered address outside Australia or New Zealand (**Ineligible Shareholders**), having regard to:

- the small number of shareholders with addresses in such countries;
- the number and value of shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

The proceeds of the Offer will be used to strengthen Genesis' balance sheet and allow it to progress a multi-pronged exploration and development strategy at Ulysses including resource in-fill work, resource extension drilling and ongoing Feasibility Study work, while also pursuing other strategic acquisition and growth opportunities in the Leonora region; and for general corporate and capital raising costs.

Details of the Offer

Type of offer	Non-renounceable rights issue of 1 Share for every 6 Shares held at the Record Date.
Issue Price	\$0.032 per Share
Number of Shares to be issued	188,948,857
Amount to be raised	Up to \$6,046,363
Rights Trading of Entitlement	Entitlements to subscribe for Shares cannot be traded or sold.
Shortfall	Any entitlement to Shares not taken up by Eligible Shareholders will form the Shortfall Offer . The issue price for each Share to be issued under the Shortfall Offer shall be \$0.032 being the price at which Shares have been offered under the Offer.

	<p>If you do not wish to take up any part of your entitlement, you are not required to take any action. That part of your entitlement not taken up will form part of the Shortfall Offer and will revert to the Underwriter unless it is allocated to other Eligible Shareholders as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Offer.</p> <p>If you wish to apply for additional Shares out of the Shortfall (Shortfall Shares) in excess of your entitlement pursuant to the Shortfall Offer you may do so by completing the relevant part of the entitlement and Acceptance Form relevant to the Shortfall Offer.</p> <p>The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Shares than applied for or no Shortfall Shares at all. All decisions regarding the allocation of Shortfall Shares will be made by the Company in consultation with the Underwriter and consistent with the terms of the underwriting agreement, which are disclosed in the Offer Document. The Company will only issue such Shares where the Directors are satisfied, in their sole discretion, that:</p> <ul style="list-style-type: none"> • no person will acquire, through participation in the Offer or the Shortfall Offer, a holding of Shares of, or increase their holding, to an amount in excess of 5% of all the Shares on issue on completion of the Offer; and • the issue of the Shares will otherwise not increase an applicant's voting power above 19.99%.
Listing	The Company has applied to ASX for quotation of the Shares.

Key indicative dates*

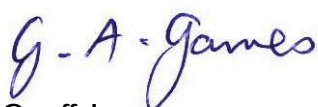
Announcement of Offer	2 August 2019
Lodgement of Cleansing Notice, Offer Document and Appendix 3B with ASX	12 August 2019
Notice sent to Optionholders	12 August 2019
Notice sent to Shareholders	12 August 2019
Ex Date	14 August 2019
Record Date for determining entitlements	15 August 2019
Offer Document despatched to Eligible Shareholders	19 August 2019
Closing Date	29 August 2019
Shares quoted on a deferred settlement basis	30 August 2019
ASX notified of under subscriptions	2 September 2019
Issue date	4 September 2019

*The above timetable is indicative only and subject to change.

Full details of the terms and conditions of the Offer are contained in the Offer Document which is available on the ASX website www.asx.com.au by searching under the ASX Code: GMD.

If you have any queries in relation to the Offer please contact the Company Secretary on 08 9322 6178 (within Australia) or +61 8 9322 6178 (outside Australia).

Yours faithfully



Geoff James
Company Secretary
Genesis Minerals Limited