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LANDMARK ~\$19.5M CAPITAL RAISING TO UNDERPIN KOOKYNIE ACQUISITION AND DRIVE GROWTH

Strongly supported \$10m Placement and fully-underwritten entitlement offer to raise \$9.5m with proceeds to be used to fast-track exploration and feasibility studies

Key Points:

- Genesis announces landmark ~\$19.5m capital raising to support its acquisition of the Kookynie Gold Project, as announced separately on the ASX today (refer ASX announcement, 24 June “Transformational acquisition of Kookynie Gold Project”).
 - Firm commitments received for a Placement to raise \$10 million.
 - Genesis to undertake a 1-for-6 non-renounceable fully underwritten Entitlement Offer to raise ~\$9.5 million (before costs).
 - Offer price of \$0.042 represents a discount of 10.6% to the last close of \$0.047 per share and a discount of 10.7% to the 5 day VWAP of \$0.04704 per share.
 - The proceeds will be used to fund the acquisition of the Kookynie Gold Project, for exploration and feasibility study activities on Genesis’ projects and for general working capital purposes.
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Genesis Minerals Limited (**Company**) (ASX: GMD) is pleased to announce a landmark ~\$19.5 million capital raising to support its acquisition of the Kookynie Gold Project in WA, as announced separately today, and to underpin aggressive exploration programs and a Feasibility Study on a standalone gold project at its expanded Ulysses Gold Project.

Full details of the Kookynie acquisition and the Company’s growth strategy at the expanded Ulysses Gold Project were detailed in today’s ASX release.

The Company is pleased to confirm that it has received firm commitments for a placement to eligible professional and sophisticated investors of approximately 238.1 million fully-paid ordinary shares in Genesis (**Shares**) at an issue price of \$0.042 to raise up to \$10 million (before costs) (**Placement**).

Genesis is also offering eligible shareholders the opportunity to acquire Shares through a non-renounceable entitlement offer of one (1) new Share (**New Shares**) for every six (6) Shares held by eligible shareholders at the same issue price of \$0.042 per New Share to raise up to approximately \$9.5 million (before costs) (**Entitlement Offer**). Further details on the Placement and Entitlement Offer are set out below.

Argonaut Securities Pty Limited (Lead Manager) is acting as lead manager of the Placement and Entitlement Offer. The Entitlement Offer is underwritten by Argonaut Capital Limited (Underwriter). Canaccord Genuity will act as Co-Manager to the Entitlement Offer and Placement.

Details of the Placement and Entitlement Offer

Placement

Genesis has received firm commitments for a placement to eligible institutional and sophisticated investors of approximately 238.1 million Shares at an issue price of \$0.042 to raise up to \$10 million (before costs). The Placement will use the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A. A total of 105,139,394 Shares will be issued under Listing Rule 7.1 and 132,955,844 Shares will be issued under Listing Rule 7.1A. The Company confirms that the issue price of \$0.042 satisfies the requirements of Listing Rule 7.1A.

New Shares issued under the Placement will not be eligible to participate in the Entitlement Offer.

The Shares issued under the Placement are expected to be issued on Wednesday, 1 July 2020 and will rank equally with Genesis' existing shares.

Non-renounceable Entitlement Offer

Genesis is offering eligible shareholders the opportunity to participate in a non-renounceable pro-rata entitlement offer to raise approximately \$9.5 million (before costs) on the basis of one (1) New Share for every six (6) Shares held at the record date, at an issue price of \$0.042 per New Share. The Entitlement Offer is fully underwritten as described below.

Only shareholders with a registered address in Australia, New Zealand, Malaysia or Canadian (Ontario province) will be eligible to participate in the Entitlement Offer (**Eligible Shareholders**).

The Entitlement Offer is made to Eligible Shareholders registered at 5:00pm (Perth-time) on the record date of 29 June 2020 (**Record Date**). In addition to their entitlement, Eligible Shareholders will have the ability to subscribe for any shortfall shares under a shortfall offer.

Assuming no options are exercised before the Record Date, up to approximately 226,025,698 New Shares will be issued under the Entitlement Offer. If all of the existing options are exercised before the Record Date, up to approximately 230.6 million New Shares will be issued under the Entitlement Offer.

The exact number of New Shares to be issued under the Entitlement Offer is still to be finalised and will be subject to reconciliation of shareholder entitlements and rounding.

As a non-renounceable offer, rights are not tradeable on the ASX or otherwise transferable. New Shares will rank equally with Genesis' existing shares.

The Entitlement Offer will be made by way of an offer document pursuant to section 708AA of the Corporations Act 2001 (Cth) meaning that no prospectus needs to be prepared (**Offer Document**). The Offer Document is available on Genesis' website at www.genesisminerals.com.au and on the ASX website at www.asx.com.au.

Purpose of the Placement and Entitlement Offer

Genesis intends to apply the funds raised from the Placement and Entitlement Offer as follows:

Description	A\$
Acquisition of Kookynie Gold Project (including transaction costs)	\$13,500,000
Exploration and feasibility study activities on Genesis' projects	\$4,183,217
Working capital	\$1,200,000
Estimated costs of the Placement and Entitlement Offer	\$609,862
Total	\$19,493,079

Indicative Timetable

The indicative timetable for the Entitlement Offer is as follows:

Event	Date
Lodgment of Offer Document with ASX	Wednesday, 24 June 2020
Ex-Date	Friday, 26 June 2020
Record Date (5:00pm AWST)	Monday, 29 June 2020
Offer Document and Entitlement and Acceptance Form dispatched to Eligible Shareholders	Thursday, 2 July 2020
Opening Date	Thursday, 2 July 2020
Closing Date (5:00pm AWST)	Monday, 13 July 2020
Notification of shortfall	Thursday, 16 July 2020
Anticipated issue date	Monday, 20 July 2020

The above timetable is indicative only and all dates may be subject to change. The Directors reserve the right to extend the Closing Date for the Entitlement Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

Underwriting

The Entitlement Offer is fully underwritten by Argonaut Capital Limited (**Underwriter**).

Alkane Resources Limited (**Alkane**) is acting as the priority sub-underwriter to the Entitlement Offer such that Alkane will not increase its voting power in the Company above 19.99%. Shortfall shares under the Entitlement Offer will be first allocated to Alkane as priority sub-underwriter.

Subject to shareholder approval, the Company will undertake a placement to Alkane where Alkane's voting power in the Company after completion of the Offer is less than 19.99%.

The Underwriter may terminate its underwriting obligations upon the occurrence of certain termination events, which are customary in nature. Further details of these termination events are set out in Appendix 1.

Offer Document

Details of the Entitlement Offer will be contained in the Offer Document. Eligible Shareholders should consider the Offer Document carefully before deciding whether to participate in the Entitlement Offer and consult with their professional advisors if they have any queries.

Capital Structure on Completion of the Entitlement Offer

On the basis that Genesis completes the Entitlement Offer, Genesis' indicative capital structure is estimated to be as follows, subject to rounding and reconciliation of entitlements:

	Number of Shares	Number of Options⁽¹⁾
Balance at the date of this announcement	1,329,558,441	27,600,000
To be issued under the Placement	238,095,238	Nil
To be issued under the Entitlement Offer	226,025,698	Nil
To be issued pursuant to a settlement agreement	26,595,745	Nil
Balance after the Offer	1,820,275,122	27,600,000

⁽¹⁾ Assuming no Options are exercised before the Record Date and the Entitlement Offer is fully subscribed or placed under the shortfall offer.

This announcement is approved for release by Michael Fowler, Managing Director for Genesis.

ENDS

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Annexure 1 – Underwriting Agreement

The Underwriter may terminate its underwriting obligations upon the occurrence of certain termination events, which are customary in nature. These termination events are as follows (described in summary form only):

- a) any document associated with the Entitlement Offer contains a material omission or a statement that is, or becomes, misleading or deceptive;
- b) the Company becomes required to give and does not give a correcting notice under the Corporations Act;
- c) the Company is prevented from issuing New Shares in accordance with the timetable detailed in the Offer Document by ASIC, ASX or any court or government agency;
- d) the Takeovers Panel makes a declaration of unacceptable circumstances in relation to the affairs of the Company;
- e) the S&P / ASX All Ordinaries Index or S&P / ASX Small Resources Index fall more than 10% from the date of the Underwriting Agreement over a period of three consecutive business days;
- f) a director of the Company or a related entity is charged with an indictable offence; or
- g) the Company or a related entity takes any steps to undertake a return of capital or to pass a resolution in relation to financial assistance without the prior written consent of the Underwriter.

The Underwriter may also terminate its underwriting obligations on the occurrence of certain customary termination events if it has reasonable grounds to believe, and does believe that the event has or is likely to have a materially adverse effect on the success of the Entitlement Offer, or has given or could reasonably be expected to give rise to a contravention by, or a liability of the Underwriter. These termination events are as follows (described in summary form only):

- a) the Company's bankers terminating or amending the terms of any existing facility to the Company's detriment or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility;
- b) there is a change in law which does or is likely to prohibit, restrict or regulate the business of the Company, the Entitlement Offer or the operation of stock markets generally;
- c) the Company or a related entity fails to comply with the Listing Rules, the Corporations Act or any other applicable law in relation to the Entitlement Offer;
- d) the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter;
- e) there is an outbreak of hostilities or a material escalation of hostilities (whether war has been declared or not) after the date of the Underwriting Agreement involving any one or more of Australia, Japan, Russia, the United Kingdom, the United States of America or the People's Republic of China, other than hostilities involving Afghanistan or Iraq, any country bordering Afghanistan or Iraq or any Arab country (being a country the majority of whose inhabitants are of Arab ethnicity);
- f) the Company is in material default or materially breaches any warranty or covenant given or made by it under the Underwriting Agreement;
- g) an adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a related entity;
- h) any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a related entity in respect of the Entitlement Offer;
- i) there is a material omission from the results of the due diligence investigation performed in respect of the Entitlement Offer or the results of the investigation or the verification material are false or misleading;
- j) a prescribed occurrence occurs, other than as contemplated by the Underwriting Agreement or with the Underwriter's consent (not to be unreasonably withheld or delayed);
- k) the Company becomes insolvent or suspends payment of its debts generally; or
- l) a judgment in an amount exceeding A\$200,000 is obtained against the Company or a related entity and is not set aside or satisfied within 7 days.