

HIGHLIGHTS

Merceditas Project, Chile

- Second phase of drilling completed at Merceditas targeting shallow oxide mineralisation at the Paula and Lucy Prospects
- Results continue to provide strong encouragement with wide zones of open ended oxide copper mineralisation intersected

- Intercepts of note include:

MERC041 78m @ 0.78 % copper from 2m

Includes 28m @ 1.16% copper

MERC042 80m @ 0.66 % copper from 0m

Including 24m @ 1.35% copper

MERC045 40m @ 0.57 % copper from 34m

MERC063 26m @ 0.66% copper from 28m

40m @ 0.75% copper from 60m

MERC062 38m @ 0.40 % copper from 4m

38m @ 0.50 g/t gold from 4m

MERC064 56m @ 0.63 % copper from 44m

MERC037 16m @ 0.55 % copper from 26m

MERC049 12m @ 0.66 % copper from 4m

24m @ 0.53 % copper from 32m

- Initial JORC code compliant resource anticipated to be calculated during the December quarter.

Corporate

- Successfully raised **\$0.69 million** through a placement of 3.45 million ordinary shares to institutional and sophisticated investors at \$0.20 per share.
- A number of new opportunities in South America were evaluated during the quarter. Genesis will continue to evaluate opportunities during the coming quarters and where appropriate, aggressively pursue them.

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Registered Office

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Issued Capital

26.45 million shares

9.75 million options

ASX Code: GMD

Board Members

Michael Haynes
Chairman

Michael Fowler
Managing Director/CEO

Graeme Smith
Non Executive Director
Company Secretary

Chile Office

Alcántara 200, 6th Floor
Las Condes
Santiago, Chile

MERCEDITAS PROJECT

Thirty one shallow drill holes for 2,370 metres were completed as part of a program at the Merceditas Project targeting near surface mineralisation at the Paula and Lucy Prospects. The mineralised zones defined to date remain open along strike and at depth.

To date Genesis has completed 67 RC holes at the Merceditas Project in two phases, for 5,320 metres, between May and October 2008. This drilling has comprised mostly wide spaced drilling at the Principal Zone SE and the Pupy Zone at the Paula Prospect and limited drilling at the Lucy Prospect. The average hole depth was 80 metres.

Paula Prospect

Drilling at the Pupy Zone at the Paula Prospect has intersected significant copper mineralisation over 400 metres of strike. Wide zones of copper mineralisation were returned from surface in adjacent holes **MERC041 (78m @ 0.78 % Cu from 2 metres)** and **MERC042 (80m @ 0.66 % Cu from 0 metres)**. **MERC045** drilled 150m to the west returned **40m @ 0.57 % Cu from 34 metres**. Mineralisation at Pupy remains completely open to the north east and at depth.

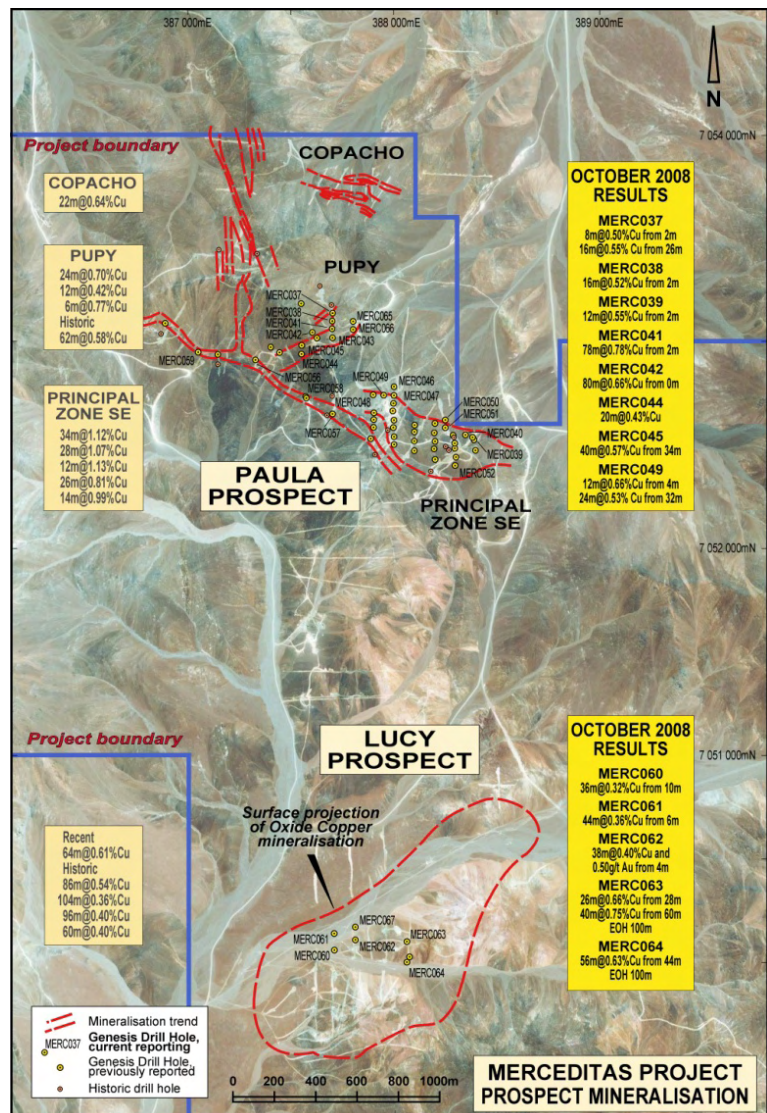
Lucy Prospect

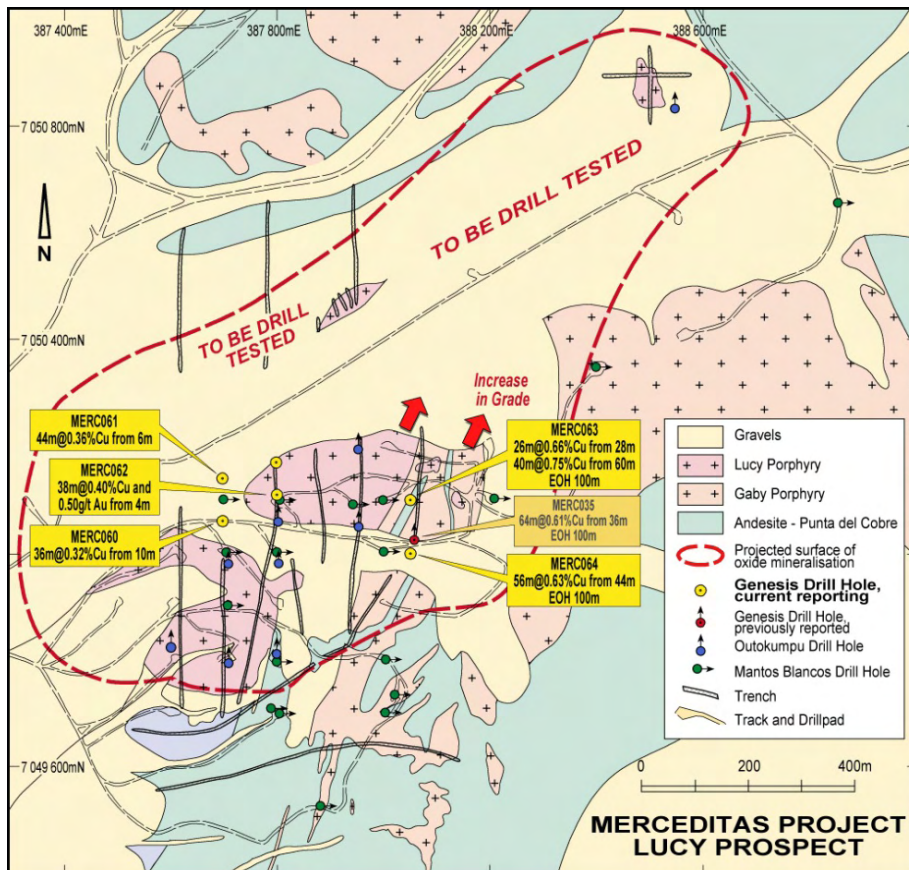
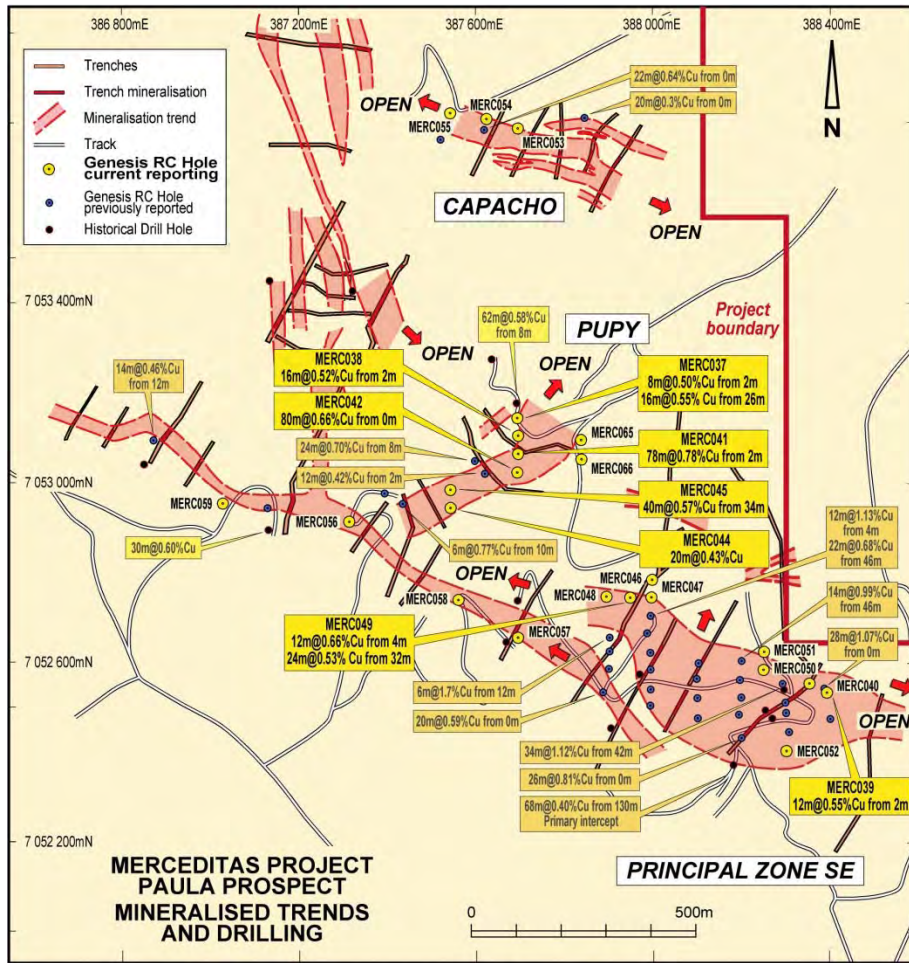
MERC063 (26m @ 0.66% Cu from 28 metres and 40m @ 0.75% Cu from 60 metres) and **MERC064 (56m @ 0.63 % Cu from 44 metres)** returned significant copper mineralisation over a zone 100 metres wide and confirmed significant mineralisation previously reported from MERC035. Oxide mineralisation is open to the north and northeast, with no drilling having been completed under transported gravel cover. **MERC062** returned **38m @ 0.40 % Cu and 0.50g/t gold from 4 metres** from the western side of the Lucy Prospect.

Merceditas Planned Exploration December Quarter

Compilation and interpretation of all drill and assay data from the recent drilling program is underway in preparation for estimating a JORC code compliant resource. An initial JORC code compliant resource is anticipated to be calculated within the December quarter.

Four trenches for approximately 920 metres were completed at the Paula Prospect during the September quarter. These trenches are currently being sampled.





WESTERN AUSTRALIAN PROJECTS

TRAINOR JV PROJECT (GMD FARMIN)

Data compilation and interpretation was ongoing during the quarter.

MUNDONG WELL PROJECT

Two exploration licences have recently been granted at the Mundong Well Project which is situated 200km south east of Exmouth, in the Ashburton Region of Western Australia. The Project is located in the northern half of the Gascoyne Complex and is prospective for hydrothermal uranium mineralisation associated with a north west trending structural corridor and coincident uranium channel radiometric anomaly. The tenements cover approximately 8km of strike of the prospective zone. Potential also exists for structurally controlled lead-copper mineralisation.

CORPORATE

During the quarter \$0.69 million was raised through a placement of 3.45 million ordinary shares to institutional and sophisticated investors at \$0.20 per share.

Exploration expenditure during the quarter totalled \$313,000. As at the 30 September 2008, Genesis had A\$1.3 million on hand.



Michael Fowler
Managing Director

Further Information

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Background of Projects

The Merceditas Project is located in northern Chile's Iron-Oxide-Copper-Gold ("IOCG") belt which is one of the most prospective IOCG provinces in the world. It is located approximately 1,000km north of Santiago, the capital of Chile, in the Atacama Desert and is easily accessible by road in an area that is serviced by very good infrastructure.

The Trainor Project comprises four granted tenements covering 759km² and is located about 400km north east of Wiluna. Genesis Minerals has the right to earn a 70% interest in the tenements through expenditure of \$2.5 million within 4 years of commencement of the farm-in agreement. The Project covers part of the under explored Proterozoic Oldham Inlier a basement high within the north western Officer Basin. The combination of strong, widespread alteration (barite-hematite-silica), carbonaceous siltstones and shales in the Quadrio Formation, regional scale structures and anomalous gold, zinc, lead, barium, silver geochemistry returned from previous sampling indicates the potential for the formation of deposits containing gold, copper, nickel, uranium, lead, or zinc.

The information in this announcement was compiled by Michael Fowler, Genesis Minerals Limited 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.