CIRCULAR DATED 25 FEBRUARY 2015

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all of your ordinary shares in the capital of Blumont Group Ltd. (博诺有限公司), you should immediately forward this Circular, the enclosed Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The SGX-ST only approves the listing and quotation of the Shares and the approval of the SGX-ST shall not be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Genesis Acquisition, and/or the Genesis Consideration Shares.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

Investing in our Shares involves certain risks. One of our key activities consists of exploration for mineral and energy resources and we may not be able to progress to the next stage of development or to a stage where we are able to generate revenue. The Group presently does not have any direct interest in tenements and its investments in the Mineral and Energy Resources Business are limited to non-controlling interests in its investee companies. Please refer to Section 2.9 of this Circular on "Risk Factors" beginning on page 87 for more details, including the risk factor titled "Control risks" under Section 2.9.1 of this Circular. Your attention is also drawn to Section 3.5 of this Circular titled "Risks Relating to Ownership of the Genesis Shares" which highlight certain material risks relating to ownership of the Genesis Shares.

BLUMONT

博诺有限公司

BLUMONT GROUP LTD.

(Company Registration Number: 199302554G)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

(A) PROPOSED INCLUSION OF THE BUSINESS OF EXPLORATION, EXPLOITATION, DEVELOPMENT AND PRODUCTION OF MINERAL AND ENERGY RESOURCES AND INVESTMENTS IN MINERAL AND ENERGY RESOURCES PROJECTS, ENTITIES AND COMPANIES AS AN ADDITIONAL CORE BUSINESS ACTIVITY OF THE COMPANY (THE "PROPOSED ADDITIONAL CORE BUSINESS"); AND

(B) PROPOSED ACQUISITION (BY WAY OF AN OFF-MARKET TAKEOVER BID) OF ALL THE ISSUED AND FULLY PAID ORDINARY SHARES IN GENESIS RESOURCES LIMITED (THE "PROPOSED GENESIS ACQUISITION").

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	10 March 2015 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	12 March 2015 at 10.00 a.m.
Place of Extraordinary General Meeting	:	Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075

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DEFINITIONS

The following definitions apply throughout this Circular except where the context otherwise requires:

Mineral and Energy Resources Companies

"Anatolia"	:	Anatolia Energy Limited (ABN 68 076 577 997), a company incorporated in Australia
"Azarga Resources"	:	Azarga Resources Limited, a company incorporated in the British Virgin Islands
"Azarga Uranium"	:	Azarga Uranium Corp. (formerly known as Powertech Uranium Corp.), a company incorporated in British Columbia
"Black Range"	:	Black Range Minerals Limited (ABN 86 009 079 047), a company incorporated in Australia
"Blumont Copper"	:	Blumont Copper Pte. Ltd. (Company Registration No. 201325362N), a company incorporated in Singapore
"Celsius"	:	Celsius Coal Limited (ABN 95 009 162 949), a company incorporated in Australia
"Cokal"	:	Cokal Limited (ABN 55 082 541 437), a company incorporated in Australia
"DML"	:	Discovery Metals Limited (ABN 29 104 924 423), a company incorporated in Australia
"Elysium"	:	Elysium Resources Limited (ABN 45 115 593 005), a company incorporated in Australia
"Genesis"	:	Genesis Resources Limited (ACN 114 787 469), a company incorporated in Australia
"Kidman"	:	Kidman Resources Limited (ABN 88 143 526 096), a company incorporated in Australia
"Merlin"	:	Merlin Diamonds Limited (ABN 86 009 153 119), a company incorporated in Australia
"Powerlite"	:	Powerlite Ventures Limited, a company incorporated in the British Virgin Islands

General Definitions

"9M2014"	:	The nine months ended 30 September 2014
"Approvals"	:	Licences, authorities, consents, approvals, orders, exemptions, waivers, rulings or decisions

"ASIC"	:	Australian Securities and Investments Commission
"Associate"	:	In the context of the Proposed Genesis Acquisition, has the meaning ascribed to it in section 12 of the Corporations Act, otherwise has the meaning ascribed to the term "associate" in the Listing Manual
"ASX"	:	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange
"Azarga Resources Facility", "Azarga Reverse Takeover"	:	Have the meanings ascribed to them respectively in **Section 2.5.3** of this Circular
"BBM Project"	:	Has the meaning ascribed to it in **Section 2.5.2(b)** of this Circular
"Black Range Working Capital Facility"	:	Has the meaning ascribed to it in **Section 2.5.3(c)(iv)(A)** of this Circular
"Board"	:	The board of directors of the Company as at the Latest Practicable Date
"CDP"	:	The Central Depository (Pte) Limited
"Celsius Convertible Note Deed", "Celsius Convertible Note Facility", "Celsius Share Subscription", "Celsius Subscription Agreement"	:	Have the meanings ascribed to them respectively in **Section 2.5.1(c)** of this Circular
"Circular"	:	This circular to Shareholders dated 25 February 2015
"Cokal Facility", "Cokal Facility Agreement"	:	Have the meanings ascribed to them respectively in **Section 2.5.2(c)(ii)** of this Circular
"Cokal Placement Offer Letter", "Cokal Share Subscription"	:	Have the meanings ascribed to them respectively in **Section 2.5.2(c)(i)** of this Circular
"Companies Act"	:	The Companies Act (Cap. 50) of Singapore, as amended, modified or supplemented from time to time
"Company"	:	Blumont Group Ltd. (博诺有限公司) (Company Registration No. 199302554G), a company incorporated in Singapore

"Controlling Shareholder"	:	A person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (subject to the SGX-ST determining that such a person is not a Controlling Shareholder), or a person who in fact exercises control over the Company
"Corporations Act"	:	The Corporations Act 2001 (Cth) of Australia, as amended, modified or supplemented from time to time
"Director(s)"	:	The director(s) of the Company as at the Latest Practicable Date
"DML Share Subscription", "DML Share Subscription Agreement"	:	Have the meanings ascribed to them respectively in **Section 2.5.5(d)(ii)** of this Circular
"Elysium Consideration Shares", "Elysium Options", "Elysium Share Subscription", "Elysium Share Subscription Consideration", "Elysium Subscription Agreement", "Elysium Share Subscription 2", "Elysium Subscription Agreement 2"	:	Have the meanings ascribed to them respectively in **Section 2.5.8(c)** of this Circular
"EGM" or **"Extraordinary General Meeting"**	:	The extraordinary general meeting of the Company to be convened and held on 12 March 2015 at 10.00 a.m. at Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075, the notice of which is set out on page N-1 of this Circular
"Encumbrance"	:	A security interest, mortgage, charge, lien, restriction against transfer, encumbrance and other third party interest and "encumber" has a corresponding meaning
"EPS"	:	Earnings per Share
"Execution Date"	:	24 January 2014, the date of the Genesis Implementation Deed
"Existing Loan Agreements"	:	The loan agreements between Genesis and each of Axle Capital Sdn Bhd and Lim Yau Young respectively dated 17 September 2013 and 23 October 2013
"FY"	:	The financial year ended or ending 31 December
"Genesis Amendment Deed"	:	Has the meaning ascribed to it in **Section 3.1.1** of this Circular

"Genesis Bid Price"	:	A$0.138 (approximately S$0.162) per Genesis Share
"Genesis Bidder's Statement"	:	Has the meaning ascribed to it in **Section 3.1.2** of this Circular
"Genesis Board"	:	The board of directors of Genesis
"Genesis Consideration Shares"	:	Has the meaning ascribed to it in **Section 3.1.1** of this Circular
"Genesis Directors"	:	The directors of Genesis
"Genesis Exploration Projects"	:	Has the meaning ascribed to it in **Section 3.2.5** of this Circular
"Genesis Group"	:	Genesis and its subsidiaries
"Genesis Implementation Deed"	:	Bid Implementation Deed between the Company and Genesis executed on 24 January 2014 as detailed in **Section 3.1.1** of this Circular
"Genesis Material Adverse Change"	:	Any event, change or condition that does, or could reasonably be expected to (when aggregated with all other events, changes and conditions): (a) have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Genesis Group, taken as a whole by an amount of A$500,000 or more; or (b) have a material adverse effect on the status or terms of any Approvals by any Government Agency or of the prospecting, exploration or mining Genesis Tenements owned by Genesis or its subsidiaries or in which a member of the Genesis Group has a legal or economic interest (and, for the avoidance of doubt, relinquishment of parts of tenements in the ordinary course of business will not be considered, for the purpose of this definition, as an event having a material adverse effect on a Tenement); or (c) result in, or could reasonably be expected to result in (now or at any time in the future) the termination or loss of, or a reduction in a member of the Genesis Group's interest in, the Plavica JV Agreement and/or the termination or loss of, or failure to renew, the Genesis Tenements,

		except for events, changes and conditions publicly announced by Genesis or otherwise disclosed to ASX or ASIC by Genesis or any of its subsidiaries prior to the Execution Date provided that the relevant announcement or disclosure was not when made materially incomplete, incorrect, untrue or misleading
"Genesis Offer"	:	Each offer to acquire Genesis Shares to be made by the Company in connection with the Proposed Genesis Acquisition
"Genesis Offer Conditions"	:	The conditions to the Genesis Offer as set out in **Section 3.4.5** and **Appendix C** of this Circular
"Genesis Offer Period"	:	The period during which the Genesis Offer is open for acceptance
"Genesis Options"	:	19,419,424 unlisted options exercisable at $0.10 on or before 4 May 2014 and 7,110,952 unlisted options exercisable at $0.10 on or before 11 May 2014. As at the Latest Practicable Date, 26,520,376 Genesis Options which were not exercised by their relevant expiry dates have lapsed
"Genesis Placement Shares"	:	The 24,864,384 new Genesis Shares issued on 19 September 2014 to a sophisticated investor with the consent of the Company
"Genesis Placement Shares 2"	:	The 63,926,464 new Genesis Shares issued on 17 February 2015 with the consent of the Company
"Genesis Shareholder"	:	A person who is recorded in Genesis's register of members as the holder of one or more Genesis Shares
"Genesis Shares"	:	Fully paid ordinary shares in the capital of Genesis and includes the Genesis Placement Shares and subject to the approval of ASIC, the Genesis Placement Shares 2
"Genesis Tenements"	:	The tenements set out in **Section 3.2.4** of this Circular and includes the Plavica Concessions
"Genesis Supplementary Bid Documents"	:	Has the meaning ascribed to it in **Section 3.1.2** of this Circular
"Genesis Takeover Consideration"	:	Has the meaning ascribed to it in **Section 3.4.2** of this Circular

"Government Agency"	:	Any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity whether foreign, federal, state, territorial or local in any part of the world in which a party is domiciled or holds any of its assets, including ASIC, ASX and SGX-ST (and any other stock exchange)
"Group"	:	The Company and its subsidiaries
"IQP and Valuation Report"	:	The independent qualified person report and independent technical valuation report dated 1 October 2014 prepared by Ravensgate in accordance with the JORC Code 2012 Edition (in the case of the independent qualified person report) and the VALMIN Code (in the case of the independent technical valuation report) as set out in **Appendix B** to this Circular
"Issue Price"	:	The implied issue price of S$0.034 per Genesis Consideration Share
"Kidman Placement Letter", "Kidman Share Subscription"	:	Have the meanings ascribed to them respectively in **Section 2.5.4(c)** of this Circular
"Latest Practicable Date"	:	The latest practicable date prior to the printing of this Circular, being 11 February 2015
"Law"	:	The law in force at any time in the Commonwealth of Australia including in each State and Territory and local government area) and the Republic of Macedonia, as those laws apply to Genesis, and the law of Singapore as those laws apply to the Company, and includes: (a) legislation, ordinances, regulations, rules, rulings, determinations, by-laws or orders; (b) common law; and (c) Requirements
"Listing Manual"	:	The Listing Manual Part A: Mainboard Rules of the SGX-ST, as from time to time amended, modified or supplemented
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Merlin Application", "Merlin Loans"	:	Have the meanings ascribed to them respectively in **Section 2.5.7(c)** of this Circular
"Merlin Project"	:	Has the meaning ascribed to it in **Section 2.5.7(b)** of this Circular

"Mineral and Energy Resources Business"	:	The business of the exploration, exploitation, development and production of mineral and energy resources and investments in mineral and energy resources projects, entities and companies, as more particularly described in **Section 2.2** of this Circular
"NAV"	:	Net asset value
"Notice of EGM"	:	The notice of the EGM which is set out on page N-1 of this Circular
"NTA"	:	Net tangible assets
"Plavica Concessions"	:	The following tenements in the Republic of Macedonia: (a) 19-6070/1; (b) 19-6077/1; (c) 19-6078/1; (d) 19-6081/1; (e) 19-6082/1; (f) 19-6083/1; and (g) 19-6648/1
"Plavica JV Agreement"	:	The joint venture agreement between Genesis and the Plavica JV Partner dated 19 July 2007
"Plavica JV Partner"	:	Mining Industrial Combine – SILEKS joint stock company-Kratovo (in Macedonian: Рударско индустриски комбинат – СИЛЕКС акционерско друштво-Кратово)
"Plavica Project"	:	The project governed by the Plavica JV Agreement in the Republic of Macedonia and as more specifically described in **Section 3.2.4(a)** of this Circular
"Prescribed Occurrence"	:	Has the meaning ascribed to it in **Section 3.4.9** of this Circular
"Proposed Additional Core Business"	:	The proposed inclusion of the Mineral and Energy Resources Business as an additional core business activity of the Company, as more particularly described in **Section 2** of this Circular
"Proposed Genesis Acquisition"	:	The proposed acquisition (by way of an off-market takeover bid) of all the Genesis Shares

"Proposed Share Issuance"	:	The proposed allotment and issue of up to 1,209,128,707 new fully paid ordinary Shares to such Genesis Shareholders who accept the Genesis Offer under the Proposed Genesis Acquisition
"Proxy Form"	:	The proxy form issued to Shareholders in relation to the EGM set out in this Circular
"Powerlite Acquisition", "Powerlite SPA"	:	Have the meanings ascribed to them respectively in **Section 2.5.3(d)** of this Circular
"qualified person"	:	As defined in the Listing Manual, a person who has the appropriate experience in the type of activity undertaken or to be undertaken by a mineral, oil and gas company, meeting the following minimum requirements: (i) is professionally qualified and a member or licensee in good standing of a relevant Recognized Professional Association; (ii) has at least five years' relevant professional experience in the estimation, assessment and evaluation of: (a) the mineral or minerals, oil or gas that is under consideration; and (b) the activity which the issuer is undertaking; and (iii) has not been found to be in breach of any relevant rule or law and is not: (a) denied or disqualified from membership of; (b) subject to any sanction imposed by; (c) the subject of any disciplinary proceedings by; or (d) the subject of any investigation which might lead to disciplinary action by, any relevant regulatory authority or professional association
"Record Date"	:	The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares
"Register Date"	:	21 March 2014, being the date set by the Company pursuant to section 633(2) of the Corporations Act
"Relevant Interest"	:	As defined in section 608(1) of the Corporations Act, a person has a Relevant Interest in securities if they:

(a) are the holder of the securities; or

(b) have power to exercise, or control the exercise of, a right to vote attached to the securities; or

(c) have power to dispose of, or control the exercise of a power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power

"Requirements"	:	Any requirement, notice, order, direction, judgment, injunction, recommendation, stipulation or similar notification given by any Government Agency or imposed by a Government Agency, whether written or otherwise
"Rights"	:	All accretions, rights or benefits of whatever kind attaching to or arising from Genesis Shares directly or indirectly, including all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Genesis or any of its subsidiaries
"Rights Issue", "Rights Issue Net Proceeds"	:	Have the meanings ascribed to them respectively in **Section 2.7(b)** of this Circular
"Securities Account"	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
"SFA"	:	The Securities and Futures Act (Cap. 289) of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	A person who is recorded in the Company's register of members as the holder of one or more Shares, including persons whose Shares are deposited with CDP or who have purchased Shares on the SGX-ST
"Shares"	:	Fully paid ordinary shares in the capital of the Company
"Standard"	:	The standards of reporting:

(a) under one of the following codes or guidelines:

with regard to minerals,

(i) National Instrument 43-101 Standards of Disclosure for Minerals Projects ("NI 43-101"), including Companion Policy 43-101, promulgated by the Canadian Securities Administrators;

(ii) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves promulgated by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia ("JORC Code");

(iii) Pan European Reserves and Resources Reporting Committee Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves ("PERC Code"); and

(iv) Code for Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports promulgated by the VALMIN Committee ("VALMIN Code"), with regards to valuations;

with regard to oil and gas,

(v) Petroleum Resource Management System promulgated by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists and the Society of Petroleum Evaluation Engineers ("SPE-PRMS"); and

(vi) Code for Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports promulgated by the VALMIN Committee ("VALMIN Code");

(b) as promulgated by one of the following organisations:

with regard to minerals,

(i) Australasian Joint Ore Reserves Committee ("JORC");

(ii) Pan European Reserves and Resources Reporting Committee ("PERC");

(iii) Society for Mining, Metallurgy and Exploration ("SME");

(iv) Canadian Institute of Mining, Metallurgy and Petroleum ("CIM"); and

(v) The Canadian Securities Administrators ("CSA")

with regard to oil and gas,

(vi) Society of Petroleum Engineers ("SPE");

(vii) World Petroleum Council ("WPC");

(viii) the American Association of Petroleum Geologists ("AAPG"); and

(ix) the Society of Petroleum Evaluation Engineers ("SPEE"); or

(c) an equivalent standard that is acceptable to the SGX-ST

"Substantial Shareholder"	:	A Shareholder who has an interest in not less than 5% of the issued Shares
"Superior Proposal"	:	Has the meaning ascribed to it in **Section 3.4.9** of this Circular
"USA"	:	The United States of America
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"VWAP"	:	Volume weighted average price
"Wintercrest"	:	Wintercrest Advisors LLC
"Wintercrest Facility"	:	Has the meaning ascribed to it in **Section 2.7(a)** of this Circular

Currencies, Units of Measurements and Others

"A$" or **"AUD"** and **"A Cents"**	:	Dollars and cents respectively of the currency of Australia
"CAD" or **"C$"**	:	Dollars of the currency of Canada
"g/t"	:	Grams per tonne
"lb"	:	Pounds
"Mlbs"	:	Million pounds
"MKD"	:	Macedonian Denar
"Mt"	:	Million tonnes
"Mtpa"	:	Million tonnes per annum

"ppm"	:	Parts per million
"sq km" or **"km^2"**	:	Square kilometre or square kilometres
"S$" or **"SGD"** and **"cents"**	:	Dollars and cents respectively of the currency of Singapore
"US$" or **"USD"** and **"US Cents"**	:	Dollars and cents respectively of the currency of the United States of America
"%" or **"per cent."**	:	Per centum or percentage

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them, respectively, in section 130A of the Companies Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine shall, where applicable, include the feminine and neuter gender and *vice versa.* References to persons shall, where applicable, include corporations.

The headings are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the same meaning assigned to it under the Companies Act, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any discrepancy in the tables in this Circular between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to Shares being allotted to a person includes allotment to CDP for the account of that person.

Where an amount is expressed in this Circular in one currency with an equivalent amount in another currency, that latter amount in another currency is an approximate figure only and is calculated based on the prevailing conversion rate at (i) the time of completion of the investment by the Company or (ii) in any other case, the Latest Practicable Date.

Any reference to a time of day and date shall be a reference to Singapore time and date respectively, unless otherwise stated.

GLOSSARY OF TECHNICAL TERMS

To facilitate a better understanding of the Mineral and Energy Resources Business, the following glossary provides a description of some of the technical terms and abbreviations commonly used. The terms and their assigned meanings may not correspond to standard industry or common meanings or usage of these terms.

"**Ag**"	:	The chemical symbol for the metallic element silver in the periodic table of elements
"**anomalies**"	:	An area where exploration has revealed results higher than the local background level
"**Au**"	:	The chemical symbol for the metallic element gold in the periodic table of elements
"**Cu**"	:	The chemical symbol for the metallic element copper in the periodic table of elements
"**diamond drilling**"	:	Drilling method employing a (industrial) diamond encrusted drill bit for retrieving a cylindrical core of rock
"**dip**"	:	The angle at which a rock stratum or structure is inclined from the horizontal
"**domain**"	:	Geological zone of rock with similar geostatistical properties; typically a zone of mineralisation
"**epithermal**"	:	Hydrothermal deposits formed at shallow depths below a boiling hot spring system are commonly referred to as epithermal, a term retained from an old system of classifying hydrothermal deposits based on the presumed temperature and depth of deposition
"exploration permit for mining" or "**EPM**"	:	Under the Mineral Resources Act 1989 (Qld), an EPM allows the holder to carry on any activity authorised by the EPM with or by such vehicles, vessels, machinery and equipment as may be necessary or expedient for the purpose of exploring for any mineral to which the EPM applies and enables the EPM holder to enter any part of the land that is not the surface of a restricted area for the purposes of facilitating the exploration for minerals to which the mineral exploration permit applies
"**Exploration Target**"	:	As defined in the JORC Code 2012 Edition, an Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource
"**facies**"	:	Characteristic features of rocks such as sedimentary rock type, mineral content, metamorphic grade, fossil content and bedding characteristics

"**Fair Market Value**" or "**Value**"	:	As defined in the VALMIN Code, means the amount of money (or the cash equivalent of some other consideration) determined by the Expert in accordance with the provisions of the VALMIN Code for which the Mineral or Petroleum Asset or Security should change hands on the Valuation Date in an open and unrestricted market between a willing buyer and a willing seller in an "arm's length" transaction, with each party acting knowledgeably, prudently and without compulsion. Value is usually comprised of two components, the underlying or 'Technical Value' of the Mineral or Petroleum Asset or Security, as defined in the VALMIN Code, and a premium or discount relating to market, strategic or other considerations. Value should be selected as the most likely figure from within a range after taking account of Risk and the possible variation in ore grade, metallurgical recovery, capital and operating costs, commodity prices, exchange rates and the like
"**fault zone**"	:	A wide zone of structural dislocation and faulting
"**feldspar**"	:	A group of rock forming minerals
"**felsic**"	:	An adjective indicating that a rock contains abundant feldspar and silica
"**geochemical**"	:	Pertains to the concentration of an element
"**geophysical**"	:	Pertains to the physical properties of a rock mass
"**grade**"	:	As defined in the JORC Code 2004 Edition, means any physical or chemical measurement of the characteristics of the material of interest in samples or product. Note that the term quality has special meaning for diamonds and other gemstones. The units of measurement should be stated when figures are reported
"**granite**"	:	A coarse-grained igneous rock containing mainly quartz and feldspar minerals and subordinate micas
"**granodiorite**"	:	A phaneritic texture intrusive igneous rock similar to granite, but containing more plagioclase feldspar than orthoclase feldspar
"**granulite**"	:	The granulite facies is part of a metamorphic facies series with the term granulite used to include a group of metamorphic rocks recrystallised under a range of high temperature conditions
"**igneous**"	:	A rock that has solidified from molten rock or magma
"**Indicated Mineral Resource**"	:	As defined in the JORC Code 2004 Edition, is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered

		through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource, but has a higher level of confidence than that applying to an Inferred Mineral Resource. As defined in the JORC Code 2012 Edition, is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from location such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve
"**Inferred Mineral Resource**"	:	As defined in the JORC Code 2004 Edition, is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource. As defined in the JORC Code 2012 Edition, is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration
"**intrusion**" or "**intrusive**"	:	A body of igneous rock that invades older rock

"**JORC**"	:	The Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
"**JORC Code**"	:	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves promulgated by JORC
"**mafic**"	:	An adjective describing a silicate mineral or rock that is rich in magnesium and iron
"**magnetite**"	:	A mineral comprising iron and oxygen which commonly exhibits magnetic properties
"**Measured Mineral Resource**"	:	As defined in the JORC Code 2004 Edition, is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity. As defined in the JORC Code 2012 Edition, is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve
"**metamorphic**"	:	A rock that has been altered by physical and chemical processes involving heat, pressure and derived fluids
"**Mineral Asset**"	:	As defined in the VALMIN Code, means all property including but not limited to real property, intellectual property, mining and exploration tenements held or acquired in connection with the exploration of, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with those tenements. Most Mineral Assets can be classified as either: • Exploration Areas – properties where mineralisation may or may not have been identified, but where a Mineral or Petroleum Resource has not been identified.

- Advanced Exploration Areas – properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A resource estimate may or may not have been made but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the resource category.

- Pre-Development Projects – properties where Mineral or Petroleum Resources (as defined in the VALMIN Code) have been identified and their extent estimated (possibly incompletely) but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral or Petroleum Resources have been identified, even if no further Valuation (as defined in the VALMIN Code), Technical Assessment (as defined in the VALMIN Code), delineation or advanced exploration is being undertaken.

- Development Projects – properties for which a decision has been made to proceed with construction and/or production, but which are not yet commissioned or are not yet operating at design levels.

- Operating Mines – mineral properties, particularly mines and processing plants, that have been commissioned and are in production.

"**mineral exploration licence**"	:	Under the Minerals Titles Act 2010 (NT), a mineral exploration licence is the primary title issued by the relevant Australian government authority for the purpose of conducting exploration activities for non-extractive minerals. It grants the title holder the right to occupy and exclusive rights to conduct exploration for minerals on the area of the mineral exploration licence. A holder of a mineral exploration licence may conduct activities in connection with exploring for minerals including:

(a) digging pits, trenches and holes, and sinking bores and tunnels in the mineral title area;

(b) activities for ascertaining the quality, quantity or extent of other material in the title area by drilling; and

(c) extracting and removing samples of ore and other substances from the title area in amounts necessary to evaluate the potential for mining in the title area, in large samples with Ministerial approval

"**Mineral Resource**"	:	As defined in the JORC Code 2004 Edition, is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. As defined in the JORC Code 2012 Edition, is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories
"**mineralisation**"	:	As defined in the JORC Code 2012 Edition, means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition
"**mining lease**"	:	Under the Mineral Resources Act 1989 (Qld), a mining lease is granted for mining operations and entitles the holder to machine-mine specified minerals and carry out activities associated with mining or promoting the activity of mining
"**Modifying Factors**"	:	As defined in the JORC Code 2004 Edition, is defined to include mining, metallurgical, economic, marketing, legal, environmental, social and governmental considerations. As defined in the JORC Code 2012 Edition, are considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors
"**NI 43-101**"	:	Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects promulgated by the Canadian Securities Administrators
"**Ore Reserve**"	:	As defined in the JORC Code 2004 Edition, is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic,

		marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves. As defined in the JORC Code 2012 Edition, is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported
"**Petroleum Asset**"	:	As defined in the VALMIN Code, means all property including but not limited to real property, intellectual property, production and exploration tenements held or acquired in connection with the exploration, development of and production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of petroleum in connection with those tenements
"**PGE**"	:	Platinum Group Element
"**Probable Ore Reserve**"	:	As defined in the JORC Code 2004 Edition, is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors These assessments demonstrate at the time of reporting that extraction could reasonably be justified. As defined in the JORC Code 2012 Edition, is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve
"**Proved Ore Reserve**"	:	As defined in the JORC Code 2004 Edition, is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate

		assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. As defined in the JORC Code 2012 Edition, is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors
"**rock chip sampling**"	:	The collection of rock specimens for mineral analysis
"**sedimentary**"	:	A term describing a rock formed from sediment
"**Securities**"	:	As defined in the VALMIN Code, means documents that are evidence of a loan or ownership, including, but not limited to: (a) debentures, stocks or bonds; (b) shares; (c) units in a trust; (d) loan securities, such as mortgages; and (e) any right to participate in, or any interest in: (i) the profits, assets or realisation of any financial or business undertaking or scheme; (ii) a common enterprise in relation to which the holder of the right or interest is led to expect profits; or (iii) a contract, scheme or arrangement involving investment in a joint venture; (f) options
"**shale**"	:	Fine grained sedimentary rock with well-defined bedding planes
"**silica**"	:	Silicon dioxide, SiO2, usually found as the various forms of quartz
"**soil sampling**"	:	The collection of soil specimens for mineral analysis
"**strike**"	:	Horizontal direction or trend of a geological structure
"**tenements**"	:	Large tracts of land granted under lease to mining companies and prospectors by the government

"**tonnage**"	:	As defined in the JORC Code 2012 Edition, means an expression of the amount of material of interest irrespective of the units of measurement (which should be stated when figures are reported)
"**VALMIN Code**"	:	Code for Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports promulgated by the VALMIN Committee, with regards to valuations, 2005 Edition
"**VALMIN Committee**"	:	The joint committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Mineral Industry Consultants Association, in consultation with the Australian Securities and Investment Commission, the Australian Stock Exchange Limited, the Minerals Council of Australia, the Petroleum Exploration Society of Australia, the Securities Association of Australia and representatives from the Australian finance sector
"**vuggy**"	:	Vugs (also spelled vugh) are small to medium-sized cavities inside rock that may be formed through a variety of processes. Most commonly cracks and fissures opened by tectonic activity (folding and faulting) are partially filled by quartz, calcite, and other secondary minerals

BLUMONT GROUP LTD.

(Company Registration Number: 199302554G)
(Incorporated in the Republic of Singapore)

Board of Directors

Ng Kim Huatt	(*Executive Director*)
Lim Huan Kim	(*Lead Independent Director*)
Tan Gim Kang, Arran	(*Independent Non-Executive Director*)
Farhash Wafa Salvador	(*Independent Non-Executive Director*)
Aris Muhammad Rizal	(*Independent Non-Executive Director*)

Registered Office

298 Tiong Bahru Road
#20-02/03 Central Plaza
Singapore 168730

25 February 2015

To: Shareholders of Blumont Group Ltd.

Dear Sir/Madam

A. PROPOSED INCLUSION OF THE BUSINESS OF EXPLORATION, EXPLOITATION, DEVELOPMENT AND PRODUCTION OF MINERAL AND ENERGY RESOURCES AND INVESTMENTS IN MINERAL AND ENERGY RESOURCES PROJECTS, ENTITIES AND COMPANIES AS AN ADDITIONAL CORE BUSINESS ACTIVITY OF THE COMPANY (THE "PROPOSED ADDITIONAL CORE BUSINESS"); AND

B. PROPOSED ACQUISITION (BY WAY OF AN OFF-MARKET TAKEOVER BID) OF ALL THE ISSUED AND FULLY PAID ORDINARY SHARES IN GENESIS RESOURCES LIMITED (THE "PROPOSED GENESIS ACQUISITION").

1 INTRODUCTION

The Board is proposing to convene the EGM to seek Shareholders' approval for:

(a) the Proposed Additional Core Business; and

(b) the Proposed Genesis Acquisition.

The purpose of this Circular is to provide Shareholders with information relating to, and the rationale for, the Proposed Additional Core Business and the Proposed Genesis Acquisition and to seek Shareholders' approval for (i) the Proposed Additional Core Business; and (ii) the Proposed Genesis Acquisition (including the allotment and issue of the Genesis Consideration Shares in connection with the Proposed Genesis Acquisition), at the EGM to be held on 12 March 2015 at 10.00 a.m. at Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075. The Notice of the EGM is set out on page N-1 of this Circular.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any other persons (other than Shareholders) or for any other purpose.

2 PROPOSED ADDITIONAL CORE BUSINESS

2.1 Existing Business of the Group

The business of the Group is currently organised into four business segments as follows:

(a) Sterilisation Services

Provision of contract sterilisation and polymerisation services for food packaging, pharmaceuticals such as medical devices, cosmetic raw materials and consumer products. The Group commenced its activities in this business segment in 2003.

(b) Investment Holding

Investment in transferable securities, including, but not limited to, marketable shares, warrants and debentures. The Group commenced its activities in this business segment in 2003.

(c) Property

Development of properties for sale, long-term holding of properties for rental and property-related income. The Group commenced its activities in this business segment in 2007.

(d) Mineral and Energy Resources

Exploration, exploitation, development and production of mineral and energy resources and investments in mineral and energy resources projects, entities and companies. The Group commenced its activities in this business segment in 2013.

Each segment's contribution to the Group's revenue and profit for FY2013 and 9M2014, based on the Group's audited consolidated financial statements for FY2013 and latest unaudited consolidated financial statements for 9M2014, is shown on an absolute basis and as a percentage of the Group's revenue and profit/loss (as the case may be) as follows:

Business Segment	FY2013				9M2014			
	Revenue		Profit/(loss) before income tax		Revenue		Profit/(loss) before income tax	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Sterilisation Services	2,551	70.8	968	(1.2)	2,405	92.7	1,406	(6.1)
Investment Holding	–	–	(68,144)	83.9	–	–	(9,003)	39.2
Property	1,054	29.2	(319)	0.4	190	7.3	(310)	1.4
Mineral and Energy Resources[1]	–	–	(13,711)[2]	16.9	–	–	(15,021)[3]	65.5
Total	**3,604**	**100.0**	**(81,206)**	**100.0**	**2,595**	**100.0**	**(22,928)**	**100.0**

Notes:

(1) These comprise the Company's investments in the Mineral and Energy Resources Business as described in **Sections 2.3** and **2.5** of this Circular.

(2) This comprises a management fee of approximately S$555,000 paid to the Company under the management fee arrangement with Cokal as described in **Section 2.5.2(c)** of this Circular, interest income of approximately S$542,000, and currency exchange gains of approximately S$33,000; net of various consultancy, professional and legal expenses of approximately S$(966,000) interest expenses of approximately $(157,000), allowance for impairment on third parties receivables of approximately S$(2,838,000), impairment loss on financial assets, available-for-sale of approximately S$(10,061,000) and other expenses of approximately S$(819,000) incurred in connection with the Company's investments in the Mineral and Energy Resources Business.

(3) This comprises interest income of approximately S$1,467,000; net of consultancy, professional and legal expenses of approximately S$(6,156,000), interest expenses of approximately S$(1,541,000), currency exchange losses of approximately S$(274,000), impairment loss of approximately S$(8,288,000) and other expenses of approximately S$(229,000) incurred in connection with the Company's investments in the Mineral and Energy Resources Business.

The Group's investments in the Mineral and Energy Resources Business (as summarised in the table in **Section 2.4.1** of this Circular) did not contribute to the revenue of the Group for FY2013 and 9M2014 as these investments were either:

(i) companies in which the Group holds non-controlling stakes and hence classified as Financial Assets, Available-For-Sale[1] (other than the investments in Powerlite and Blumont Copper, which are wholly-owned subsidiaries of the Company); or

(ii) are still pending completion, such as the Proposed Genesis Acquisition.

For FY2013 and 9M2014, the contribution of Powerlite to the revenue of the Group was negligible. Blumont Copper did not contribute any revenue to the Group for FY2013 and 9M2014 as its only asset is its shareholding in DML, which is classified as a Financial Asset, Available-For-Sale.

For FY2013 and 9M2014, the total expenses incurred and recognised in the Group's profit and loss accounts for the Group's investments in the Mineral and Energy Resources Business were S$14,808,000 and S$16,488,000, respectively.

Additionally, the Group does not expect to receive any revenue from these investments in the short term due to the fact that most of the companies in which those investments are made are exploration rather than producing companies. Mineral and energy resources companies that have not commenced commercial production generally do not generate substantial revenue. As a result, they do not have sufficient distributable profits available to declare as dividends.

2.2 Proposed Additional Core Business

Since late 2012, the Group has embarked on a new strategy to acquire and hold multiple and diversified mineral and energy resources assets, and it has been actively pursuing and acquiring new investment opportunities in this sector.

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[1] Financial Assets, Available-for-Sale are non-operating financial assets which do not generate revenue for the Group. The Group classifies non-derivative financial assets as Financial Assets, Available-for-Sale in accordance with Financial Reporting Standard 39 (*Financial Instruments: Recognition and Measurement*) if they are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss. The Group classifies its non-controlling investments in the Mineral and Energy Resources Business listed on ASX and Toronto Stock Exchange, together with their related other unquoted equity investments, convertible notes and convertible loan facilities as Financial Assets, Available-for-Sale.

Subject to the approval of Shareholders in the EGM, the Group intends to expand its business activities to include the Mineral and Energy Resources Business as an additional core business activity of the Company.

The Group proposes to undertake the following activities in respect of the Mineral and Energy Resources Business:

(a) **Exploration, Exploitation, Development and Production of Mineral and Energy Resources**

The Group will become directly involved in the management of the business and operations of exploration, exploitation, development and/or production projects/entities/companies to substantially enhance the value of such projects/entities/companies and/or the underlying mineral and/or energy resources assets.

The involvement of the Group will include (but will not be limited to) the following:

(i) updating and upgrading geological and metallurgical information;

(ii) undertaking physical exploration (including drilling) programs to prove up reserves in compliance with international standards such as the JORC Code and the NI 43-101;

(iii) establishing feasible and/or optimal plans for project development and expansion;

(iv) identifying and resolving any problems in the existing extraction programs or production methodology;

(v) undertaking project development and planning for exploration and/or exploitation;

(vi) providing funding for the projects and/or working capital; and/or

(vii) providing management, technical and/or administration support.

(b) **Investments in Mineral and Energy Resources Projects, Entities and Companies**

The Group will invest, enter into partnerships/joint ventures/joint operations in relation to, and/or acquire and hold stakes in selected projects/entities/companies which are in the early stages of defining, developing and/or producing their mineral and/or energy resources assets and have the potential to become substantial projects/entities/companies. Such stakes may be significant minority or majority stakes.

The Company currently holds only non-controlling interests in its mineral and energy resources investee companies and hence, does not participate in their day-to-day operations and management. If the Company acquires controlling stakes in companies in the Mineral and Energy Resources Business, it plans to finance their expansion through its own and/or its investee companies' internal resources, equity capital raisings and/or debt financing.

If the Company acquires stakes in companies in early definition and/or exploration stages, the Group does not expect to receive any revenue from these investments in the short term due to the fact that these companies that have not commenced commercial production generally do not generate substantial revenue. As a result, they do not have sufficient distributable profits available to declare as dividends. Their contribution to the profit or loss of the Company will also depend on whether the Company holds controlling or non-controlling interests in the investee company. If the Company has a controlling interest in the investee company, the investee company's profits or losses will be consolidated with the Company's profits or losses. An early definition and/or exploration stage company will generally not be profitable and such a subsidiary is thus likely to have a negative impact on the Group's profits. If the Company has a non-controlling interest in the investee company, that investment will be classified as a Financial Asset, Available-For-Sale and its impact on the Company's profits will depend on the relative value of the initial investment by the Company as compared to its existing open market value. The investments will have varying impact on the Company's cash flow depending on, amongst others, the size of the Company's initial investment, the availability of other sources of funding for the capital and operational expenditures of the investee companies such as internal resources, loan and/or equity financing from parties other than the Company, and, to the extent financing is required from the Company, negotiations between the Company and the investee company. The Board of Directors believes that these investments are in the interests of the Company and its Shareholders because of their potential to deliver high returns in the long term. By investing in companies at an early stage of their project development, the Company hopes to make these investments at a relatively lower valuation as compared to larger companies further along in the development cycle.

The Company selects and vets its potential acquisitions based on a review and analysis of a range of criteria, which include the following (in no specific order of priority):

(i) current production profile;

(ii) possible consolidation of projects that are geographically proximate to each other;

(iii) existing life of mine plans;

(iv) existing valuations vis-à-vis its share price or market capitalisation;

(v) resource and reserve statements (prepared by suitable competent persons), where available;

(vi) project financing availability;

(vii) existing feasibility studies assessing the commercial viability of a project;

(viii) investment terms, for example the mode of the Company's investment, percentage shareholding interest and projected potential investment returns;

(ix) validity period and renewability of licences and rights to tenements; and

(x) type of mineral and energy resource.

These companies could have projects that range from early definition and exploration stages to exploitation, development and production stages.

In line with this new strategy, the Group has made or proposes to make investments in the mineral and energy resources sector, including but not limited to investments in the following areas:

Sector	Current Investments	Proposed Investments
Energy	Uranium Thermal Coal	Oil Gas
Steel Making Raw Materials	Coking Coal	Iron Ore Manganese Chromite
Base Metals	Nickel Copper Lead Zinc	Molybdenum Tin Aluminium Lithium Titanium
Agricultural	–	Potash Phosphates
Precious Metals & Specialty	Silver Gold Diamonds	Gemstones Palladium Platinum Rare earth elements Rhodium

Where the Group intends to make investments in mineral and energy resources which are not listed in the table above (including the proposed investments), the Group will seek Shareholders' approval for such investments in compliance with the SGX's listing requirements.

The Company does not intend for the Mineral and Energy Resources Business to be restricted to any geographical area.

Other than the investments detailed in **Section 2.5** of this Circular, the Company is currently also conducting reviews of certain projects and companies, but as at the Latest Practicable Date, each of these is a confidential and incomplete proposal.

2.3 Rationale for the Proposed Additional Core Business

The reasons for the addition of the Mineral and Energy Resources Business as an additional core business activity of the Company are as follows:

(a) **Diversification**

As part of the business development strategy of the Group, the Company continually aims to provide Shareholders with diversified returns. The Company intends to continue searching for business opportunities in sectors with good prospects for long term growth to broaden the Group's revenue stream.

(b) **Potential in the growing Mineral and Energy Resources Business**

The Company has identified the Mineral and Energy Resources Business as a business activity which will provide the Group with sustainable and long term prospects of profitability and growth for the Group, as the rising global population and

the increasing industrialisation and urbanisation, and rising income levels in emerging economies (particularly, in Asia) will continue to fuel demand for mineral and energy resources in the foreseeable future.

(i) Energy resources

The net growth in global energy consumption mainly takes place in emerging economies with China and India alone accounting for nearly 88% of the net increase in global energy consumption growth in 2013. In 2013, oil remains the world's leading fuel accounting for 32.9% of global energy consumption, and coal is the fastest growing form of non-renewable energy accounting for 29.9% of global energy consumption.[2] Global consumption of oil, natural gas and coal grew by 1.4%, 1.4% and 3.0% in 2013 respectively.[3] Global primary energy consumption increased by 2.3% in 2013, an acceleration over 2012 (+1.8%). Growth in 2013 accelerated for oil, coal and nuclear power, but global growth remained below the 10-year average of 2.5%.[4]

According to BP Energy Outlook 2035, it was forecasted that the world's primary energy consumption is projected to grow by 1.5% per annum from 2012 to 2035, adding 41% to global consumption by 2030.[5] It was also forecasted that energy production will grow in all regions except Europe, with the Asia Pacific region, the largest regional energy producer, showing both the fastest growth rate (2.1% per annum) and the largest increment, providing 47% of the increase in global energy production.[6]

Against this backdrop, the Company has made or is proposing to make several investments in energy resources, including in relation to coal assets. This is elaborated upon in **Sections 2.2** to **2.5** of this Circular.

(ii) Mineral resources

The increase in the global human population (in particular, in the developing world), together with the increasing industrialisation and urbanisation, and rising income levels in emerging economies, is partly manifested in growth in per-capita income amongst the populations of these countries, leading in turn to increases in consumption of raw materials for housing and consumer goods such as cars and electronics.[7]

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2 BP p.l.c., *Statistical Review of World Energy 2014*, June 2014

3 BP p.l.c., *Statistical Review of World Energy 2014*, June 2014

4 BP p.l.c., *Statistical Review of World Energy 2014*, June 2014

5 BP p.l.c., *BP Energy Outlook 2035*, January 2014

6 BP p.l.c., *BP Energy Outlook 2035*, January 2014

7 Andrew Bloodworth and Gus Gunn, *The Future of the Global Minerals and Metals Sector: Issues and Challenges out to 2050*, June 2012

By 2025, it is projected that if current trends hold, China will have 221 cities with one million – plus inhabitants – compared with 35 cities of this size in Europe today – and 23 cities with more than five million.[8] This equates to a requirement to build up to 50,000 new skyscrapers within this time period.[9] The impact of burgeoning demand for minerals and metals from emerging economies is also illustrated by the automotive sector. McKinsey & Company estimates that the growth of China's auto market will be an average of 8% a year between 2011 and 2020 – a slowdown from the previous compound average rate of 24% a year between 2005 and 2011, but nonetheless very fast by developed-world standards. Sales are forecast to reach 22 million in 2020, larger than either the North American or European markets.[10]

Against this backdrop, the Company has made or is proposing to make several investments in mineral resources. This is elaborated upon in **Sections 2.2** to **2.5** of this Circular.

(c) **The Company's fundraising capabilities give it a competitive advantage in the Mineral and Energy Resources Business**

The Company believes that it has a competitive advantage when competing with other companies for potential investments in the Mineral and Energy Resources Business. The Mineral and Energy Resources Business is a capital intensive industry. With its access to Singapore capital markets and, by extension, a wider investor community in Asia, the Company believes that it is better able to raise finance as compared to others, such as unlisted companies, listed companies in the same sector with lower levels of trading liquidity, and its potential investee companies seeking to raise finance on their own. The potential investee projects, entities and companies can then use such funds raised to develop their assets. The Company has previously demonstrated its ability to raise finance (please refer to **Section 2.7** of this Circular for more details).

The Company believes that its access to the Singapore capital markets and proven ability to raise financing will enhance its attractiveness as an investor to potential investee projects. This will allow the Company to access potential quality investments in the Mineral and Energy Resources Business, which it would not otherwise be able to make but for its fundraising capabilities. The Company believes that such investments will allow it to augment the Group's revenue streams.

For the abovementioned reasons, the Board believes that the Company's acquisitions of interests in companies in the Mineral and Energy Resources Business (including its existing non-controlling interests in its investee companies) are in the interests of the Company.

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8 McKinsey Global Institute, *Preparing for China's Urban Billion*, March 2009

9 McKinsey Global Institute, *Preparing for China's Urban Billion*, March 2009

10 McKinsey & Company, *Bigger, Better, Broader: A Perspective on China's Auto Market in 2020*, November 2012

2.4 Overview of Investments Made in the Mineral and Energy Resources Sector

2.4.1 Investments

Key details of the mineral and energy resources investments and acquisitions that the Company has made or is in the process of making as at the Latest Practicable Date are set out in the following table:

Investment	Date of Initial Announcement/ Completion	Company's ownership[1]	Resource Type/Location	Project Development Stage/Resource Classification[2]	Total Equity Investment (S$'000)	Equity Invested (S$'000)	Remaining Equity Investment (S$'000)	Debt Advanced[3] (S$'000)	Remaining Debt Investment (S$'000)
Celsius	7 February 2013/11 March 2013[4]	8.68%/ (14.44)%[5]	Coking and thermal coal/ The Kyrgyz Republic Nickel/Western Australia	Exploration and project planning stage Uzgen Basin: Inferred Mineral Resource	6,397	6,397	–	4,486	610
Cokal	8 July 2013/ 20 November 2013[6]	12.74%	Coking coal/ Indonesia	BBM Project: Exploration and project planning stage; Measured, Indicated and Inferred Mineral Resources Other tenements: Exploration stage	11,351	11,351	–	4,265[7]	6,239
Powerlite[8]	17 July 2013/ 23 July 2013[9]	100.00%	Uranium/USA, Central Asia	Exploration and development stage Dewey-Burdock Project: Indicated and Inferred Mineral Resources Centennial Project: Indicated and Inferred Mineral Resources Aladdin Project: Indicated and Inferred Mineral Resources Hansen Deposit: Indicated and Inferred Mineral Resources					

Investment	Date of Initial Announcement/ Completion	Company's ownership[1]	Resource Type/Location	Project Development Stage/Resource Classification[2]	Total Equity Investment (S$'000)	Equity Invested (S$'000)	Remaining Equity Investment (S$'000)	Debt Advanced[3] (S$'000)	Remaining Debt Investment (S$'000)
				UrAsia (Kyzyl Ompul Licence): Inferred Mineral Resource Temrezli Project: Measured, Indicated and Inferred Mineral Resources	10,001	10,001	–	22,712	10,851
Kidman	13 August 2013/ 20 August 2013	9.45%	Copper, silver, lead, zinc/ Australia	Exploration stage Home of Bullion Project: Inferred and Indicated Mineral Resources	3,067	3,067	–	–	–
Blumont Copper[10]	19 September 2013/ 25 September 2013[11]	100.00%	Copper/ Botswana	Production stage Kalahari Copper Belt: Measured, Indicated and Inferred Mineral Resources	9,219	9,219	–	–	–
Genesis	24 January 2014[12]	0.00%/ (50.10% – 100.00%)[13]	Gold, iron, manganese, uranium, copper-zinc-silver/The Republic of Macedonia, Australia	Exploration stage –	41,110[14]	–	41,110[14]	–	–
Merlin	17 February 2014/–	4.17%/ (6.60)%[15]	Diamonds/ Australia	Merlin Project: Development and production stage; Indicated and Inferred Mineral Resources Other tenements: Exploration stage	2,178	1,387	791	887	–
Elysium[16]	6 August 2014/ –	9.05%/ (12.22)%[17]	Copper, gold/Australia, Indonesia	Exploration stage	1,374	1,216	158	–	–
Total	–	–	–	–	84,697	42,638	42,059	32,350	17,700

Notes:

(1) Where the Company's investment is yet to be fully completed, the Company's enlarged shareholding interest assuming the investment was completed on the Latest Practicable Date is stated in brackets.

(2) The resource classifications bear the meanings given to them under the relevant standard of reporting codes or guidelines relied on by the respective investee company.

(3) Debt Advanced includes loans and convertible notes.

(4) Date of completion of the Celsius Share Subscription. The Celsius Convertible Note Facility has yet to be fully drawn down and converted. See **Section 2.5.1** of this Circular for more details.

(5) Assuming the Celsius Convertible Note Facility has been fully drawn down and converted on the Latest Practicable Date.

(6) Date of completion of the Cokal Share Subscription. The Cokal Facility has yet to be fully drawn down. See **Section 2.5.2** of this Circular for more details.

(7) As security for Cokal's obligations under the Cokal Facility Agreement, the Company entered into security deeds dated 5 November 2013 with each of (i) Cokal; and (ii) Jack Doolan Capital Pty Ltd, a subsidiary of Cokal, (each, a "**Grantor**") pursuant to which the Company will have a first ranking charge over: (i) an aggregate of 25 ordinary shares and 1,226,550 preference shares in Cokal Holdings Pte Ltd ("**Cokal Holdings**"); (ii) a further 0.625% (rounded up) of each class of securities in Cokal Holdings, for each US$1 million of Advances exceeding US$4 million; (iii) not less than 2.5%, plus the percentage amount of any further security provided under paragraph (ii), (rounded up) of securities in Cokal Holdings to which each Grantor becomes legally or beneficially entitled to at any time after the date of the respective security deed; and (iv) any present and future economic rights of a Grantor in respect of any of the above.

(8) As at the Latest Practicable Date, Powerlite holds 18,053,810 ordinary shares in Azarga Uranium (representing approximately 30.39% of Azarga Uranium's total issued share capital). Azarga Uranium holds 100% of the total issued share capital of Azarga Resources. Azarga Uranium and Azarga Resources in turn hold various investments in uranium assets. Powerlite has extended to Azarga Resources a convertible loan facility for the amount of up to US$26.0 million (approximately S$33.60 million). See **Section 2.5.3** of this Circular for more details.

(9) Date of completion of the Powerlite Acquisition. The Powerlite Loans have yet to be fully drawn down. See **Section 2.5.3** of this Circular for more details.

(10) As at the Latest Practicable Date, Blumont Copper's sole investment is in DML. See **Section 2.5.5** of this Circular for more details.

(11) Date of completion of the DML Share Subscription.

(12) The Company will be seeking Shareholders' approval for the Proposed Genesis Acquisition. See **Section 3** of this Circular for more details.

(13) The Proposed Genesis Acquisition will be for all the Genesis Shares and will be conditional on, amongst others, the Company acquiring a Relevant Interest in at least 50.10% of the aggregate of all the issued Genesis Shares at or before the end of the Genesis Offer Period. See **Section 3** of this Circular for more details.

(14) Based on an implied bid price of A$0.138 (approximately S$0.1615) per Genesis Share and assuming all Genesis Shares are acquired under the Proposed Genesis Acquisition. After the Latest Practicable Date, on 17 February 2015, Genesis allotted and issued the Genesis Placement Shares 2, resulting in a total issued share capital of 254,553,412 Genesis Shares. Subject to the approval of ASIC, the Proposed Genesis Acquisition will include the Genesis Placement Shares 2.

(15) Assuming the Merlin Subscription was completed on the Latest Practicable Date.

(16) This excludes the Elysium Options, as they have expired as at the Latest Practicable Date. Under the Elysium Share Subscription 2, the Company intends to subscribe for 40,000,000 shares in Elysium for a total consideration of A$0.20 million (approximately S$0.21 million). See **Section 2.5.8(c)** of this Circular for more details.

(17) Assuming the Elysium Share Subscription 2 was completed on the Latest Practicable Date.

These investments were made in line with the Group's strategy to acquire and hold multiple and diversified mineral and energy resources assets, as elaborated above in **Section 2.2(a)** of this Circular. They also helped the Company to establish a position in the respective resource industry and more generally, to strengthen its position in the Mineral and Energy Resources Business through strategic partnerships with the investee companies. Additionally, the Company's investment in Celsius allowed it to forge a close working relationship with Celsius to explore potential projects in Central Asia and to tap on the vast mining experience and knowledge of Celsius' management (including Mr Alexander Molyneux, the Adviser to the Company and former Executive Chairman of Celsius).

The Company intends to fund the remaining equity and debt investments through its internal resources, equity capital raising and/or debt financing. The Company does not intend to fund Genesis' operations from the Company's existing reserves or financing facilities.

None of the existing investments the Company has made are expected to contribute to the Group's revenue in FY2014 and FY2015. The current investments of the Group are non-controlling interests and any revenue generated by these investments will not be consolidated with the Group's revenue. If the Proposed Genesis Acquisition is successful, Genesis will become a subsidiary of the Company and its revenue, if any, will be consolidated with the Group's revenue. A summary of the audited consolidated financial statements of Genesis for its financial year ended 30 June 2014 is set out below. The full accounts and financial statements of Genesis are set out in **Appendix D** of this Circular.

	FY2014 (A$)
Consolidated Statement of Comprehensive Income	
Results from operating activities	(2,627,845)
Net finance income	10,575
Loss before tax	(2,617,270)
Income tax expense	–
Loss for the year	**(2,617,270)**
Other comprehensive loss, net of tax	(280,726)
Total comprehensive loss	**(2,897,996)**
Consolidated Statement of Financial Position	
Total current assets	597,924
Total non-current assets	13,565,602
Total assets	**14,163,526**
Total current liabilities	6,931,652
Total liabilities	**6,931,652**
Net assets	**7,231,874**

A summary of the material licences and permits held by the Group's investee companies for their respective key projects in the Mineral and Energy Resources Business, based on publicly available information as at the Latest Practicable Date, is set out below.

Project	Holder	Ownership of investee company	Licence no.	Type of licence	Issuing body	Area (Ha)	Expiry of licence	Country
Celsius								
Uzgen Basin								
Min Tekex	Panj-Sher	80%	2397-CE	Exploitation licence	Stage Agency on Geology and Mineral Resources ("**SAGMR**")	187	28 September 2016	The Kyrgyz Republic
Kokkia	Panj-Sher	80%	2593-CE	Exploration licence		1,576	31 December 2015	
Kargasha	Baidamar	80%	1963-CP	Exploration license		8,000	31 December 2015	
Alai Range								
Sary Mogul	Asia Pacific	90%	2989-CE	Exploitation license	SAGMR	15.61	28 July 2016	The Kyrgyz Republic
Western Australia								
Abengo Hill Nickel Project	View Nickel Pty Ltd	100%	E39/1641	Exploration licence	Government of Western Australia, Department of Mines and Petroleum	27 blocks	3 April 2017	Western Australia
		100%	E39/1684	Exploration licence		29 blocks	31 October 2017	
Carnilya	Mincor Resources NL	30%	L26/0241	Miscellaneous licence		134	9 August 2028	
Carnilya Hill Project	Carnilya Hill Joint Venture (View Nickel Pty Ltd c/o Mincor Resources NL)	30%(1)	M26/47	Mining Lease		627	30 May 2026	
		30%(1)	M26/48	Mining Lease		482.35	30 May 2026	
		30%(1)	M26/49	Mining Lease		988.05	30 May 2026	
		30%(1)	M26/453	Mining Lease		109.05	14 December 2015	

Project	Holder	Ownership of investee company	Licence no.	Type of licence	Issuing body	Area (Ha)	Expiry of licence	Country
Cokal								
BBM Project	PT Bumi Barito Mineral (BBM) (Indonesia)	60%	188.45/232/2012	Operation/ Production Mining Licence	Mines and Energy Department (Dinas Pertambangan dan Energi)	14,980	30 April 2033	Central Kalimantan, Indonesia
			Application for final Borrow and Use of Forest Permit in progress[2]	Ministry of Forestry				
Borneo Bara Prima (BBP) Project	PT Borneo Bara Prima (BBP)	60%[3]	Not available	Exploration licence[4]	Murung Raya Regency Government	13,050	Not available	
				Forest Utilisation Approval Permit (Exploration Stage)	Mines and Energy Department			
				Application for the Clean and Clear Certificate in progress				
Tambang Benua Alam Raya ("**TBAR**") Project	PT Tambang Benua Alam Raya ("**TBAR**")	75%[5]	188.45/204/2012	Exploration Licence (Izin Usaha Pertambangan Eksplorasi) Application for exploration forestry permit in progress	Central Kalimantan Provincial Government	18,850	Not available	

Project	Holder	Ownership of investee company	Licence no.	Type of licence	Issuing body	Area (Ha)	Expiry of licence	Country
Azarga Uranium								
Kyzyl Ompul Project	UrAsia	80%	2852MR	Exploration licence	Ministry of Natural Resources	42,379	31 December 2015	Krygz Republic
Dewey Burdock Uranium Project	Powertech (USA) Inc.	100%	SUA 1600	Final Source and Byproducts Materials Licence	United States Nuclear Regulatory Commission (NRC)[6]	4,282	8 April 2024	South Dakota, USA
Kidman								
Home of Bullion Project	Kidman Barrow Creek Pty Ltd	100%	EL23186	Exploration licence	Department of Mines and Energy	13,747	14 July 2016	Northern Territory, Australia
Brown's Reef Project	Comet Resources Ltd	100%	EL6321	Exploration licence	New South Wales Government, Department of Trade and Investment	2,980	18 October 2016	New South Wales, Australia
DML								
Boseto Copper Project	Discovery Copper Botswana (Pty) Ltd[7]	100%	PL 98/2005	Prospecting licence	Ministry of Minerals, Energy and Water Resources	50,900	31 December 2014[8]	Republic of Botswana
		100%	PL 99/2005[9]	Prospecting licence		78,950	31 December 2014[10]	
		100%	ML 2010/99	Mining lease[11]		4,144	19 December 2025	
		100%	PL 100/2005	Prospecting licence		51,420	31 December 2014[12]	
		100%	PL 101/2005	Prospecting licence		1,100	31 December 2014[13]	

Project	Holder	Ownership of investee company	Licence no.	Type of licence	Issuing body	Area (Ha)	Expiry of licence	Country
Genesis								
Plavica Project	Silgen Resources International Ltd (Joint Venture company between Genesis and RIK Sileks Kratovo)	62%	19-6648/1-09	Exploration licence Exploitation licence pending	Macedonian Ministry of Economy	1,685	14 April 2014 Conversion to Exploitation licence pending	Republic of Macedonia
Alice Springs Project	Genesis	100%	EL24817	Exploration licence	Department of Mines and Energy	37,259	17 April 2016	Northern Territory, Australia
McArther River Project			EL24814			38,088	17 April 2016	
Fenn Gap Project			EL24839			2,694	5 May 2016	
Arltunga Gold Project			EL25238			9,520	7 November 2016	
Gladstone – Mount Miller Project			EPM15771	Exploration licence	Department of Natural Resources and Mines	6,393	18 June 2017	Queensland, Australia
			ML80166	Mining lease application		32.24	14 January 2016	
Pioneer Project			EPM15619	Exploration licence		623.5	1 August 2016	
Laura River Project			EPM15242	Exploration licence		16,535	22 August 2012 (renewal pending)	

Project	Holder	Ownership of investee company	Licence no.	Type of licence	Issuing body	Area (Ha)	Expiry of licence	Country
Merlin								
Merlin Diamond Project	Merlin	100%	EL24082	Exploration licence	Department of Mines and Energy	7,161	16 October 2015	Northern Territory, Australia
			EL24512	Exploration licence		98,549	28 August 2017	
			EL26943	Exploration licence		10,526	29 April 2015	
			EL26944	Exploration licence		21,039	29 April 2015	
			EL27175	Exploration licence		2,296	27 September 2015	
			EL27750	Exploration licence		5,906	19 September 2016	
			MLN1154	Mining licence		2,350	31 December 2022	
			EL25580	Exploration licence		4,921	15 March 2015	
			EL25676	Exploration licence		18,371	22 August 2015	
			EL10189	Exploration licence		14,123	22 July 2015	
Elysium								
Burraga Project	Burraga Exploration Pty Ltd	100%	EL6463	Exploration licence	New South Wales Government, Department of Trade and Investment	8,400	5 September 2016	New South Wales, Australia
			EL6874	Exploration licence		2,400	13 September 2015	
			EL7975	Exploration licence		7,500	11 October 2014 (Renewal sought)	

Notes:

(1) Celsius (through View Nickel Pty Ltd) owns a 30% interest in the Carnilya Hill Joint Venture with Mincor Resources NL. Mincor Resources NL is the operator of the Carnilya Hill Joint Venture.

(2) On 2 July 2014, Cokal announced that it had received an in-principal forestry permit, which is the last stage prior to the issuance of the Borrow and Use of Forest Area Permit (Ijin Pinjam Pakai Kawasan Hutan ("**IPPKH**")).

(3) As announced by Cokal on 4 February 2013, 60% foreign ownership has been approved by Badan Koordinasi Penanaman Modal (BKPM), the Indonesian equivalent of the Australian Foreign Investment Review Board.

(4) Cokal has submitted an application to upgrade the exploration licence to a production/operation (mining lease) licence.

(5) Cokal is acquiring 75% of the TBAR exploration licence. Normal government approvals are being obtained for the acquisition.

(6) The Dewey Burdock Project is still pending approval from the United States Environmental Protection Agency (EPA) and the South Dakota State department for outstanding permits. See **Section 2.5.3** of this Circular for more details.

(7) Discovery Metals (Botswana) Pty Ltd is a 100% owned subsidiary of DML.

(8) The applications for a prospecting licence extension and mining licence have been submitted. The new prospecting licence area applied for is 198 km^2.

(9) PL99/2005 encloses ML110/2010 but the mining licence area is not included in the prospecting licence area.

(10) The applications for a prospecting licence extension and mining licence have been submitted. The new prospecting licence area applied for is 299 km^2.

(11) A mining lease application for the remainder of the deposits was submitted in December 2014.

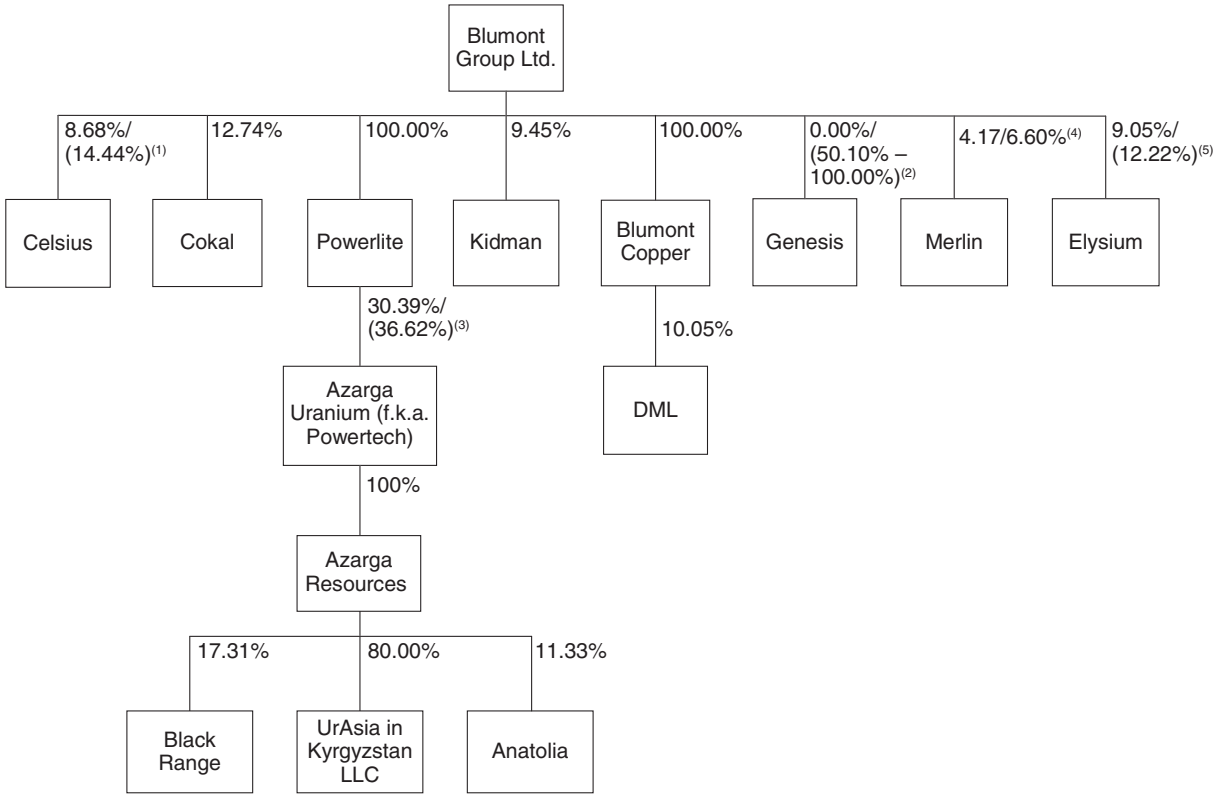
(12) The applications for a prospecting licence extension and mining licence have been submitted. The new prospecting licence area applied for is 411 km^2.

(13) The applications for a prospecting licence extension and mining licence have been submitted. The new prospecting licence area applied for is 6.32 km^2.

(14) Discovery North East (Pty) Ltd is a 100% owned subsidiary of DML.

(15) Pursuant to a three-part joint venture between BCL, JOGMEC and DML.

The Company's shareholding interests in its various mineral and energy resources investments as at the Latest Practicable Date are as follows. Where the Company's investment is yet to be fully completed, the Company's enlarged shareholding interest assuming the investment was completed on the Latest Practicable Date is stated in brackets:



Notes:

(1) Assuming the Celsius Convertible Note Facility has been fully drawn down and converted on the Latest Practicable Date.

(2) The Proposed Genesis Acquisition will be for all the Genesis Shares and will be conditional on, amongst others, the Company acquiring a Relevant Interest in at least 50.10% of the aggregate of all the issued Genesis Shares at or before the end of the Genesis Offer Period. See **Section 3** of this Circular for more details.

(3) Assuming the Azarga Resources Facility had been fully drawn down and converted on the Latest Practicable Date at a conversion price of US$0.50 for each Azarga Resources share and exchanged for Azarga Uranium shares on an exchange ratio of 3.65 Azarga Uranium shares for each Azarga Resources share and consolidated on the basis of one post-consolidation Azarga Uranium share for 10 pre-consolidation Azarga Uranium shares.

(4) Assuming the Merlin Subscription was completed on the Latest Practicable Date.

(5) Assuming the Elysium Share Subscription 2 was completed on the Latest Practicable Date.

2.4.2 **Relative Figures under Rule 1006 of the Listing Manual**

The relative figures set out in the table below for the mineral and energy resources investments and acquisitions that the Company has made or is currently in the process of making as at the Latest Practicable Date are on an aggregated basis:

Rule	Base	Aggregate Relative Figure (%)
1006(a)	The net asset value of the assets to be disposed of compared with the Group's net asset value	Not applicable
1006(b)	The net profits/(losses) attributable to the assets acquired or disposed of, compared with the Group's net profits	(310.86)%
1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation	42.98%
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	36.48%
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

The breakdown of the percentage contribution of the individual investments and acquisitions in relation to the respective bases under Rule 1006 of the Listing Manual, as announced on, or calculated with reference to, the respective relevant announcement dates, is as follows:

Investment	Announcement Date	Rule 1006(b)	Rule 1006(c)	Rule 1006(d)
Celsius	7 February 2013	0.48%[(1)]	1.81%[(2)]	Not applicable
Cokal	8 July 2013	(1.69)%[(3)]	0.58%[(4)]	Not applicable
Powerlite	17 July 2013	0.00%[(5)]	2.08%[(6)]	Not applicable
Kidman	13 August 2013	(0.30)%[(7)]	0.12%[(8)]	Not applicable
DML	19 September 2013	(311.29)%[(9)]	0.24%[(10)]	Not applicable
Genesis	22 April 2014	1.95%[(11)]	35.36%[(12)(13)]	35.36%[(14)]
Merlin	17 February 2014	(1.80)%[(15)]	1.29%[(16)]	Not applicable
Elysium	7 August 2014	1.79%[(17)]	1.50%[(18)]	1.12%[(19)]
Total	–	**(310.86)%**	**42.98%**	**36.48%**

The quantum of consideration used to compute the relative figures under Rule 1006 of the Listing Manual in the two tables above include the amount remaining to be advanced in convertible notes and loans. As such, the above figures were calculated in accordance with Paragraphs 7.1 and 7.2 of Practice Note 10.1 of the Listing Manual.

Notes:

(1) Celsius' net profit before tax for the 12-month period ended 30 June 2012 was approximately A$642,397 (approximately S$829,334). The net profit of Celsius attributable to the shares acquired by the Company (assuming the Celsius Convertible Note Facility is fully converted) is approximately S$160,269. The Group's net profits before income tax, minority interests and extraordinary items for the nine-month period ended 30 September 2012 was S$33,637,767.

(2) The aggregate value of the consideration is A$10,000,000.00 (approximately S$12,442,215.05). The market capitalisation of the Company as at 6 February 2013, being the market day preceding the date of the Celsius Subscription Agreement and the Celsius Convertible Note Deed, was S$685,968,355.95, determined by multiplying the number of issued Shares of the Company as at 6 February 2013, being 1,695,004,586 Shares, by the VWAP of S$0.4047 per Share on 6 February 2013.

(3) Cokal's net loss before tax for the six-month period ended 31 December 2012 was approximately A$(4,233,966) (approximately S$(4,936,804)). The net loss of Cokal attributable to the 12.75% shareholding acquired by the Company is approximately S$(629,351). The Group's net profits before income tax, minority interests and extraordinary items for the three-month period ended 31 March 2013 was S$37,308,273.

(4) The aggregate value of the consideration is A$9,609,125.44 (approximately S$11,350,874.26). The market capitalisation of the Company as at 5 July 2013, being the market day preceding the date of the Cokal Placement Offer Letter, was S$1,951,970,234.92, determined by multiplying the number of issued Shares of the Company as at 5 July 2013, being 1,710,004,586 Shares, by the VWAP of S$1.1415 per Share on 5 July 2013.

(5) Powerlite did not record any net profit or net loss before tax for its six-month period ended 30 June 2013 as it was an inactive company during the said period.

(6) The aggregate value of the consideration is US$33,875,000 (approximately S$42,919,535.28), being the sum of the cash purchase consideration of US$7,875,000 (approximately S$10,001,250) for the Powerlite Acquisition and the total loan amount of US$26.0 million (approximately S$32.92 million) to be extended by the Company to Powerlite to allow Powerlite to fulfil its obligations in respect of the Azarga Resources Facility. The market capitalisation of the Company as at 16 July 2013, being the market day preceding the date of the Powerlite SPA, was S$2,066,882,543.10, determined by multiplying the number of issued Shares of the Company as at 16 July 2013, being 1,710,004,586 Shares, by the VWAP of S$1.2087 per Share on 16 July 2013.

(7) Kidman's net loss before tax for the six-month period ended 31 December 2012 was approximately A$(258,779) (approximately S$(300,184)). The net loss of Kidman attributable to the 10.70% shareholding acquired by the Company is approximately S$(32,114). The Group's net profits before income tax, minority interests and extraordinary items for the six-month period ended 30 June 2013 was S$10,642,533.

(8) The aggregate value of the consideration is A$2,599,000 (approximately S$3,066,698). The market capitalisation of the Company as at 12 August 2013, being the market day preceding the date of the Kidman Placement Letter, was S$2,471,982,629.52, determined by multiplying the number of issued Shares of the Company as at 12 August 2013, being 1,710,004,586 Shares, by the VWAP of S$1.4456 per Share on 12 August 2013.

(9) DML's net loss before tax for the year ended 30 June 2013 was approximately A$(227,733,000) (approximately S$(286,693,074)). The net loss of DML attributable to the 11.56% shareholding acquired by the Company (through Blumont Copper) is approximately S$(33,128,744). The Group's net profits before income tax, minority interests and extraordinary items for the six-month period ended 30 June 2013 was approximately S$10,642,533.

(10) The aggregate value of the consideration is A$7,765,755.96 (approximately S$9,218,866.75). The market capitalisation of the Company as at 18 September 2013, being the market day preceding the date of the DML Share Subscription Agreement, was S$3,790,132,093.79, determined by multiplying the number of issued Shares of the Company as at 18 September 2013, being 1,722,004,586, by the VWAP of S$2.201 per Share on 18 September 2013.

(11) In respect of the Proposed Genesis Acquisition, based on the unaudited financial statements of Genesis for the half year ended 31 December 2013, the net losses attributable to the assets being acquired by the Company is approximately A$(1,349,236) (approximately S$(1,579,955). The audited losses before income tax for the Group for the financial year ended 31 December 2013 was S$(81,206,048). The Group's net losses before income tax for the nine months ended 30 September 2014 was approximately S$(22,928,000).

(12) Where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value represented by such shares, whichever is higher. The aggregate value of the consideration under the Proposed Genesis Acquisition is S$31,327,698, being the market value of the Genesis Consideration Shares on 21 April 2014, being the last traded market day prior to the date of the Second Supplementary Genesis Bidder's Statement.

(13) In respect of the Proposed Genesis Acquisition, the market capitalisation of the Company as at 21 April 2014, being the last traded market day prior to the date of the Second Supplementary Genesis Bidder's Statement, was S$88,597,136, determined by multiplying the number of issued Shares of the Company as at 22 April 2014, being 2,583,006,879 Shares, by the VWAP of S$0.0343 per Share on 21 April 2014.

(14) As at the date of the announcement of the Second Supplementary Genesis Bidder's Statement, the maximum number of Genesis Consideration Shares to be issued pursuant to the Proposed Genesis Acquisition was 913,343,965.

(15) Based on the audited financial statements of Merlin for the financial year ended 30 June 2013, the net loss attributable to the assets being acquired pursuant to the Merlin Subscription is approximately S$(913,931). The Group's net profits before income tax for the nine-month period ended 30 September 2013 was S$50,676,795.

(16) The aggregate value of the consideration for the Merlin Subscription is A$1,950,000 (approximately S$2,218,515.00). The market capitalisation of the Company as at 14 February 2014, being the last traded market day prior to the date of the Merlin Application, was S$172,544,860, determined by multiplying the number of issued Shares of the Company as at 17 February 2014, being 2,583,006,879 Shares, by the VWAP of S$0.0668 per Shar*e* on 14 February 2014.

(17) Based on the audited financial statements of Elysium for the half year ended 31 December 2013, the net losses attributable to the assets being acquired pursuant to the Elysium Share Subscription (excluding the Elysium Options which have expired) and the Elysium Share Subscription 2 amounts to approximately A$(92,883) (approximately S$(107,921)). The Group's net losses before income tax for the first quarter ended 31 March 2014 was approximately S$5,736,000.

(18) Where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value represented by such shares, whichever is higher. The aggregate value of the consideration under the Elysium Share Subscription is S$1,161,900, being the market value of the Elysium Consideration Shares on 6 August 2014, being the last market day prior to the date of the Elysium Subscription Agreement. The aggregate value of the consideration under the Elysium Share Subscription 2 is approximately S$224,860.

(19) The market capitalisation of the Company on 6 August 2014, being the last market day prior to the date of the Elysium Subscription Agreement, was approximately S$103,578,576, based on the VWAP of S$0.0401 per Share on 6 August 2014. The market capitalisation of the Company on 13 November 2014, being the last market day prior to the date of the Elysium Subscription Agreement 2, was approximately S$59,233,104, based on the VWAP of S$0.0227 per Share on 13 November 2014.

2.4.3 Compliance with Mineral, Oil and Gas Rules under the Listing Manual

Under Practice Note 6.3 of the Listing Manual, where the mineral, oil and gas activity of the Company and/or its subsidiaries, based on the Company's latest audited consolidated financial statements: (i) represents 50% or more of the total assets, revenue or operating expenses of the Group; or (ii) is the single largest contributor based on any of the tests in (i), the Company may be considered to be principally in the business of exploration for or extraction of mineral, oil or gas assets.

Based on the Group's latest audited consolidated financial statements for FY2013, the single largest contributor of the Group's total assets was assets in the Mineral and Energy Resources sector which represented approximately 65% of the total assets, revenue and operating expenses of the Group. Pursuant to Practice Note 6.3 of the Listing Manual the Company may henceforth be considered to be principally in the Mineral and Energy Resources Business and will be required to comply with all continuing listing rules under the Listing Manual that are applicable to mineral, oil and gas companies. A summary of these continuing listing rules can be found in **Appendix A** to this Circular.

2.5 Details of Investments Made in the Mineral and Energy Resources Sector

Details of the investments made or proposed to be made by the Company in the mineral and energy resources sector as at the Latest Practicable Date are as follows.

2.5.1 **Coking Coal, Thermal Coal and Nickel Assets in the Kyrgyz Republic and Australia – Celsius Coal Limited**

(a) Corporate Information of Celsius

Celsius is a metallurgical coal explorer with coking and thermal coal deposits in the Kyrgyz Republic. It also owns two nickel assets in Western Australia. Celsius is a company incorporated in Australia and its shares are listed and quoted for trading on the ASX (ASX Code: CLA).

The directors of Celsius are Alistair Muir (Managing Director), Bill Oliver (Non-Executive Director and Chairman) and Ranko Matic (Company Secretary and Non-Executive Director). As at the Latest Practicable Date, Celsius has a market capitalisation of approximately A$2.62 million (approximately S$2.76 million) and no shareholder holds 15% or more of its ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Celsius.

(b) Mineral and Energy Resources Portfolio

(i) Uzgen Project

Celsius is currently at the exploration and project planning stage. At Celsius's 80% owned flagship Uzgen Basin Coking Coal Project (the "**Uzgen Project**"), it has a total JORC Inferred Resource of 295Mt, which comprises 235Mt at Kargasha and 60Mt at Kokkia. This resource statement dated 24 March 2014 was completed by Australian technical coal specialist resource estimation firm G&S Resources using the advanced Vulcan resource modelling package and the information relating to resource estimates is based on information compiled by Dr Gavin Springbett of G&S Resources, a Competent Person (as defined in the JORC Code 2012 Edition) and a member of the Australasian Institute of Mining and Metallurgy.

In October 2013, Celsius's physical exploration programme at the Uzgen Project was completed with 11 core holes drilled for a total of 4,050.6 linear metres. Initial coal quality test results received in January 2014 for the Kargasha tenement samples that were sent to the SGS laboratories in Novokuznetsk, Russia showed Free Swell Index ("**FSI**") results in the range of 6.5 to 8.5, indicating good coking potential. Coal quality tests for the Kokkia tenement show FSI results in the range of 7.5 to 9.5. An FSI of 4.5 is typically assessed as the threshold for coking coals.

The Uzgen Project is located approximately 250km away from Xinjiang Province, Western China, via the proposed Trans-Asia Railway, which has an expanding steel industry and which has been highlighted as a special case for economic development. Kashgar, Xinjiang's second largest city, has been designated as a new Special Economic Zone as a trade gateway to Central Asia. Steel production in Xinjiang is expected to reach 30Mtpa in 2015 and coking coal demand will increase in step with this expansion and could reach and exceed 13Mtpa in 2015[11].

The Government of the Kyrgyz Republic had also announced in 2013 that Chinese funding of US$400 million has been made available for the construction of the new North-South link road between the capital of Bishkek and Jalal-Abad near Osh in the south of the Kyrgyz Republic. The road will pass through Kazarman, thereby allowing easier access to the Kokkia and Kargasha deposits. The road will ultimately form part of a link between the Kyrgyz Republic, China, Kazakhstan and Russia, and will open up new markets for Celsius by creating a much shorter and efficient transport corridor to Bishkek in the north, as well as additional options for transporting coal into the south of the Kyrgyz Republic and into Uzbekistan. In addition, this new road will link to other existing roads that provide transport options for export via road to Xinjiang Province in China. On 2 May 2014, the President of the Kyrgyz Republic, Almazbek Atambayev, officially opened the construction of the North-South link road. The new road is expected to begin operation in late 2016.[12]

On 5 March 2014, Celsius announced that it had signed a non-binding memorandum of understanding (the "**MOU**") with Xinjiang Bayi Iron and Steel Group ("**Bayi Steel**") and China Minmetals Group ("**China Minmetals**"). Bayi Steel is the Xinjiang Division of Baosteel Group, China's second largest and the world's fourth largest steel maker, while China Minmetals is a key state-owned enterprise and a Fortune Global 500 company focused on all aspects of the metal and minerals supply-chain. The purpose of the MOU is to establish a working arrangement between Celsius, Bayi Steel and China Minmetals to undertake preliminary investigations for the export, testing and supply of coking coal from Celsius's projects in the Kyrgyz Republic, and to facilitate the trial shipment of small parcels of coking coal, totaling up to 5,000 tonnes, for metallurgical testing by customers, resolution of transport methods and transport routes, and cross border transfer between the Kyrgyz Republic and China. The MOU covers the potential for long-term supply and purchaser arrangements of an estimated 500,000 tonnes of coking coal per annum from 2015 to 2019 to be supplied by Celsius from its Kyrgyz Republic coal properties and shared at a to-be-agreed-upon allocation between Baiyi Steel and China Minmetals.

As announced by Celsius on 31 October 2014, Celsius has suspended further work at the Uzgen Basin Coking Coal Project until funding issues with the Company are resolved. Please refer to **Section 2.5.1(c)** of this Circular for more details.

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11 Hartleys Limited, *Report on Celsius Coal Ltd*, 25 June 2013.

12 Celsius' quarterly activities report for the three-month period ended 31 March 2014 announced on 30 April 2014.

(ii) Alai Range Project

To the south-west of the Uzgen Project, Celsius has a 90% interest in the Sary Mogol licence of the Alai Range Project. Celsius has decided not to proceed with any further works at the non-core thermal coal property at Sary Mogol. Celsius had made the decision to explore opportunities for the sale of this asset to preserve financial resources to focus on an optimised plan for the Uzgen Project and also to evaluate potential increased activity on its nickel assets.

(iii) Carnilya Hill Joint Venture, Abengo Hill Nickel Project

Celsius also owns two nickel assets in Western Australia. Celsius (through View Nickel Pty Ltd) owns a 30% joint venture interest in the Carnilya Hill Joint Venture in Western Australia with Mincor Resources NL, which is the operator of the Carnilya Hill Joint Venture. Additionally, Celsius has a 100% interest in the Abengo Hill Nickel Project to the south and west of Minara Resources' Murrin Murrin nickel mine. The tenements are located near to Minara Resources' Murrin Murrin mine and the NiWest operation currently under development by GME Resources Ltd and are believed to have potential for both nickel laterite and nickel sulphide mineralisation.

Celsius has initiated a reassessment of its nickel assets in light of the substantial increase (more than 50%) in nickel price since the start of 2014. Celsius' joint venture partner, Mincor Resources NL ("**Mincor**"), is currently undertaking an extensive regional exploration campaign. As announced in Mincor's quarterly activities report for the period ending 31 December 2014, an RC drilling programme of 5 holes for 356 metres was completed at the Michigan prospect within the Carnilya Hill Project and no significant assays greater than 0.5% Ni were returned. While mining operations at Carnilya Hill ceased in the first quarter of 2012, access to the decline and other mine infrastructure were maintained so that the opportunity to recommence mining remains intact. During the quarter ended 31 December 2014, Celsius finalised a data compilation and target generation exercise on its Abengo Hill Nickel Project for laterite and sulphide nickel and based on this work, Celsius is assessing its options for further work on this project, either resuming exploration activity or seeking to monetize its nickel assets.

(iv) Further capital expenditures by Celsius

Based on estimates in its preliminary mine plan, Celsius will require further capital expenditures of around US$20 – 25 million to establish a small scale start up mine. Larger scale mine studies have not yet been developed and Celsius cannot provide any capital expenditure figures in respect of the same. The Company's contribution towards Celsius's capital expenditures will depend on various factors such as the extent to which the cash flow Celsius receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and Celsius. There are no annual production estimates available as at the Latest Practicable Date.

(c) Company's Investments in Celsius

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Celsius comprise the following:

(i) Celsius Share Subscription: A$5.0 million (approximately S$6.40 million)

(ii) Celsius Convertible Note Facility: up to approximately A$4.44 million (approximately S$5.10 million)

The proceeds of these investments are to be applied towards the investment projects and working capital requirements of Celsius.

The investment in Celsius was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the Celsius Share Subscription, the then-board of directors of the Company was of the opinion that the investment in Celsius was in furtherance of the Group's strategy of actively identifying and seeking out new investment opportunities to enhance Shareholders' value. Through this strategic investment, the Company intended to forge a close working relationship with Celsius to explore potential projects in Central Asia. Furthermore, the alliance would enable the Group to tap into the vast experience and knowledge of Celsius in the area of mining.

(i) Celsius Share Subscription

On 6 February 2013, the Company entered into a conditional agreement (the "**Celsius Subscription Agreement**") with Celsius to subscribe for 227,272,727 new Celsius shares at A$0.022 (approximately S$0.0284) per Celsius share (the "**Celsius Share Subscription**").

The Celsius Share Subscription was completed on 11 March 2013 for an aggregate subscription consideration of approximately S$6.40 million. The Company was allotted 227,272,727 Celsius ordinary shares representing approximately 11.48% (as at the date of allotment) and 8.68% (as at the Latest Practicable Date) of the total issued share capital of Celsius. The Celsius Share Subscription consideration was fully satisfied in cash, and funded from internal resources of the Group.

(ii) Celsius Convertible Note Facility

On 6 February 2013, the Company also entered into a convertible note deed with Celsius (the "**Celsius Convertible Note Deed**"), pursuant to which the Company is to make available a convertible note facility to Celsius for the sum of up to A$5.0 million (the "**Celsius Convertible Note Facility**"). Following an amendment to the Celsius Convertible Note Deed on 16 May 2014, the Company and Celsius have agreed to reduce the facility limit from A$5.00 million to the amount which is the aggregate of A$3.50 million and US$750,000 (approximately A$4.44 million, approximately S$5.10 million), subject to the Company advancing a further US$750,000 to Celsius under the Celsius Convertible Note Facility by 5pm (Western Australia time) on 21 May 2014. As at 21 May 2014, the Company had only advanced a further US$300,000 (approximately S$376,800). Celsius may require Blumont to advance the remaining US$450,000, failing which Celsius may choose to commence legal proceedings to recover the amount owing under the Celsius Convertible Note Facility. The Company is continually reviewing and evaluating its financial position in relation to the recoverability of the loans advanced under the Celsius

Convertible Note Facility and the market value of the Celsius shares, before deciding if it is in the Company's best interests to advance the remaining US$450,000.

The notes issued under the Celsius Convertible Note Facility are convertible into new Celsius shares at a conversion price of the average of the 20-trading days VWAP of Celsius shares traded on the ASX, subject to a floor price of A$0.025 per share and a cap of A$0.03 per share. The maturity period of the notes is 10 years from drawdown and the interest rate is 12.5% per annum. The Company may elect to convert all or a part of the notes to Celsius shares, at any time before the notes are due for repayment, by delivering a conversion notice to Celsius. The Company will not be entitled to convert any notes (or accrued interest) into Celsius shares to the extent that the Voting Power (as defined in section 610 of the Corporations Act) of the Company would exceed 20% following the issue of any Celsius shares. After 27 February 2015, being the date falling 12 months from the date that notes issued to the Company with an aggregate face value of A$3,000,000 has been made, Celsius may, at its election, require the Company to convert any or a portion of the outstanding notes (and accrued interest) into ordinary shares. This conversion right is also subject to the Company not converting any notes (or accrued interest) into Celsius shares to the extent that the Voting Power (as defined in section 610 of the Corporations Act) of the Company would exceed 20% following the issue of any Celsius shares.

As at the Latest Practicable Date, the Celsius Convertible Note Facility has been utilised in the aggregate amount of A$3.86 million (approximately S$4.49 million).

The Celsius Convertible Note Facility was funded from borrowings and the Rights Issue Net Proceeds.

(d) Introducer

The investments in Celsius were procured by Mr. James Hong Gee Ho, a former director of the Company. Mr. Hong did not have any interest in Celsius when the introduction was made. No remuneration or commission was paid or will be payable by the Company to him in connection with the introduction.

2.5.2 **Coal Exploration Assets in Indonesia – Cokal Limited**

(a) Corporate Information of Cokal

Cokal is a company incorporated in Australia whose shares are listed and quoted for trading on the ASX (ASX Code: CKA). The principal activity of Cokal is coal exploration. It has interests in coal exploration tenements predominantly in Indonesia and also has a joint venture with Tanzoz Resources Co Ltd to explore for coal in Tanzania and a cooperation agreement in Mozambique with the Mozambique Government Mining Corporation, EMEM, to explore for coking coal in the emerging coal province of Mozambique.

The directors of Cokal are Peter Lynch (Chairman and CEO), Patrick Hanna (Executive Director), Domenic Martino (Non-Executive Director) and Retired Lieutenant General Agus Widjojo (Non-Executive Director). As at the Latest Practicable Date, Cokal has a market capitalisation of approximately A$23.57 million (approximately S$24.85 million) and no shareholder holds 15% or more of its

ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Cokal.

(b) Mineral and Energy Resources Portfolio

(i) BBM Project

The planned drilling and detailed engineering plans for Cokal's 60% owned flagship Bumi Barito Mineral project (the "**BBM Project**") located at Upper Barito Coal Basin, Regency of Murung Raya, Central Kalimantan, Indonesia, is currently in the exploration and project planning stage. As at 30 April 2013, Cokal upgraded its exploration mining permit for the BBM Project into a production mining permit.

An updated coal resource statement compliant with the 2012 Edition of the JORC Code released for the eastern portion of the BMM Project, as announced by Cokal on 29 January 2015, indicates a JORC total coal resource of 266.6Mt comprising 19.5Mt Measured, 23.1Mt Indicated and 224Mt Inferred coal resources. The statement was compiled by Yoga Suryanegara (an employee of Cokal), who is a Competent Person (as defined in the JORC Code 2012 Edition) and a member of the Australasian Institute of Mining and Metallurgy, and was independently reviewed and confirmed to be compliant with the JORC Code 2012 Edition by Pat Hanna of Hanna Consulting Services, who is also an Executive Director of Cokal. Measured, Indicated and Inferred Resources have been estimated for the B, C, D and J Seams which have been confirmed as metallurgical coal from analyses conducted in an Australian laboratory. The coal resources of the B, C, D and J Seams comprised 90% coking coal and 10% PCI or semi-soft coking coal. Geological mapping of the western half of the BBM Project has delineated a large number of coal seam outcrops. Sample analyses of the outcrops indicate the majority of the potential resource to produce a PCI product, and in some locations, the coal displays properties consistent with that of anthracite. These coals are suitable for steel production, mineral processing and urea production. Once the application for the extension for the Borrow and Use of Forest Area Permit (the Ijin Pinjam Pakai Kawasan Hutan or "**IPPKH**") is approved by the Environment and Forestry Department, which is expected to be during the first quarter of 2015, Cokal can commence exploration in the BBM Project western block.

Cokal's J Seam has sufficient low ash raw coal product for direct ship potential in initial years of production. During the last quarter of 2013, up to five drill rigs have been active on the BBM Project. Activities were focused on delineating coal resources in the Kalimantan area at the eastern extremity of the BBM Project tenement. Coal core samples from ongoing exploration drilling indicate the eventual conversion to premium coking coal with Crucible Swell Numbers (CSN) of values generally at 9 or more.

In July 2014, Cokal received the In-Principal Forestry Permit (the Izin Princip Ijin Pinjam Pakai Kawasan Hutan), which is the last stage prior to the issuance of the IPPKH. The In-Principal Forestry Permit has been issued for an area covering 1,242 hectares which enables the development of the port, haul road and the initial development of the mine site once the conditions of the In-Principal Forestry Permit are met. Once granted, the IPPKH will enable construction and mining of the BBM Project to commence. In line with the integrated development of the BBM Project, the application to upgrade the permit includes forestry areas associated with the development of the BBM

Project mine, haul road and river barging terminal. As at 30 January 2015, Cokal has completed all the administrative obligations and approval conditions necessary to obtain the final IPPKH, including: (i) survey and pegging the approved boundary and operational area; (ii) providing various undertaking regarding rehabilitation; and (iii) payment of applicable taxes. Due to the amalgamation of the Environment and Forestry Department under the new Indonesian Government, Cokal's initial expected date of issue of the IPPKH in the fourth quarter of 2014 has been delayed to the first quarter of 2015.

The other tenements of Cokal are in the exploration stage.

(ii) BBP Project

PT Borneo Bara Prima ("**BBP**") is 60% held by Cokal. The project is located in the North Barito Basin and covers 13,000 ha. Exploration activities to date have comprised an initial reconnaissance mapping programme which has identified the presence of multiple coal seams from outcrops. Initial laboratory results indicate that coal from the southern part of the BBP Project is suitable for the pulverised coal injection (PCI) and anthracite markets and is a bright coal with a low in-situ ash, low sulphur content, ultra-low phosphorous and high energy.

The Izin Usaha Pertambangan (IUP) production/operation (mining lease) licence and the Clean and Clear Certificate are expected to be issued in the first quarter of 2015.

(iii) TBAR Project

Cokal has also entered into an agreement to acquire 75% of the Tambang Benua Alam Raya project (the "**TBAR Project**"), which covers an area of 18,850 hectares, and is in the midst of applying for the Exploration Forestry Permit. The TBAR Project is listed on the government's "Clean and Clear" list and adjoins the southern and eastern boundaries of the BBM Project, and also consists of the same coal-bearing Haloq Sandstone Formation. As at 31 December 2013, geological mapping of the TBAR Project delineated 70 coal outcrops and the laboratory results of all coal outcrop channel samples confirmed a low ash, medium volatile matter, low sulphur, ultra-low phosphorus and a high swelling coke index, indicating a potential coking coal product of premium export quality.

(iv) Further capital expenditures by Cokal

The total estimated development capital required for the BBM Project to deliver a production rate of 2 Mtpa product, including developing a coal handling preparation plant, a haulage road and all necessary transport and site infrastructure, is around US$75 million (approximately S$102 million), assuming that mining, barging and hauling equipment will be provided by the respective contractors. This comprises US$50 million (approximately S$68 million) to start production and US$25 million (approximately S$34 million) for enhancement capital.

In March 2014, Cokal accepted a proposal for a funding package of up to US$150 million (approximately S$203 million) from an international consortium led by Platinum Partners ("**Platinum**") (the "**Cokal Platinum Facility**"). The Cokal Platinum Facility will initially be used to fund the BBM Project. On 29 March 2014, Cokal entered into a short term loan agreement for US$3.5 million (approximately S$4.7 million) with Platinum Partners for working capital to provide funding to progress the BBM Project (the "**Platinum Bridging Loan**").

On 11 August 2014, Cokal secured a further additional loan for US$5.65 million (approximately S$7.66 million) from Platinum, bringing the aggregate loan facility for the BBM Project to US$9.15 million (approximately S$12.41 million). On 30 January 2015, Cokal announced that the term of the Cokal Platinum Facility has been extended to 6 August 2015, and that the total loan for the project development to date is now US$10.07 million (approximately S$13.66 million). The present intention is that the loan will be refinanced by the Cokal Platinum Facility once in place. Under the extension agreement, Cokal will grant Platinum 25 million options with an exercise price of A$0.13 (approximately S$0.14) and an exercise period of 4 years from the date of grant.

On 9 February 2015, Cokal announced that Cedrus International Limited ("**Cedrus**") had joined with Platinum to provide a non-binding term sheet to Cokal in relation to a US$110 million (approximately S$149 million) project finance facility for the BBM Project, which includes rolling the Platinum Bridging Loan into the facility once it is in place. This facility will be sufficient to fund construction and commissioning of Cokal's 2 Mtpa BBM Project and Cokal's general working capital requirements during this phase of development. In addition, Cokal also announced that as part of the 50:50 river barging joint venture with an Indonesian shipping company, Meratus Advance Maritime, which will be funded by equity from the joint venture participants and senior debt, Cokal plans to raise bank financing for its 50% share of the barging fleet senior debt (approximately US$15 million). The facility will provide the equity funding for Cokal's share of the barging joint venture.

The Company's contribution towards Cokal's capital expenditures will depend on various factors such as the extent to which the cash flow Cokal receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and Cokal.

(c) Company's Investments in Cokal

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Cokal comprise the following:

(i) Cokal Share Subscription: approximately A$9.61 million (approximately S$11.35 million)

(ii) Cokal Facility: up to US$8.0 million (approximately S$10.50 million)

The proceeds of the Cokal Share Subscription are intended to be applied towards the BBM Project and general corporate purposes of Cokal.

The proceeds of the Cokal Facility are to be used by Cokal for: (i) the acquisition of additional coal exploration tenements, or additional interests in such tenements, with the prior written consent of the Company; (ii) general corporate and exploration and development costs; and (iii) any other purpose approved by the Company in writing.

The investment in Cokal was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the Cokal Share Subscription, the then-board of directors of the Company was of the opinion that the investment in Cokal was in furtherance of the Group's strategy of actively identifying and seeking out new investment opportunities to enhance Shareholders'

value. It gave the Group further exposure to the coal sector. In investing in Cokal then, the Company joined two other recent strategic institutional investors – Passport Capital and Blackrock Investment Management.

(i) Cokal Share Subscription

On 5 July 2013, the Company entered into a conditional placement offer letter (the "**Cokal Placement Offer Letter**") with Cokal to subscribe in five tranches for up to 60,057,034 new Cokal shares at A$0.16 (approximately S$0.1866) per Cokal share (the "**Cokal Share Subscription**"). In addition, Cokal agreed to pay the Company a management fee amounting to 5% of the gross proceeds Cokal received from the issuance of the new Cokal shares. The management fee arrangement is to secure the placement of securities by Cokal to the Company.

As of 20 November 2013, all five tranches of the Cokal Share Subscription have been completed for an aggregate placement consideration of approximately S$11.35 million, pursuant to which the Company holds 60,057,034 Cokal shares representing approximately 12.75% (as at the date of allotment) and 12.74% (as at the Latest Practicable Date) of the total issued share capital of Cokal. The Cokal Share Subscription consideration was fully satisfied in cash and funded from borrowings and the Rights Issue Net Proceeds.

(ii) Cokal Facility

On 7 October 2013, the Company entered into a binding term sheet with Cokal, pursuant to which the Company agreed to make available a loan facility of up to US$8.0 million (approximately S$10.50 million) in principal amount to Cokal (the "**Cokal Facility**"). On 5 November 2013, the Company entered into a facility agreement with Cokal setting out the terms of the Cokal Facility (the "**Cokal Facility Agreement**").

Subject to the terms and conditions set out in the Cokal Facility Agreement, the Company was to advance to Cokal: (a) US$2.0 million by 7 November 2013 (the "**Cokal Initial Advance**"); and (b) US$2.0 million within 14 days of the date of the Cokal Facility Agreement and no later than 19 November 2013. The Company may make subsequent advances to Cokal, provided that the aggregate amount of all advances (each, a "**Cokal Advance**") made shall not exceed US$8.0 million.

Interest is at the rate of 5% per annum, payable quarterly or on any prepayment of a Cokal Advance.

The Cokal Facility is to be repaid in full on or before the earlier of:

(1) the date on which Cokal is, by written agreement, deemed to have received from the Company subscription monies from the issue and allotment of fully paid ordinary shares in Cokal in an amount which is at least equal to the money owing under the Cokal Facility Agreement on the date of receipt;

(2) the date falling three years from the date of the Cokal Initial Advance; or

(3) any earlier date on which money owed under the Cokal Facility Agreement becomes payable.

As security for Cokal's obligations under the Cokal Facility Agreement, the Company has entered into security deeds dated 5 November 2013 with each of: (i) Cokal; and (ii) Jack Doolan Capital Pty Ltd, a wholly-owned subsidiary of Cokal, (the "**Cokal Grantors**") pursuant to which the Company will have a first ranking charge over part of the Cokal Grantors' interests in securities in Cokal Holdings Pte Ltd ("**CHPL**"). CHPL is a wholly-owned subsidiary of Cokal.

As at the Latest Practicable Date, an aggregate amount of US$3.40 million (approximately S$4.26 million) of the Cokal Facility has been utilised and an amount of US$4.60 million (approximately S$6.24 million) is planned to be drawn down over the financial year ending 30 June 2015. The utilisation of the balance amount of US$4.00 million (approximately S$5.43 million) of the Cokal Facility remains subject to further negotiation between the Company and Cokal.

(d) Introducer

The opportunity to participate in the Cokal Share Subscription was procured by Mr. James Hong Gee Ho, a former director of the Company. Mr. Hong did not have any interest in Cokal when the introduction was made. No remuneration or commission was paid or will be payable by the Company to him in connection with the introduction.

2.5.3 **Uranium Assets in the USA and Central Asia – Powerlite Ventures Limited**

(a) Corporate Information of Powerlite

Powerlite is a limited liability company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company. As at the Latest Practicable Date, Powerlite's sole investment is in Azarga Uranium (formerly known as Powertech Uranium Corp.).

The sole director of Powerlite is Ng Kim Huatt, the Company's Executive Director. Save as disclosed above, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Powerlite.

(b) Corporate Information of Azarga Uranium

Listed on the Toronto Stock Exchange (TSE Code: PWE), Azarga Uranium is a Vancouver-based mineral exploration and development company.

The directors of Azarga Uranium are Alexander Molyneux (CEO & Chairman), Richard Clement JR (Deputy Chairman), Curtis Church (VIP International Operations & Director), Apolonius Struijk (Independent Non-Executive Director), Alexander Bayer (Director), Joseph Havlin (Independent Non-Executive Director), Matthew O'Kane (Independent Non-Executive Director) and Paul Struijk (Independent Non-Executive Director. As at the Latest Practicable Date, Azarga Uranium has a market capitalisation of approximately C$22.57 million (approximately S$24.33 million) and no shareholder holds 15% or more of its ordinary shares save for Powerlite. Save through the Company's shareholding in Powerlite, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Azarga Uranium.

On 29 October 2014, Azarga Uranium (formerly known as Powertech Uranium Corp.) acquired all of the issued and outstanding shares of Azarga Resources in exchange for shares of Azarga Uranium, on an exchange ratio of 3.65 Azarga Uranium shares for each Azarga Resources share to create a merged entity called Azarga Uranium Corp. (the "**Azarga Reverse Takeover**"). Azarga Uranium also completed (a) a consolidation of its outstanding common shares on the basis of one post-consolidation Azarga Uranium share for 10 pre-consolidation Azarga Uranium shares (the "**Azarga Uranium Consolidation**"); and (b) a private placement of its shares for gross proceeds of C$5.0 million (the "**Azarga Uranium Placement**"). Powertech Uranium Corp. was renamed to Azarga Uranium Corp.

Pursuant to the terms of the Azarga Reverse Takeover and a transaction support agreement amongst Azarga Resources, Azarga Uranium and the Company's wholly-owned subsidiary, Powerlite, Powerlite received 18,053,810 ordinary shares in the capital of Azarga Uranium, representing approximately 30.39% of the existing issued share capital of Azarga Uranium as at 30 October 2014 (the date of allotment) and at the Latest Practicable Date. The transaction support agreement was entered into amongst Azarga Resources, Azarga Uranium and Powerlite, pursuant to which Powerlite consented to the Azarga Reverse Takeover and the sale of Powerlite's shares in Azarga Resources to Azarga Uranium. Of the 18,053,810 Azarga Uranium shares issued to Powerlite, 25% are subject to escrow restrictions for 12 months and the remaining 75% are subject to escrow restrictions for two years.

(c) Mineral and Energy Resources Portfolio

As at the Latest Practicable Date, Powerlite's sole investment is in Azarga Uranium. The current investments by Azarga Uranium are set out as follows. Azarga Uranium's investments are currently in the exploration and development stage.

Through its Denver-based subsidiary, Powertech (USA), Inc., Azarga Uranium holds the Dewey-Burdock uranium deposit in South Dakota (the "**Dewey-Burdock Project**"), the Dewey Terrace project and the Aladdin project (the "**Aladdin Project**") in Wyoming, and 40% of the Centennial uranium deposit in Colorado (the "**Centennial Project**").

(i) The Dewey-Burdock Project

The Dewey-Burdock Project is located in Custer and Fall River Counties, South Dakota. It is comprised of approximately 50 mining leases and approximately 370 mining claims covering approximately 14,500 surface acres and 17,800 net mineral acres. This project is Azarga Uranium's primary focus of development. 10,580 acres of the project are currently licensed by the United States Nuclear Regulatory Commission ("**NRC**") and Azarga Uranium requires regulatory approvals from two additional major agencies prior to initiation of construction and operation of the project. These approvals include Class III and Class V underground injection control ("**UIC**") permits from the United States Environmental Protection Agency ("**EPA**") and state permits to be issued by the South Dakota Department of Environment and Natural Resources ("**DENR**"). The state permits have been recommended for approval by the DENR staff to the Mining Board and Water Board, and are pending following receipt of the permits from the EPA.

The regulatory process is currently estimated to be completed by the third quarter of 2015, which would allow construction to commence at that time. Azarga Uranium's business objectives currently focus on complying with its NRC licence while obtaining the remaining permits necessary to commence construction and operation of the Dewey-Burdock Project. However, due to lack of mandated regulatory timelines and uncertainty for scheduling of state hearings, the dates may be subject to change.

On 29 January 2015, Azarga Uranium announced the findings of an independent Preliminary Economic Assessment of the Dewey-Burdock Project (the "**2015 Dewey-Burdock PEA**") which included an updated resource statement. The 2015 Dewey-Burdock PEA conforms to the requirements of NI 43-101 and was prepared by TREC, Inc., Douglass Graves, P.E., and Roughstock Mining Services, Steve Cutler, P.G.

The updated Mineral Resource estimate as announced by Azarga Uranium on 29 January 2015 is as follows:

Dewey-Burdock Project In-situ Recovery Mineral Resource estimate

	Measured Resources	Indicated Resources	Measured plus Indicated Resources	Inferred Resources
Tons	554,000	992,000	1,546,000	586,000
Average grade (% U_3O_8)	0.33	0.21	0.25	0.05
Thickness (feet)	3.9	6.0	5.25	4.2
Grade-thickness	1.30	1.28	1.29	0.20
Uranium (pounds)	4,122,000	4,460,000	8,582,000	3,528,000

(ii) Centennial Project

The Centennial Project is located in Weld County, Colorado. Through property purchase and/or lease agreements, it is comprised of approximately 3,600 acres of surface rights and approximately 7,100 acres of mineral rights.

Azarga Uranium holds a direct interest of 40% in the Centennial Project in addition to a deemed interest of 60% held by Azarga Resources.

Azarga Uranium completed its application to the EPA for a Class I UIC Permit in November 2010. In December 2010, the EPA informed Azarga Uranium that the application was deemed complete.

A NI 43-101-compliant "Preliminary Assessment" dated 6 August 2010 was prepared by SRK Consulting (U.S.), Inc. ("**SRK**") for the Centennial Project and is available on Azarga Uranium's website. Based on the Preliminary Assessment, the total estimated resource base within the Centennial Project is as follows:

2010 Centennial Resources – 0.20 GT Cut-off (Voss 2010)

	Tons	Average Grade	Points (U_3O_8)
Indicated Resources	6,873,199	0.09% U_3O_8	10,371,571
Inferred Resources	1,364,703	0.09% U_3O_8	2,325,514

2010 Centennial Resources – 0.50 GT Cut-off (Voss 2010)

	Tons	Average Grade	Points (U_3O_8)
Indicated Resources	5,111,154	0.11% U_3O_8	8,120,866
Inferred Resources	488,507	0.09% U_3O_8	641,470

(iii) Aladdin Project

The Aladdin Project is located in Crook County, Wyoming. Azarga Uranium controls approximately 14,500 acres of mineral rights on this project.

A NI 43-10-compliant "Technical Report on the Aladdin Uranium Project" dated 21 June 2012 was prepared by Jerry Bush, Certified Professional Geologist – No. 03574 and is available on Azarga Uranium's website. Based on the report, the total estimated resource base within the Aladdin Project are as follows:

	Total Indicated Resources at 0.20 GT Cut-off			Total Inferred Resources at 0.20 GT Cut-off		
	Tons	Average Grade	Points (U_3O_8)	Tons	Average Grade	Points (U_3O_8)
Fall River	61,575	0.12%	147,778	37,557	0.12%	90,136
Lakota	404,657	0.11%	890,245	5,064	0.11%	11,119
Total	**466,232**	**0.111%**	**1,038,023**	**42,611**	**0.119%**	**101,255**

	Total Indicated Resources at 0.40 GT Cut-off			Total Inferred Resources at 0.40 GT Cut-off		
	Tons	Average Grade	Points (U_3O_8)	Tons	Average Grade	Points (U_3O_8)
Fall River	19,349	0.19%	73,527	9,938	0.19%	37,766
Lakota	150,209	0.16%	480,668	1,517	0.16%	4,854
Total	**169,558**	**0.163%**	**554,195**	**11,455**	**0.186%**	**42,620**

Further capital expenditures by Azarga Uranium

Based on the 2015 Dewey-Burdock PEA, capital expenditures for the first phase for the Dewey-Burdock Project are estimated to be US$27.0 million (approximately S$36.6 million).

Based on information available on Azarga Uranium's website in relation to the August 2010 preliminary economic assessment report prepared by SRK Consulting for the Centennial Project, capital expenditures for the initial first phase of the Centennial Project are estimated to be US$71.1 million (approximately S$96.4 million).

The Company's/Powerlite's contribution towards Azarga Uranium's capital expenditures in relation to the above will depend on various factors such as the extent to which the cash flow Azarga Uranium receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company/Powerlite for such expenditures and, to the extent financing is required from the Company/Powerlite, negotiations between the Company/Powerlite and Azarga Uranium.

(iv) Azarga Resources Limited ("**Azarga Resources**")

Azarga Uranium holds 100% of the existing issued share capital of Azarga Resources. Azarga Resources' investments are currently in the exploration and development stage.

Azarga Resources is a private company incorporated in the British Virgin Islands, which holds various uranium investments as described below.

(A) Black Range

Azarga Resources holds an aggregate of 518,372,843 ordinary shares in the capital of Black Range, representing approximately 17.31% of the existing issued share capital of Black Range as at the Latest Practicable Date.

Black Range is a company incorporated in Australia and its shares are listed and quoted for trading on the ASX (ASX Code: BLR). Black Range and its subsidiaries are principally engaged in the development of its Colorado uranium properties and hold interests in uranium and coal projects in the USA.

The directors of Black Range are Alan Scott (Non-Executive Chairman), Michael Haynes (Managing Director & CEO), Benjamin Vallerine (Non-Executive Director) and Joseph LeRoy Havlin (Non-Executive Director). As at the Latest Practicable Date, Black Range has a market capitalisation of approximately A$8.99 million (approximately S$9.47 million) and no shareholder holds 15% or more of its ordinary shares save for Azarga Resources and The Siebels Hard Asset Fund Ltd, who hold 518,372,843 and 512,158,265 ordinary shares respectively in the capital of Black Range, representing approximately 17.31% and 17.10% respectively of the existing issued share capital of Black Range. Save through the Company's shareholding in Powerlite, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Black Range.

(1) Hansen Deposit

Black Range controls 100% of the Hansen/Taylor Ranch Uranium Project in Colorado, United States of America, which hosts Indicated and Inferred Mineral Resources (JORC Code 2012 Edition) of approximately 90.4Mlbs of U_30_8 at a grade of 600ppm (0.06%) U_30_8 (the "**Hansen Deposit**") as announced by Black Range on 23 April 2014. As announced by Black Range on 24 April 2012 and 28 November 2014, based on the scoping study prepared by TREC, Inc. in April 2012 to evaluate the technical feasibility and capital and operating costs to mine the Hansen Deposit, an initial mining operation can be developed at the Hansen Deposit with an estimated capital cost of less than A$80 million (approximately S$84 million) to produce circa 2 million pounds of U_30_8 per annum at an operating cost of approximately $30/lb U_30_8.

During the December quarter in 2014 Black Range completed a fifth water sampling program to determine baseline characteristics of water from five water monitoring wells installed during October/November 2013 immediately adjacent to its Hansen Uranium Deposit in Colorado, USA. Acquisition of baseline data from these wells is essential for streamlining the mine permit and approval process. Black Range has now acquired the five successive sets of quarterly sampling data required before applications for mine permits can be submitted. During the same quarter, Black Range determined that it would be advantageous to undertake trial borehole mining at the Hansen Deposit in advance of submitting mine permit applications. An application was submitted with a view to conducting a borehole mining trial in mid-2015. Additional baseline environmental data monitoring activities continued through the December 2014 quarter in conjunction with preparatory mine permit application work.

(2) Black Range's ablation technology

Black Range holds a 50% interest in Mineral Ablation LLC (the "**Ablation JV**"), a joint venture with Ablation Technologies LLC, whereby the two companies are jointly developing the patented Ablation methodology for application to mineral deposits, particularly uranium deposits. The Ablation process is a low cost, purely physical, method of concentrating uranium mineralisation by applying a grain-size separation process to ore slurries. No chemicals are added in the process, yet very high mineral recoveries can be achieved with considerable mass reduction, facilitating the separation of a high-grade, high-value ore product from a coarse-grained barren "clean sand" product. Extensive testwork has shown that, when applying Ablation to amendable sandstone-hosted uranium ore types, typically more than 90% of the uranium mineralisation can be recovered into 10% to 20% of the initial sample mass.

In order to commercialise the technology, the Ablation JV has been constructing a semi-commercial scale unit, with nominal capacity of 5tph. In the year ended 30 June 2014, multiple tests have been undertaken with the 5tph Unit. Encouraging results have been returned, with up to 94.5% of uranium in the ore samples being separated into the finest size fractions.

In the year ended 30 June 2014, testwork was undertaken for multiple third party owners of uranium deposits that are potentially amenable to Ablation. One such party, GoviEx Uranium Inc., which owns the Madaouela Project in Niger, comprising a series of standstone-hosted uranium deposits that contain NI 43-101 mineral resources of 39.7 Mt at 0.14% eU_3O_8 for a total of 122.3 million lbs of U_3O_8, has publically stated that its preferred development plan for the Madaouela Project includes the use of Ablation. Discussions continue with a number of third parties, who have expressed interest in utilising Ablation at commercial scales.

(3) Financing to Black Range by Azarga Resources

On 27 February 2014, Black Range announced that in order to secure its interim working capital requirements, it had entered into a new convertible loan facility (the "**Black Range Working Capital Facility**") of up to A$2 million (approximately S$2 million) with a minimum draw down of A$1 million (approximately S$1 million). The term of the loan is 12 months and subject to shareholder approval.

i. Azarga Resources may convert the applicable redemption amount to shares at any time up to the maturity date at a conversion price of the higher of the VWAP of Black Range shares traded on the ASX during the three month period immediately following the date of the first advance or A$0.007; and

ii. Black Range will be deemed to have elected to convert any outstanding redemption amount to shares on the maturity date.

In addition, provided Azarga Resources maintains voting power in at least 35% of Black Range calculated on a fully diluted basis, that is assuming all outstanding convertible loans are converted to equity at the minimum applicable conversion prices, then it will be entitled to nominate up to two board members. This right is subject to Azarga Resources' nominees not representing 50% or more of the total board members whilst its voting power in Black Range is less than 50%.

As announced on 19 June 2014, approximately A$1.54 million (approximately S$1.62 million) remains undrawn under the Black Range Working Capital Facility.

As at 30 June 2014, the outstanding loan balance under the Black Range Working Capital Facility was A$493,877 (approximately S$520,596) (inclusive of redemption premium of A$33,877) (approximately S$35,710).

On 30 January 2015, Black Range announced that it had received a takeover offer from Western Uranium Corporation ("**Western Uranium**") for 100% of Black Range's shares. Pursuant to the proposed offer, Black Range shareholders will receive 1 Western Uranium share for every 750 Black Range shares. As part of the proposed takeover, Western Uranium is providing Black Range with a A$0.75 million (approximately S$0.79 million) loan facility, a portion of which will be used on closing to pay back half of the Black Range Working Capital Facility.

Further capital expenditures by Black Range

Based on Black Range's Annual Report dated 30 June 2014, Black Range will require further capital expenditures of around US$73.52 million (approximately S$99.72 million) for the development of the Hansen Deposit, which includes underground borehole mining slurry handling, ablation, material handling, water treatment, infrastructure, engineering and installation.

The Group's contribution towards Black Range's capital expenditures in relation to the above will depend on various factors such as the extent to which the cash flow Black Range receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Group for such expenditures and, to the extent financing is required from the Group, negotiations between the Group and Black Range.

(B) UrAsia in Kyrgyzstan LLC

Azarga Resources holds an 80.0% equity interest in UrAsia in Kyrgyzstan LLC ("**UrAsia**"). The uranium and rare earth deposits and prospects of the Kyzyl Ompul Licence, which is 100% owned and operated by UrAsia, is located in the Kyrgyz Republic, approximately 125 km east of Bishkek and about 20 km by road from the regional city of Balykchy. The project is contained within the Kyzyl Ompul massif in the Kochkor region of Naryn Oblast and the Issyk-Kul region of Issyk-Kul Oblast and consists of one exploration license of 2852MR with an area of 42,379 hectares (423.79km^2). The license is valid until 31 December 2015 and permits exploration for uranium, thorium, iron, titanium, phosphate, rare earth elements and feldspar.

Save through the Company's shareholding in Powerlite, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of UrAsia.

A NI 43-101-compliant "Technical Report on the Kyzyl Ompul Licence, Kyrgyz Republic" dated 14 April 2014 (the "**Kyzyl Report**") was prepared by Ravensgate Mining Industry Consultants for Azarga Uranium, Azarga Resources and UrAsia. The Kyzyl Report was announced by Azarga Uranium on the System for Electronic Document Analysis and Retrieval on 13 May 2014.

The Kyzyl Ompul Licence is held by UrAsia, with the most advanced uranium prospect identified termed "Kok Moinok". The Kyzyl Report provides the following estimate of the mineral resource at Kok Moinok:

Kok Moinok – Mineral Resource Estimates (using Lower Cut-Off of 100ppm U_3O_8) – Effective date: December 2013								
Kok Moinok	Cut off	Measured + Indicated		Inferred		Total Resources		Contained U_3O_8 (million pounds)
		Tonnes (Mt)	U_3O_8 (ppm)	Tonnes (Mt)	U_3O_8 (ppm)	Tonnes (Mt)	U_3O_8 (ppm)	
Current Ravensgate Model	100 ppm (U_3O_8)	–	–	15.13	225.2	15.13	225.2	7.51

Note: A conversion factor of 2.20462 was utilised to derive contained U_3O_8 in pounds.

The Kyzyl Report goes on to state as follows:

"*An assessment was made of two Exploration target zones identified at Kok Moinok, which were based on historic Soviet Era drilling data. This historic drilling is not immediately verifiable, and therefore downgrades the relative confidence of any estimates carried out for target reporting purposes and as per the NI 43-101 guidelines the estimates should be viewed as a conceptual assessment only. In addition, these areas are sparsely drilled, making it difficult to define the likely final volumes which can be estimated for mineralised material that is present in these areas. Ravensgate has used initial assumptions of mineralisation extent based on a relatively conservative half average drill-section spacing to help construct some mineralised zone wire-frame volumes.*"

Please refer to the table below for the details.

Kok Moinok – Exploration Target Area Estimates (using Lower Cut-Off of 100ppm U_3O_8)			
Target Zone	BCM Range	Tonnes Range	Grade Range U_3O_8 ppm
ZoneA = 2	960,000 – 1,600,000	2,400,000 – 4,150,000	180 – 350
ZoneA = 3	990,000 – 1,650,000	2,480,000 – 4,300,000	180 – 350
Total	1,950,000 – 3,250,000	4,880,000 – 8,450,000	180 – 350

Note: A range of bulk densities were used from 2.5 to 2.6 t/m^3.

Financing to UrAsia by Azarga Resources

On 27 July 2012, Azarga Resources entered into a loan agreement with UrAsia (the "**UrAsia First Loan Agreement**"), whereby Azarga Resources agreed to advance to UrAsia an aggregate amount of not less than US$1.80 million (approximately S$2.44 million). UrAsia may draw the loan in one or more drawdowns during a 48 month period commencing on the date of the agreement. The interest rate is 0% per annum. If UrAsia fails to make payment when due of any sum under the loan agreement, UrAsia shall pay interest on the unpaid amount at the rate of 5% per annum, payable on demand. The loan shall be repaid in 36 equal installments every month. The first installment shall be paid on the 25th anniversary after the date of the initial drawdown. The term of the loan agreement shall end on the later of: (i) the 25th anniversary of the date of the first drawdown; (ii) the date of termination of all of Azarga Resources'

obligations to make the loan under the loan agreement; and (iii) upon payment in full of all principal, interest and other sums payable by UrAsia under the loan agreement.

On 27 July 2012, Azarga Resources also entered into a second loan agreement in relation to the total outstanding balance of US$6.81 million (approximately S$9.24 million) owed by UrAsia to Azarga Resources pursuant to (i) an assignment agreement with UrAsia and Diuishenaly Rakhimovich Kasenov whereby UrAsia's total indebtedness payable to Kasenov of US$11.88 million (approximately S$16.11 million) was assigned by Kasenov to Azarga Resources; and (ii) a debt forgiveness agreement between Azarga Resources and UrAsia for the partial termination of UrAsia's obligations in the amount of US$5.08 million (approximately S$6.89 million). The terms of this second loan agreement are similar to that of the UrAsia First Loan Agreement described above.

(C) Anatolia

As at the Latest Practicable Date, Azarga Resources holds a 11.33% stake in Anatolia Energy Limited ("**Anatolia**"), whose shares are listed and quoted for trading on the ASX (ASX Code: AEK). Anatolia is a uranium exploration company holding an extensive portfolio of exploration licenses with accelerated exploration programs in the Republic of Turkey.

The directors of Anatolia are Dr Hikmet Akin (Non-Executive Chairman), Robert Annett (Non-Executive Director), Paul Cronin (CEO and Managing Director) and Patrick Burke (Non-Executive Director). As at the Latest Practicable Date, Anatolia has a market capitalisation of approximately A$24.47 million (approximately S$25.79 million) and no shareholder holds 15% or more of its ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Anatolia.

(1) The Temrezli Project

Anatolia's strategy is geared towards becoming a key explorer and miner in Turkey's uranium sector. Its current focus is on the exploration and development of a detailed well-field plan for its in-situ recovery ("**ISR**") mine at the Temrezli uranium project in Central Turkey ("**Temrezli Project**"), which is located in one of the most significant and richest uranium districts in Turkey. In October 2013, Anatolia was granted an operation license from the Turkish Government for the Temrezli Project which is valid for a minimum of 10 years. This is the Turkish equivalent of a mining license and it secures Anatolia's long-term tenure at Temrezli. The licence will enable Anatolia to construct the ISR well field and processing plant upon issue of an operation permit, typically granted within 14 days of application. The application for an operation permit will occur shortly after the submission of the Environmental and Social Impact Assessment ("**ESIA**") and will follow the granting of the relevant property and business permits.

In May 2014, the results of the resource drilling and the hydrogeological drilling (as part of a pre-feasibility study and the ESIA) enabled Anatolia to update both its Mineral Resource estimate

and preliminary economic assessment. The updated Mineral Resource was prepared by CSA Global in accordance with the JORC Code 2012 Edition as shown in the following table:

Category	Tonnes (kt)	Average Grade (ppm eU_3O_8)	Resource (lb eU_3O_8)
Measured	2,008	1,378	6,100,000
Indicated	2,178	1,080	5,185,000
Inferred	1,020	888	1,997,000
Total	**5,206**	**1,157**	**13,282,000**
Cut-off Grade of 200 ppm eU_3O_8			

On 18 August 2014, Anatolia announced a number of significant high grade eU_3O_8 values from its recent and on-going drilling program of resource holes and hydrogeological wells at the Temrezli Project. The holes were intended to increase the understanding of the existing resource, and to facilitate and refine well field planning. The results included the highest grade intercept of 0.8m at 11,400 ppm eU_3O_8 from 182.7 m in TUR100 whilst encouraging well yields were observed during the construction of the hydrogeological wells.

On 27 August 2014, Anatolia announced that it had received commitments to raise A$6.0 million (before costs) (approximately S$6.3 million) through the issue of up to 75 million shares at A$0.08 per share, with one for two attaching options exercisable at A$0.12 per share (the "**Anatolia Placement**"). Funds raised from the Anatolia Placement will be applied to complete the pre-feasibility study and Environment Impact Assessment in respect of the Temrezli Project and for general working capital purposes.

On 30 January 2015, Anatolia announced that its hydrogeological drilling and pumping test work which commenced late in the fourth quarter of 2014 returned very encouraging results. The hydrogeological work represents some of the final components to the Temrezli Project pre-feasibility study. Anatolia also announced that it had completed an extensive background radiation monitoring program, which is in support of the larger ESIA being conducted simultaneously by SRK (Turkey) that will be completed and submitted to the Turkish permitting agency, in support of the grant of Anatolia's operating permit. Concurrently, Anatolia commenced its baseline social impact assessment as part of the ESIA.

(2) The Sefaatli Satellite Project

Anatolia also completed a short program of rotary drilling at its Sefaatli Satellite Project ("**Sefaatli**") which comprises two prospects, Deliler and Tulu Tepe. These lie within a NE-SW corridor of some 12 km in length where limited drilling in the 1980s intersected discontinuous uranium mineralisation. Given the proximity of Sefaatli to Temrezli, there is strong potential for Sefaatli to evolve into a satellite operation that supplements the planned development of Temrezli. Previous drilling by Anatolia at Sefaatli was reported to the

ASX on 20 December 2013, and all holes intersected uranium mineralisation at depths ranging between 20 m and 133 m, with most holes intersecting two or more lenses, and one hole up to five stacked lenses. On 30 January 2015, Anatolia announced that two rigs were mobilised to the Sefaatli Satellite Project site in October 2014 to undertake a combination of both in-fill and step-out drilling at the Deliler and Tulu Tepe prospects. Phase 1 drilling was focused on areas where previous drilling in the 1980s intersected widespread uranium mineralisation open in all directions. Drilling was a combination of diamond core and rotary methods, on approximately 100 x 100 m drill spacing (east-west), for 50 holes and a drill advance of 5,664 m.

On 9 February 2015, Anatolia announced that the Phrase 2 drilling at the Deliler and Tulu Tepe prospects will commence in March 2015 for a minimum of 40 holes advancing over 7,000 m.

Approximately A$1.5 million (approximately S$1.6 million) from the Anatolia Placement has been allocated for drilling at the Sefaatli Satellite Project.

(3) Anatolia Put Option Agreement

On 13 August 2014, Anatolia entered into an agreement with Azarga Resources to amend the put option agreement made between the two parties in September 2013 (the "**Anatolia Put Option Agreement**"). Under the terms of the amended Anatolia Put Option Agreement, Azarga Resources will pay A$375,000 (approximately S$395,288) to Anatolia in consideration for substituting the put option arrangement under the Anatolia Put Option Agreement for a call option arrangement that will see Azarga Resources subscribe for call options of over 8.3 million shares in Anatolia at A$0.08 per share, maturing 31 March 2015. As at 13 August 2014, Anatolia has received the A$375,000. On 28 February 2014, Azarga Resources had subscribed to A$1 million (approximately S$1 million) at A$0.12 per share under the original Anatolia Put Option Agreement, increasing its shareholding in Anatolia to 15.1% as at 28 February 2014.

(4) Further capital expenditures by Anatolia

Based on the updated Preliminary Economic Assessment in Anatolia's Annual Financial Report for the year ended 30 June 2014 for Temrezli, upfront capital expenditures are estimated to be US$30.2 million (approximately S$41.0 million).

The Group's contribution towards Anatolia's capital expenditures in relation to the above will depend on various factors such as the extent to which the cash flow Anatolia receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Group for such expenditures and, to the extent financing is required from the Group, negotiations between the Group and Anatolia.

(d) Company's Investments in Powerlite/Azarga Resources

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Powerlite/Azarga Resources comprise the following:

(i) Powerlite Acquisition: approximately US$7.88 million (approximately S$10.00 million)

(ii) Powerlite Loans: up to US$26.0 million (approximately S$33.6 million)

The Powerlite Loans are provided to Powerlite from the Company so as to fulfil the obligation of Powerlite whenever Azarga Resources draws down on the Azarga Resources Facility (as defined below).

The investment in Powerlite/Azarga Resources was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the Powerlite Acquisition, the then-board of directors of the Company was of the opinion that the investment in Powerlite/Azarga Resources was made in furtherance of the Group's strategy of actively pursuing new investment opportunities in the mineral and energy resource sector to enhance Shareholders' value. The Powerlite Acquisition reinforced the Company's long term goal to become a multi-resources company through partnerships with industry experts. As part of this process, the Company had identified what it believed was an opportunity to acquire a company that was making investments in the global uranium space and already had exposure to projects in the US and in Kyrgyzstan. The Company saw potential in the uranium assets held by Azarga Resources, in particular, Black Range's joint venture with Ablation Technologies LLC for the proprietary uranium processing technology known as Ablation, which the Company believed would generate strong returns in the long run.

(i) Powerlite Acquisition

On 17 July 2013, the Company entered into a conditional sale and purchase agreement ("**Powerlite SPA**") with Mr. Lee Chai Huat to acquire 100 ordinary shares in Powerlite (the "**Powerlite Acquisition**") representing the entire issued and paid up share capital of Powerlite.

The Powerlite Acquisition was completed on 23 July 2013 for an aggregate cash consideration of US$7.88 million (the "**Powerlite Consideration**") (approximately S$10.00 million). The Powerlite Consideration was satisfied by the transfer of certain of the Group's financial assets.

As an investment holding company, the total operating costs and expenses of Powerlite is negligible.

(ii) Powerlite Loans

The Company intends to provide loans of up to US$26.0 million (approximately S$33.6 million) to Powerlite (the "**Powerlite Loans**"), so as to allow Powerlite to fulfill its obligations whenever Azarga Resources draws down on the Azarga Resources Facility during the Azarga Resources Facility Period. Details of the Company's investments in relation to Azarga Resources are set out in **Section 2.5.3(c)(iv)** of this Circular.

As at the Latest Practicable Date, US$18.00 million (approximately S$22.71 million) has been drawn down by Powerlite on the Powerlite Loans.

(iii) Azarga Resources Facility

On 22 May 2013, Powerlite entered into a convertible note deed with Azarga Resources (the "**Azarga Resources Convertible Note Deed**") pursuant to which Powerlite agreed to make available to Azarga Resources a facility for the sum of up to US$15.00 million (approximately S$20.35 million) (the "**Azarga Resources Facility**") for the period up till 22 May 2023 (the "**Azarga Resources Facility Period**"). Following amendments to the Azarga Resources Convertible Note Deed on 28 August 2013 and 28 February 2014, the Azarga Resources Facility has been increased to US$26.00 million (approximately S$33.56 million). The Azarga Resources Facility is subject to draw down by Azarga Resources. The additional Azarga Resources Facility of US$5.0 million (approximately S$6.8 million) is only available for draw down in the year 2015 and may only be undertaken subject to mutual agreement between Powerlite and Azarga Resources.

The convertible notes, when issued by Azarga Resources to Powerlite following the draw down of the Azarga Resources Facility, shall, in due course, be converted into ordinary shares of Azarga Resources ("**Azarga Resources Shares**") at the price of US$0.50 (approximately S$0.68) for each Azarga Share.

As announced on 11 September 2014, as a result of the conversion of convertible notes with aggregate value of US$19.1 million (approximately S$24.3 million), Powerlite was issued 38,212,493 Azarga Resources Shares, representing approximately 43.08% of the total issued share capital of Azarga Resources as at the date of allotment.

As at the Latest Practicable Date, US$18.0 million (approximately S$22.7 million) has been drawn down by Azarga Resources from the Azarga Resources Facility. On completion of the Azarga Reverse Takeover, Azarga Uranium has assumed Azarga Resources' obligations under the Azarga Resources Facility. Assuming the Azarga Resources Facility had been fully drawn down and converted on the Latest Practicable Date at a conversion price of US$0.50 for each Azarga Resources share and exchanged for Azarga Uranium shares on an exchange ratio of 3.65 Azarga Uranium shares for each Azarga Resources share and consolidated on the basis of one post-consolidation Azarga Uranium share for 10 pre-consolidation Azarga Uranium shares, Powerlite will hold a total of 23,893,810 ordinary shares in the capital of Azarga Uranium, representing approximately 36.62% of the enlarged issue share capital of Azarga Uranium.

(e) Introducer

The opportunity to participate in the Powerlite Acquisition was procured by Mr. Neo Kim Hock and Mr. James Hong Gee Ho, former directors of the Company. Mr. Neo and Mr. Hong did not have any interest in Powerlite when the introduction was made. No remuneration or commission was paid or will be payable by the Company to them in connection with the introduction.

2.5.4 **Copper-silver-lead-zinc Assets in Australia – Kidman Resources Limited**

(a) Corporate Information of Kidman

Kidman is a company incorporated in Australia whose shares are listed and quoted for trading on the ASX (ASX Code: KDR). Kidman has copper-silver-lead-zinc assets in Australia.

The directors of Kidman are Garrick Higgins (Non-Executive Chairman), Brad Evans (Non-Executive Director) and Martin Donohue (Managing Director). As at the Latest Practicable Date, Kidman has a market capitalisation of approximately A$7.18 million (approximately S$7.56 million) and no shareholder holds 15% or more of its ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Kidman.

(b) Mineral and Energy Resources Portfolio

Kidman's flagship projects are the 100%-owned Brown's Reef base metal project and the 100%-owned Home of Bullion Project. Kidman is currently in the exploration stage.

(i) Home of Bullion Project

In July 2014, Kidman announced a maiden resource estimate for its Home of Bullion Project located in the Northern Territory of Australia at Barrow Creek. Kidman commissioned SRK Consulting to complete the resource estimate based on drilling completed up to December 2013. No further drilling has as yet been undertaken this year and the resource remains open on the Main Lower Lode and Southern Lode. At present the Project has been assessed to have an inferred polymetallic deposit of:

- 2.5MT @ 1.8% Cu, 2% Zn, 36 g/t Ag, 1.2% Pb, 0.14 g/t Au at 0.5% CuEq6 cut off (2.8% CuEq6).

(ii) Brown's Reef Project

In March 2014, Kidman acquired the Brown's Reef Project, a base metal deposit containing lead-zinc-copper-silver and gold, located 5km west of Lake Cargelligo, New South Wales, Australia. Kidman also entered into two joint venture agreements with neighbouring tenements which surround the Brown's Reef Project. Diamond drilling results reported by Kidman on 30 September 2014 include:

- **BRD01** 10.10m @ 6.92% Zn, 2.82% Pb, 0.34% Cu, 24 g/t Ag from 258m within a 41.1m intersection @ 2.81% Zn, 1.36% Pb, 0.17% Cu, 10.06 g/t Ag from 243m;

- **BRD002** 19m @ 3.54% Zn, 1.79% Pb, 0.21% Cu, 16.75 g/t Ag from 268m within a 136m intersection @ 1.67% Zn, 0.87% Pb, 0.14% Cu, 7.52 g/t Ag from 244m; and

- **BR0018** 6m @ 11.36% Zn, 4.8% Pb, 1.23% Cu, 74.17 g/t Ag from 368m within a 58m @ 2.0% Zn, 0.93% Pb, 0.42% Cu, 18.9 g/t Ag from 316m.

Other significant historical drill intercepts at the Brown's Reef Project include:

- 45.3m @ 1.71% Pb, 3% Zn, 0.1% Cu, 8g/t Ag from 291m (BR002) including 20m @ 2.77% Pb, 4.95% Zn, 0.16% Cu, 14g/t Ag from 302m.

Drilling results announced on 30 January 2015 at the Brown's Reef Project include:

- **BRD011** 129m @ 5.04 g/t Ag from 362 m internally; 7m @ 3.02% Zn, 0.69% Pb, 0.4% Cu, 18 g/t Ag from 447m within 39m @ 1.6% Zn, 0.56% Pb, 0.17% Cu, 10.5g/t Ag from 424m; 7m @ 1.3% Zn, 0.5% Pb, 0.1% Cu, 6.6 g/t Ag from 479m;

- **BRD012** 99m @ 0.8% Zn, 0.4% Pb, 4.87 g/t Ag from 299m including; 10m @ 1.84% Zn, 0.9% Pb, 6.91g/t Ag from 299m; and 13m @ 1.24% Zn, 0.62% Pb, 4.17g/t Ag from 356m; with 3m @ 1.9% Zn, 0.87% Pb, 0.4% Cu, 31.25 g/t Ag from 211m; and

- **BR013** 8.4m @ 4.7% Zn, 1.93% Pb, 0.44% Cu, 18.7 g/t Ag and 0.5 g/t Ag from 299.8m within 20m @ 9.3 g/t Ag, 2.2% Zn, 0.9% Pb, 0.23% Cu, 0.25 g/t Au from 294m.

During the December 2014 quarter Kidman announced that an updated exploration target consisting of 27 to 37 Mt grading at 1.3-1.4% Zn, 0.6-0.7% Pb, 9-10g/t Ag and 0.2-0.3% Cu was modelled. The exploration target modelling was undertaken by Geos Mining's Senior Consultant, Llyle Sawyer.

Kidman announced on 30 January 2015 that during the December 2014 quarter, Kidman focused its resources and attention on the completion of its first exploration programme at the Cobar belt at the Brown's Reef Project. Kidman completed 1,748 m of diamond drilling during the December 2014 quarter (7,154.2 m for the entire programme).

(iii) Further capital expenditures by Kidman

Based on information provided by Kidman, as Kidman is an exploration company and it has not completed any type of scoping or feasibility study and accordingly, it is unable to provide estimates as to what the future capital expenditure requirements are to bring it to the production stage, which is estimated to be at least 3-5 years away. The Company's contribution towards Kidman's capital expenditures will depend on various factors such as the extent to which the cash flow Kidman receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and Kidman.

(c) Company's Investments in Kidman – Kidman Share Subscription

As at the Latest Practicable Date, the total amount invested and to be invested in relation to Kidman comprises approximately A$2.60 million (approximately S$3.07 million) pursuant to the Kidman Share Subscription (as defined below).

The proceeds of the Kidman Share Subscription are intended to be applied towards the planned drilling and detailed engineering plans for Kidman's Home of Bullion Project.

The investment in Kidman was unanimously approved by the board of directors of the Company at the time of investment. It was made by the Company in its continuing search for new investment opportunities in the mineral and energy resources sector and marked the Company's first investment in the copper segment. As at the date of the announcement of the Kidman Share Subscription, the then-board of directors of the Company was of the opinion that the investment in Kidman was in line with the Company's strategy to become a company with multiple and diversified mineral and energy resources assets.

(i) Kidman Share Subscription

On 13 August 2013, the Company entered into a conditional placement letter with Kidman (the "**Kidman Placement Letter**") pursuant to which the Company agreed to subscribe (the "**Kidman Share Subscription**") for 11,300,000 new Kidman ordinary shares.

The Kidman Share Subscription was completed on 20 August 2013 for an aggregate subscription consideration of approximately A$2.60 million (approximately S$3.07 million). The Company was allotted 11,300,000 Kidman ordinary shares representing approximately 10.70% (as at the date of allotment) and 9.45% (as at the Latest Practicable Date) of the total issued share capital of Kidman. The placement price for each new Kidman ordinary share was A$0.23 (approximately S$0.27). The Kidman Share Subscription consideration was fully satisfied in cash and borrowings, funded from the internal resources of the Group.

(d) Introducer

The opportunity to participate in the Kidman Share Subscription was procured by Mr. James Hong Gee Ho, a former director of the Company. Mr. Hong did not have any interest in Kidman when the introduction was made. No remuneration or commission was paid or will be payable by the Company to him in connection with the introduction.

2.5.5 **Copper Assets (Global) – Blumont Copper**

(a) Corporate Information of Blumont Copper

Blumont Copper is a wholly-owned subsidiary of the Company, incorporated in Singapore on 18 September 2013. The principal activities of Blumont Copper are investment holding and copper mining. As at the Latest Practicable Date, Blumont Copper's sole investment is in DML.

The sole director of Blumont Copper is Ng Kim Huatt, the Company's Executive Director. Save as disclosed above, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Blumont Copper.

(b) Corporate Information of DML

Blumont Copper holds approximately 64,714,633 ordinary shares in the capital of DML representing approximately 10.05% of the existing issued share capital of DML as at the Latest Practicable Date.

DML is a copper exploration and production company incorporated in Australia and dual listed on the ASX (ASX Code: DML) and Botswana Stock Exchange (BSE Code: DML).

The directors of DML are Jeremy Read (Non-Executive Chairman), Robert (Bob) Fulker (Managing Director and CEO) and Royston Denysschen (Non-Executive Director). As at the Latest Practicable Date, DML has a market capitalisation of approximately A$24.47 million (approximately S$25.80 million) and save for the Transamine Group[13] which holds an aggregate 18.61% of the existing issued share capital of DML, no shareholder holds 15% or more of its ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or the Controlling Shareholders of DML.

(c) Mineral and Energy Resources Portfolio

As at the Latest Practicable Date, Blumont Copper's sole investment is in DML. DML is currently in the exploration and production stages. It is focused on the emerging Kalahari Copper Belt in north-west Botswana and is a copper producer with its 100% owned Boseto Copper Project. DML has prospecting licences covering approximately 26,150 square kilometres in Botswana.

(i) Kalahari Copper Belt

In October 2014, DML reported updated Mineral Resources and Ore Reserves estimates for all of its deposits in the Kalahari Copper Belt, completed by the independent consultants, Quantitative Group, Xstract and Mining Plus in accordance with the JORC Code 2012 Edition. The Kalahari Copper Belt Mineral Resources estimates are shown in the table below.

Mineral Resources	2014 Estimate		
	Mt	Cu (%)	Ag (g/t)
Plutus(1)	81.7	1.31	13
Zeta(1)	18.9	1.54	25
Total Boseto Copper Project	**100.6**	**1.35**	**15**
Selene(2)	16.0	1.0	16
Zeta NE(1)	11.6	1.48	28
Ophion(2)	14.0	1.0	12
NE Mango 1(2)	4.8	1.2	13
NE Mango 2(2)	28.5	1.3	14
Total Kalahari Copper Belt Mineral Resources(3)	**175.5**	**1.3**	**15**

Notes:

(1) Mineral Resources are reported as at 30 June 2014 and exclude all mining depletion to that date. The 2014 Plutus, Zeta and Zeta Open NE Pit Mineral Resources are reported at cut-off grades of 0.5% Cu in fresh rock, 0.7% Cu in transitional material, and 1.0% Cu in oxide; Underground Mineral Resources are reported above a cut-off grade of 1.08% Cu equivalent (CuEq%), where CuEq% = Cu% + 0.008546 x Ag(g/t)) and a 4m minimum mining width. 2014 Plutus, Zeta and Zeta NE Open Pit Mineral Resources are constrained within a pit optimisation run at 1.5 times the Ore Reserves commodity price. Underground Mineral Resources are constrained within the limits of geological interpretation.

[13] The Transamine Group comprises (1) Transamine Trading S.A. (a body incorporated in Switzerland); (2) Transaminvest S.A. (a body incorporated in Belgium); (3) Helga Schmidt (a resident of Switzerland); (4) Jean Pierre Adamian (a resident of Switzerland); and (5) Alexis Adamian (a resident of Switzerland).

(2) 2014 Mineral Resources estimates are reported as of 31 May 2013 at a cut-off grade of 0.6% Cu and exclude oxide material.

(3) Please refer to the Competent Persons Statements in the ASX announcement dated 14 October 2014. The Mineral Resources reported include any Ore Reserves declared for these Deposits.

In September 2014, DML announced that for the first quarter of the financial year ending 30 June 2014 the material (waste plus ore) mined from the Boseto Copper Project amounted to 9.31 Mt, and concentrate production was 15,000 tonnes, a 3.3% increase and 19.8% increase, respectively, over the previous quarter, with 6,428 tonnes of copper in concentrate and 238,563 ounces of silver in concentrate produced during the quarter. The recoveries of copper and silver from the milling completed during this quarter were generally consistent with predictions. Contained copper production was 20% higher and contained silver metal production was 41% higher than the previous quarter, as a result of the higher throughput and recoveries from all ore types, increased volume of clean ore delivered to ROM from lower benches of both Zeta and Plutus Stage 2.

Final evaluation of the tender submissions received in the quarter ended 30 June 2014 for the provision of mining services for the Zeta Underground Mine Project was completed in the quarter ended 30 September 2014. A preferred tenderer has been selected and discussions are in progress on finalising contract documentation in preparation for an award of the mining services contract.

Further technical work was completed on the proposed Zeta Underground Mine Project including geotechnical analysis, updating of the subsidence modelling and refinement of the ventilation design and management plan. As announced by DML on 3 February 2015, DML has continued with internal works on optimising the 2014 feasibility study for the Zeta Underground Mine Project.

On 17 December 2014, DML announced the results of a comprehensive review of its open-pit copper mining and processing operations at the Boseto Copper Project. The review determined that the prevailing high strip ratio open pits result in a high cost operating environment which is not sufficiently cash-flow positive in light of the prevailing copper price. DML immediately moved the focus of the Boseto Copper Project to a "Completion of Current Pits" style operation which is to maximise all available revenues and cash generation, available from the operation, and to minimise all expenditure outlays across all areas of DML's current expenditures (site operating, corporate, exploration and business development). DML announced on 3 February 2015 that it will continue to pursue this plan of placing the current open-pit operations at the Boseto Copper Project into "care and maintenance" by 30 June 2015 and simultaneously will be actively pursuing the commencement of development of the Zeta Underground Mine Project.

(ii) Further capital expenditures by DML

The Boseto Copper Project is already in the production stage and no additional capital expenditures are required to bring the Boseto Copper Project into the production stage.

In relation to the Zeta Underground Mine Project, on 27 November 2014, DML announced that at metal price assumptions of US$3.18/lb Cu and US$20/oz Ag, its economic evaluation showed, amongst others, total capital expenditure to

first stop ore production of US$5.9 million (6 months after commencement); total capital expenditure to first positive cash flow (2.25 years after commencement) of US$34.7 million; and total capital expenditure to cash flow payback of US$69.7 million (4 years after commencement).

On 9 February 2015, DML announced the signing of a binding memorandum of understanding with Castlepines Global Equities Limited ("**Castlepines**"), pursuant to which Castlepines will invest US$110 million in DML's wholly owned subsidiary Discovery Copper (Botswana) (Proprietary) Limited ("**DCB**") to acquire a 45% interest in DCB under a coupon-based financing arrangement. This investment is intended to be utilised by DML and DCB for, amongst others, investment in required capital expenditure to facilitate the required development of planned underground mining operations at the Boseto Copper Project.

The Company's contribution towards DML's capital expenditures will depend on various factors such as the extent to which the cash flow DML receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and DML.

(d) Company's Investments in Blumont Copper/DML

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Blumont Copper/DML comprise the following:

(i) Blumont Copper Share Subscription: US$100.0 (approximately S$127.30)

(ii) DML Share Subscription: approximately A$7.77 million (approximately S$9.22 million)

The objective of the DML Share Subscription is to recapitalize DML. Under the terms of the DML Share Subscription Agreement, DML is to apply the proceeds from the DML Share Subscription for development, exploration and working capital purposes.

The investment in Blumont Copper/DML was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the DML Share Subscription, DML had been identified as a potential investment for the following reasons:

- DML had spent more than A$400m developing its copper project through the exploration, resource definition, engineering, construction and commissioning phases. The Boseto Copper Project had been constructed and operations had commenced, and the business was producing copper (albeit below expectations). Accordingly, the project risk had been reduced and the business could move forward from its current status with greater certainty.

- DML had released an upgraded resource statement of over 170Mt averaging between 1.3% and 1.4% copper (as announced by DML on 22 July 2013).

- The Boseto Copper Project mineral resource provides for sufficient feedstock for a long life (more than 10 years') operation, producing tonnages of copper consistent with previous studies.

- Due to slower than expected commissioning and some initial grade and recovery issues DML underperformed and as such lost the momentum it had

previously enjoyed. There are opportunities for the performance of the operations and business to be improved from its current unsatisfactory levels, and for the value of the Boseto Copper Project to be consequently improved.

- The DML Share Subscription price represented acceptable value considering DML's performance and recent resources re-statement, and was significantly below the previous 12 months' levels. Areas to increase the mining reserve, production and reduce operating costs had been identified by the Company's joint venture partners.

- The investment in DML represented an opportunity to leverage on its existing operations and production at the Boseto Copper Project to rapidly gain access into the mineral and energy resource assets sector, a sector that the Company had been investing in since December 2012. The location of the project in Botswana, which had been rated as the most stable and investment friendly countries in Africa, significantly reduces risks for the Company.

- With the reduced debt burden as a result of the DML Share Subscription, and additional working capital, DML would be well positioned to generate improved performance in the future as improvement projects are implemented.

(i) Blumont Copper Share Subscription

Blumont Copper was incorporated on 18 September 2013 with an issued and paid up capital of US$100 of 100 ordinary shares at US$1.00 each. An aggregate of 15% of the issued and paid-up capital of Blumont Copper was initially held by five investors, namely Aristo Jet Capital Ltd, Cartier Peaks Investments Ltd, Celtic Stars Capital Ltd, Greenvale Asia Limited and Indigo Pearl Capital Ltd (collectively, the "**Blumont Copper Investors**"), whilst the Company held an 85% stake (the "**Blumont Copper Incorporation**").

On 18 July 2014, the Company acquired 15 ordinary shares in Blumont Copper from the Blumont Copper Investors, representing all the Blumont Copper shares that it did not already own, for an aggregate consideration of US$15.00 (approximately S$19.10) (together with Blumont Copper Incorporation, the "**Blumont Copper Share Subscription**"). The net book value and net tangible liabilities value of the Blumont Copper Shares acquired are both approximately US$1.0 million (approximately S$1.25 million) as at 30 June 2014.

The Blumont Copper Share Subscription was satisfied in cash, funded from the internal resources of the Company.

As at the Latest Practicable Date, the Company has made a loan of S$10.22 million to Blumont Copper, of which approximately S$9.22 million was used to fund the DML Share Subscription. The balance of the loan amount was used to fund Blumont Copper's expenditures in connection with due diligence and various other operational matters.

(ii) DML Share Subscription

On 19 September 2013, the Company entered into a conditional binding term sheet and a share subscription agreement (the "**DML Share Subscription Agreement**") with DML to subscribe for 73,047,967 new DML ordinary shares (the "**DML Share Subscription**").

The DML Share Subscription was completed on 25 September 2013 for an aggregate subscription consideration of approximately A$7.77 million (approximately S$9.22 million). 64,714,633 new DML ordinary shares were allotted and issued to Blumont Copper, representing approximately 11.56% (as at the date of allotment) and 10.05% (as at the Latest Practicable Date) of the total issued share capital of DML. The DML Share Subscription consideration was satisfied entirely in cash by the Company by borrowings. Morgan Stanley Australia Limited acted as financial adviser to the Company in respect of the DML Share Subscription.

In addition, Mr. Russell Luxford (a nominee of Blumont Copper) was also appointed as a non-executive director of DML, a position from which Mr. Luxford has resigned with effect from 16 December 2014.

(e) Introducer

The opportunity to participate in the DML Share Subscription was procured by Mr. Neo Kim Hock, a former director of the Company. Mr. Neo did not have any interest in DML when the introduction was made. Save for the fees payable by DML to Jett Capital Advisors LLC, the exclusive placement agent for DML (as described below), no remuneration or commission was paid or will be payable by the Company to him in connection with the introduction.

2.5.6 **Gold, iron, manganese, uranium and copper-silver-zinc assets in Macedonia and Australia – Genesis Resources Limited**

(a) Corporate Information of Genesis

Please refer to **Section 3.2** of this Circular below for more information about Genesis.

(b) Mineral and Energy Resources Portfolio

Genesis is currently in the exploration stage and is focused on the Plavica Project in the Republic of Macedonia (the "**Plavica Project**"). More details on the Plavica Project and the other exploration projects of Genesis can be found at **Sections 3.2.4** and **3.2.5** of this Circular.

(c) Company's Investments in Genesis

As at the Latest Practicable Date, the total amount invested and to be invested in relation to Genesis comprises approximately S$41.11 million pursuant to the Proposed Genesis Acquisition.

The Proposed Genesis Acquisition constitutes a "major transaction" within the meaning of Chapter 10 of the Listing Manual. As such, it is conditional upon the approval of Shareholders being obtained at the EGM to be convened. Please refer to **Section 3.1** for a brief overview of the Proposed Genesis Acquisition.

2.5.7 **Diamond Assets in Australia – Merlin Diamonds Limited**

(a) Corporate Information of Merlin

Merlin is a company incorporated in Australia whose shares are listed and quoted for trading on the ASX (ASX Code: MED).

The directors of Merlin are Joseph Gutnick (Executive Chairman and Chief Executive Officer), Henry Herzog (Non-Executive Director) and David S Tyrwhitt (Non-Executive Director). As at the Latest Practicable Date, Merlin has a market capitalisation of approximately A$24.18 million (approximately S$25.49 million) and save for ISR Investments Ltd, no other shareholder holds 15% or more of its ordinary shares. None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Merlin.

(b) Mineral and Energy Resources Portfolio

(i) The Merlin Project

Merlin is the owner of the Merlin diamond mine, the only diamond mine in the Northern Territory of Australia (the "**Merlin Project**"). Merlin is also active in its other tenement interests in the North Kimberley and Arnhem Land, holding approximately 22,000km^2 in total under title.

The Merlin Project is located some 100 km south of the settlement of Borroloola and comprises 14 kimberlite pipes, grouped into four clusters. Nine of these pipes were subject to open-pit mining by Ashton Mining (now part of Rio Tinto) over a five-year period commencing in 1998. The operations ceased in 2003 after having produced 507,000 carats of diamonds. During its short operational life, the Merlin Project was renowned for its production of top quality white, yellow, cognac and champagne diamonds and large specials, the largest being 104.73 carats.

In September 2014, Merlin announced that it had completed a feasibility study on Mechanical Clamshell Mining at the Merlin Diamond Mine. The study highlights a technically and economically robust project. Key results of the study include: Net present value at 8% discount rate (A$102.2 million); internal rate of return of 52.7%; life of mine total net cash (undiscounted) of A$132.9 million; payback period of four months; and updated Ore Reserve estimate of 11 year mine life producing 610,000 carats. Included in the feasibility study is an updated Probable Ore Reserve estimate. Merlin has also updated its Mineral Resource estimate.

The combined Mineral Resource and Ore Reserve estimates for all of the diamond pipes at the Merlin mine is now 27.8 million tonnes at 16 carats per hundred tonnes ("**cpht**") representing a total contained 4.35 million carats. The combined Probable Ore Reserve for all diamond pipes at the Merlin diamond mine is 4.04 million tonnes for an average grade of 15 cpht representing a total contained 0.61 million carats. The Probable Ore Reserve has been estimated on mechanical clamshell mining methods and is the result of the September 2014 feasibility study. The Indicated Mineral Resource estimate (which is inclusive of the Probable Ore Reserve estimate) for the Merlin diamond mine is 13.4 million tonnes for an average grade of 17 cpht for 2.3 million carats. The Inferred Mineral Resource estimate is 14.4 million tonnes for an average grade of 14 cpht for 2.0 million carats.[14]

[14] The resource and reserve estimates are reported in the updated feasibility study announced by Merlin on 30 September 2014. The information was reported in compliance with the JORC Code 2012 Edition by Mr. Mike Kammermann, a Competent Person (as defined in the JORC Code 2012 Edition). Mr Kammermann is a Member of The Australasian Institute of Geoscientists. He was employed by Axis Consultants Ltd and was engaged by Merlin to prepare the documentation for the Mineral Resource estimates. Mr Kammermann has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code 2012 Edition.

Merlin is aiming to recommence operations at the Merlin diamond mine in 2015.

(ii) Further capital expenditures by Merlin

Based on Merlin's audited financial statements for the year ended 30 June 2014, Merlin incurred a total of approximately A$11.12 million (approximately S$11.72 million) in development expenditure for that year. The Company's contribution towards Merlin's future capital expenditures will depend on various factors such as the extent to which the cash flow Merlin receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and Merlin.

(c) Company's Investments in Merlin

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Merlin comprise the following:

(i) Merlin Subscription: A$1.95 million (approximately S$2.18 million)

(ii) Merlin Loans: A$750,000 (approximately S$887,376)

The proceeds from the Merlin Subscription are intended to be applied towards the further development of the Merlin Project.

The investment in Merlin was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the Merlin Subscription, the then-board of directors of the Company was of the opinion that the Merlin Subscription would enable the Company to establish a position in the diamond industry and more generally, to strengthen its position in the Mineral and Energy Resources Business. The investment marked the Company's first foray into precious stones, one of the Company's targeted business segments, and gave the Company access to the second largest combined diamond resource and reserve in Australia and the only diamond mine in Australia's Northern Territory. The Merlin Subscription price represented a discount of approximately 6.25% under the VWAP of each Merlin Share traded on the ASX on 14 February 2014.

(i) The Merlin Subscription

On 16 February 2014, the Company entered into a subscription application letter with Merlin (the "**Merlin Application**") pursuant to which the Company agreed to subscribe (the "**Merlin Subscription**") for 26,000,000 fully paid ordinary shares in the capital of Merlin ("**Merlin Shares**") at the subscription price of A$0.075 per Merlin Share (approximately S$0.085) for a total subscription price of A$1.95 million (approximately S$2.23 million).

On 28 February 2014, the first tranche of the Merlin Subscription was completed and the Company was issued 13,333,333 Merlin Shares following the Company's payment to Merlin of A$1.00 million (approximately S$1.15 million) for the same.

On 10 April 2014, the second tranche of the Merlin Subscription was completed and the Company was issued 2,666,667 Merlin Shares following the Company's payment to Merlin of A$200,000 (approximately S$235,537) for the same.

Following the completion of the first and second tranches, the Company holds 16,000,000 Merlin Shares, representing approximately 4.17% of the total issued share capital of Merlin as at the Latest Practicable Date.

The Merlin Subscription consideration was satisfied in cash, funded from the internal resources of the Group.

Assuming the Merlin Subscription was completed on the Latest Practicable Date, the Merlin Shares subscribed for and to be subscribed for pursuant to the Merlin Subscription constitute approximately 6.77% of the existing issued share capital of Merlin and approximately 6.60% of the enlarged issued share capital of Merlin upon completion of the Merlin Subscription.

(ii) Merlin Loans

As at the Latest Practicable Date, the Company has provided loans aggregating to A$750,000 (approximately S$887,376) to Merlin (the "**Merlin Loans**") for Merlin's working capital requirements. The Merlin Loans are repayable on demand.

(d) Introducer

There was no introducer for the Merlin Subscription, and no commission or fee was paid or will be payable by the Company to any person arising from the Merlin Subscription.

2.5.8 **Copper and Gold Deposits in Australia and Indonesia – Elysium Resources Limited**

(a) Corporate Information of Elysium

Elysium is a company incorporated in Australia whose shares are listed and quoted for trading on the ASX (ASX Code: EYM).

The directors of Elysium are Michael Douglas Tilley (Non-Executive Chairman), Maxim James Carling (Executive Director), Nebojsa Zurkic (Technical Director) and Mark Theodore Ohlsson (Non-Executive Director, CFO and Company Secretary). As at the Latest Practicable Date, Elysium has a market capitalisation of approximately A$4.42 million (approximately S$4.66 million) and no shareholder holds 15% or more of its ordinary shares. Mr. Farhash Wafa Salvador, an independent non-executive director of the Company, holds 2.71% of the issued share capital of Elysium as at the Latest Practicable Date. Save for Mr Salvador, none of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates are related to the directors or Controlling Shareholders of Elysium.

(b) Mineral and Energy Resources Portfolio

(i) Burraga Project

Elysium is currently at the exploration and project planning stage. It is focused on the 100% owned Burraga Project located 60 km south of Bathurst in the Central West of New South Wales, Australia and centered over the historic Lloyds Mine.

The Burraga Project consists of three exploration licences totalling 183 sq km, held through Elysium's wholly-owned subsidiary Burraga Copper Limited. The exploration licences include the historic Lloyds Copper Mine, the Hackneys Creek gold deposit and the Lucky Draw gold mine, all of which in the past produced copper and gold.

Elysium is completing an environmental impact study ("**EIS**") to treat the tailings and slag dumps remaining from the mining of the historical Lloyds Copper mine. Completion of the EIS is a key component in obtaining the mining licence required to commence production at the Burraga Copper Project.

On 7 January 2015, Elysium announced the re-commencement of drilling at the Burraga Project. As announced on 3 December 2014, diamond drilling was underway to source material for metallurgical test-work. This drilling was completed and a 200 kg bulk sample was dispatched to the Bureau Veritas laboratory in Adelaide for comminution and initial flotation characterisation of the in-situ mineralisation at the historic Lloyds Mine. The test-work is critical to finalising the capital cost estimate for the proposed metallurgical process facility. Current drilling will source further metallurgical samples; the initial results from the bulk sample test-work will indicate what level of variability test-work will be required.

Elysium further announced on 7 January 2015 that before the final metallurgical drilling is undertaken, it will complete the Lloyds resource drilling. Following this drilling, Elysium will engage a consultant to carry out a resource estimate for the Lloyds hard-rock, tailings and two slag dumps; anticipated to be high confidence as defined by the JORC Code. As well as the metallurgical drilling, pit and infrastructure site drilling will take place to assess geotechnical criteria. This final fieldwork will result in feasibility level estimates and provide the Elysium board with the final results to allow for a decision to proceed with project commissioning.

On 28 January 2015, Elysium announced that water monitoring bores required as part of the EIS process have been established and groundwater monitoring commenced during December 2014.

(ii) Further capital expenditures by Elysium

Based on estimates provided by Elysium from its 2011 pre-feasibility study, Elysium will require further capital expenditures of around A$11.3 million to A$12.9 million (approximately S$11.9 million to S$13.6 million) to deliver throughputs of 150,000 tpa and 300,000 tpa, respectively.

The Company's contribution towards Elysium's capital expenditures will depend on various factors such as the extent to which the cash flow Elysium receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company, negotiations between the Company and Elysium.

(c) Company's Investments in Elysium – Elysium Share Subscription

As at the Latest Practicable Date, the total amounts invested and to be invested in relation to Elysium comprise the following:

(i) Elysium Share Subscription: A$1.00 million (approximately S$1.16 million)

(ii) Elysium Share Subscription 2: A$0.20 million (approximately S$0.21 million)

The investment in Elysium was unanimously approved by the board of directors of the Company at the time of investment. As at the date of the announcement of the Elysium Share Subscription, the then-board of directors of the Company was of the opinion that the investment in Elysium was an opportunity for the Company to strengthen its position in the Mineral and Energy Resources Business.

(i) Elysium Share Subscription

On 6 August 2014, the Company entered into a share subscription agreement (the "**Elysium Subscription Agreement**") with Elysium to subscribe for 100,000,000 new ordinary shares in the capital of Elysium and attaching 100,000,000 options ("**Elysium Options**") over ordinary shares in the capital of Elysium (the "**Elysium Share Subscription**").

The Elysium Share Subscription was completed on 25 August 2014 for an aggregate subscription consideration of A$1.00 million (approximately S$1.16 million). The Company was allotted 100,000,000 new Elysium shares, representing approximately 10.84% (as at the date of allotment) and 9.05% (as at the Latest Practicable Date) of the total number of issued shares in Elysium, and attaching 100,000,000 Elysium Options. The subscription price for each Elysium share was A$0.010. 26,380,953 new Shares (the "**Elysium Consideration Shares**) were allotted and issued to Elysium as consideration at an issue price of S$0.0441 per Share.

As at the Latest Practicable Date, the Elysium Options have expired.

On 18 September 2014, Elysium announced that it had disposed of its 26,380,953 Shares and monetised the entire shareholding for gross proceeds of A$850,889 (approximately S$896,922), which will be deployed to fund the on-going operations of Elysium.

(ii) Elysium Share Subscription 2

On 14 November 2014, the Company entered into an agreement (the "**Elysium Take Up Deed**") with Elysium, pursuant to which the Company agreed to subscribe for 40,000,000 new Elysium shares under a two-for-five non-renounceable rights issue (the "**Elysium Rights Issue**") announced by Elysium on 18 November 2014 (the "**Elysium Share Subscription 2**").

The Elysium shares are to be issued at an issue price of A$0.005 for each Elysium share, together with one attaching option with an exercise price of A$0.005 and expiry date of 30 September 2015 for every one new Elysium share issued.

The aggregate consideration for the Elysium Share Subscription 2 is A$200,000 (approximately S$211,265), to be satisfied in cash from the internal resources of the Group.

As at the Latest Practicable Date, the Elysium shares to be subscribed for pursuant to the Elysium Share Subscription 2 constitute approximately 3.62% of the existing issued share capital of Elysium and approximately 3.49% of the enlarged issued share capital of Elysium upon completion of the Elysium Share Subscription 2.

(d) Introducer

There were no introducers for the Elysium Share Subscription and Elysium Share Subscription 2, and no commission or fee was paid or will be payable by the Company to any person arising from the Elysium Share Subscription and Elysium Share Subscription 2.

Each project and company mentioned in this **Section 2.5** has been/will be evaluated and assessed by the Group on its own merits. In making its assessment on the nature and extent of its involvement or investment for the Mineral and Energy Resources Business, the Group will consider the relevant market conditions, growth potential, projected returns and value enhancements of the various transactions related to the Mineral and Energy Resources Business for the Group as a whole. No specific person has been designated as a person-in-charge/introducer for future investments and transactions, which will be assessed in the manner described in the foregoing sentences of this paragraph.

2.6 Directors and Advisers of the Company

The Board recognises that the Mineral and Energy Resources Business is very different from the existing businesses of the Group and the existing management of the Group may not have the relevant experience and expertise in the Mineral and Energy Resources Business.

To address this, the Company has appointed various Mineral and Energy Resources Business veterans to lead the Company's proposed new Mineral and Energy Resources Business.

As described below in **Section 2.6(c)** of this Circular, the Company will continue to constructively review its Board composition and invite directors with relevant experience and qualifications in the Mineral and Energy Resources Business, especially independent director(s), to join the Board.

(a) **Mr. Aris Muhammad Rizal, Director**

On 10 October 2014, the Company appointed Mr. Aris as an independent non-executive director of the Company. Mr. Aris is also a member of the Company's Nominating Committee, Audit Committee and Remuneration Committee.

Mr. Aris is currently the Operational Manager at PT. Denichi Amina Selaras ("**PT. DAS**") which is an Indonesian private company holding iron ore mining interests in Aie Dingin, West Sumatra, Indonesia which undertakes a wide array of activities including exploration. PT. DAS has been engaged in iron ore mining and exploration in several areas in West Sumatra, Indonesia since 2008. It has licences in Aie Dingin, Solok, West Sumatra, Indonesia with a total concession area of 195.6 Ha. PT. DAS is in the early stages of mining planning at one of its concessions which has a total mineable reserve of 2.8 Mt at 30,000 tonnes production per month and a mine life of 7 years and 10 months. PT. DAS is currently building mining support infrastructure and has yet to reach production stage at its concessions.

Prior to this, from June 2009 to February 2011, Mr. Aris was a Senior Geologist with PT Mineral Nusantara Pratama which is an Indonesian private company that is engaged in the exploration of minerals at Tenggarong East Kalimantan (for coal) and Kupang, West southeast Nusa (for manganese). From 2006 to 2009, Mr. Aris held various positions as Project Manager and Geologist with various companies

operating in the Mineral and Energy Resources Sector in Asia. Mr. Aris holds a Bachelor of Engineering (Geological) from the University of Padjadjaran (Indonesia). Mr. Aris does not have interest in any Shares.

(b) **Mr. Alexander Alan Molyneux**, **Adviser**

Mr Molyneux acts as a consultant to the Company and key adviser to the board of directors of the Company on the Company's new strategy of diversifying into the Minerals and Energy Resources Business. A veteran in the Mineral and Energy Resources Business, he brings to bear his wealth of experience in the Company's expansion into the Mineral and Energy Resources Business.

Mr. Molyneux is an experienced natural resources industry financier, executive and entrepreneur. He was appointed Chairman of Azarga Uranium following the completion of the Azarga Reverse Takeover of Azarga Resources, a company which he co-founded in 2012. Mr. Molyneux is a director of Goldrock Mines Corp (TSX-V: GRM). From December 2012 to November 2014, he was also Executive Chairman of Celsius. From May 2010 to August 2014, he was also a director of Ivanhoe Energy Inc (TSX: IE). From April 2009 to September 2012, Mr. Molyneux served as President, CEO and director of SouthGobi Resources Limited ("**SouthGobi**" – HKEX: 1878, TSX: SGQ). Before SouthGobi, Mr. Molyneux was Managing Director, Head of Metals and Mining Investment Banking, Asia Pacific, with Citigroup. In his position as a specialist resources investment banker, he spent approximately 10 years providing advice and investment banking services to natural resources corporations.

(c) **Future Plans**

The Company believes that the expertise and experience the abovementioned individuals have in the Mineral and Energy Resources Business in general will allow them to lead the Company's expansion into the various respective mineral and energy resources sectors set out in **Section 2.2(b)** of this Circular, notwithstanding that they may not have specific experience in certain of those mineral and energy resource sectors.

At the same time, the Group is constructively reviewing its Board composition and inviting directors with relevant experience and qualifications in the Mineral and Energy Resources Business, especially independent director(s), to join the Board.

In addition, the Group may set up project management team(s) to be led by the Group's executive directors to support and oversee the development and management of the companies or projects within the Mineral and Energy Resources Business, and to do all necessary things in connection with the Mineral and Energy Resources Business as and when appropriate. The Group may also engage any additional manpower with suitable expertise and experience as and when required to assist the project management team(s).

Moreover, the Board is of the view that such experience and expertise can be progressively acquired and developed by the Group over time as it grows its Mineral and Energy Resources Business. The Group will evaluate the manpower and expertise required to carry out the Mineral and Energy Resources Business and will hire suitably qualified staff, external consultants and professionals with the necessary expertise and experience as and when required.

2.7 Financing/Funding

The Group may fund the Mineral and Energy Resources Business through a combination of internal sources of funds and borrowings from financial institutions. The Board will determine the optimal mix of internal funding and external funding, taking into account the cash flows of the Group and prevailing bank borrowing costs.

In addition, the Company may consider tapping the capital markets in the form of, including but not limited to, rights issues, share placements and/or issuance of debt instruments as and when necessary and deemed appropriate.

Sources of funding for the Mineral and Energy Resources Business include the following:

(a) **Bridging Loan Facility from Wintercrest Advisors LLC**

On 24 December 2013, the Company entered into a facility agreement (the "**Wintercrest Facility Agreement**") with Wintercrest Advisors LLC ("**Wintercrest**") under which Wintercrest shall make available a bridging loan facility of up to US$30,000,000 in principal amount (the "**Wintercrest Facility**") to the Company on the terms and conditions of the Wintercrest Facility Agreement.

On 30 May 2014, the Company entered into a supplemental agreement with Wintercrest (the "**Supplemental Wintercrest Facility Agreement**") to reduce the total principal amount of the Wintercrest Facility to US$23,500,000. As announced on 11 June 2014, the terms of the Supplemental Wintercrest Facility Agreement were arrived at after extensive negotiations between the Company and Wintercrest and were agreed to on an arm's length basis. The Board noted that if an extension of the Wintercrest Facility Maturity Date (as defined below) had not been granted, all loans drawn under the Wintercrest Facility amounting in aggregate to US$13,500,000 would have been repayable in full on 24 June 2014. Further, since the date of the Wintercrest Facility Agreement, the value of the Company's original security package under the Wintercrest Facility Agreement has also been negatively impacted.

As at the Latest Practicable Date, US$21,500,000 (approximately S$27,006,350 million) in principal amount of the Wintercrest Facility has been fully utilised.

The principal terms to the Wintercrest Facility, as amended by the Supplemental Wintercrest Facility Agreement, are set out below.

(i) Principal terms of the Wintercrest Facility

(A) Use of Proceeds

The proceeds of the balance amount permitted to be drawn down under the Wintercrest Facility are to be applied towards the following:

(1) for payment to Azarga Resources, Celsius, and Merlin in respect of various investments made by the Company in them (please refer to the Company's previous announcements for more details on these investments);

(2) for funding other investments by the Company in the mineral, oil and gas sector; and

(3) for general working capital purposes.

(B) Repayment

The repayment date for all amounts drawn down under the Wintercrest Facility is 15 March 2015 (or such other later date as Wintercrest, in its sole discretion, may agree) (the "**Wintercrest Facility Maturity Date**"). The Board does not foresee difficulty in making repayment of the amounts owing under the Wintercrest Facility by the Wintercrest Facility Maturity Date.

(C) Interest

Interest at the rate of 12% per annum is chargeable on the principal amount borrowed under the Wintercrest Facility, to be paid on the Wintercrest Facility Maturity Date.

(D) Security

As security for the repayment of amounts due under the Wintercrest Facility, the Company has charged or will be charging in favour of Wintercrest:

(1) all investments owned by the Company in any company whose principal activities consist of exploration for or extraction of minerals, oil or gas (excluding any company that purely provides services or equipment to other companies engaged in such activities) (including the Company's shares in Merlin and Genesis after the conclusion of the respective takeover bid periods);

(2) the Company's shares in Blumont Copper, Powerlite, Celsius, Cokal and Kidman;

(3) Blumont Copper's shares in DML;

(4) the Company's bank accounts; and

(5) all monetary claims owing to the Company by Blumont Copper, Powerlite, Celsius, and Cokal.

(E) Fees

The Company shall pay Wintercrest:

(1) an extension fee of 5% of the amount drawn down under the balance amount permitted to be drawn down under the Wintercrest Facility;

(2) an administration fee of 1.0% of the aggregate principal amount outstanding under the Wintercrest Facility for each calendar month, commencing as of the month of the first drawdown date under the Supplemental Wintercrest Facility Agreement; and

(3) a cancellation fee of 5% of the amount cancelled under the original Wintercrest Facility and a cancellation fee of 5% of any amount not drawn down under the balance amount permitted to be drawn down under the Wintercrest Facility. The Company shall also continue to pay to Jett Capital Advisors Holdings, LLC an arranger fee of 4% of each drawing.

As the total facility amount has been reduced to US$21,500,000, the drawdown fee of 5% of the total facility amount that has previously paid by the Company to Wintercrest shall accordingly be reduced and the excess of US$325,000 has been applied to set-off the cancellation fee payable under the Supplemental Wintercrest Facility Agreement.

(F) Wintercrest Bond Subscription Agreement

The terms of the Wintercrest Facility Agreement also included a condition precedent that Wintercrest and the Company enter into a bond subscription agreement under which Wintercrest would subscribe for convertible bonds in the Company up to an amount of US$70 million (approximately S$95 million). Wintercrest had agreed to waive this condition precedent in respect of all amounts already drawn down by the Company under the Wintercrest Facility. However, Wintercrest may require this to be satisfied in respect of future draw downs under the Wintercrest Facility, in which case Wintercrest and Company will seek to negotiate the terms of issue of those bonds and funding for the Company.

(ii) Background on Wintercrest

Wintercrest is a wholly-owned subsidiary of Platinum Partners Value Arbitrage Fund L.P., a multi-strategy hedge fund established and registered in the Cayman Islands with assets under management in excess of US$700 million. Wintercrest was identified and introduced to the Company by Jett Capital Advisors Holdings, LLC ("**Jett Capital**"). The Company pays Jett Capital an arranger fee of 4% of each drawing. Jett Capital is principally engaged in providing advisory services to entities in the mining and energy space. It is registered (through Fairfax Securities Corporation, which does business as Jett Capital Advisors LLC) with the Securities and Exchange Commission of the United States of America as a licensed broker-dealer. Jett Capital has arranged various capital raising transactions involving companies listed on the SGX-ST, ASX, Alternative Investment Market of London and Toronto Stock Exchange. Jett Capital was founded by five former bankers and executives of corporate advisory firms who, combined, have advised on transactions in the mining and energy space with aggregate value of over US$4 billion. Jett Capital does not have any interest in Wintercrest.

(b) **Rights Issue**

On 21 October 2013, the Company completed a renounceable non-underwritten rights issue, on the basis of one Rights Share for every two Shares held by Shareholders of the Company (the "**Rights Issue**"). 861,002,293 new ordinary Shares were issued at an issue price of S$0.05 for each Share. The Rights Issue raised net proceeds of approximately S$42.67 million (after deducting expenses of approximately S$380,000) (the "**Rights Issue Net Proceeds**").

On 10 January 2014, the Company announced that the Rights Issue Net Proceeds had been fully utilised as follows:

(i) approximately S$40.87 million for the business expansion of the Group (equivalent to approximately 95.78% of the Rights Issue Net Proceeds);

(ii) approximately S$1.80 million for general working capital purposes (equivalent to approximately 4.22% of the Rights Issue Net Proceeds), comprising the payment of salaries and wages, professional and statutory expenses, legal and consultancy fees, and rental and administrative expenses.

The Company anticipates requiring additional funds for the purposes of advancing the Group's Mineral and Energy Resources Business. Specifically, the Company is required to invest an additional aggregate amount of approximately S$18.65 million in cash in its existing investments in the Mineral and Energy Resources Business, comprising a total remaining debt investment of approximately S$17.70 million, remaining equity investment in Elysium of approximately S$0.16 million and remaining equity investment in Merlin of approximately S$0.79 million.[15] Until such time that those investments achieve aggregate cash generative status, the Company intends to fund its activities through its internal resources, equity capital raisings and/or debt financing.

2.8 Future Plans for the Existing Business of the Group

The Group remains committed in the continuance of its existing businesses for as long as they remain viable. The entry into the Mineral and Energy Resources Business is intended to be an expansion of its existing core businesses, the rationale for which is explained in **Section 2.3** of this Circular. Nevertheless, the Board will undertake regular reviews and evaluations of the Group's existing businesses to determine the viability of maintaining the existing businesses. If, following any such review and evaluation, the Board determines that any existing business of the Group is no longer viable, the Group may decide to dispose of its interests in such existing business. The Company will make appropriate announcements accordingly.

2.9 Risk Factors

The Group could be affected by a number of risks related to the Mineral and Energy Resources Business.

The risks described below are not intended to be exhaustive and are not presented in any particular order of importance. There may be additional risks not presently known to the Group or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected.

2.9.1 **Risks Relating to Operations in Relation to the Proposed Mineral and Energy Resources Business and the Mineral and Energy Resources Industry**

(a) Title and tenure risks

The Group's investee companies have or may acquire an interest in mining rights which are governed by laws and regulations covering the grant and administration of permits, leases and licenses. Each permit, lease or licence is for a specific term and carries with it annual expenditure, reporting, compliance or compulsory reduction conditions. Consequently, the Group's investee companies may lose title to an interest if the relevant permit, lease or licence conditions are not met or if insufficient funds are unavailable to meet expenditure requirements.

[15] This does not include the remaining equity investment in Genesis under the Proposed Genesis Acquisition, which is to be satisfied by way of issue of Blumont shares, instead of cash.

Interests in mining tenements in Australia are governed by a combination of usually federal and state legislation, and are evidenced by tenements granted over a specified area, for specified uses and, in most instances subject to specified conditions. The relevant state and/or federal Minister responsible for administering the relevant legislation usually retains a degree of discretion as to whether or not to grant, amend, convert, renew or transfer a tenement. The relevant Minister will generally act on advice of a Government Department who will review tenure applications against a set of criteria which are generally available to the public. The relevant Minister, however, will not be bound by that advice in most instances. The grant or refusal of tenements is subject to ministerial discretion within each of those jurisdictions and there is no certainty that the tenements applied for will be granted.

The Group cannot assure that the relevant government authority will issue or renew the licences or approvals it requires in the timeframe it anticipates or at all. If a mining right, permit, lease or licence is not granted, renewed or converted as anticipated, the Group may suffer significant damage through loss of opportunity of the investee company to discover and develop a material project which could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The properties in which the Group has an interest, or in which it may acquire an interest in the future, may consist of recorded interests that have not been legally surveyed and therefore, the precise boundaries and locations of such interests may be in doubt and may be challenged.

It is also possible that, in relation to tenements in which the Group's investee companies have an interest, or will in the future acquire such an interest, there may be areas which may be subject to prior unregistered agreements or transfers or native title claims, and the investee company's title may be affected by these and other undetected defects in title which could materially and adversely affect the Group's business, financial condition, results of operations and prospects. If these rights do exist, the ability of the Group to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected.

The system of mining tenements is subject in various ways to native title laws and in particular the Native Title Act 1933, which recognises and protects the rights and interests of Aboriginal and Torres Strait Islander people in Australia as well as Aboriginal sites and objects of significance. Some of the mining tenements may extend over areas covered by such Native Title claims and/or protected by Aboriginal heritage legislation. The ability of the investee company to gain access to all or part of the mining tenements and conduct exploration and mining operations may be subject to additional processes and requirements pursuant to such native title rights and the terms of any relevant registered native title agreements with indigenous landholders under the Native Titles Act 1993. The investee company must also comply with Aboriginal heritage legislation requirements requiring heritage assessment work to be undertaken prior to the commencement of mining operations. There is no guarantee that any native title rights over areas in which the investee company may in the future acquire an interest in will not affect the future operations or performance of the investee company and there is a risk that the conditions imposed by native title claimants may materially affect the activities of the investee company, and in turn could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

(b) Control risks

The returns on the Group's Mineral and Energy Resources Business are dependent upon the financial performance of its mineral and energy resources projects/entities/companies. However, as the Group currently holds only non-controlling interests in its mineral and energy resources investee companies and hence, does not participate in their day-to-day operations and management, and may not take majority positions in the projects/entities/companies nor seek board representation, it is fully reliant on the project/entity/company's management for much of the project/entity/company's financial performance.

(c) Inherent risks

Identifying mineral and energy resources projects/entities/companies that will become successful is difficult and the success of the projects/entities/companies will be subject to many factors over which the Group may have limited or no control.

Notwithstanding the amount of due diligence that may be carried out by the Group, a project/entity/company may nevertheless fail for a variety of reasons. Over the period of investment, projects/entities/companies will be subject to changes in the economic climate, technology and competition and to potential management inefficiencies.

Moreover, the projects undertaken or the shares of entities/companies acquired by the Group could be adversely affected by changes in the general economic climate or economic factors affecting a particular industry, changes in tax laws or specific developments within such companies.

The performance of the Group is dependent on the Group's ability to make the right decisions and to undertake projects or invest in investee entities/companies which are able to provide the Group with satisfactory returns within acceptable timeframes. However, as all business and investment decisions are a matter of subjective judgment, there is no assurance that the Group will be able to make the right decisions in a timely manner all or most of the time.

(d) Financing risks

The Mineral and Energy Resources Business is capital intensive and due to various factors, the Group is not able to predict with certainty the total expected capital expenditure for each of its current and future investments in the mineral and energy resources industry (see **Section 2.9.1(o)** of this Circular for more details). One of the major factors that could affect the Group's ability to acquire mineral and energy resources assets as planned is the adequacy of financing. The Group plans to finance the Mineral and Energy Resources Business through its internal resources, equity capital raisings and/or debt financing.

There is no assurance that bank financing will be available or, if available, that such bank financing will be obtained on commercially acceptable terms. Adverse fluctuations in the price of a given resource may also result in obtaining bank financing to finance projects in relation to that resource more challenging. Furthermore, any debt funding may restrict the Group's flexibility to operate its business. The use of financing from the capital markets is also subject to, amongst others, the prevailing capital market conditions, willingness and ability of Shareholders to support the fund raising exercise and costs associated with such funding exercise. Also, additional equity financing may result in a dilution to the shareholdings of Shareholders.

In addition, even if the Group is able to procure the initial funding for any project or company, the Group might lack the funds to carry out follow-on funding for such project or company.

(e) Exploration, development and production risks

Resource estimates are based on calculations and expressions of judgment based on knowledge, experience and industry practice, and on data collected in an ordered, methodical basis under the supervision of a Competent Person (as defined in the JORC Code). The Group currently intends to apply industry best practices in accordance with acceptable standards such as the NI 43-101 and/or the JORC Code, which is accepted by the SGX-ST. The JORC Code and the NI 43-101 give investors and shareholders some comfort of different classifications for increased confidence in the estimates. Nonetheless, estimates valid when originally calculated may alter when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork, data collection and analysis, the estimates may change. This may result in alterations to development and mining plans which may in turn affect the Group's performance.

Furthermore, exploration, exploitation and high risk development and production is inherently difficult and a speculative activity, and success in ascertaining economic recoverable resources can never be guaranteed (and may be subject to factors over which the Group has little or no control). Substantial expenditures are also required in order to establish reserves through drilling, to develop the mining, production, gathering or processing facilities and infrastructure at any site chosen for mining and to determine if a property contains commercial quantities of minerals. Until the Group is able to realise value from its projects and interests, it may incur ongoing operating and financial losses.

Also, exploration, exploitation, development and production activities can be affected by uncontrollable factors such as inclement weather, industrial action, environmental issues, project delays, unforeseen increases in costs and technical difficulties not anticipated in the Group's business plans. The development of the Group's current or future investment into the mineral and energy resources sector may require obtaining approvals and additional expenditure if economic mineral deposits are discovered. However, the Group may not be able to raise additional capital or to find suitable joint venture partners which would negatively impact the Group's performance.

There can be no assurance that exploration of the project areas described in this Circular, or any other interests or tenements that may be acquired in the future, will result in the discovery of an economic ore deposit of commercial quantity. Even if an apparently viable deposit is confirmed, there is no certainty that it can be commercially developed.

(f) Processing capacity and production risks

The estimated processing capacity of the Group's current and prospective investments is and will be based on certain estimates and assumptions, including the initial test results of samples obtained from exploratory drilling and interpretation of geological data, which are subject to significant uncertainties. Furthermore, variations in the execution of mining and processing plans, and unexpected delays in the construction of processing plants, may result in an inability to meet production schedules. The production schedule may also be affected by any prolonged and/or

significant downtime from major and unexpected repairs or servicing of any major production plants which could result in a significant decrease in production rate or production quality.

(g) Operating risks

Natural resources operations generally involve a high degree of risk. Hazards may occur from time to time. A mineral and energy resources project/entity/company may become subject to liability for hazards against which it cannot insure or against which it may elect not to insure.

While a mineral and energy resources project/entity/company may have registered its resource holdings or interests with the appropriate authorities and filed all pertinent information to industry standards, this cannot be construed as a guarantee of title. In addition, the properties may consist of recorded interests that have not been legally surveyed, and therefore, the precise boundaries and locations of such interests may be in doubt and may be challenged. A mineral and energy resources project/entity/company's properties may also be subject to prior unregistered agreements or transfers or native land claims, and a mineral and energy resources project or company's title may be affected by these and other undetected defects.

(h) Competition risk

The Mineral and Energy Resources Business is a highly competitive industry. There may be a limited supply of desirable minerals available for acquisition or leasing in the areas where the Group contemplates to expand its operations and conduct exploration and mining activities. The Group's competitors could have greater financial resources available to them, longer operating histories, more advanced technologies and larger teams of technical and professional staff.

Accordingly, there can be no assurance that the Group will be able to compete successfully for new minerals. Failure of the Group to compete successfully in the Mineral and Energy Resources Business may have a materially adverse effect on the Group's business, financial condition and results of operations.

(i) Risk of oversupply and decrease in demand for minerals in the future

Significant increase in the discovery of new mineral reserves and in mining and production operations worldwide may lead to a significant increase in the availability of minerals. In the event the demand for minerals is insufficient to meet such increased supply, the Group's prices and thus its business, financial performance, financial condition and results of operations may be adversely affected by a decrease in prices of minerals resulting from an over-supply. Similarly, a decrease in demand due to consumer preference, competition from other energy sources or other factors could have a material adverse effect on the Group's business, financial performance, financial condition and results of operations.

(j) Market risks

The marketability of natural resources discovered by a resource issuer (being commodities) will also be affected by numerous factors. The price of commodities, which may fluctuate, is affected by numerous factors beyond the Group's control, which include expectations of the rate of inflation, the relative exchange rate of USD with other major currencies, global and regional economic activity, speculative trading, demand for the commodity, supply of the commodity from production, disinvestment, scrap and hedging, level of sales by producers in forward transactions

and other hedging, the production and cost levels for the commodity in major producing nations, the cost level (in local currencies) for commodities in major consuming nations and technology advancements. Fluctuations in commodity prices may adversely affect the market value of the Group's interests (including inventory), financial performance or results of operations and the inherent value of the Shares. Further, if the market price of commodities in sectors in which the Group operates falls, profitability and cash flow will suffer and the Group may experience losses, asset write-downs and may curtail or suspend some or all of its exploration, development and mining activities. Furthermore, sustained low commodity prices can reduce revenues further by production cutbacks due to the cessation of the mining of deposits or portions of deposits that have become uneconomic at the then-prevailing commodity price, halt or delay the development of new projects, reduce funds available for exploration, with the result that depleted reserves are not replaced, reduce the existing mineral reserves where they cannot be economically mined or treated at prevailing prices and result in the recording of a write-down of mining interests due to the determination that future cash flows do not recover the carrying value.

(k) Exchange rate risks

The Group may be subject to risks arising from foreign exchange fluctuations in relation to the Proposed Additional Core Business. The Group's revenue is denominated in Singapore Dollars while its revenue and operating costs for the Proposed Additional Core Business could be denominated in the currencies of the jurisdictions where it operates in future. Any unfavourable fluctuations in currency exchange rates will result in exchange losses arising from transactions carried out in foreign currencies and translations of foreign currency monetary assets and liabilities as at the end of the relevant reporting periods. If the exchange losses are substantial, it could have a negative impact on the Group's financial performance and financial condition.

(l) Integration risks

The addition of the Mineral and Energy Resources Business through acquisitions, mergers, and other corporate transactions, may place significant demands on the Group's risk management and operational infrastructure and result in increased expenses.

With respect to acquisitions, the Group may become subject to unknown liabilities of an acquired business, may not achieve the targeted results, or may otherwise incur losses. The Group may lose market share or customers, or may face disruptions to operations and the Group's management time may be diverted to facilitate the integration of acquired businesses with the other business of the Company.

Activities to expand its operations may also bring the Group into contact, directly or indirectly, with individuals and entities that are new clients and other new products or new markets. These business activities expose the Group to new and enhanced risks including reputation risks arising from dealing with a range of new counterparties, along with these activities being exposed to the range of risks described in this Circular. If these risks eventuate, they may have a negative impact on the Group's results, financial conditions or operations.

(m) Personnel risks

The future performance of the Mineral and Energy Resources Business will depend on the ability of the Group to attract and retain key personnel to identify new mineral and energy resources opportunities and to actively add value to the mineral and energy resources projects, entities and/or companies.

In particular, for newly acquired investee companies under the Mineral and Energy Resources Business, their successful operation depends on the Group's/the respective investees' ability to retain key management and qualified employees for technical, operations, marketing and managerial positions.

The failure to attract such key personnel and/or the loss of any of these individuals could have a material effect on the operations and financial performance of the Group.

(n) Risk of overdependence on a few major customers

Most of the Group's investees in the Mineral and Energy Resources Business are currently in the exploration stage, and such investees accordingly do not have an established customer base yet. When these investees enter into the production stage and start to build a customer base, there is a potential risk that an investee may subsequently grow to depend on a few major customers for a significant portion of its revenue. The loss of one or more of such major customers could result in that investee facing a decline in revenue, which in turn could have a material adverse effect on the Group's business and financial performance.

(o) Risk of unforeseen additional capital expenditure

Given that the state of environmental technology and the compliance standards applicable to the mineral and energy resources industry, and consequently, the cost of complying with such standards, are constantly changing, the Group is not able to predict with certainty the total expected capital expenditure for each of its current and future investments in the mineral and energy resources industry. Furthermore, in the event that the Group is only a minority investor in these mineral and energy resources projects/entities/companies, it will only have access to publicly available information which is generally an insufficient basis on which such predictions can be made. Additionally, any unforeseen circumstances which may cause interruptions in the exploration, exploitation and production activities of the Group may require large capital expenditures to remedy the situation and this could affect the profitability of these investments and consequently, the business and performance of the Group.

(p) Environmental and social risk

The operations and activities of the Group's business are subject to state and national laws and regulations concerning the environment. Mining activities can cause damage or harm to the environment and although it is the intention of the Group to conduct its activities in accordance with the required standard of environmental obligations, including compliance with environmental laws, the Group could be subject to costs for environmental rehabilitation, damage control and losses by third parties due to risks inherent in such activities. Furthermore, there may be exposure to restitution or compensation suits from individuals or communities affected by the hazardous waste products, which would not only result in negative publicity but would also have an adverse effect on the operations, business and profitability of the Group.

(q) Insurance risk

Insurance against all risks associated with mineral exploration and production is not always available or affordable. The Group will maintain insurances where it is considered reasonably appropriate for its needs, however, it will not be insured against all risks either because appropriate cover is not available or because of the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

(r) Reliance on necessary equipment and transportation systems from independent third-party providers

Mineral, oil and gas exploration and development activities are dependent upon the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for limited equipment such as drilling rigs, or access restrictions on such equipment, may affect the availability of, and the Group's investee companies' access to, such equipment. Such equipment and services can be scarce and may not be readily available. Failure by the investee companies or their contractors to secure necessary equipment could have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

In addition, costs of third-party services and equipment have increased over recent years and may continue to rise. Scarcity of equipment and services and increased prices may in particular result from any significant increase in exploration and development activities on a region by region basis. The unavailability and high costs of such equipment and services could result in a delay or restriction in the Group's investee companies' projects and adversely affect the feasibility and profitability of such projects, and therefore have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

The investee companies may be subject to drilling and other exploration commitments under the terms of their contracts, and if, for any reason, they are unable to obtain the equipment or services necessary to fully perform their commitments, they may face penalties or the possible loss of some of their rights and interests in such contract areas, which may have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

Additionally, importation of certain equipment and chemicals for drilling, exploration and production requires licences of the relevant governmental agencies which may cause unexpected delay and substantial costs.

The investee companies also rely upon transportation systems, including systems owned and operated by third parties which may become unavailable. They may be unable to access the transportation systems currently used or alternative transportation systems. Further, they could become subject to increased tariffs imposed by government regulators or the third-party operators or owners of the transportation systems.

2.9.2 **Risks Relating to the Jurisdictions in which the Group Operates in relation to the Mineral and Energy Resources Business**

(a) Government regulations relating to the Mineral and Energy Resources Business and the procurement of government licences and approvals

The Group's operations in the Mineral and Energy Resources Business are and will be subject to licenses, regulations and approvals for the exploration, development, construction, operation, production, marketing, pricing, transportation and storage of mineral and energy resources.

Furthermore, the governments of the countries in which the Group operates have exercised and continue to exercise significant influence over their respective mineral and energy resources industries. In certain developing countries, mineral and energy resources entities/companies face the risks of expropriation or nationalisation, breach, abrogation or renegotiation of project agreements, application to such entities/companies of laws and regulations from which they were intended to be exempt, denials of required permits and approvals, increases in royalty rates and taxes that were intended to be stable, application of exchange or capital controls, and other risks.

Any government action (such as a change in pricing policy or taxation rules or practice, or renegotiation or nullification of existing concession contracts or exploration policy, laws or practice) could have a material adverse effect on the Group. Sovereign or regional governments could also require the Company to grant to them larger shares of the relevant Mineral and Energy Resources Business or revenues than previously agreed to, or postpone or review projects, nationalize assets, or make changes to laws, rules, regulations or policies, in each case, which could adversely affect the Group's business, prospects, financial condition and results of operations. Possible future changes in the government, major policy shifts or increased security arrangements in the countries in which the Group operates could have to varying degrees an adverse effect on the value of the Group's investments. These factors could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

If disputes arise in connection with the Group's operations in developing countries, the Group may be subject to the exclusive jurisdiction of foreign courts or foreign arbitration tribunals or may not be successful in subjecting foreign persons, especially foreign mineral and energy resources ministries and national mineral and energy resources entities/companies, to the jurisdiction of courts in other countries.

(b) Political, economic, fiscal, legal, regulatory and social uncertainties

The Group's operations in the Mineral and Energy Resources Business are exposed to the political, economic, fiscal, legal, regulatory and social environment of the countries in which the Group operates. The Group's business involves a high degree of risk, which a combination of experience, knowledge and careful evaluation may not overcome. These risks include, but are not limited to, civil strife or labour unrest, armed conflict, limitations or price controls on mineral and energy resources and limitations or the imposition of tariffs or duties on imports of certain goods.

Exploration and development activities in developing countries may require protracted negotiations with host governments, national mineral and energy resources entities/companies and third parties, and may be subject to economic and political considerations such as the risks of war, community disturbances, criminal activities (such as mineral and energy resources theft), expropriation,

nationalisation, renegotiation, forced change or nullification of existing contracts or royalty rates, unenforceability of contractual rights, foreign ownership controls or approvals, protests, changing taxation policies or interpretations, adverse changes to laws (whether of general application or otherwise) or the interpretation thereof, foreign exchange restrictions, inflation, changing political conditions, the death or incapacitation of political leaders, local currency devaluation, currency controls, and foreign governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Any of the factors detailed above or similar factors could have a material adverse effect on the Group's business, results of operations or financial condition.

If disputes arise in connection with the Group's operations in developing countries, the Group may be subject to the exclusive jurisdiction of foreign courts or foreign arbitration tribunals or may not be successful in subjecting foreign persons, especially foreign mineral and energy resources ministries and national mineral and energy resources entities/companies, to the jurisdiction of courts in other countries. Further, the Group may also be adversely affected by increased action by nongovernmental organizations opposing to the mineral and energy resources exploration and production industry.

(c) Risks associated with emerging and developing markets generally

The disruptions experienced in the international and domestic capital markets have led to reduced liquidity and increased credit risk premiums for certain market participants, and have resulted in a reduction of available financing. Companies located in countries with emerging markets may be particularly susceptible to these disruptions and reductions in the availability of credit or increases in financing costs, which could result in them experiencing financial difficulty. In addition, the availability of credit to entities operating within the emerging and developing markets is significantly influenced by levels of investor confidence in such markets as a whole and as such, any factors that impact market confidence including a decrease in credit ratings, state or central bank intervention in a market or terrorist activity and conflict, could affect the price or availability of funding for entities within any of these markets.

Since the onset of the global economic crisis in 2007, certain emerging market economies have been, and may continue to be, adversely affected by market downturns and economic slowdowns elsewhere in the world. As has happened in the past, financial problems outside countries with emerging or developing economies, or an increase in the perceived risks associated with investing in such economies could dampen foreign investment in and adversely affect the economies of these countries.

(d) Governmental or business corruption

The Group has operations in the Mineral and Energy Resources Business in some countries which some perceive as having potentially more corrupt governmental and business environments compared to certain developed countries. Action taken against the Group for corruption could have a material adverse effect on the Group's business, results of operations or financial condition. In spite of the Group's best efforts, it may not be possible for the Group to detect or prevent every instance of fraud, bribery and corruption in every jurisdiction in which the Group's employees, agents, subcontractors or joint-venture partners are located. The Group may therefore be subject to civil and criminal penalties and to reputational damage.

Instances of fraud, bribery and corruption, and violations of laws and regulations in the jurisdictions in which the Group operate, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

(e) Terrorism and militant activity

Some of the countries where the Group operates and conducts the Mineral and Energy Resources Business, including Indonesia, have experienced terrorist and militant activity. There can be no assurance that further terrorist acts will not occur in the future. The fear of terrorist actions, either against the Group's properties or generally, could have an adverse effect on the Group's ability to adequately staff and/or manage the Group's operations or could substantially increase the costs of doing so.

Any future terrorist acts in the countries in which the Group operate, or countries neighbouring thereto, could destabilise those countries and increase internal divisions within their governments, and might result in concerns about stability in the region and negatively affect investors' confidence. Violent acts arising from and leading to instability and unrest have in the past had, and could continue to have, a material adverse effect on investment and confidence in, and the performance of, the economies of those countries, and in turn, on the Group's business. Any terrorist attack, including those targeting the Group's properties, could interrupt parts of the Group's business and materially and adversely affect the Group's business, results of operations, financial condition and prospects.

(f) Lack of infrastructure/poorly maintained infrastructure

Physical infrastructure in some areas of the countries in which the Group operates or intends to operate in the Mineral and Energy Resources Business, is obsolete or non-existent and in certain respects have not been adequately funded and maintained. Breakdowns or failures of any part of the physical infrastructure in such areas may disrupt the Group's normal business activity, cause the Group to suspend operations or result in environmental damage to the surrounding areas. Further deterioration of the physical infrastructure in such areas may disrupt the transportation of goods and supplies, increase operational costs of doing business in these areas and generally interrupt business operations, any or all of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

(g) Uncertainty in the interpretation and application of laws and regulations

The courts in the jurisdictions in which the Group operates or intends to operate in the Mineral and Energy Resources Business, for example Indonesia, may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established economies. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems.

Accordingly, the Group could face risks such as: (i) effective legal redress in the courts of such jurisdictions being more difficult to obtain, whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental authorities and therefore less certainty; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and

regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience or unpredictability of the judiciary and courts in such matters.

Enforcement of laws in some of the jurisdictions in which the Group operates may depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Group by local lawyers or even by the relevant local authority itself previously. Furthermore, there is limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Group's contracts, joint operations, licenses, license applications or other arrangements.

There can be no assurance that an unfavorable interpretation or application of the laws in the jurisdictions in which the Group operate will not adversely affect the Group's contracts, joint operations, licenses, license applications or other legal arrangements. In certain jurisdictions, the commitment of local businesses, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be less certain and more susceptible to revision or cancellation, and legal redress may be uncertain or delayed. If the existing body of laws and regulations in the countries in which the Group operates are interpreted or applied, or relevant discretions exercised, in an inconsistent manner by the courts or applicable regulatory bodies, this could result in ambiguities, inconsistencies and anomalies in the enforcement of such laws and regulations, which in turn could hinder the Group's long-term planning efforts and may create uncertainties in the Group's operating environment.

In Indonesia, regional autonomous laws and regulations have changed the regulatory environment for mining companies in Indonesia by decentralising certain regulatory and other powers from the central Government to regional governments, thereby creating uncertainty for mining companies. The Company cannot clearly ascertain the impact of the regional autonomy laws on the powers of the Indonesia Minister of Energy and Mineral Resources and the regional governments for the grant, renewal and extension of mining, exploration and production licenses and approvals, and on the supervision of mining, exploration and production activities. Moreover, limited precedent or other guidance exists on the interpretation and implementation of the regional autonomy laws and regulations. This uncertainty has increased the risks, and may increase the costs, involved in mining activities in Indonesia, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

(h) Sovereign immunity risks

The countries in which the Group operates in the Mineral and Energy Resources Business may have constitutions and laws which entrench and vest all of the rights over their natural resources in the state, including mineral and energy resources, which are regarded as sovereign state assets. These countries may have also established state-owned entities which enter into commercial contracts with mineral and energy resources exploration, exploitation and/or production projects/entities/companies in relation to the exploration, exploitation, development and/or production of mineral and energy resources. Accordingly, the natural resources discovered within a contract area may be ultimately owned by the state and the exploration, exploitation and/or production project/entity/company only has contractual rights of exploration, exploitation, development and/or production. As the contracts are with state-owned entities, in the event of a dispute, it is uncertain if these state-owned entities will be able to invoke the principles of sovereign immunity.

The invocation of such immunity may limit the Group's ability to enforce the Group's rights, which may in turn adversely affects the Group's business, results of operations, financial condition and prospects.

(i) Changes in taxation

The Group's operations in the Mineral and Energy Resources Business are subject to taxation in various countries and are faced with increasingly complex tax laws. The amount of tax the Group pays could increase substantially as a result of changes in or new interpretations of these laws, which could have a material adverse effect on the Group's liquidity and results of operations.

During periods of high profitability in the Mineral and Energy Resources Business, there may be calls for increased or windfall taxes on mineral and energy resources revenue. Taxes may increase or be imposed consequently. In addition, taxing authorities could review and question the Group's tax returns leading to additional taxes and penalties which could be material.

In Australia, mineral resources are typically owned by the State irrespective of whether or not the land in which those mineral resources are found are privately owned. The federal and state governments manage and administer the exploitation of mineral resources, and in doing so prescribe royalties and taxes payable by those private interests which are permitted to extract and exploit the relevant resource. The federal and/or state governments may review the rates of royalties and taxes payable. Any increase in such royalty rates could materially affect the profitability or viability of the operations of the investee companies in Australia, which may in turn adversely affect the Group's business, results of operations, financial condition and prospects.

(j) Natural disasters

The Group's operations in the Mineral and Energy Resources Business, including the Group's drilling and other exploration activities and the transport and other logistics on which the Group is dependent, may be adversely affected and severely disrupted by climatic or geophysical conditions. Natural disasters or adverse conditions may occur in those geographical areas in which the Group operates, including severe weather, tsunamis, cyclones, tropical storms, earthquakes, floods, volcanic eruptions, excessive rainfall and droughts as well as power outages or other events beyond the Group's control.

(k) Labour disputes and labour laws

A significant amount of labour is employed for the mining business. Laws in Indonesia and Australia permitting the forming of labour unions, combined with weak economic conditions, have previously resulted, and may in future result, in labour unrest and/or activism in Indonesia and Australia. Existing labour laws and any new or amended labour laws may increase the investee companies' labour costs and may have a material adverse effect on the Group's business, operating results and financial condition. In addition, any significant labour dispute or labour action that is experienced by the Group's investee companies could have a material and adverse effect on the Group's business, financial performance, financial condition, results of operations and prospects.

2.9.3 **Risks Relating to Specific Key Resources in the Mineral and Energy Resources Business**

(a) Gold

(i) Sustainability of gold mining operations

While the Group's current and prospective investee companies with a focus on gold assets (such as Genesis) may continually carry out resource exploration and development works to further evaluate and develop gold resources and/or gold reserve estimates in order to maximize the profitability of such projects, the evaluation and development of gold assets may no longer be productive past a certain saturation point. Furthermore, actual production output may differ from those anticipated at the time of discovery. In such an event, other concessions with mineable gold reserves will have to be acquired at additional costs, thereby affecting the profitability of such projects. In addition, there is no assurance that there will be suitable concessions available for acquisition.

(ii) Fluctuation in gold prices

The financial performance of the Group's current and prospective investee companies with a focus on gold assets (such as Genesis) will be sensitive to changes in the price of gold which fluctuates and is affected by numerous factors, including expectations with respect to the rate of inflation, exchange rates, interest rates, global and regional political and economic crises, and governmental policies with respect to gold holdings by central banks. Historically, international prices for gold have fluctuated widely and neither the Group's current or prospective investee companies with gold assets will have control over factors affecting international prices for gold. As such, revenue and profit in this sector may be subject to significant volatility.

(iii) Processing capacity and production schedule

The estimated processing capacity of the Group's current and prospective investee companies with a focus on gold assets (such as Genesis) is and will be based on certain estimates and assumptions, including the initial test results of samples obtained from exploratory drilling and interpretation of geological data, which are subject to significant uncertainties. Furthermore, variations in the execution of mining and processing plans, and unexpected delays in the construction of processing plants may result in an inability to meet production schedules. The production schedule may also be affected by any prolonged and/or significant downtime from major and unexpected repairs or servicing of any major production plants which could result in a significant decrease in production rate or production quality. Additionally, such processing facilities may also be affected by natural disasters. Accordingly, in the event that the actual processing capacity and production schedules differ significantly from the expectations of the management of such investee companies, the anticipated level of production and profitability will not be achieved.

(iv) Future financing

Due to the capital intensive nature of the gold mining industry, long-term sustainability requires heavy expenditure to finance exploration and production. Industry cost escalations and other factors may also result in additional costs being incurred and there is no assurance that the Group's current and prospective investee companies will be able to raise additional financing on

satisfactory terms which may adversely affect the implementation of the projects. The gold mining sector is a dynamic and highly volatile one, and the Group may in the future seek to exploit business opportunities which may require additional capital to be raised from equity or debt sources which could dilute the interest of Shareholders or restrict the operations of the Group due to financial covenants.

In addition, the Group and/or its investee companies may be required to comply with the Equator Principles[16] before it is able to obtain financing from financial institutions that have adopted the Equator Principles. The Equator Principles were promulgated to ensure that the projects seeking financing are developed in a manner that is socially responsible and reflect sound environmental management practices. Although the Group is committed to implementing industry best practices, such compliance may result in delays in obtaining necessary funding as well as higher compliance costs of the Group and/or its investee companies.

(b) Oil and Gas

(i) Fluctuation in oil and gas prices

The financial performance of the Group's prospective investee companies with a focus on oil and gas assets will be sensitive to changes in the price of oil and gas which fluctuates and is affected by numerous factors, such as a variety of geopolitical and economic events, arbitrage, global economic growth and expectations of global economic growth, growth or decline in *Organization of the Petroleum Exporting Countries (OPEC)* and non-OPEC production levels, OPEC spare production levels and the commodity investment climate.

(ii) Reliance on third party service providers

As the Group and its prospective investee companies with a focus on oil and gas related assets may not have ownership nor maintain all the infrastructure that produces, processes and transports oil and gas to customers, such infrastructure and services may have to be leased from third party providers and the Group and its prospective investee companies will have no control over the quality and availability of such services. Examples of such infrastructure include drilling and well completion equipment and material, pipelines, storage tanks, separation equipment, enhanced oil recovery equipment, logging equipment and products and services provided by seismic companies. Interruptions due to logistical complications may also occur and in the event of disruption or delay in the availability of equipment or infrastructure, the sale of oil and gas products will have to be halted until the problem is rectified or until delivery is achieved via alternative methods.

(iii) Use of 2D and 3D seismic imaging

Seismic imaging is a method used by geoscientists to reveal possible crude oil and natural gas bearing formations. Seismic data aims to determine the depth and orientation of subsurface rock formations and is generated by applying a source of energy, such as vibrations, to the surface of the ground and capturing the reflected sound waves to create two-dimensional ("**2D**") lines or three-

[16] The Equator Principles is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects and is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.

dimensional ("**3D**") grids, the latter of which provide more accurate subsurface maps. However, even when properly used and interpreted, 2D and 3D seismic data and visualization techniques are only tools used to assist geoscientists in identifying subsurface structures and hydrocarbon indicators, and do not enable geoscientists to know whether hydrocarbons are, in fact, present in those structures or the amount of hydrocarbons present. In addition, the use of 3D seismic and other advanced technologies requires greater pre-drilling expenditures than traditional drilling strategies, and the Group and its prospective investee companies could incur greater drilling and exploration expenses which may result in a reduction in returns.

(c) Copper

(i) Environmental impact in relation to waste by-products from copper mining

Copper mining produces waste by-products which have an adverse impact on the environment and communities situated near copper mining projects. Mining and the extraction of copper by common surface or underground methods can concentrate and expose radionuclides in the waste rock. In-situ leaching, a mining process used to recover copper through boreholdes drilled into a deposit in situ, can also transport uranium and thorium into groundwater or surface water at the site. Levels of radiation are also present in copper mining wastes. This may expose the Group's current and potential investee companies with copper assets (such as Kidman, DML, Genesis and Elysium) and consequently, the Group itself, to the risk of reduced profits due to increased environmental or compliance costs. Furthermore, there may be exposure to restitution or compensation suits from individuals or communities affected by the hazardous waste products, which would not only result in negative publicity but would also have an adverse effect on the operations, business and profitability of the Group and these investee companies.

(ii) Fluctuation in copper prices

The financial performance of the Group's current and prospective investee companies with a focus on copper assets (such as Kidman, DML, Genesis and Elysium) will be sensitive to changes in the price of copper which fluctuates and may be affected by factors such as the growth in manufacturing output, as well as the emergence and growing popularity of cheaper substitutes such as aluminium, plastics and fiber optics which reduce the demand for copper and copper-related products.

(d) Coal

(i) Variations in coal quality

The type of coal mined and its quality varies across a wide spectrum, even within a single project area. Coal types can range from low rank thermal coals to possibly PCI and hard coking coals. Other variables include high volatility, low ash and low moisture coal grades, to coal that has been weathered naturally or oxidized by past heat events. While surface analysis and open hole drill data may indicate the presence of open pittable or underground coal, there will always be uncertainty regarding the type, quality and degree or degradation (if any) of the coal in-situ, which could have an adverse impact on the financial performance of the Group's current and potential investee companies with coal assets (such as Celsius and Cokal) and consequently, the Group itself.

(ii) Fluctuations in coal prices

The financial performance of the Group's current and prospective investee companies with a focus on coal assets (such as Celsius and Cokal) will be sensitive to changes in the price of coal. Demand for coal may face a decline as a result of the increasing competitiveness of natural gas as an alternative due to the efficiency of power generation from natural gas, the flexibility of combined-cycle (gas) units and the increasing impact of environmental rules on fuel prices. This is exacerbated by the fact that falling natural gas prices provide even greater economic incentive for consumers to switch from coal to gas. If demand for natural gas continues to surge over that for coal, coal prices may face a downward trend which would affect the profitability and financial performance of such investee companies and consequently, the Group itself.

(iii) Environmental impact in relation to greenhouse gas emissions

In recent years, there has been growing concern over greenhouse gas emissions and its corresponding impact on climate change. At the International Coal and Climate Summit in Warsaw in November 2013, it was noted that the world now faces unprecedented greenhouse gas concentrations in the atmosphere. In response to increasing pressure from environmental groups and in order to comply with their international obligations, such as the Kyoto Protocol, regulators may impose more stringent greenhouse gas regulations and push for cleaner energy options, and this in turn may result in higher carbon levies or more stringent requirements with regard to emission permits.

Accordingly, the increased cost of coal may encourage power stations to turn to alternative sources of energy instead, thereby reducing coal demand and overall profitability. In addition, such climate change risks go beyond compliance with regulatory regimes – there are also reputation risks related to sustainability concerns, physical risks to operations due to extreme weather and litigation risks, all of which could have an adverse impact on the on the operations, business and profitability of Group's current and potential investee companies with coal assets (such as Celsius and Cokal) and consequently, the Group itself.

(e) Uranium

(i) Chemical toxicity of uranium

Uranium is chemically toxic and high levels of radioactivity are usually present in uranium mine tailing dumps. This poses serious health risks to mine workers and communities in close proximity to such uranium mines. This may expose the Group's investee companies with uranium assets (such as Powerlite and Genesis) to restitution and compensation claims from affected workers or individuals, as well as negative publicity, which would have an adverse effect on the operations, business and profitability of the Group and/or its relevant investee companies. This may be especially relevant to the Group's current and prospective investee companies with uranium assets located in the USA (such as Powerlite) as recently in 2013, there were renewed efforts to expand restitution for Americans sickened from working in uranium mines. To the extent that such investee companies have workers who are or may be affected, if such efforts come to fruition, there may be a material adverse effect on the business, prospects, and financial performance of such investee companies and the Group itself.

(ii) Extensive and uncertain uranium mining regulation in Australia

The extraction, transport, handling and sale of uranium in Australia is subject to comprehensive regulation by both Commonwealth and State Governments. Such regulation extends to govern areas including exploration, development, production, export, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. As such, the approval processes for applications for uranium mining are more stringent than for the mining of other resources. This could mean increased compliance costs for the Group's current and prospective investee companies with uranium assets in Australia (such as Genesis), which would in turn affect the profitability of the mining projects. In addition, uranium mining in Australia is a politically sensitive topic and policies differ from state to state, depending on which political party is in power. Given that some states and territories have banned uranium exploration and/or mining in the past, the Group's current and prospective investee companies with uranium assets in Australia face the risk that uranium exploration and/or mining may be banned in the future, which could adversely and materially affect the business, prospects, and financial performance of such investee companies and the Group itself.

(iii) Fluctuations in uranium prices

The financial performance of the Group's current and prospective investee companies with a focus on uranium assets (such as Powerlite and Genesis) will be sensitive to changes in the price of uranium, which is in turn largely dependent on the prospects of the nuclear power industry. The 2011 Fukushima earthquake and nuclear crisis placed significant downward pressure on uranium prices and given the restricted application of uranium, similar incidents in the future may have a material impact on the demand for and price of uranium, which would affect the profitability and financial performance of such investee companies and consequently, the Group itself.

2.9.4 **Consideration of the risks**

Notwithstanding the risks set out above, the Board, having considered the rationale for the Proposed Additional Core Business as set out in **Section 2.3** of this Circular, believes that undertaking the Proposed Additional Core Business is in the best interests of Shareholders for the reasons set out in **Section 2.3** of this Circular.

The Company confirms that to the best knowledge of the Directors, based on its due diligence conducted at the time of the relevant investment, the Company is not aware of any matter that has caused it to believe that any of the companies in the Investee Groups:

(a) has not obtained all material licences, permits or certificates necessary to conduct its operations from the relevant governmental bodies in the jurisdiction where the Investee Group operates;

(b) is not in compliance with all laws, rules and regulations in all jurisdictions in which the Investee Group operates, including but not limited to, the proper incorporation and good standing of any incorporated subsidiary or interest, except where such non-compliance is not material to the Investee Group's business operations; and

(c) does not possess title to or valid and enforceable rights to any assets (including licenses and agreements) as is appropriate to the Investee Group, except where such lack of, or defect in, such title or rights is not material to the Investee Group's business operations,

save in relation to the companies which licences have expired, as disclosed in **Section 2.4.1** of this Circular in the summary table of material licences and permits held by the Investee Groups and **Section 3.2.4** of this Circular on the mineral and resources portfolio of Genesis.

The Company has limited its due diligence on these Investee Companies to publicly-available information. As the Investee Companies are listed on the ASX and/or Toronto Stock Exchange they are subject to continuous disclosure rules under their respective securities laws and stock exchange listing rules. Any material changes to the abovementioned matters are required to be publicly disclosed under their respective securities laws and stock exchange listing rules.

"**Investee Companies**" refers to, Celsius, Cokal, Azarga Uranium, Kidman, DML, Genesis and Merlin, collectively, and "**Investee Company**" means any one of them, "**Investee Group**" means, collectively, an Investee Company and its subsidiaries.

2.10 Listing Manual Requirements

As the Mineral and Energy Resources Business involves a new business activity which is substantially different from the Group's existing core businesses, it is envisaged that the Proposed Additional Core Business will change the existing risk profile of the Group. Accordingly, an EGM will be convened by the Company to seek the approval of Shareholders for the Proposed Additional Core Business.

Upon the approval by Shareholders of the Proposed Additional Core Business, any acquisition which is in, or in connection with, the Mineral and Energy Resources Business, may be deemed to be in the ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual.

Accordingly, the Group may, in its ordinary course of business, enter into transactions relating to the Mineral and Energy Resources Business which will not change the risk profile of the Group, in an efficient and timely manner without the need to convene separate EGMs from time to time to seek Shareholders' approval as and when potential transactions relating to the Mineral and Energy Resources Business arise.

However, paragraph 3.2.2 of Practice Note 10.1 of the Listing Manual requires that when an acquisition changes the Company's risk profile, the Company will have to seek Shareholders' approval. Paragraph 3.2.3 of Practice Note 10.1 sets out, among others, the following factors which will be considered in determining whether the risk profile of the Company has been changed:

(a) when the acquisition is a very substantial acquisition which will increase the scale of the Company's existing operations such that any of the relative figures computed on the bases set out in Listing Rules 1006(c) and 1006(d) is 100% or more;

(b) when the acquisition will result in a change of control of the Company which will be treated as a reverse take-over. Rule 1015 of the Listing Manual requires shareholder approval to be obtained if the acquisition will result in a change in control of the issuer regardless of whether the acquisition is treated as in the issuer's ordinary course of business;

(c) when the acquisition will have a significant adverse impact on the Company's earnings, working capital and gearing;

(d) when the acquisition will result in an expansion of the Company's business to a new geographical market and/or a new business sector; and

(e) the extent to which the intended expansion has been foreshadowed and Shareholders have had an opportunity to vote at previous general meetings on:

(i) the Company's proposal; or

(ii) waiving their rights to approve the Company's proposal.

Paragraph 3.2.4 of Practice Note 10.1 of the Listing Manual further provides that the abovementioned factors in determining whether an acquisition would change the Company's risk profile are neither exhaustive nor conclusive.

Chapter 10 of the Listing Manual will continue to apply to any acquisitions in, or in connection with, the mineral and energy resources sectors other than those specified in **Section 2.2(b)** of this Circular.

Where the Proposed Additional Core Business would involve an interested person transaction as defined under the Listing Manual, the Company will also comply with the provisions of Chapter 9 of the Listing Manual, where applicable.

3 PROPOSED GENESIS ACQUISITION

3.1 Brief Overview

3.1.1 **The Genesis Offer.** On 24 January 2014, the Board announced that the Company had entered into a bid implementation deed (the "**Genesis Implementation Deed**") with Genesis pursuant to which the Company agreed to make an off-market takeover bid (the "**Proposed Genesis Acquisition**") to acquire all the fully paid ordinary shares in the capital of Genesis ("**Genesis Shares**"). On 22 April 2014, the Company and Genesis entered into an amendment deed (the "**Genesis Amendment Deed**") to the Genesis Implementation Deed to amend the terms of the Genesis Implementation Deed.

The consideration to be offered under the Proposed Genesis Acquisition is to be satisfied by way of an allotment and issue of 9.5 new fully paid ordinary shares in the capital of the Company (the "**Shares**") for every two Genesis Shares, up to a maximum of 1,209,128,707 new Shares (the "**Genesis Consideration Shares**")[17], subject to any fractional entitlements being rounded up to the nearest whole Genesis Consideration Share.

The Company had, prior to the announcement of the Proposed Genesis Acquisition, engaged Holding Redlich, Australian legal advisers; and Polenak Law Firm, Macedonian legal advisers, to conduct a legal due diligence review (limited to publicly available information) of Genesis, which included title searches on the tenements held by Genesis, certain other public searches and reviews of ASX announcements of Genesis and advice on the Plavica JV Agreement as well as in relation to the laws of Macedonia as they apply to the tenements the subject of the Plavica Joint Venture. Please refer to **Section 3.5** of this Circular for more details on the risks relating to ownership of the Genesis Shares. No independent financial adviser was appointed in relation to the Proposed Genesis Acquisition.

[17] Subject to the approval of ASIC, the Proposed Genesis Acquisition will include the Genesis Placement Shares 2.

3.1.2 **Bid Documents.** Under the terms and conditions of the Genesis Implementation Deed, the Company is required to lodge and issue a bidder's statement (the "**Genesis Bidder's Statement**") to the shareholders of Genesis ("**Genesis Shareholders**") within two months of the Genesis Implementation Deed offering to acquire all the Genesis Shares (the "**Genesis Offer**"). On 21 March 2014, the Company lodged the Genesis Bidder's Statement with ASIC and ASX and despatched the Genesis Bidder's Statement to each Genesis Shareholder on 24 March 2014. On 23 April 2014, Genesis lodged the target's statement (the "**Target's Statement**") with ASIC and ASX and despatched the Target's Statement to each Genesis Shareholder.

The terms of the Genesis Bidder's Statement were varied pursuant to the following supplementary bid documents lodged with ASIC and ASX on the respective dates:

(a) the first supplementary bidder's statement dated 4 April 2014;

(b) the second supplementary bidder's statement dated 22 April 2014 (the "**Second Supplementary Genesis Bidder's Statement**") and the notice of variation dated 22 April 2014;

(c) the third supplementary bidder's statement dated 2 May 2014;

(d) the fourth supplementary bidder's statement dated 6 June 2014;

(e) the fifth supplementary bidder's statement dated 23 July 2014;

(f) the sixth supplementary bidder's statement dated 18 August 2014;

(g) the notice of variation and letter to the Genesis Shareholders dated 11 September 2014;

(h) the seventh supplementary bidder's statement dated 29 October 2014 and the notice of variation dated 29 October 2014 (the "**Seventh Supplementary Genesis Bidder's Statement**");

(i) the eighth supplementary bidder's statement dated 23 December 2014 (the "**Eighth Supplementary Genesis Bidder's Statement**");

(j) the ninth supplementary bidder's statement dated 6 January 2015;

(k) the tenth supplementary bidder's statement dated 16 January 2015;

(l) the notice of variation and letter to the Genesis Shareholders dated 5 February 2015; and

(m) the eleventh supplementary bidder's statement dated 10 February 2015 (the "**Eleventh Supplementary Genesis Bidder's Statement**"),

(collectively, the "**Genesis Supplementary Bid Documents**").

The Genesis Supplementary Bid Documents supplement and should be read together with the Genesis Bidder's Statement.

3.1.3 **Shareholders' Approval.** The Proposed Genesis Acquisition constitutes a "major transaction" within the meaning of Chapter 10 of the Listing Manual. As such, it is conditional upon the approval of Shareholders being obtained at the EGM to be convened.

3.1.4 **Genesis Consideration Shares.** On 17 February 2015, the SGX-ST granted its approval-in-principle for the listing and quotation of the Genesis Consideration Shares on the Official List of the SGX-ST, subject to certain conditions the details of which are set out in **Section 3.10.1** of this Circular. The approval-in-principle of SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Genesis Acquisition and/or the Genesis Consideration Shares.

3.1.5 **Company's Investments in Genesis.** As at the Latest Practicable Date, the Company does not have any interest (as defined under the Companies Act) in Genesis Shares. As at the Latest Practicable Date, the Company does not have any amount invested in relation to Genesis and the total amount to be invested in relation to Genesis comprises approximately S$30.79 million pursuant to the Proposed Genesis Acquisition. Please refer to **Section 3.4** of this Circular for more details on the Proposed Genesis Acquisition.

3.2 Information about Genesis

3.2.1 **Corporate Information.** Genesis is a company incorporated in Australia whose shares are listed and quoted for trading on the ASX (ASX code: GES). As at the Latest Practicable Date, Genesis has a market capitalisation of approximately A$11.44 million (approximately S$12.06 million) and a total issued share capital of 190,626,948 Genesis Shares. After the Latest Practicable Date, on 17 February 2015, Genesis allotted and issued the Genesis Placement Shares 2. As a result, on 17 February 2015, Genesis had a total issued share capital of 254,553,412 Genesis Shares.

Genesis has its registered office at Level 1, 61 Spring Street, Melbourne, Victoria 3000.

3.2.2 **Directors and Senior Management of Genesis.** As at the Latest Practicable Date, the directors of Genesis are Eddie Pang Lung Yiu (Executive Chairman), Alex Lim Hooi-Kiang (Non-Executive Director) and Deric Wee Kok Bin (Non-Executive Director). The senior management of Genesis include Sophie Karzis (Company Secretary), Patricia Wong (Chief Financial Officer) and James Patterson (Exploration Manager (Australia and Macedonia)). A summary of the background and credentials of the directors and senior management are detailed in the table below.

Directors	
Eddie Pang Lung Yiu (Executive Chairman)	Mr. Eddie Pang holds a Bachelor of Science in Chemistry and was appointed to the Genesis Board in March 2009. He operates a trading business based in Shanghai, the People's Republic of China which has a focus on supplying the People's Republic of China market with products such as Australian wool and wine, Chilean iron ore, cathode copper and timber; marketing of Chinese building materials to Vietnam and the United Arab Emirates; and supplying Chinese chemicals to pharmaceutical facilities in Canada and the United Arab Emirates. In addition, he is involved in a joint venture in relation to a food flavouring manufacturing facility in Wisconsin, USA. The joint venture has an established distribution network of food flavours and additives in the People's Republic of China and supplies products to major dairy processors and beverage producers.

Directors	
	He has a number of private business interests in Australia, including vineyards and timber plantation investments. He has an extensive network of business associates in several large corporations in the People's Republic of China and the Middle East. Mr. Eddie Pang is presently a non-executive director of ASX-listed company Lincoln Minerals Ltd ("**Lincoln Minerals**"), a mineral exploration company listed on the ASX with a primary focus on multi-deposit graphite and iron ore exploration and project development across South Australia's Eyre Peninsula. He has an indirect interest in 10,816,532 Lincoln Minerals shares representing approximately 4.03% of the total issued share capital of Lincoln Minerals as at the Latest Practicable Date. He currently has a Relevant Interest in 3,210,000 Genesis Shares, representing approximately 1.68% of the total issued share capital of Genesis as at the Latest Practicable Date.
Alex Lim Hooi-Kiang (Non-Executive Director)	Mr. Alex Lim graduated from Monash University with a Bachelor of Arts degree. He is a former independent director of Berjaya Media Bhd (formerly known as Nex News Bhd) and has a number of business interests, including interests in the insurance sector. He is presently a non-executive director of ASX-listed company Lincoln Minerals, a mineral exploration company listed on the ASX with a primary focus on multi-deposit graphite and iron ore exploration and project development across South Australia's Eyre Peninsula. He does not have any interest in Lincoln Minerals shares as at the Latest Practicable Date. He currently has a Relevant Interest in 1,100,000 Genesis Shares, representing approximately 0.58% of the total issued share capital of Genesis as at the Latest Practicable Date.
Deric Wee Kok Bin (Non-Executive Director)	Prior to joining the Genesis Board in December 2009, Mr. Deric Wee had been involved in the financial services industry since 1989 as a stockbroker and investment banker. He has worked within well-established financial services companies which are part of financial and banking conglomerates in Malaysia. Mr. Deric Wee acquired extensive experience and competence in key areas including sales, marketing, share and stock trading, and co-ordinated a number of corporate strategies such as IPOs, mergers and acquisitions, restructurings, placements and advisory services relating to securities listed on Bursa Malaysia and the ASX. He currently has a Relevant Interest in 1,860,000 Genesis Shares, representing approximately 0.98% of the total issued share capital of Genesis as at the Latest Practicable Date.

Senior Management	
Patricia Wong (Chief Financial Officer)	Ms. Patricia Wong is a Certified Practising Accountant of CPA Australia Limited and a Fellow of the Institute of Public Accountants, Australia. She is also an associate member of the Chartered Institute of Management Accountants (UK) and Institute of Chartered Secretaries and Administrators (UK).
James Patterson (Exploration Manager (Australia and Macedonia))	Mr. James Patterson is a geologist with over 20 years' exploration experience, primarily in gold and copper-gold systems. He has worked with several successful exploration companies such as Delta Gold Corporation, Newmont Mining Corporation, Oxiana Limited and MMG Limited. He has worked in Australia, Asia, the Pacific Islands and Eastern Europe. His last role was as Country Exploration Manager with Rio Tinto in Laos. He is a member of the Australian Institute of Geoscientists.
Sophie Karzis (Company Secretary)	Ms. Sophie Karzis is a practising lawyer with over 15 years' experience as a corporate and commercial lawyer, company secretary and general counsel for a number of private and public companies. She is the principal of Corporate Counsel, a corporate law practice with a focus on equity capital markets, mergers and acquisitions, corporate governance for ASX-listed entities, as well as the more general aspects of corporate and commercial law. She is currently the company secretary of a number of ASX-listed and unlisted entities, and is a member of the Law Institute of Victoria and Governance Institute of Australia.

In relation to Mr. Eddie Pang and Mr. Alex Lim's directorships in Lincoln Minerals, the Board is of the opinion that there will not be any conflict of interest for the following reasons: (i) Genesis' primary project is the gold, silver and copper Plavica Project in Macedonia whilst Lincoln Minerals' primary focus is on multi-graphite and iron ore in South Australia; (ii) Mr. Eddie Pang and Mr. Alex Lim are non-executive directors of Lincoln Minerals, and therefore are not involved in its day-to-day operations; and (iii) as stated in **Section 3.4.10** of this Circular, the Company does not intend to appoint any person to the Board in connection with the Proposed Genesis Acquisition.

3.2.3 **Substantial Shareholders of Genesis.** Based on material lodged with the ASX as at the Latest Practicable Date, each of the following persons has the following substantial shareholdings in the issued ordinary shares of Genesis:

Substantial Shareholder	Percentage of issued capital (%)	Number of Genesis Shares held
Ong Kar Ghee	13.04	24,864,384
S Active Holding Sdn Bhd	11.60	22,117,930
Chin Niap Mah	8.79	16,764,706
Edwin Sugiarto	7.87	15,000,000

Substantial Shareholder	Percentage of issued capital (%)	Number of Genesis Shares held
China Century Overseas Ltd	7.34	13,998,290
DMG & Partners Securities Pte Ltd	4.59	8,751,690

None of the Company, the Directors, the Controlling Shareholders of the Company, or their respective Associates is related to the directors or Controlling Shareholders of Genesis.

3.2.4 **Mineral and Resources Portfolio of Genesis.** Genesis is a mineral exploration and development company with a portfolio of quality gold, iron, manganese, uranium and base metal (copper-zinc-silver) projects in the prospective Proterozoic and Phanerozoic metallogenic provinces of northern and central Australia. It owns seven mineral exploration licences or exploration permits for mining in Queensland and the Northern Territory of Australia and has an interest in an exploration project in the Republic of Macedonia. The list of exploration projects as at the Latest Practicable Date is set out in the table below. A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on any of the projects.

Project	Interest of Genesis (%)	Licence Number	Development Status	Expiry date	Type of mineral deposit	Area (square km)	Current Holder	Country State
Alice Springs	100	EL24817	Exploration	17 April 2016	Copper-Iron-Gold	372.59	Genesis	Northern Territory, Australia
Arltunga	100	EL25238	Exploration	7 November 2016	Gold-PGE	95.20	Genesis	Northern Territory, Australia
Fenn Gap	100	EL24839	Exploration	5 May 2016	Iron-Manganese	26.93	Genesis	Northern Territory, Australia
Laura River	100	EPM15242	Exploration	22 August 2012(1)	Gold-PGE	165.35	Genesis	Queensland, Australia
Pioneer	100	EPM15619	Exploration	1 August 2016	Gold	6.23	Genesis	Queensland, Australia
McArthur River	100	EL24814	Exploration	17 April 2016	Manganese-Base Metals	380.88	Genesis	Northern Territory, Australia
Gladstone	100	EPM15771	Advanced exploration	18 June 2017	Manganese	63.93	Genesis	Queensland, Australia
Mt Miller(2)	100	ML80166	Advanced exploration	14 January 2016	Manganese	32.24 Ha	Genesis	Queensland, Australia
Plavica(3)	62	19-6648/1	Advanced exploration	14 April 2014(4)	Gold-Silver-Copper	17.41	Silgen Kratovo	Republic of Macedonia

Notes:

(1) A licence renewal application is pending.

(2) The Mt Miller Manganese Project covers 32.24 Ha of area within the Gladstone tenement.

(3) Held through a joint venture company, Silgen Resources International Ltd, Kratovo ("**Silgen Kratovo**" or the "**Plavica JV Company**"), which is 62% owned by Genesis and 38% owned by the nominee of Mining Industrial Combine – SILEKS joint stock company-Kratovo (in Macedonian: Рударско индустриски комбинат – СИЛЕКС акционерско друштво-Кратово) (the "**Plavica JV Partner**") pursuant to the terms of the Plavica JV Agreement. Six other concession licences, covering an area of approximately 168 km^2, expired on 14 April 2014.

(4) Conversion to exploitation licence pending.

The Company commissioned Ravensgate to prepare an IQP and Valuation Report on Genesis' Macedonian and Australian exploration projects. Mr Stephen Hyland is nominated as the Ravensgate director who has supervised the production of the IQP and Valuation Report. Mr Hyland meets the requirements of an independent qualified person in Rule 210(9)(b) of the Listing Manual. Mr Sam Ulrich and Mr Alan Hawkins were nominated as the Competent Persons (as defined in the JORC Code 2012 Edition) responsible for the compilation of the IQP and Valuation Report and are members of the Australian Institute of Geoscientists. Further details on their qualifications are set out in the IQP and Valuation Report at **Appendix B** of this Circular.

Certain key aspects of Genesis' Macedonian and Australian exploration projects have been extracted from publicly available information and summarised from the IQP and Valuation Report and are set out below. Please refer to the IQP and Valuation Report in **Appendix B** of this Circular for a more detailed discussion on these exploration projects.

(a) **The Plavica Project (Macedonia)**

Genesis is focused on the project held through the Plavica JV Company in the Republic of Macedonia (the "**Plavica Project**").

Project Location

The Plavica project is located within the (former Yugoslav) Republic of Macedonia (Macedonia) in southeastern Europe, north of Greece. Within Macedonia the project is located in the municipality of Kratovo in northeast Macedonia. Kratovo is also the name of the town where the municipal seat is found, with the project tenements located immediately to the southwest. Skopje, the capital of Macedonia, is located approximately 65 km west of the project.

Ownership and Tenure

The project consists of one concession licence covering an area of 17.41 km^2. As announced by Genesis in its quarterly activities report for the three months period up to 31 December 2014, the Plavica JV Company's application to the Ministry of Economy for a 30-year exploitation mining licence covering an area of 16.85 km^2 is pending.

Six other concession licences, covering an area of approximately 168 km^2, expired on 14 April 2014. This led Genesis to review the mapping over these tenements to focus exploration on the optimum areas and determine the best areas over which to re-submit applications for new exploration concession licences, rather than seeking an extension of the terms of these concession licences, which would only be extended for a maximum of two years. As stated in the IQP and Valuation Report, Ravensgate agrees with this strategy of focusing exploration on the optimum areas of the property, particularly as the Plavica JV Company may potentially benefit from recent changes to Macedonian law entitling holders of newly granted concession licences to conduct exploration over a period of up to six years.

On 19 July 2007 Genesis entered into a joint venture agreement (the "**Plavica JV Agreement**") with the Plavica JV Partner. As at the date of the Plavica JV Agreement, the Plavica JV Partner held two concessions in the area which required reissue in accordance with revisions to Macedonian mining law. Seven new concession areas were granted by the Republic of Macedonia Ministry of Economics in April 2010 for a period of 4 years. Pursuant to the Plavica JV Agreement, it was agreed that Genesis would earn a 62% participating interest in the Plavica Project concessions by funding all work expenditure on the project up to the completion of a final feasibility study.

The Plavica JV Partner is a joint stock company incorporated in the Former Yugoslav Republic of Macedonia, listed on the Macedonian Stock Exchange and engaged in mineral mining, retail trade and agriculture. A summary of the financial statements of the Plavica JV Partner for its financial years in 2011, 2012 and 2013 is set out below.[18]

	2013 ('000 MKD)	2012 ('000 MKD)	2011 ('000 MKD)
Total revenue from operation activities	733,132	271,319	297,618
Operating profit	264,078	(27,982)	(29,656)
Net profit	250,483	(35,415)	(29,576)
Total liabilities	646,642	824,306	651,019
Total assets	993,967	1,115,973	1,012,564
Equity	347,325	291,667	361,545

In June 2010, Genesis reported its first JORC-compliant mineral resource estimate for the Plavica Project. The initial phase of the drilling programme at the Plavica Project commenced in April 2011 and was completed in late July 2011.

In the latter part of 2012, Genesis commissioned the mining consulting firm Golder Associates Pty Ltd ("**Golder**") to carry out a geological study and review of the Plavica Project, as well as financial modelling, mining engineering evaluation, and a tailings dam study. From 2012 to 2013, Genesis completed (in a number of drilling phases) 52 diamond holes and 119 RC holes (for 18,200.3m and 23,233m, respectively) for a total of 41,433.3m. This drilling primarily focused on the east-west structurally controlled mineralisation in the north of the project around Plavica Peak.

During 2013 and 2014, Genesis focused its exploration effort towards the Plavica Project in order to meet its obligations under the Plavica JV Agreement and to provide data to enable the estimation of a JORC compliant resource.

On 28 August 2014, Genesis announced that Genesis and the Plavica JV Partner jointly incorporated a company in Macedonia, Silgen Resources International Ltd, Kratovo (the "**Plavica JV Company**"), which is 62% owned by Genesis and 38% owned by the Plavica JV Partner. As further announced by Genesis on 28 August 2014, the Plavica JV Company is governed in general by a four-member supervisory board which consists of two members nominated by each joint venture party. The board is responsible for supervising the management of the Plavica JV Company, which in turn is administered by the manager of the Plavica JV Company, who

[18] Issuer data on the website of the Macedonian Stock Exchange (http://www.mse.mk).

Genesis has the sole right to appoint. Under Macedonian law, certain decisions of the Plavica JV Company, including the appointment of board members, require member approval at a general meeting (otherwise known as an assembly of partners). The voting power of members of the Plavica JV Company at a general meeting will be in proportion to their share ownership percentage.

A final feasibility study prepared in accordance with the requirements of the Macedonian Government has been submitted to the Ministry of Economy of the Republic of Macedonia ("**MERM**") by the Plavica JV Company. The Plavica JV Company has also submitted an application for a 30-year exploitation licence for the Plavica tenement of 16.85 km^2 to MERM. Following the incorporation of the Plavica JV Company, the Plavica JV Partner transferred the ownership of all assets it held in respect of the Plavica Project (including the concession licence, all exploration results, associated data and the final feasibility study completed by Genesis) to the Plavica JV Company. Genesis and the Plavica JV Partner reasonably believe that the Plavica JV Company's pending application for the exploitation licence will be granted. Ravensgate also believes that whilst there is a risk this may not be granted, there is no reason to believe that the application will not be successful. Given that Genesis has been operating at the Plavica Project since 2011 and has met all the required criteria and statutory obligations to date, Ravensgate can see no reason why the licence would not be granted. Further, it is a condition of the Genesis Offer, as set out in paragraph 16(v) of **Appendix C** to this Circular, that, before the end of the Genesis Offer Period, no application for exploitation, exploration or extension of any of or in respect of any of the Plavica Concessions (or any of the land the subject of the Plavica Concessions) which is made by the Plavica JV Partner or Genesis (or an associate of either entity) is rejected or declined by the Ministry of Economy of the Republic of Macedonia. In addition, there are other Genesis Offer Conditions relating to the Plavica Concessions, as set out in paragraph 16 of **Appendix C** of this Circular, including that they are valid, effective and in good standing. If any Genesis Offer Condition is breached before the end of the Genesis Offer Period, the Company can choose not to continue with the Proposed Genesis Acquisition.

After the exploitation licence is granted, Genesis remains responsible under the terms of the Plavica JV Agreement for undertaking infill and extensional drilling and completing a feasibility study in respect of the exploitation licence area (as required to obtain funding for mine development), and the costs of those activities.

As announced by Genesis in its quarterly activities report for the three-month period ended 31 December 2014, Genesis intends to focus its resources during the 2015 financial year and beyond on undertaking infill and extensional drilling and completing the feasibility study in respect of the exploitation licence area (as required to obtain funding for mine development). Genesis will aim, with infill drilling, to obtain a resource in the indicated category, and with extensional drilling, to increase the total resource of the Plavica Project, which is still open along strike as well as test Maricanski Rid (46m @ 1.59 g/t Au) located 800 m south of Plavica, and a number of other targets. These objectives are consistent with Genesis' obligations under the Plavica JV Agreement, and once achieved will enable Genesis and the Plavica JV Partner to assess viability to develop a mine site at the Plavica Project.

Supporting Infrastructure

There are two towns approximately 5 km from the Plavica Project area – namely, Kratovo and Probishtip. The workforce in the region is mostly employed in agriculture, followed by the service industry. There are 2,482 people registered as unemployed in the Kratovo municipality and 2,600 from the Probishtip municipality.

Roads within the region range from local roads, asphalt or dirt, regional roads and highways. Additional local asphalt surfaced roads are planned. A railway is currently under construction through the municipality of Kratovo with a proposed railway station at Kriva Reka. Power is supplied by Elektro Kratovo to residential and industrial customers in the Kratovo Municipality.

There are new high voltage and low voltage transformer stations in the city and out of the city to provide electricity. A hydropower scheme is under construction on the Zletovska River with the first phase of construction complete. EVN Macedonia is responsible for the distribution of electricity in the Probishtip Municipality.

Mining is being undertaken in the Probishtip Municipality at the Zletovo lead-zinc mine.

Water in the Kratovo Municipality is sourced from the Zletovica River and in the Probishtip Municipality from the Zletovska reka, a reservoir. The main watercourses in the vicinity of the project area are the Kratovska (a tributary of the Kriva River) and Probistip Rivers and the Grizilevski, Kiselichki and Plavichki streams. The Zletovska and Kriva Rivers have good water potential for the project area.

Previous Mineral Resource Estimates

On 1 June 2010, Genesis reported an Inferred Mineral Resource estimation of the Plavica project, reported in accordance with the JORC Code 2004 Edition, based solely on the historic drill holes. The estimation was undertaken by Mr Alfred Gillman of Odessa Resources Pty Ltd. This Inferred Resource was later updated as set out in the table (*Historic May 2012 JORC Inferred Mineral Resource for the Plavica Project*) below by Mr Alfred Gillman in 2012 on 30 May 2012. This was based on the results from 108 diamond drill holes, totalling 34,408m, over an area 1.5km in length, by 500m in width and extending to a depth of 800m. The holes used for the estimation were a combination of historic holes and holes from Genesis' 2011 drilling program.

Historic May 2012 JORC Inferred Mineral Resource for the Plavica Project

Element	Cut Off (ppm)	Tonnes	Grade	Au (oz)	Ag (oz)	Cu (kg)	Classification
Au*	0.50	151,046,457	0.75g/t	3,662,333	55,486,281	360,133,182	Inferred
Ag**	15	34,766,222	25g/t	–	28,232,352	–	Inferred
Cu***	4,000	7,975,180	0.43%	–	–	33,921,304	Inferred

Notes:

Grade and tonnage reported separately for gold (Au), silver (Ag) and Copper (Cu) based on domains established for each element individually (after Pang, 2012).

* reported from within Au defined domain (using an average grade of 11.43g/t Ag and 0.24% Cu)

** reported from within Ag defined domain

*** reported from within Cu defined domain

In May 2013 based on a review by Golder Associates Pty Ltd the above historical Mineral Resource was re-categorised as an Exploration Target of 150Mt @ 0.75g/t Au, 11.43g/t Ag and 0.24% Cu. With an Exploration Target the potential quantity and grade is conceptual in nature and that there has been insufficient exploration and work to estimate a mineral resource and it is uncertain if further exploration and associated resource development work will result in the estimation of a mineral resource.

Project Geology

The Plavica deposit is hosted in a sequence of andesitic to dacitic volcanoclastics of mixed sub-aerial and sub-aqueous nature which dips at approximately 30 degrees to the south-southwest. The volcanic stratigraphy is cut by steeply dipping vuggy silica bodies which are up to 500 m long and between 100-150 m wide. Four silicified bodies are recognised and form prominent ridges with broadly east-west and northwest to southeast orientation.

The Plavica deposit is related to a volcanic structure within the Kratovo-Zletovo region. It represents the remains of a volcanic caldera which covers an area of approximately 20 km^2. The volcanic stratigraphy within this caldera dips at approximately 30 degrees to the south-southwest. A series of northwest and northeast trending faults cut across the structure, some of which are host to lead-zinc mineralisation and epithermal gold mineralisation. An important feature of the Plavica deposit is the occurrence of vuggy silica along ridges (residual silica after acidic alteration of volcanic rocks), which helps to identify it as a high-sulphidation epithermal system. The vuggy silica bodies have notable lateral discontinuity, but are distributed as 100 to 650 m long lenses and can be followed for up to 100 to 150 m in depth. They are broadly funnel-shaped and narrow with increasing depth. Deep drilling indicates that their roots extend to over 400 m in depth where they tend to pinch out. There are three major outcrops of vuggy silica at Plavica: Northern Ridge, Eastern Ridge and Maricanski Ridge. Apart from the Eastern Ridge which trends north-south, the other silica ridges trend east-west. The polymetallic mineralisation was controlled spatially and genetically by the structures developed within the caldera and by Miocene-age subvolcanic intrusions of dacitic and andesitic composition.

Mine Production

Other than ancient and historical production, there has been no modern mine production at the Plavica Project.

Exploration Overview

Matrix Exploration was contracted by Genesis to undertake exploration work which commenced towards the end of November 2011.

From 2012 to 2013, 52 diamond holes and 119 RC holes (for 18.200.3 m and 23,233 m, respectively) have been drilled, for a total of 41,433.3 m. The drilling was primarily focused on the east-west structurally controlled mineralisation in the north of the project around the Plavica Peak. The drilling by Genesis has resulted in a drill spacing of 50 m (on section) on 100 m north-south sections through the deposit along the northern ridge. This additional drilling will form the basis of the upcoming mineral resource estimate.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported for the Plavica Project. Work is now focused on consolidating the geological interpretation at the Plavica Project and the undertaking of an Inferred Resource compliant with the JORC Code 2012 by International Geological & Mining Consultants. From discussions with the management of Genesis, they are expecting that a Mineral Resource of Inferred category to be estimated.

Additional Requirements for Capital

Assuming the 30-year exploitation mining licence is granted to the Plavica JV Company, Genesis will need to obtain further funding to meet its obligations under the Plavica JV Agreement to undertake infill and extensional drilling and to complete a feasibility study in respect of the licence area (as required to obtain funding for mine development), including the costs of these activities. Genesis expects to complete the proposed infill and extensional drilling and the feasibility study within 2.5 years of the Plavica JV Company being granted the licence, and has agreed to commit up to US$7.5 million for such activities. Genesis will fund all work expenditure on the project up to the completion of a final feasibility study through internal resources based on fund availability, equity capital raising and/or debt financing. In order to secure the performance of Genesis' obligations to complete and pay for the proposed infill and extensional drilling and the feasibility study within 2.5 years, Genesis has granted a security interest over its shares in the Plavica JV Company in favour of the Plavica JV Partner. This security interest will be discharged when Genesis completes the proposed infill and extensional drilling and feasibility study. If Genesis is unable to meet these obligations, the Plavica JV Partner may exercise its right to obtain a transfer of Genesis' shares in the Plavica JV Company to itself, and Genesis will lose its interest in the Plavica Project and the exploitation licence over it.

The Company's contribution towards Genesis' capital expenditures will depend on various factors such as the extent to which the cash flow Genesis receives from operations covers such capital expenditures, the availability of loan and equity financing from parties other than the Company for such expenditures and, to the extent financing is required from the Company and negotiations between the Company and Genesis.

(b) **Alice Springs Project**

Project Location

The Alice Springs Project lies within the polymetallic Harts Range Minerals field which is prospective for copper, gold, iron, uranium and rare earth element (REE) mineralisation. The property lies 155km northeast of Alice Springs in the Northern Territory.

Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one mineral exploration licence (EL24817) covering 372.59 sq km. A CLC Sacred Site Clearance Certificate Application was lodged on 4 February 2014.

Supporting Infrastructure

Communications in the project area are via radio and satellite links. There are airstrips in the region which are mostly located next to homesteads.

Project Geology

The geology of the licence is dominated by the highly deformed amphibolite to granulite facies grade metamorphosed volcanic sediments and igneous intrusions of the Hillsoak Bore metamorphics. The Cadney Metamorphics lie within the eastern and western portions of the licence area and are comprised of a variety high grade metamorphosed schists, slate and metasediments. The Ovegeva Granulite lies

within the central parts of the licence area. A large pegmatite swarm intrudes the northwestern corner of the licence area. The area is highly deformed with many units showing intense folding and deformation. A major northwest trending shear zone transects the western part of the licence area (Cadney Fault Zone).

Exploration Overview

Genesis became involved with the Alice Springs Project in 2007 with initial work focussing on collating and reviewing all available exploration and geophysical data; and identifying target areas for further follow up. Reconnaissance field mapping and rock chip sampling began in 2010. Rock chip sampling completed by previous explorers returned a number of high grade copper values over a number of areas, with up to 30% Cu. This copper-gold mineralisation appears to be structurally controlled and associated largely with the Cadney Fault Zone and other northwest striking structures.

A Helicopter EM survey was commissioned in 2010 covering the western part of the licence (Camp Hill) and part of the eastern part of the Licence (Magnetite Hill). From this survey a number of high priority targets prospective for copper-gold (Camp Hill area) and iron-base metal mineralisation (Magnetite Hill area) were identified. These were followed up in 2011 with further reconnaissance rock chip sampling, small ground magnetic surveys and broad spaced regional soil sampling programs. A total of 351 samples were collected at a staggered grid interval of 200 x 200m.

From this program it was concluded that there was good potential to identify potentially economic copper-gold mineralisation particularly, around the Cadney Fault Zone and that further more systematic intensive exploration is warranted (i.e., detailed soil surveying, ground geophysical techniques and drill testing). From the iron mineralisation targets that were visited in the Magnetite Hill area, maximum rock chip assays of 63% Fe, 2.1% Cu, 0.05g/t Au and 552ppm Co were returned and at Triple Hill assays of up to 70% Fe were returned. In the eastern part of the licence the ground truthing of potential anomalies associated with iron and base metal mineralisation was hindering by difficult access. Therefore, this potential needs to be further evaluated. No exploration activities were carried out during the 2013 – 2014 reporting period.

Exploration Potential

The Alice Springs Project has had relatively little modern exploration until recent times, primarily due to its location and that the perception that the Arunta blocks higher metamorphic grade rocks are less favourable for the deposition of economic gold and copper mineralisation. However, Genesis and previous workers have identified a substantial corridor of shear zone hosted copper-gold mineralisation with grades locally up to 30% Cu and 2.5g/t Au along the Cadney Fault Zone, as well as other sub-parallel northeast striking structures and in the Camp Hill Area. The project warrants further systematic evaluation of this mineralised corridor.

There is potential for iron and base metal mineralisation on the eastern parts of the licence around the Magnetite Hill and Triple Hill areas. Airborne-EM work has identified a number of targets requiring further systematic exploration and evaluation.

Reconnaissance work was completed in August 2014. The historic Camp Hill mining area and several previously defined zones of anomalous Cu-Au mineralisation including Corner Post Hill, Diana 2 to 8 and Diamond 2 were mapped in more detail. In addition a full review of all available data is underway to define targets for RC drill testing during the first quarter or second quarter of 2015.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Alice Springs Project.

(c) **Arltunga Project**

Project Location

The Arltunga Project is located approximately 110 km north east of Alice Springs in the Northern Territory of Australia. The project borders the Arltunga Historical Reserve on its southern boundary.

Project Ownership and Relevant Interests

Genesis holds one mineral exploration licence (EL25238) covering 95.2 sq km. A CLC Sacred Site Clearance Certificate Application was lodged on 4 February 2014 and issued on 19 September 2014.

Supporting Infrastructure

Communication is via radio and satellite links. There are airstrips located across the region, mostly next to homesteads.

Project Geology

The Arunta complex is a late Palaeoproterozoic to Ordovician succession of sedimentary, volcanic, and intrusive rocks interrupted by several tectonothermal events (deformation, metamorphism and granite intrusion).

The region comprises three provinces: the Aileron Province, which makes up most of the Arunta; the Warumpi Province along the south margin of the Arunta; and the triangular Irindina Province to the east. The Aileron Province consists of: (1) a basal Lander Package (1880-1840 Ma), which makes up about 60% of the north, centre, and west of the region; (2) the Ongeva Package (1810-1800 Ma) in the southeast, of unknown relationship to the Lander Package; (3) an unnamed sandstone unit above the Lander Package, with a maximum depositional age of 1820-1800 Ma; (4) the Reynolds Package, which is unconformable on the Lander Package and the unnamed sandstone.

The project is located in the eastern Arunta region within the Ongeva package which consists of metapelitic and metapsammitic rocks with subordinate calcsilicate, marble, and felsic and mafic orthogneiss.

The greater part of the tenement is formed by the supracrustal package in the eastern Arunta region, the Ongeva package.

Exploration Overview

Genesis became involved with the project in 2007 with initial work focussing on collating and reviewing all available exploration and geophysical data and identifying target areas for further follow up. Reconnaissance field mapping and rock chip sampling followed which was largely focussed on sampling around the known veins and workings. These programs returned a number of high grade assays.

To aid in targeting, a Gradient Array Induced Polarisation (GAIP) survey was completed over two of the more prospective areas. This identified a number of prospective target areas that were followed up with ground truthing programs which identified several new areas of gold anomalism including a 500m long schist-hosted shear zone with gold up to 29.2g/t Au. Further work is warranted to follow up on this work.

Genesis conducted a detailed literature search using original documents to clarify the location of a gold rich (132g/t Au) massive sulphide reported by Matthews in 1905 at the Wheal Fortune Mine. The massive sulphide did not appear to have been detected by the IP survey as it occurred on the western flank of a GAIP chargeability anomaly. It is possible that other massive sulphide occurrences may remain undetected on the flanks and at high concentrations of disseminated pyrite at GAIP anomalies. Thus, the electromagnetic ground geophysical method Controlled Source Audio Magneto Telluric (CSAMT), which is more suited to the detection of massive sulphide, was deployed to provide profiles for drill hole planning.

The profiles include the peaks and flanks of the best GAIP anomalies.

Exploration Potential

The Arltunga Project has had relatively little modern exploration until recent times. The project area contains a numerous narrow (<0.5m), short strike length (<50m) high grade Au mineralised quartz veins which have been mined and identified from mapping.

Geological mapping and sampling and ground geophysics have identified several anomalous areas that warrant further follow up. Of note is that mineralisation largely appears to be solely hosted in the narrow quartz veins with little mineralisation in the surrounding country rock. As such, most of these narrow veins, although high-grade are of small tonnage. However there is potential to identify prospective structural zones and host lithologies within the project areas. The high grade nature of the narrow quartz veins suggests a gold mineralisation system of some efficiency and thus there may be potential to identify areas that have more focussed fluid flow and may be more favourable for development of economic mineralisation.

Reconnaissance work was completed in August 2014. A number of historic mining areas and several of the anomalies defined by aeromagnetic, gradient array and CSAMT data were field checked and mapped in more detail. A full review of all available data is expected to be completed with the aim of defining targets for reverse circulation drilling in the first or second quarter of 2015.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Arltunga Project.

(d) **Fenn Gap Project**

Project Location

The Fenn Gap Project is located in the Northern Territory, approximately 25km south west of Alice Springs. Alice Springs is located near the southern border of the Northern Territory and is the geographical centre of Australia.

Project Ownership and Relevant Interests

Genesis holds one mineral exploration licence (EL24839) covering a total area of 26.93 sq km.

Supporting Infrastructure

The project is located 25km from the Stuart Highway and the Alice to Adelaide Railway line.

Project Geology

The project overlays part of the Missionary Syncline which is located along the northern margin of the Amadeus Basin with sediments ranging in age from the Precambrian to the Palaeozoic. Manganese prospects are located within the sandstone, siltstone and dolomite units.

The goethite and manganese alteration occurs in the Bitter Springs Formation which dips steeply to the south. It forms a broad strike-parallel valley lying to the south of a major cuesta formed from the Heavitree Quartzite. In the project area, the Bitter Springs Formation is dominated by carbonates (mainly dolomite) which is thought to represent the Loves Creek Member.

Minor clastic units occur lower in the sequence near to the contact with the underlying Heavitree Quartzite. These clastics could be remnants of the Gillen Member. Numerous chert lenses are enclosed by dolomite in the carbonate sequence

Exploration Overview

The majority of exploration work on the licence has been completed since 2008 when systematic sampling and mapping of the Fenn Gap Project was undertaken to follow up on earlier identified dolomite hosted manganese mineralisation. Reconnaissance mapping identified a 10km corridor of outcropping moderate Fe grade goethite and manganese mineralisation within which several prospects were identified. This work was followed up with a detailed ground gravity survey and modelling of the gravity data to assist in identifying drill targets. A 1,000m RC drilling program was completed in 2010 testing the most prospective anomalies however no iron or manganese mineralisation of significance was identified at depth. Geophysical anomalies appeared to be related to iron rich lithologies which were not of economically significant grade.

No work was carried out during the 2012 – 2013 reporting period, due to financial constraints, with work in the 2013 – 2014 reporting period restricted to a review of previous work, a brief site visit and subsequent planning for fieldwork in the second half of 2014.

Exploration Potential

The Fenn Gap Project has had relatively little modern exploration until recent times. Genesis has completed a substantial amount of work on the project, however despite the encouraging near surface goethite-manganese mineralisation identified in early programs, deeper drilling has not intersected any significant mineralisation. This downgrades the tonnage potential of the mineralisation as it appears that the earlier results are of a shallow gossan zone. Of note is that further work is warranted to test an alternate hypothesis.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Fenn Gap Project.

(e) **Gladstone-Mount Miller Project**

Project Location

The Gladstone-Mount Miller Manganese Project is located approximately 15km by road east of Gladstone, a multi-commodity port which is located 550km by road north of Brisbane in Queensland, Australia.

Project Ownership and Relevant Interests

Genesis holds one exploration permit for minerals (EPM15771) covering 63.93 sq km and one mining lease application (MLA80166) covering 32.24 Ha.

Supporting Infrastructure

The Port of Gladstone is a multi-commodity port as well as a stop on the North Coast railway line. There is an airport located at Gladstone.

Project Geology

The project is located over the Berserker Graben. The Devonian-Carboniferous Doonside Formation forms northwest trending ridges and hills that transect the project area. This formation outcrops over a width of about 4km but owing to folding the true thickness is uncertain. The western boundary of the Doonside Formation as well as the Berserker, Crana and Calliope beds are faulted by the Boyne River Fault in the west. These beds are comprised of volcanic and sedimentary lithologies. The Berserker beds are thought to have been deposited in a marine trough.

Exploration Overview

In 2009, the independent consulting firm, Odessa Resources, completed a 3D model over the Mount Miller Mine. An Exploration Target was estimated of 35,000t to 206,000t with an average grade of 35 – 50% Mn, with the mineralisation open at depth. This work was subsequently reviewed by Golder in 2011.

With an Exploration Target the potential quantity and grade or quality is conceptual in nature and that there has been insufficient exploration and work to estimate a mineral resource and that it is uncertain if further exploration and associated resource development work will result in the estimation of a mineral resource.

A drilling program of six diamond holes for a total of 640.9m was undertaken. Ravensgate understands that these holes were not sited correctly and did not intersect the drilling targets.

A VTEM survey was completed in December 2010. Genesis concluded that the VTEM survey did not prove to be an effective method by which to explore for additional manganese however some targets were defined which may be of interest for other economic mineralisation.

In 2011, a preliminary assessment of the Mount Miller mine was carried out by Golder Associates on historic data and the estimated exploration target. Initial conclusions indicated that an open cut mine would be profitable with further options to consider underground mining. An initial diamond drilling program consisting of five drill holes was planned to define the manganese ore tonnage, but was not carried out.

No work was carried out during the 2012 – 2013 reporting period.

In 2014, work was restricted to a brief site visit and reconnaissance of the Mt Miller mine to determine access and locate previous drill collars. A review of data is currently being undertaken to confirm if more drilling is necessary and if other prospect areas on the tenement require drill testing during the first quarter of 2015.

Exploration Potential

The Mount Miller Project is centred on the historically underground mined high grade Mount Miller manganese mine which was mined in the late 1800s until early 1900s, producing 22,000 tonnes at 44 to 47% Mn. Remnant mineralisation remains around the historically mined areas.

The deposit is open at depth and there is also potential to identify extensions along strike.

Preliminary scoping studies have identified that mineralisation at Mount Miller can potentially be economically mined based on the Exploration Target of 35,000t to 206,000t with an average grade of 35 – 50% Mn which has been reported for the project by Odessa, 2009 and subsequently reviewed by Golder in 2011. Identification of strike and down dip extensions would enhance project economics. Drilling is required to define a JORC Code compliant resource on which more accurate assessment of the project economics can be defined. The project is well situated and close to infrastructure being only 10km from the port of Gladstone.

Several historic Mn shows are noted in the surrounding licence area and there may be some potential for Au mineralisation. A gravity survey may be useful for identifying potential new Mn mineralised lens positions. Genesis is currently reviewing data to confirm if more drilling is necessary and if other prospect areas on the tenement require drill testing in the near future.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Gladstone-Mount Miller Project.

(f) **Laura River Project**

Project Location

The Laura River Gold Project is located on the Cape York Peninsula in Queensland, near the township of Laura. Laura is located approximately 210km northwest of Cairns and approximately 85km west from the coastal township of Cooktown.

Project Ownership and Relevant Interests

Genesis holds one exploration licence for minerals (EPM15242) covering 165.35 sq km. There is aboriginal reserve land in the extreme south and north east of the permit area.

Supporting Infrastructure

Hotel and camping accommodation is available in Laura as well as a general store and fuel. Laura has CDMA mobile phone coverage to a radius of 12-15km from the township. There is no GSM coverage available. There are also fixed line telephone communications in the town. The town of Laura has a well maintained gravel airstrip.

Project Geology

The project area is covered mostly by the Siluro-Devonian Hodgekinson Formation, and Jurassic/early Cretaceous units of the Gilbert River Formation. Large tracts of the project area are covered by Quaternary colluvial or alluvial deposits. The Hodgekinson Formation is comprised mostly of micaceous quartz siltstone, slatey mudstone, black phyllite, greywacke, greywacke-conglomerate and sandstone.

Exploration Overview

There has not been any on ground exploration at the Laura River Project from 2008 through to 2014. Desktop studies have been carried out with changing priorities within the company leading to this property being listed for joint venture.

Exploration Potential

The Laura River Project area has substantial occurrences of alluvial gold which have been the subject of extensive evaluation in the 1980s. Given the recent historically high gold prices it would be worth revisiting the economic potential of the alluvial deposits in the project area.

Genesis' main focus at the Laura River Project has been to identify the hard rock sources of the alluvial gold in the project area which appears to be sourced from orogenic quartz vein mineralisation within the Hodgekinson Formation. Exploration is at a very early stage and further work is warranted to assess this concept, with the project being listed for joint venture.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Laura River Project.

(g) **McArthur River Project**

Project Location

The McArthur River Manganese Project is located in the Northern Territory, approximately 850km south east of Darwin and 210km from Borroloola.

Borroloola is located on the McArthur River approximately 50km upstream from the Gulf of Carpentaria.

Project Ownership and Relevant Interests

Genesis holds one mineral exploration licence (EL24814) covering 380.88 sq km.

Supporting Infrastructure

The project is located 265km by road from the working port at McArthur River. A light aircraft airstrip is located 10km west of the project area. The nearest settlement (15km to the south west) to the project is a homestead at Calvert Hills. The area is mostly uninhabited with the exception of a community at Ngukurr and small communities of Aboriginal groups at scattered outstations.

Project Geology

The McArthur River Manganese Project area is covered mostly by Proterozoic carbonate rocks of the Karns Dolomite and underlying sedimentary rocks of the Masterton Formation. The Karn dolomite unconformably overlies the Masterton Formation. Jointing is well developed with two major directions of 090º and 110º, with less well developed sets at around 350º. The Karns Dolomite outcrops throughout the project.

The Karns Dolomite has a maximum thickness of 100m to 150m and can be subdivided into two units:

- A basal unit consisting of talus breccias, dolomites and dolomitic shales forming in a mostly lagoonal depositional environment. Textures similar to “birds eye” textures are present with these cavities being filled with a manganese rich carbonate.

- The upper unit of the Karns Dolomite is a silty dolomite with chert bands.

Buklara Sandstone is found in the western portion of the project consisting mostly of sandstone and minor conglomerate.

Most of the project area is covered by Caninozoic aeolian deposits of a few metres in thickness.

Exploration Overview

No exploration activities were performed during the 2009 reporting period. In 2010, a VTEM survey was undertaken. The survey was flown on north-south lines on 100m spacings. The results of the VTEM survey confirmed the presence of known manganese mineralisation at Masterton No.2, defined possible structural controls on mineralisation as well as nine exploration targets.

In 2011, the targets identified from the VTEM Survey were inspected with only minor isolated manganese outcrops found at the targets. Genesis Resources located drilling collars during the site visit and traced the drilling results to Goulevitch, 1990. The drilling indicated that the manganese outcrops at Masterton No.2 are superficial, and are thus probably due to supergene processes.

A total of 63 samples were collected in the Masterton No.2 area. Samples were also collected in the vicinity of the Thor Prospect, and in the east of the tenement.

A gravity survey was undertaken by Haines Surveys over the Masterton No.2 area and the Thor Prospect to test for signs of buried Mn mineralisation, however geophysical interpretation of the data has yet to be carried out.

No work was carried out during the 2012 – 2013 or 2013 – 2014 reporting periods, due to financial constraints.

Exploration Potential

Outcropping high grade manganese mineralisation has been identified in several prospective areas, most notably at the Masterton No.2 Prospect. However, drilling results at that prospect have been disappointing suggesting that mineralisation is superficial and does not extend to depth. A small gravity survey has been completed over the surrounding area which may assist identify deeper manganese mineralisation. Anomalies from this survey will need to be followed up.

There does appear to be some potential for base metal mineralisation in the licence area. Gossanous material at the Thor Prospect has returned Zn grades up to 35%. Further work on assessing the base metal potential of the project is warranted.

Geophysical data from the gravity survey carried out in 2011 should be interpreted for signs of buried manganese resources. Follow-up work in the Thor prospect should include surface geochemical sampling and; drilling of geochemical, gravity and previously defined EM geophysical targets is warranted.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the McArthur River Project.

(h) **Pioneer Project**

Project Location

The Pioneer Gold Project is located approximately 40km northwest of the town of Gin Gin and 170km by road from Bundaberg. Bundaberg is located approximately 385km north of Brisbane, Queensland, Australia.

Project Ownership and Relevant Interests

Genesis holds one exploration permit for minerals (EPM15619) covering 6.23 sq km, granted under the Mineral Resources Act 1989 (Qld). The exploration permit excludes land where previous exclusive possession acts have been granted and is now held or currently set aside for the benefit of Aboriginals or Torres Strait Islanders or unallocated State land, occupied by Aboriginal People or Torres Strait Islanders as well as all validly dedicated roads (including stock routes and esplanades where dedicated as roads) that are previous exclusive possession acts.

Supporting Infrastructure

The project is located close to the Bruce Highway, regional townships and the North Coast Railway line.

Project Geology

The project is located within the Gaeta Goldfield which is part of the Permo-Triassic Miriam Vale Granodiorite. The Granodiorite is a polyphase igneous complex emplaced as a series of coalescing plutons. The Pioneer Reef, a quartz-carbonate fissure, has a sub-vertical orientation and trends east-southeast in the Miller-Main Shaft sector and north-eastwards in the less productive faulted block alongside it.

Exploration Overview

From 2009 – 2010, Genesis contracted Resource Potentials to review available government and open file geophysical and geological datasets. It was concluded that the Pioneer Reef was the highest priority target for future exploration. An IP survey was undertaken with the aim of delineating sulphide-rich zones. This resulted in 12 anomalies which were all associated with known gold workings.

From the 2011 field work program, at the Main Shaft area, it was noted that slightly magnetic pyrrhotite and magnetite occur in samples from the Pioneer Reef. Two samples of altered graintoid were sent for analysis at Pontifex & Associates Pty Ltd ("**Pontifex**") to determine the association between gold, magnetite, pyrite, pyrrhotite and arsenopyrite. Pontifex reported that gold was not found when viewed in polished section by reflected light microscopy, but may be within pyrite or arsenopyrite. The assay also had 4.185ppm Te, allowing some gold as telluride.

No work was carried out during the 2012 – 2013 reporting period.

In the 2013 – 2014 reporting period, no work was carried out apart from a brief site visit in May 2014 to meet landowners and attempt to locate drill collars from the 1970 Queensland Department of Mines diamond drilling program. A review of all available data is underway to determine if the 1970 drilling program adequately tested all targets and to compile all geological mapping and define targets for drill testing during the first or second quarter of 2015.

Exploration Potential

The Pioneer Project is centred on several historic gold mines that collectively produced around 1,500oz of Au. Gold mineralisation occurs within narrow fissure veins which are locally very high grades (up to 113.2g/t Au) with mineralisation noted over a strike length of 700m at the Pioneer Prospect and 250m at the Gympie Prospect. There appears to have has been very limited amounts of drilling in the project area.

Genesis has completed gradient array IP and pole-dipole IP over the Pioneer vein system and several geochemical sampling programs which has highlighted several anomalous zones for gold mineralisation. The system is under explored and further geophysical and geochemical surveys are warranted to define targets for drill testing. Genesis is currently reviewing all available data with a view to drilling some of the old lodes in the near future.

Mineral Resources

A Mineral Resource (as defined in the JORC Code 2012 Edition) has not been reported on the Pioneer Project.

3.2.5 **Independent Technical Valuation.** For the purpose of establishing the value of Genesis in connection with the Proposed Genesis Acquisition, the Company had appointed Ravensgate to conduct an independent technical valuation of Genesis' Macedonian and Australian exploration projects (further details of which have been set out in **Section 3.2.4** above) (collectively, the "**Genesis Exploration Projects**").

The valuation was carried out in accordance with the VALMIN Code. The applicable valuation date is 22 September 2014.

Based on the results of Ravensgate's investigations and analyses outlined in the IQP and Valuation Report, Ravensgate is of the opinion that the Fair Market Value (using the comparable transactions valuation method) of the Genesis Exploration Projects as at 22 September 2014 is in the range of S$23.47 million to S$34.84 million, with a preferred value of S$28.62 million.

A summary of the valuation of each Genesis Exploration Project is provided in the table below.

Genesis Exploration Project	Mineral Asset Classification	Genesis Ownership (100%)	Area (km^2)	Valuation Low (S$m)	Valuation Preferred (S$m)	Valuation High (S$m)
Plavica	Advanced Exploration Area(1)	62	17.41(3)	21.71	24.81	27.91
Alice Springs	Exploration Area(2)	100	372.59	0.56	0.93	1.86
McArthur River	Exploration Area(2)	100	380.90	0.57	0.76	1.90
Fenn Gap	Exploration Area(2)	100	26.90	0.04	0.09	0.13
Arltunga	Exploration Area(2)	100	95.20	0.14	0.43	0.48
Gladstone-Mount Miller	Exploration Area(2)	100	63.90	0.39	1.42	2.20
Pioneer	Exploration Area(2)	100	6.23	0.04	0.09	0.11
Laura River	Exploration Area(2)	100	163.35	0.02	0.09	0.25
Total	–	–	**1,126.48**	**23.47**	**28.62**	**34.84**

Notes:

(1) Refers to properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by some form of detailed geological sampling. A JORC compliant Mineral Resource may or may not have been estimated but sufficient work will have been undertaken that provides a good understanding of mineralisation and that further work will elevate a prospect to the resource category. Ravensgate considers any identified Mineral Resources in this category would tend to be of relatively lower geological confidence.

(2) Refers to properties where mineralisation may or may not have been identified, but where specifically a JORC compliant Mineral Resource has not been identified.

(3) The exploitation licence application area is for 16.85 km^2. It does not include six other concession licences in the Plavica project, covering an area of approximately 168 km^2, which expired on 14 April 2014 and could not be renewed due to Macedonian law. Please refer to page 20 of the IQP and Valuation Report for more information on the ownership and tenure of the Plavica Project tenements (including the six tenements that have expired).

Please refer to the IQP and Valuation Report at **Appendix B** of this Circular for further details.

Ravensgate has confirmed that the information presented in **Sections 3.2.4** and **3.2.5** of this Circular is accurate, balanced, complete and not inconsistent with the IQP and Valuation Report.

As at the Latest Practicable Date, no material changes have occurred since 1 October 2014, the effective date of the IQP and Valuation Report.

3.2.6 **Financial Information.** A summary of the audited consolidated financial statements of Genesis for its financial years ended 30 June 2012, 30 June 2013 and 30 June 2014 is set out below. The full accounts and financial statements of Genesis are set out in **Appendix D** of this Circular.

	FY2014 (A$)	FY2013 (A$)	FY2012 (A$)
Consolidated Statement of Comprehensive Income			
Results from operating activities	(2,627,845)	(1,891,159)	(823,862)
Net finance income	10,575	96,094	22,744
Loss before tax	(2,617,270)	(1,765,065)	(801,118)
Income tax expense	–	–	(134,194)
Loss for the year	**(2,617,270)**	**(1,795,065)**	**(935,312)**
Other comprehensive loss, net of tax	(280,726)	66,873	(291,061)
Total comprehensive loss	**(2,897,996)**	**(1,728,192)**	**(1,226,373)**
Consolidated Statement of Financial Position			
Total current assets	597,924	1,323,485	858,408
Total non-current assets	13,565,602	8,444,821	3,408,819
Total assets	**14,163,526**	**9,768,306**	**4,267,227**
Total current liabilities	6,931,652	1,786,790	197,831
Total liabilities	6,931,652	1,786,790	197,831
Net Assets	**7,231,874**	**7,981,516**	**4,069,396**

The book value, net tangible asset ("**NTA**") value and latest available open market value of the Genesis Shares to be acquired pursuant to the Proposed Genesis Acquisition are as follows:

	Genesis Shares (A$)
Book value[(1)]	7,231,874
NTA value[(1)]	7,231,874
Latest available open market value[(2)]	15,273,205

Notes:

(1) Based on the latest announced consolidated financial statements of Genesis for the financial year ended 30 June 2014.

(2) Based on the volume weighted average price ("**VWAP**") of each Genesis Share of A$0.06 on 3 February 2015, the last day preceding the Latest Practicable Date on which Genesis Shares were traded on the ASX, and assuming the maximum of 254,553,412 Genesis Shares are acquired pursuant to the Proposed Genesis Acquisition.

3.3 Rationale for the Proposed Genesis Acquisition

3.3.1 **Proposed Additional Core Business.** The Group is seeking the approval of Shareholders for the Proposed Additional Core Business as set out in **Section 2** of this Circular.

The strategy and intention of the Company is to continue and ramp up its expansion into the Mineral and Energy Resources sector and the acquisition of Genesis is a key part of that strategy. With the Proposed Genesis Acquisition, the Company hopes to acquire the entire equity of Genesis to add value to the Plavica Project and to Shareholders and to strengthen its position in the Mineral and Energy Resources industry.

The Board of Directors believes that the Proposed Genesis Acquisition will be beneficial to the Company. It is in line with the Company's proposed goal of expanding into the Minerals and Energy Resources Business. With the Proposed Genesis Acquisition, the Company is seeking to create value by acquiring a majority stake in the prospective gold-silver-copper Plavica Project. The Company believes that the combined corporate entity will also provide opportunities for efficiency and economies of scale by allowing the Company to leverage on the skills and experience of the Genesis management team in the minerals industry.

The Board is also of the opinion that the proposed acquisition of the entire issue share capital of Genesis, as opposed to merely holding a minority interest in Genesis, is a strategic move to enable the Company to acquire full management control over the operations of Genesis.

The Proposed Genesis Acquisition has been unanimously approved by the board of directors of the Company at the time of investment.

3.3.2 **Competitive Strengths of Genesis.** The Board of Directors of the Company shares the Genesis Board's vision and business strategy for Genesis' projects and, in particular, believes that the Plavica Project has excellent potential. The Company believes that it can provide the scale, financial resources and access to capital necessary to develop Genesis' projects to their full potential in a more timely manner than without the added strength of Blumont behind Genesis.

3.3.3 **Future Plans for Genesis.** This Section sets out the Company's intentions on the basis of facts and public information concerning Genesis which are known to the Company at the Latest Practicable Date. However, the Company will only reach its decision in light of material facts and circumstances at the relevant time. The Company will make announcements on any material developments to the Proposed Genesis Acquisition. Accordingly, the statements set out are statements of current intentions only and may vary as new information becomes available or if circumstances change.

Further, the ability of the Company to implement its intentions set out in this **Section 3.3.3** will be subject to:

(i) the Law, in particular in relation to related party transactions and conflicts of interests;

(ii) the legal obligation of the Genesis Directors to act for proper purposes and in the best interests of Genesis Shareholders as a whole; and

(iii) the rights of holders of Genesis Shares which may be subject to compulsory acquisition.

General Intentions

Subject to the matters set out in this **Section 3.3.3**, it is the present intention of the Company, on the basis of the acts and information concerning Genesis that are known to the Company and the existing circumstances affecting the business of Genesis at the Latest Practicable Date, that:

(i) the operations of Genesis will be conducted in substantially the same manner as it is presently being conducted other than as set out below;

(ii) there will not be any other redeployment of fixed assets of Genesis; and

(iii) the employment of Genesis' current employees will continue.

Intentions if the Company acquires more than 90% of Genesis Shares

This Section sets out the Company's current intentions if during, or at the end of the Genesis Offer Period, the Company has a Relevant Interest in 90% or more of the Genesis Shares and is entitled to proceed to compulsory acquisition of the outstanding Genesis Shares.

Compulsory acquisition	The Company intends to proceed with the compulsory acquisition of any Genesis Shares not acquired under the Genesis Offer which the Company is entitled to compulsorily acquire under the Corporations Act.
Review of operations and assets	The Company intends to conduct, after the end of the Genesis Offer Period, an immediate review of Genesis' operations, assets, structure and employees. The key objective of this review will be to ascertain the extent of any changes required to improve the performance of Genesis and ensure that Genesis' assets are operated in order to maximise their value and long term viability.

Genesis Board	The Company intends to seek the appointment of its nominees to the Genesis Board so that its nominees comprise a majority of directors of the Genesis Board. While the potential appointees to the Genesis Board have not yet been identified, it is likely that the candidates who will be considered by the Company will be executives or directors of the Company, with appropriate experience, skills and qualifications for Genesis and to implement the Company's strategies and intentions for Genesis.
Delisting and conversion to proprietary company	Following the conclusion of the compulsory acquisition process, the Company intends to arrange for Genesis to be removed from the official list of the ASX. Additionally, providing that the requirements of the Corporations Act are satisfied, the Company proposes to convene a meeting of Genesis for the purposes of considering and passing a resolution to change the status of Genesis from a public company to a proprietary company. If this resolution is passed, the Company proposes to apply to ASIC to change the status of Genesis to a proprietary company.
Employees	As noted above, the Company intends to conduct, after the end of the Genesis Offer Period, an immediate review of Genesis' operations, assets, structure and employees. This will be done with the input of management of both the Company and Genesis. It is expected that advancement opportunities will be provided to a number of suitably qualified employees. In addition, the Company may provide the opportunity to suitably qualified employees to be given the option to be redeployed to support the expanded the Group as is most appropriate. Other than the above, the Company intends to retain the present employees of Genesis.
Financing	The Company does not intend to fund Genesis' ongoing operations from the Company's existing reserves or financing facilities. In considering financing options, including internal resources, equity capital raising and/or debt financing, Genesis Directors will be required to have regard to the interests of Genesis and all Genesis Shareholders and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties.
Australian Projects of Genesis	Subject to adequate third party financing being available, including equity capital raising and/or debt financing, the Company also intends to expedite the expansion of the business of Genesis to its full potential for the development of multiple satellite mine sites. The Company will seek to increase exploration efforts at a prudent scale so as not to overstretch available resources, but at an appropriate rate to bring these satellite properties to account.

Intentions if the Company acquires less than 90% but more than 50% of Genesis Shares

This Section sets out the Company's current intentions if during, or at the end of the Genesis Offer Period, it has a Relevant Interest in less than 90% but more than 50% of Genesis Shares.

Genesis Board	The Company will seek to appoint to the board of directors of Genesis its nominees, so that it has, at least, a majority of nominees on the board of directors of Genesis. While the potential appointees to the Genesis Board have not yet been identified, it is likely that the candidates who will be considered by the Company will be executives or directors of the Company, with appropriate experience, skills and qualifications to implement the Company's strategies and intentions for Genesis to the extent possible and appropriate.
Review of operations and assets	The Company intends to conduct, after the end of the Genesis Offer Period, an immediate review of Genesis' operations, assets, structure and employees. The key objective of this review will be to ascertain the extent of any changes required to improve the performance of Genesis to the extent that the Company is able to procure that these occur.
Dividends	The payment of dividends by Genesis will be at the discretion of its board. The Company intends that Genesis should retain its cash to fund its business and operations and repay debt and, therefore, not pay a dividend if Genesis were to become controlled by, not wholly owned by, the Company.
Employees	The Company intends to retain the present employees of Genesis.
Financing	The Company does not intend to fund Genesis' ongoing operations from the Company's existing reserves or financing facilities. In considering financing options, Genesis Directors will be required to have regard to the interests of Genesis and all Genesis Shareholders and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties.
ASX Listing	Subject to the spread and number of Genesis Shareholders remaining after the close of the Genesis Offer, and any regulatory approvals, the Company intends to seek the approval of Genesis Shareholders to delist Genesis from the ASX.
Limitation in giving effect to intentions	The ability of the Company to implement the intentions set out in this Section will be subject to the legal obligation of Genesis Directors to have regard to the interests of Genesis and all Genesis Shareholders and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties. These may limit or modify the implementation of the intentions outlined above.

Intentions if the Company acquires less than 50% of Genesis Shares

This Section sets out the Company's current intentions if during, or at the end of the Genesis Offer Period, it has a Relevant Interest in less than 50% of Genesis Shares.

The Company reserves its right to waive the Genesis Offer Condition that the Company obtains a Relevant Interest of at least 50.1% of Genesis Shares but it has no present intention to do so. If the Company does waive this Genesis Offer Condition, the Company intends to implement the intentions outlined in this **Section 3.3.3** to the extent that it is able to do so. This will include seeking the appointment of its nominees to the Genesis Board having regard to the Company's interest in Genesis at the time.

3.4 Principal Terms of the Proposed Genesis Acquisition

3.4.1 **The Genesis Offer.** The Company is making an off-market takeover bid to acquire all the fully paid ordinary shares in the capital of Genesis. The Genesis Offer will extend to Genesis Shares, together with all Rights attached to them, which are issued during the period from the date (the "**Register Date**") set by the Company pursuant to section 633(2) of the Corporations Act 2001 (Cth) of Australia (the "**Corporations Act**") to the end of the Genesis Offer Period (as defined below) due to a conversion or exercise of rights attached to securities which exist, or will exist, as at the Register Date.

3.4.2 **Bid Price.** The Proposed Genesis Acquisition will be made at an implied bid price (the "**Genesis Bid Price**") of A$0.138 (approximately S$0.1615) per Genesis Share, for an aggregate consideration of up to a maximum of A$35.12 million (approximately S$37.02 million) (the "**Genesis Takeover Consideration**"). The Genesis Bid Price is an implied price derived by comparing the closing price of 2 Genesis Shares on 14 April 2014, against the closing price of 9.5 Genesis Consideration Shares on 17 April 2014 (the "**Genesis Applicable LPD**"). The closing price of Genesis Shares on 14 April 2014 was A$0.075 (approximately S$0.079) and the closing price of Shares on the Genesis Applicable LPD was S$0.034. The Genesis Applicable LPD is the applicable last practicable date of the Second Supplementary Genesis Bidder's Statement. As there was no trading on the ASX in Genesis Shares between 15 April 2014 and 17 April 2014, the closing price of Genesis Shares on 14 April 2014 was used instead.

The Genesis Amendment Deed which recorded the agreement between Genesis and the Company on the Genesis Bid Price was entered into on 22 April 2014. On the same day, the Genesis Bid Price was announced on the ASX and the SGX-ST together with the Second Supplementary Genesis Bidder's Statement. A copy of the Second Supplementary Genesis Bidder's Statement was despatched to Genesis shareholders on 23 April 2014. There was no trading on the ASX in Genesis Shares on 22 April 2014.

In agreeing to the Genesis Bid Price, the Company relied on the closing price of the Shares and the Genesis Shares on the Genesis Applicable LPD, the net asset value ("**NAV**") of the Genesis Shares of approximately A$7,801,703 as at 31 December 2013 and the licensing status of the Plavica Project as well as arm's length commercial negotiations with the management team of Genesis. The Genesis Bid Price represents a premium of:

(a) approximately 172.2% to the net asset value of the Genesis Shares as at 31 December 2013 of A$7,801,703 (approximately S$8,233,775);

(b) approximately 83.89% to the closing price of A$0.075 per Genesis Share on the ASX on the last day on which Genesis Shares traded on the ASX before the Genesis Applicable LPD; and

(c) approximately 69.02% to the three month VWAP of A$0.0816 per Genesis Share on the ASX as at the Genesis Applicable LPD.

The implied bid price of the Genesis Offer, and the extent to which it represents a premium (or potentially discount) to the price of Genesis Shares as quoted on the ASX, depends on a number of variables, including the price of the Shares, the Genesis Shares and the Singapore/Australian dollar exchange rate.

3.4.3 **Genesis Takeover Consideration.** The Genesis Takeover Consideration is to be satisfied by way of an issue and allotment of 9.5 Genesis Consideration Shares for every 2 Genesis Shares. Any fractional entitlements to Genesis Consideration Shares will be rounded up to the nearest whole Genesis Consideration Share.

The Genesis Takeover Consideration will comprise up to approximately 1,209,128,707 Genesis Consideration Shares[19], representing approximately 44.63% and 30.86% respectively of the Company's existing and enlarged share capital based on its issued share capital as at the Latest Practicable Date.

The implied issue price of S$0.034 per Genesis Consideration Share (the "**Issue Price**") is equivalent to the closing price per Share on the Genesis Applicable LPD and represents a discount of S$0.0016 or 4.49% to the VWAP per Share for trades of the Shares done on the Genesis Applicable LPD. On the Genesis Applicable LPD, the VWAP of the Shares was S$0.0356.

3.4.4 **Genesis Offer Period.** Under the terms of the Genesis Bidder's Statement, as amended pursuant to the Genesis Supplementary Bid Documents, the Genesis Offer will remain open for acceptance during the period commencing on the date of the Genesis Offer, being 24 March 2014, and ending at 5 pm (Melbourne time) on 23 March 2015 (unless further extended or withdrawn in accordance with the Corporations Act) (the "**Genesis Offer Period**").

3.4.5 **Genesis Offer Conditions.** The Proposed Genesis Acquisition is subject to the offer conditions as summarised below (the "**Genesis Offer Conditions**"), as varied by the Genesis Supplementary Bid Documents. Each of Genesis and the Company must, to the extent within its power, use reasonable endeavours to ensure that the Genesis Offer Conditions are satisfied as soon as practicable and that no Genesis Offer Conditions are breached or not satisfied. Any breach or non-fulfilment of the Genesis Offer Conditions may be waived by the Company at its discretion. If the Genesis Offer Conditions are not satisfied or waived before the end of the Genesis Offer Period (including any extension thereof), the Proposed Genesis Acquisition will automatically lapse. The complete Genesis Offer Conditions are set out in **Appendix C** of this Circular.

Genesis Offer Conditions		
Minimum acceptance	:	Minimum acceptance by Genesis Shareholders which gives the Company a Relevant Interest in such number of Genesis Shares which represents at least 50.1% of the aggregate of all the Genesis Shares on issue.

[19] Subject to the approval of ASIC, the Proposed Genesis Acquisition will include the Genesis Placement Shares 2.

Genesis Offer Conditions		
Shareholder approval	:	Prior to the end of the Genesis Offer Period, the Company receives the approval of its Shareholders for: (a) the Proposed Genesis Acquisition and the Genesis Offer, in accordance with Chapter 10 of the Listing Manual; and (b) the Proposed Share Issuance.
No prescribed occurrences	:	During the period from the date of the Execution Date to the end of the Genesis Offer Period (each inclusive), none of the circumstances set out in paragraph 3 of **Appendix C** of this Circular.
No action by Government Agency adversely affecting the Proposed Genesis Acquisition	:	During the period from the Execution Date to the end of the Genesis Offer Period: (a) there is not in effect any preliminary or final decision, order, ruling or decree issued by (or on behalf of) a Government Agency; (b) no action or investigation is instituted, or threatened, by any Government Agency with respect to Genesis or any subsidiary of Genesis; or (c) no application is made to any Government Agency (other than an application by the Company or any Related Body Corporate (as defined in the Corporations Act) of the Company, an application under sections 657C or 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Proposed Genesis Acquisition), in consequence of, or in conjunction with, the Proposed Genesis Acquisition (other than a determination by ASIC or the Takeovers Panel in exercise of the power and discretions conferred by the Corporations Act), which restrains or prohibits, or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Takeover Bid or the completion of any transaction contemplated by the Takeover Bid (including implementing the intentions expressed therein) or that seeks to require the divestiture by the Company of any Genesis Shares, or the divestiture of any assets by Genesis or by any subsidiary of Genesis or by any company within the Group.

Genesis Offer Conditions		
Approvals by Government Agencies	:	During the period from the Execution Date to the end of the Genesis Offer Period, the Company receives all Approvals which are required by Law or by any Government Agency: (a) to permit the Genesis Offers to be made to and accepted by Genesis Shareholders; or (b) as a result of the Genesis Offers or the successful acquisition of the Genesis Shares and which are necessary for the continued operation of the business of Genesis and its subsidiaries or of the Company and its subsidiaries, and those Approvals are on an unconditional basis and remain in force in all respects and there is no notice or indication of intention to revoke, suspend, restrict, modify or not renew those Approvals. This includes the Company receiving the approval of: (a) the SGX-ST for the listing and quotation of the Consideration Shares to; and (b) relevant Government Agencies in the Republic of Macedonia and Australia which may be required in respect of the Genesis Offer and, in particular, the change of control in the Genesis Exploration Projects.
Plavica Joint Venture Agreement	:	Between the Execution Date and the end of the Genesis Offer Period: (a) there is no variation or termination of the Plavica JV Agreement; and (b) neither a member of the Genesis Group nor the Plavica JV Partner is in breach of any material term or obligation under the Plavica JV Agreement.

Genesis Offer Conditions		
Plavica Concessions	:	(a) Between the Execution Date and the end of the Genesis Offer Period, all of the Plavica Concessions are and remain valid, effective and in good standing. (b) Between the Execution Date and the end of the Genesis Offer Period, the Plavica JV Partner is and remains the registered holder of all of the Plavica Concessions. (c) Between the Execution Date and the end of the Genesis Offer Period, the Plavica JV Partner is in, and remains in, compliance with all material obligations under the terms and conditions of the Plavica Concessions. (d) By 31 March 2014, Genesis will finalise and submit to the Plavica JV Partner the final feasibility study in respect of Plavica Concession No. 19-6648/1 in accordance and compliance with the terms of the Plavica JV Agreement and all relevant Laws. On 2 May 2014, the Company gave notice under section 630(4) of the Corporations Act that this Genesis Offer Condition had been fulfilled. (e) Prior to the end of the Genesis Offer Period, no application for exploitation, exploration or extension of any of or in respect of any of the Plavica Concessions (or any of the land the subject of the Plavica Concessions) which is made by the Plavica JV Partner or Genesis (or an associate of either entity) is rejected or declined by the Ministry of Economy of the Republic of Macedonia.
Existing Loan Agreements	:	At any time between the Execution Date and the end of the Genesis Offer Period: (a) no additional amounts are drawn down by Genesis under the Existing Loan Agreements; and (b) there is no issue of any Genesis Shares as a result of any conversion or set-off of any amounts owing the Existing Loan Agreements. On 21 March 2014 and 2 May 2014, the Company announced that it was waiving this Genesis Offer Condition in respect of aggregate draw downs under the Existing Loan Agreements of up to A$9 million.
Genesis Options	:	There is no change, before the end of the Genesis Offer Period, to any of the terms or conditions of the Genesis Options.

3.4.6 **Withdrawal.** The Company may withdraw the Genesis Offer at any time with the written consent of ASIC. That consent may be given subject to any conditions specified in the consent.

3.4.7 **Variation.** The Company may at any time before the end of the Genesis Offer Period vary the Genesis Offer in accordance with the Corporations Act:

(a) by extending the Genesis Offer Period;

(b) by increasing the Genesis Takeover Consideration; and

(c) with the written consent of ASIC, and subject to any conditions specified by ASIC in that consent, in the manner that ASIC permits.

3.4.8 **Recommendation of Genesis Directors.** The directors of Genesis (the "**Genesis Directors**") have indicated that they will recommend and accept the Proposed Genesis Acquisition in respect of Genesis Shares that they own or control unless a Superior Proposal (as defined below) is received during the Genesis Offer Period and is not matched or exceeded by an increase in the Genesis Takeover Consideration within five business days of the Company receiving notification from Genesis.

3.4.9 **Genesis Break Fee.** Under the terms of the Genesis Implementation Deed, Genesis must pay a break fee of A$50,000 to the Company if at any time after the date of the Genesis Implementation Deed, any of the following circumstances occur (the "**Break Fee Circumstances**"):

(a) any proposal, expression of interest, offer, transaction or arrangement pursuant to which a person (other than the Company or any company within the Group) would, if such were implemented substantially in accordance with its terms:

(i) directly or indirectly, acquire an interest in all or a substantial part of the assets of Genesis;

(ii) directly or indirectly, acquire, a Relevant Interest in or become the holder of 20% or more of the Genesis Shares and/or 20% of the Genesis Options;

(iii) acquire control of Genesis, within the meaning of section 50AA of the Corporations Act; or

(iv) otherwise acquire or merge with Genesis (including by way of a scheme of arrangement, reverse takeover bid or dual listed companies structure)

(each, a "**Competing Proposal**"),

is announced and is publicly recommended, promoted or otherwise endorsed by the board of directors of Genesis (the "**Genesis Board**") or by any of the Genesis Directors;

(b) a Competing Proposal is completed at any time prior to the date that is six months after the date of the Genesis Implementation Deed and, as a result, a party to the Competing Proposal acquires a Relevant Interest in 30% or more of all Genesis Shares which was not held prior to the announcement of the Competing Proposal;

(c) any Genesis Director does not recommend the Proposed Genesis Acquisition to the shareholders of Genesis or, having recommended it, withdraws his or her recommendation of the Proposed Genesis Acquisition except if the Genesis Director

is acting in good faith in response to a bona fide Competing Proposal which the Genesis Directors have determined in good faith and after consultation with external legal and financial advisers, is:

(i) reasonably capable of being valued, taking into account all aspects of the Competing Proposal and the person making it;

(ii) reasonably capable of being completed on a timely basis; and

(iii) is more favourable to the shareholders of Genesis than the Proposed Genesis Acquisition, taking into account all the terms and conditions of the Competing Proposal,

(a "**Superior Proposal**"), or the Genesis Implementation Deed is terminated or a Company Event (as defined below) occurs;

(d) any Genesis Director who holds Genesis Shares or who has control over Genesis Shares ("**Genesis Director Shares**") does not accept the Genesis Offer (or procures that any Genesis Director Share is not accepted into the Proposed Genesis Acquisition) except if there is a Superior Proposal or the Genesis Implementation Deed has been validly terminated or if any event or circumstances which results in the rolling five day VWAP of the Shares as quoted on the SGX-ST ending on any trading day during the period from the date of the Genesis Implementation Deed to the end of the Genesis Offer Period falling to a level that is 20% below the price of the Shares as at the close of trading on the business day before the date of the Genesis Implementation Deed (each, a "**Company Event**") occurs;

(e) the Company terminates the Genesis Implementation Deed and that termination relates to:

(i) a material unremedied breach of a warranty made by Genesis in the Genesis Implementation Deed (or a material breach of a warranty made by Genesis in the Genesis Implementation Deed that cannot be remedied) and the effect of that breach would result in a material adverse change to, inter alia, the business of Genesis, and cause a person in the position of the Company to not proceed with the Takeover Bid on the terms and subject to the conditions of the Genesis Implementation Deed; and

(ii) the happening of a prescribed occurrence (as set out in schedule 2 of the Genesis Implementation Deed) (a "**Prescribed Occurrence**") which was not consented to by the Company or has not been waived by the Company;

(f) the Company terminates the Genesis Implementation Deed in accordance with the terms and conditions set out therein; or

(g) a dividend other than a dividend made in the ordinary course of business is declared, announced or paid during the term of the Genesis Implementation Deed.

The Break Fee will not be payable if the Genesis Offer Conditions have been satisfied or waived and the Company becomes the holder of not less than 17% of Genesis Shares as a result of the Proposed Genesis Acquisition, notwithstanding the occurrence of any Break Fee Circumstances.

3.4.10 **Appointments to Genesis Board.** Under the terms of the Genesis Implementation Deed, Genesis shall procure, as soon as practicable after the Genesis Offer Period closes, the resignation of such number of Genesis Directors as requested by the Company and the appointment of such number of persons nominated by the Company as Genesis Directors such that the number of Genesis Directors nominated by the Company to the Genesis Board is proportionate, as far as possible, to the Relevant Interest of the Company in Genesis.

No person will be appointed to the Board of the Company in connection with the Proposed Genesis Acquisition.

3.5 Risks Relating to Ownership of the Genesis Shares

Key risks relating to the business strategies, future performance and financial position of Genesis and its controlled entities have been identified in the IQP and Valuation Report and have been summarised as set out below. Please refer to **Section 2.9** and **Appendix B** of this Circular for further details.

3.5.1 **Plavica Project interest and recently expired tenements.** The recently formed Plavica JV Company submitted an application for a 30-year exploitation licence to the Macedonian Ministry of Economy, as announced by Genesis on 28 August 2014.[20] Genesis and the Plavica JV Partner reasonably believe that the Plavica JV Company's pending application for the exploitation licence will be granted. Ravensgate also believes that whilst there is a risk this may not be granted, there is no reason to believe that the application will not be successful. Given that Genesis has been operating at the Plavica Project since 2011 and has met all the required criteria and statutory obligations to date, Ravensgate can see no reason why the licence would not be granted. Having considered the opinion of Ravensgate and the statements by Genesis and the Plavica JV Partner in Genesis' announcements, the Directors are unanimously of the opinion that it is in the interest of the Company to proceed with the Proposed Genesis Acquisition, despite the risk that the 30-year exploitation licence may not be granted. Further, it is a condition of the Genesis Offer, as set out in paragraph 16(v) of **Appendix C** to this Circular, that, before the end of the Genesis Offer Period, no application for exploitation, exploration or extension of any of or in respect of any of the Plavica Concessions (or any of the land the subject of the Plavica Concessions) which is made by the Plavica JV Partner or Genesis (or an associate of either entity) is rejected or declined by the Ministry of Economy of the Republic of Macedonia. In addition, there are other Genesis Offer Conditions relating to the Plavica Concessions, as set out in paragraph 16 of **Appendix C** of this Circular, including that they are valid, effective and in good standing. If any Genesis Offer Condition is breached before the end of the Genesis Offer Period, the Company can choose not to continue with the Proposed Genesis Acquisition. Genesis is currently reviewing the mapping over the six expired tenements (although having the option to renew them for a maximum of two years) around Plavica to determine the best areas over which to re-submit applications for new exploration concession licences. Ravensgate agrees with this strategy of focusing exploration on the optimum areas of the property. However, there is no guarantee that these applications will be successful. If the applications are successful, the Plavica JV Company will benefit from recent changes to Macedonian law which entitle holders of newly granted concession licences to conduct exploration over a period of up to six years.

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[20] The announcement did not specify the date of the application. Under Macedonian law, an application for an exploitation licence can be submitted at any time within a period of 120 days from the date of expiry of the concession. The application must be accompanied by a study on the conducted detailed geological explorations and expert review of the study. If the holder of the results obtained by carrying out detailed geological studies, included in the study conducted together with expert assessment, does not apply for an exploitation licence within 120 days from the date of expiry of the concession period, the results of the conducted study along with the expert review will become the property of the Republic of Macedonia. With the expiry of the concession period, the right to use the concession area to conduct geological explorations will also terminate.

3.5.2 **Additional requirements for capital/going concern.** Assuming the 30-year exploitation licence is granted to the Plavica JV Company, Genesis will need to obtain further funding to meet its obligations under the Plavica JV Agreement to undertake infill and extensional drilling and to complete a final feasibility study. Genesis has set a timeframe of 2.5 years, from the grant date of the exploitation licence, to complete this work and has committed US$7.5 million for such activities. In order to secure the performance of these obligations, Genesis has granted a security interest over its shares in the Plavica JV Company in favour of the Plavica JV Partner. This security interest will only be discharged when Genesis completes and pays for the proposed infill and extensional drilling and feasibility study. If Genesis is unable to meet these obligations through lack of finance, the Plavica JV Partner may exercise its right to obtain a transfer of Genesis' shares in the Plavica JV Company to the Plavica JV Partner. Therefore, in the event that this was to occur, Genesis would lose its interest in the Plavica Project and the exploitation licence over it. Further capital would also be required to further explore the projects in Australia and repay debts.

The Company does not intend to fund Genesis' ongoing operations from the Company's existing reserves or financing facilities. In considering financing options, including internal resources, equity capital raising and/or debt financing, Genesis Directors will be required to have regard to the interests of Genesis and all Genesis Shareholders and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties.

3.5.3 **Joint Ventures.** The Plavica Project is being developed through a joint venture relationship. In addition, Genesis may wish to develop its other projects or its future projects through joint venture arrangements. Any joint ventures entered into by, or interests in joint ventures assigned to, Genesis could be affected by the failure or default of any of the joint venture participants (including Genesis).

3.5.4 **Macedonia Country Risk.** Genesis has a joint venture in Macedonia. This introduces sovereign risk and domestic economic risks. Sovereign risks include changes in the terms of mining tenements, changes in royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. According to IntierraRMG, which rates a country's risk profile, Macedonia's political and operational ratings are both categorised as medium risk, with security rating categorised as low and terrorism risk rated as insignificant.

Political risk – Standards of living are low and there are a number of socio-economic problems. Rule of law remains weak and affects the business environment through legal shortcomings, a weak judiciary, widespread corruption and organised crime, despite some progress towards addressing these issues in recent years. The country is a candidate for accession to both the European Union and the North Atlantic Treaty Organisation though progress has stalled since 2008 as a result of the country's name dispute with Greece.

Operational risk – Corruption is present in dealings with most state institutions, ranging from high-level corruption in government ministries to petty corruption among civil servants. Although there have been improvements in the judicial sector, excess bureaucracy and inefficiency persist, undermining the legal framework. Judges and lawyers lack resources and are subject to corruption and political pressure, threatening judicial independence. Programmes are in place to address these issues, but stricter action and implementation are needed. Infrastructure is generally adequate and reliable, though railway services and rural roads remain in a poor condition and power cuts may occur. Trade unions are weak and foreign investors are unlikely to face significant labour unrest.

Security risk – The security environment has improved significantly since the end of the ethnic conflict in 2001. Inter-ethnic relations have gradually improved, though some tensions remain. The security situation in northwestern areas bordering Kosovo may require companies and personnel operating there to employ increased security precautions as organised crime groups operate freely in the area and police enforcement is weak. The prevalence of weapons in the country remains a concern.

Terrorism risk – The government remains a staunch supporter of the US-led global counter-terrorism campaign, has participated with troops in the US-led military operations in Iraq until 2008, and retains a military presence in Afghanistan as part of the international troops deployed there. This makes the country a potential target for Islamist extremist terrorists attacks in principle. However, there are no active terrorist organisations operating in the country and there is no evidence indicating a specific terrorist threat. There are no active insurgent groups. Lingering tensions between the ethnic-Macedonian majority and the ethnic-Albanina minority occasionally manifest in the form of low-level violence rather than terrorism. The Muslim ethnic-Albanian community is pro-Western and is not religiously radicalised; the population is unlikely to support or provide concealment for Islamist extremists.

3.6 Relative Bases under Rule 1006 of the Listing Manual

As announced on 22 April 2014, based on the audited financial statements of the Company for the financial year ended 31 December 2013 and Genesis' unaudited financial statements for the half year ended 31 December 2013 (such audited and unaudited financial statements being the latest announced consolidated accounts of the Company and Genesis respectively at the time of the Second Supplementary Bidder's Statement), and assuming that the Company acquires all of the Genesis Shares pursuant to the Proposed Genesis Acquisition, are as follows.

Rule	Base	Relative Figure (%)
1006(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
1006(b)	Net losses[(1)] attributable to the assets acquired, compared with the Group's net losses	2.0%
1006(c)	Aggregate value of the Genesis Takeover Consideration[(2)] given, compared with the Company's market capitalisation based on the total number of issued Shares (excluding any treasury shares)[(3)]	35.4%
1006(d)	The total number of Genesis Consideration Shares[(4)] issued as consideration for the Proposed Genesis Acquisition, compared with the number of equity securities previously in issue	35.4%
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not applicable

Notes:

(1) Net profit/(loss) is defined as loss before income tax, minority interests and extraordinary items. Based on the unaudited financial statements of Genesis for the half year ended 31 December 2013, the net losses attributable to the assets being acquired pursuant to the Proposed Genesis Acquisition amounts to approximately A$(1,349,236) (approximately S$(1,579,955) million). The audited loss before income tax for the Group for the financial year ended 31 December 2013 was S$(81,206,048).

(2) Where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the NAV represented by such shares, whichever is higher. The aggregate value of the Genesis Takeover Consideration is based on the market value of S$31,327,698 of the Genesis Consideration Shares on 21 April 2014, being the last traded market day prior to the date of the Second Supplementary Genesis Bidder's Statement. This assumes that all the Genesis Options would be fully exercised before the end of the Genesis Offer Period, so as to obtain the maximum value of the Genesis Consideration Shares. As at the Latest Practicable Date, all the remaining Genesis Options which were not exercised by their relevant expiry dates have lapsed.

(3) Market capitalisation is determined by multiplying the number of Shares by the weighted average price of such Shares transacted on 21 April 2014. As at 22 April 2014, the Company had 2,583,006,879 issued Shares. The market capitalisation of the Company for the purposes of the Proposed Genesis Acquisition was approximately S$88,597,136 based on the VWAP of S$0.0343 per Share on 21 April 2014.

(4) The maximum number of Genesis Consideration Shares to be issued as at the date of the announcement of the Second Supplementary Genesis Bidder's Statement was 913,343,965. As at the date of the announcement of the Second Supplementary Genesis Bidder's Statement, being 22 April 2014, Genesis had a total issued share capital of 165,762,564 shares and 26,520,376 unlisted options. Assuming that the Genesis Options were fully exercised before the end of the Genesis Offer Period and all the Genesis Shares (including Genesis Shares issued from the exercise of the Genesis Options) were tendered in acceptance of the Proposed Genesis Acquisition, Genesis would have a total issued share capital of 192,282,940 Genesis Shares and 913,343,965 Genesis Consideration Shares would have to be issued. As at 17 February 2015, Genesis has a total issued share capital of 254,553,412 Genesis Shares. During the period between the date of the announcement of the Second Supplementary Genesis Bidder's Statement on 22 April 2014 and 17 February 2015, an aggregate of 88,790,848 new Genesis Shares had been issued and 26,520,376 Genesis Options which were not exercised by their relevant expiry dates have lapsed. If all the Genesis Shares are tendered in acceptance of the Proposed Genesis Acquisition as at 17 February 2015, and subject to the approval of ASIC, 1,209,128,707 Genesis Consideration Shares would have to be issued.

As the relative figures in respect of the Proposed Genesis Acquisition computed on the bases set out in Rules 1006(c) and 1006(d) of the Listing Manual exceed 20%, the Proposed Genesis Acquisition constitutes a "major transaction" as defined in Rule 1014 of the Listing Manual and accordingly, is conditional upon approval by the Shareholders at the EGM to be convened.

3.7 Financial Effects

The *pro forma* financial effects of the Proposed Genesis Acquisition as set out below are for illustrative purposes only and do not reflect the future financial results or position of the enlarged group after the completion of the Proposed Genesis Acquisition.

The objective of presenting the *pro forma* financial effects of the Proposed Genesis Acquisition as shown below is to illustrate what the historical financial information might have been had the Proposed Genesis Acquisition been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Genesis Acquisition been completed at the earlier date.

The financial effects in this section are based on the audited accounts of the Company for the 12 months ended 31 December 2013. The *pro forma* financial effects of the Proposed Genesis Acquisition have been prepared based on the following assumptions:

(a) the Proposed Genesis Acquisition was completed on 1 January 2013 for the purpose of computing the *pro forma* financial effects on the earnings per Share ("**EPS**") of the Company; and

(b) the Proposed Genesis Acquisition was completed on 31 December 2013 for the purpose of computing the *pro forma* financial effects on the Net Tangible Assets ("**NTA**") per Share of the Company.

3.7.1 **Effect on EPS.** For illustrative purposes only, and assuming the Proposed Genesis Acquisition was completed at the beginning of the financial year ended 31 December 2013, the *pro forma* financial effects of the Proposed Genesis Acquisition on the EPS are as follows:

	Before the Proposed Genesis Acquisition	After the Proposed Genesis Acquisition
Loss of the Company (S$)	(70.82) million	(73.57) million[(1)]
Weighted average number of Shares	1,877,852,984	3,086,981,691[(2)]
EPS (cents)	(3.77)	(2.38)

Notes:

(1) The figure is derived by adding the loss for the financial year ended 30 June 2014 of Genesis of approximately A$(2.62) million (approximately S$(2.75) million) and the net loss for the financial year ended 31 December 2013 of the Company of S$(70.82) million.

(2) The weighted average number of Shares includes 1,209,128,707 Genesis Consideration Shares, being the maximum number of Genesis Consideration Shares to be issued.

3.7.2 **Effect on NTA per Share.** For illustrative purposes only, and assuming the Proposed Genesis Acquisition was completed at the end of the financial year ended 31 December 2013, the *pro forma* effects of the Proposed Genesis Acquisition on the NTA per Share are as follows:

	Before the Proposed Genesis Acquisition	After the Proposed Genesis Acquisition
NTA value (S$)	74.29 million	81.91 million[(1)]
Weighted average number of Shares	2,583,006,879	3,792,135,586[(2)]
NTA per Share (cents)	2.88	2.16

Notes:

(1) The figure is derived by adding the NTA as at 30 June 2014 of Genesis of approximately A$7.23 million (approximately S$7.62 million) and the NTA of the Company as at 31 December 2013 of S$74.29 million.

(2) The weighted average number of Shares includes 1,209,128,707 Genesis Consideration Shares, being the maximum number of Genesis Consideration Shares to be issued.

3.8 Service Contracts

Subject to the Company approving, *inter alia*, the Proposed Genesis Acquisition (including the Proposed Share Issuance) at the EGM, the Company intends, subsequent to the close of the Genesis Offer Period, to appoint new directors to the board of directors of Genesis, although the Genesis Implementation Deed includes nomination rights as specified in **Section 3.4.10** of this Circular.

No person will be appointed to the Board of the Company in connection with the Proposed Genesis Acquisition.

3.9 Introducer

Management of the Company came to know of the opportunity to invest in Genesis through a network of investors that included Mr. Peter Lester, director of Accessio Resources Pty Ltd ("**Accessio Resources**"). Accessio Resources is a company that identifies investment and acquisition opportunities of high quality mineral assets focusing on base and precious metals, and utilises the management and technical expertise of its team to add value to those assets through exploration, development and operation. Mr. Peter Lester is also the beneficial owner of Celtic Stars Capital Ltd., one of the former Blumont Copper Investors. Save for an interest of less than 5% of the total issued share capital in Genesis held by Celtic Stars Capital Ltd., Mr. Peter Lester did not have any other interest in Genesis when the introduction was made. Neither Accessio Resources nor Mr. Peter Lester acted as a formal introducer in relation to the Proposed Genesis Acquisition or any other investments by the Company. No remuneration or commission was paid or will be payable by the Company to Accessio Resources, Mr. Peter Lester or any other person arising from the Proposed Genesis Acquisition.

3.10 Proposed Share Issuance

The Company will be seeking Shareholders' approval at the EGM to be convened for the proposed allotment and issue of up to 1,209,128,707 Genesis Consideration Shares pursuant to the Proposed Genesis Acquisition (the "**Proposed Share Issuance**").

3.10.1 **Listing and Quotation.** On 17 February 2015, the SGX-ST granted its approval-in-principle for the listing and quotation of the Genesis Consideration Shares on the Official List of the SGX-ST, subject to the following:

(a) compliance with the listing requirements of the SGX-ST;

(b) Shareholders' approval for the Proposed Genesis Acquisition; and

(c) submission of a written confirmation from the Company that it will comply with Rule 803 of the Listing Manual.

The Company has submitted the written confirmation described in paragraph (c).

The approval-in-principle of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Proposed Genesis Acquisition and/or the Genesis Consideration Shares.

3.10.2 **Allotment and Issue of the Genesis Consideration Shares.** Subject to the terms of the Genesis Bidder's Statement and the Corporations Act and obtaining approval from Shareholders for the Proposed Genesis Acquisition (including the Proposed Share

Issuance), the Company will allot and issue the Genesis Consideration Shares to Genesis Shareholders who accept the Genesis Offer under the terms of the Genesis Offer on or before the earlier of:

(a) (i) one month after the date such Genesis Shareholder validly accepted the Genesis Offer or, (ii) if at the time of acceptance the Genesis Offer is subject to the Genesis Offer Conditions, within one month after the contract resulting from the acceptance of the Genesis Offer becomes, or is declared, unconditional; or

(b) 21 days after the end of the Genesis Offer Period.

The exact number of Genesis Consideration Shares to be allotted and issued will depend on the level of acceptances received, the rounding upwards of fractional entitlements and ASIC approval to extend the Proposed Genesis Acquisition to the Genesis Placement Shares 2. The Company will make announcements on the exact number of Genesis Consideration Shares to be allotted and issued subsequent to the close of the Proposed Genesis Acquisition.

3.10.3 **Status of the Consideration Shares.** The Genesis Consideration Shares will be allotted and issued as fully-paid ordinary shares in the capital of the Company and will rank *pari passu* in all respects with all other Shares as at the date of their issue. This includes the right to any distributions declared in respect of all other Shares for which the Record Date falls on or after such issue date.

3.10.4 **Rule 812(1) Confirmation.** Pursuant to Rule 812(1) of the Listing Manual, the Company has provided a written confirmation to the SGX-ST that the Genesis Consideration Shares to be allotted and issued will not be placed to any of the following persons set out as restricted persons under Rule 812(1) of the Listing Manual:

(a) Directors and Substantial Shareholders of the Company;

(b) the immediate family members of the Directors and Substantial Shareholders;

(c) substantial shareholders, related companies (as defined in section 6 of the Companies Act), associated companies and sister companies of the Company's Substantial Shareholders;

(d) corporations in whose shares the Company's Directors and Substantial Shareholders have an aggregate interest of at least 10.0%; and

(e) any person who, in the opinion of the SGX-ST, falls within category (a) to (d).

4 CONSENT

Ravensgate has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IQP and Valuation Report, which have been prepared for the purpose of incorporation in this Circular, set out in **Appendix B** to this Circular and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

Holding Redlich, Australian legal advisers to the Company in relation to the Proposed Genesis Acquisition, has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

Polenak Law Firm, Macedonian legal advisers to the Company in relation to the Proposed Genesis Acquisition, has given and has not withdrawn its written consent to the issue of this Circular, with the inclusion of its name and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

5 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and the Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date, and the effect of the Proposed Genesis Acquisition on the shareholding structure of the Company, are set out below.

Director/Substantial Shareholder	As at the Latest Practicable Date				Immediately after the Proposed Genesis Acquisition[1]			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Shares	(%)	Shares	(%)	Shares	(%)	Shares	(%)
Directors								
Ng Kim Huatt	–	–	–	–	–	–	–	–
Tan Gim Kang, Arran	–	–	–	–	–	–	–	–
Lim Huan Kim	1,700,000	0.063	–	–	1,700,000	0.043	–	–
Farhash Wafa Salvador	–	–	224,000[2]	0.008	–	–	224,000[2]	0.006
Aris Muhammad Rizal	–	–	–	–	–	–	–	–
Substantial Shareholders								
Goh Seh Kiat	301,428,208	11.13	589,000[2]	0.022	301,428,208	7.69	589,000[2]	0.02
IPCO International Limited	190,230,802	7.02	61,350,000[3]	2.27	190,230,802	4.86	61,350,000[3]	1.57
Clear Water Developments Sdn Bhd	–	–	180,000,000[2]	6.64	–	–	180,000,000[2]	4.59
Neo Kim Hock	125,548	0.005	183,164,819[2]	6.76	125,548	0.003	183,164,819[2]	4.67

Notes:

(1) Assuming all Genesis Consideration Shares are issued.

(2) Shareholdings held in various nominees.

(3) IPCO International Limited is deemed interested in the Shares held by Sun Spirit Group Limited and its other subsidiaries by virtue of Section 4 of the SFA.

Save as disclosed above, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Additional Core Business or the Proposed Genesis Acquisition.

6 DIRECTORS' RECOMMENDATIONS

After having considered the rationale for and benefits of the Proposed Additional Core Business and the Proposed Genesis Acquisition, the Directors are unanimously of the opinion that the Proposed Additional Core Business and the Proposed Genesis Acquisition are in the best interests of the Company.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Ordinary Resolutions (Resolutions 1 and 2) relating to the Proposed Additional Core Business and the Proposed Genesis Acquisition at the EGM.

7 EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page N-1 of this Circular, will be held on 12 March 2015 at 10.00 a.m. at Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolutions set out in the Notice of EGM.

8 ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the Company's registered office at 298 Tiong Bahru Road, #20-02/03 Central Plaza Singapore 168730, not less than 48 hours before the time fixed for the EGM. Appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A proxy need not be a Shareholder.

As stipulated under section 130D of the Companies Act, a Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name on the Depository Register at least 48 hours before the time fixed for the EGM.

9 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Additional Core Business and the Proposed Genesis Acquisition (including the Proposed Share Issuance), and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

10 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected by Shareholders at the registered office of the Company at 298 Tiong Bahru Road, #20-02/03 Central Plaza, Singapore 168730 during normal business hours from 9.00 a.m. to 5.00 p.m. on any weekday (public holidays excepted) from the date of this Circular up to and including the date of the EGM:

(a) the Memorandum and Articles of Association of the Company;

(b) the Annual Report of the Company for FY2013;

(c) the unaudited consolidated financial statements of the Company and the Group for the 9M2014;

(d) the Genesis Implementation Deed;

(e) the Genesis Amendment Deed;

(f) the Genesis Bidder's Statement;

(g) the Genesis Supplementary Bid Documents;

(h) the IQP and Valuation Report set out in **Appendix B** of this Circular;

(i) the consent letter of Ravensgate;

(j) the consent letter of Holding Redlich; and

(k) the consent letter of Polenak Law Firm.

Yours faithfully
For and on behalf of the Board
BLUMONT GROUP LTD.

Ng Kim Huatt
Executive Director

APPENDIX A – CONTINUING LISTING RULES APPLICABLE TO MINERAL, OIL AND GAS COMPANIES

The information below is only a summary of some of the listing rules applicable to mineral, oil and gas companies which the Company must comply with.

The information below is general in nature and is not intended to be an authoritative or a complete statement of the listing rules or other regulations that are or may be applicable to the Company or mineral, oil and gas companies whose shares are listed on the SGX-ST. The information below does not constitute legal advice and Shareholders should consider obtaining their own professional advice on these and other companies and securities laws and listing rules and other regulations that do or may apply to the Company.

Listing Rule	Description
Rule 704(7)(a)	Any appointment or cessation of service of a qualified person must be immediately announced.
Rule 705(7)	In its announcement relating to the financial statements for the full financial year, the issuer must include: (a) details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities (including explanations for any material variances with previous projections, for the period under review). If there had been no exploration, development and/or production activity respectively, that fact must be stated; and (b) an update on its reserves and resources where applicable, in accordance with the requirements as set out in Practice Note 6.3 of the Listing Manual, including a summary of reserves and resources as set out in Appendix 7.5 of the Listing Manual.
Rule 712	A mineral, oil and gas company must appoint an auditing firm where the auditing firm and audit partner-in-charge have the relevant industry experience.
Rule 720(1)	A mineral, oil and gas company must have at least one independent director with appropriate industry experience and expertise.
Rule 749	A mineral, oil and gas company must comply with the general requirements for disclosure of reserves, resources or exploration results set out in paragraph 2 of Practice Note 6.3 of the Listing Manual.

APPENDIX A – CONTINUING LISTING RULES APPLICABLE TO MINERAL, OIL AND GAS COMPANIES

Listing Rule	Description
Rule 750	A mineral, oil and gas company must make an immediate announcement involving any material changes to the reserves or resources. The announcement must include a statement that the reserve and resource estimates stated in the announcement have been reviewed by a qualified person and in accordance with the disclosure requirements in Practice Note 6.3 of the Listing Manual. The issuer must announce the qualified person's report as soon as practicable. Where the announcement involves the reporting of new material reserves or resources that have not been previously disclosed, or a 50% change or more in reserves or resources that have been previously reported on, the qualified person's report must be signed off by an independent qualified person who meets the requirements in Rule 210(9)(b) of the Listing Manual and the contents of the qualified person's report must comply with the requirements as set out in paragraph 5 of Practice Note 6.3 of the Listing Manual. A mineral, oil and gas company must make an immediate announcement of any change in the Standard (as defined in the Listing Manual) adopted by the issuer, including the reasons for the change and the impact, if any, on its existing stated level of reserves and resources.
Rule 1006	An SGX-ST-listed company is required to make disclosures on the type of transaction (as categorised in Rule 1004 of the Listing Manual) depending on the size of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual. For a mineral, oil and gas company, in addition to the usual size test considerations applicable to all SGX-ST-listed companies, it will need to consider a test based on the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.
Rule 1014(2)	Where a transaction is classified as a major transaction under Rule 1014, the circular to shareholders must contain a qualified person's report prepared by an independent qualified person in accordance with Practice Note 6.3 of the Listing Manual, and in the case of a major acquisition, the circular must also contain a valuation report prepared by an independent qualified person.

APPENDIX A – CONTINUING LISTING RULES APPLICABLE TO MINERAL, OIL AND GAS COMPANIES

Listing Rule	Description
Rule 1015(3)	Where a transaction is classified as a very substantial acquisition or reverse takeover, the incoming business and enlarged group must comply with the admission requirements of a mineral, oil and gas company set out in Rule 210(9) of the Listing Manual.
Rule 1207(21)	The annual report of a mineral, oil and gas company must include: (a) a qualified person's report prepared in accordance with paragraph 5 of Practice Note 6.3 of the Listing Manual; (b) details of exploration (including geophysical surveys), development and/or production activities undertaken and a summary of the expenditure incurred on those activities for the year. If there has been no exploration, development and/or production activity respectively, that fact must be stated; (c) a summary of reserves and resources as at the end of the financial year supported by a qualified person's report; and (d) policies and practices in relation to operating in a sustainable manner as required under Practice Note 6.3 of the Listing Manual.
Appendix 7.5	Summaries of reserves and resources (referred to in Rules 705(7), 1207(21) and Practice Note 6.3) must be presented in the table set out in Appendix 7.5 of the Listing Manual.
Practice Note 6.3	This practice note sets out the disclosure requirements for a mineral, oil and gas company as referred to in Rules 749, 750, 1014(2) and 1207(21) of the Listing Manual.

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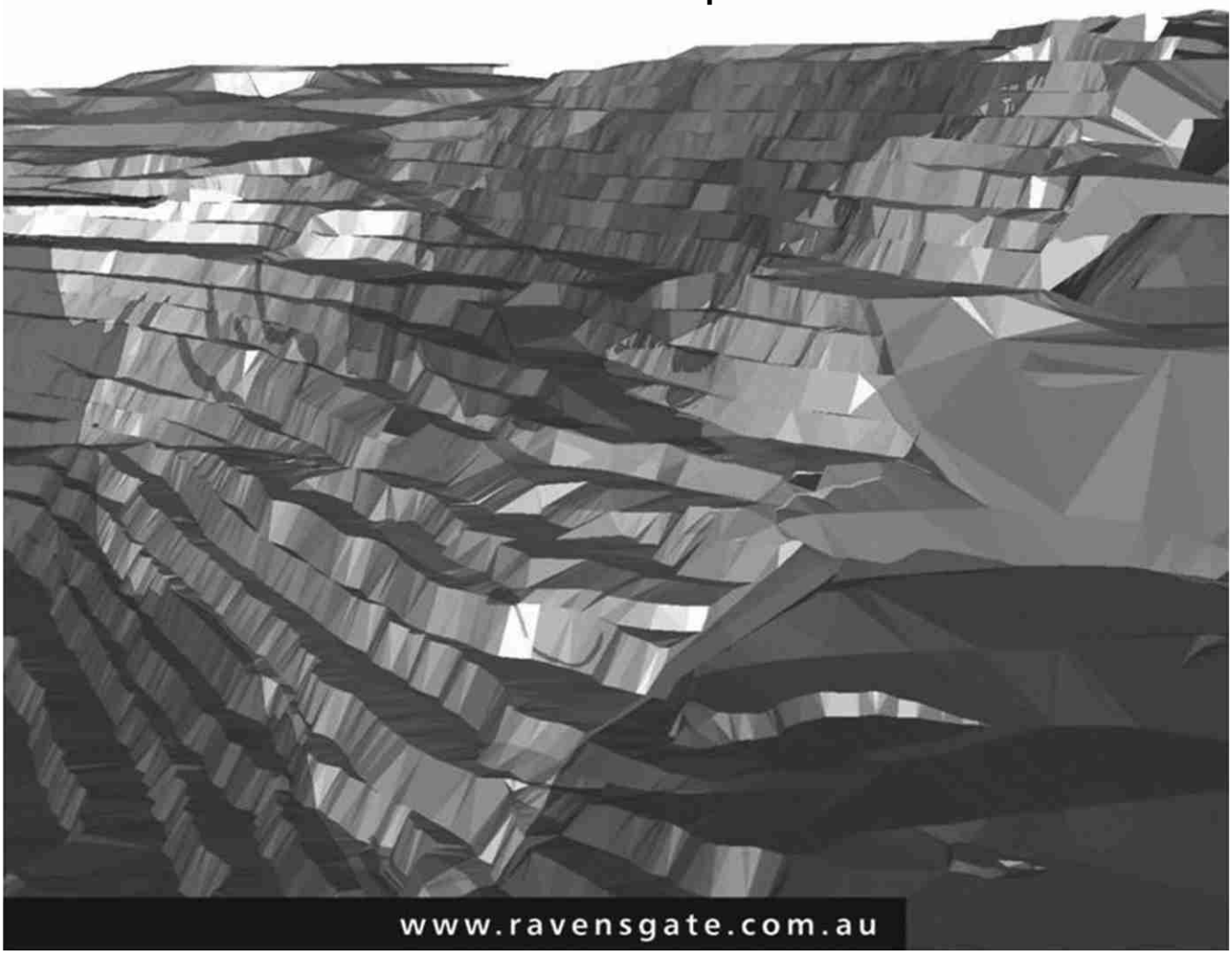
Independent Qualified Person Report
and
Independent Technical Valuation

On

Genesis Resources Limited's Macedonian and Australian Assets

for

Blumont Group Ltd



Ravensgate
Mining Industry Consultants

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and
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for

Blumont Group Ltd

1 October 2014

Ravensgate Perth
Suite 12, Level 3, 44 Parliament Place, West Perth, WA, 6005, Australia. PO Box 1923, West Perth, 6872, Australia. T +61 08 9226 3606 F +61 08 9226 3607
Corvidae Pty Ltd as Trustee for Ravensgate Unit Trust Trading as Ravensgate. ABN: 92 492 598 860 ravensgate.com.au

INDEPENDENT QUALIFIED PERSON REPORT
AND
INDEPENDENT TECHNICAL VALUATION

Prepared by RAVENSGATE on behalf of:

Blumont Group Ltd

Author(s):	Alan Hawkins	Principal Consultant	BSc (Hons) Geology, MSc (Ore Deposit Geology), MAIG, FSEG
	Sam Ulrich	Principal Consultant	BSc (Hons) Geology, MAusIMM, MAIG, GDipAppFin, FFin
	Stephen Hyland	Principal Consultant and Director	BSc Geology, FAusIMM, CIMM, GAA, MAICD
	Kate Holdsworth	Senior GIS Geologist	BSc (Hons) Geology, MAusIMM
Reviewer:	Neal Leggo	Principal Consultant	BSc (Hons) Geology, MAIG, MSEG
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Alan Hawkins
For and on behalf of:
RAVENSGATE



Sam Ulrich
For and on behalf of:
RAVENSGATE



Stephen Hyland
For and on behalf of:
RAVENSGATE

This report has been commissioned from and prepared by Ravensgate for the exclusive use of Blumont Group Ltd. Each statement or opinion in this report is provided in response to a specific request from Blumont Group Ltd to provide that statement or opinion. Each such statement or opinion is made by Ravensgate in good faith and in the belief that it is not false or misleading. Each statement or opinion contained within this report is based on information and data supplied by Genesis Resources Limited to Ravensgate, or otherwise obtained from public searches conducted by Ravensgate for the purposes of this report.

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1. EXECUTIVE SUMMARY

1.1 Report Scope and Basis

Blumont Group Ltd (Blumont) a listed company on the Singapore Exchange has requested Corvidae Pty Ltd ATF Ravensgate Unit Trust T/As Ravensgate (Ravensgate) to prepare an Independent Qualified Persons Report (IQPR) and an Independent Technical Valuation (ITV) on Genesis Resources Limited's (Genesis) Macedonian and Australian projects. Ravensgate understands Blumont requires the IQPR and ITV as part of its disclosure requirements to the Singapore Exchange, in relation to Blumont's proposed takeover bid for Genesis (refer to ASX Announcement dated 24 January 2014). The IQPR has an effective date of 1 October 2014 and the ITV has an effective date of 22 September 2014.

The projects included in these reports and their ownership is listed below.

Mineral Asset	Genesis Ownership %
• Plavica Project (Au+Ag+Cu), Macedonia	62%
• Alice Springs Project (Au+Cu+Fe), Northern Territory	100%
• McArthur River Project (Mn), Northern Territory	100%
• Fenn Gapp Project (Mn), Northern Territory	100%
• Arltunga Project (Au+Cu+Fe), Northern Territory	100%
• Gladstone-Mount Miller Project (Mn), Queensland	100%
• Pioneer Project (Au), Queensland	100%
• Laura River Project (Au), Queensland	100%
Genesis Projects, Macedonia and Australia	**62% and 100%**

Mr Stephen Hyland is nominated as the Ravensgate Director who has supervised the production of this IQPR and ITV. Mr Sam Ulrich and Mr Alan Hawkins are nominated as the Competent Persons responsible for the compilation of the ITV and IQPR, respectively.

All Ravensgate contributors to this report are independent of Blumont, its directors, and substantial shareholders. In addition, no Ravensgate report authors have any interest, direct or indirect, in Blumont, its subsidiaries, or associated companies, and will not receive benefits other than remuneration paid to Ravensgate in connection with the IQPR or ITV. Remuneration paid to Ravensgate is not dependent on the findings of this report.

Ravensgate notes that the main focus for Genesis is the Plavica Project. Genesis has spent the last two years completing drill programs at Plavica to meet joint venture obligations and for a JORC Code (2012) compliant Mineral Resource to be estimated, which is currently nearing completion. Therefore, exploration funds have been directed towards Plavica during this time at the expense of the Australian projects.

Ravensgate also notes that in Blumont's announcement of its 'Takeover Bid for Genesis Resources Limited' to the Singapore Exchange, dated 24 January 2014, that Blumont states, in Section 3 – Rationale for the Takeover Bid that, *"With the Takeover Bid, the Company hopes to acquire the entire equity of Genesis to add value to the Plavica Project and to the Shareholders and to strengthen its position in the Mineral and Energy Resources industry."* Therefore, the focus of information in the IQPR is largely directed to the Plavica Project due to the abundance of recent data and the projects priority within the corporate strategy.

1.2 Project Descriptions

The Plavica project is located in the Kratovo District in the northeast of Macedonia and is approximately 65km east of the Macedonian capital Skopje. The project comprises seven exploration licenses covering over 185km² in the Carpathian Volcanic Arc, a major epithermal province running through Eastern Europe, and is highly prospective for gold, copper and silver mineralisation.

The project area has been mined since Roman and Ottoman times with evidence of Roman workings across the deposit. In ancient times, gold was panned from streams and rivers in the Kratovo-Zletovo region. Hard-rock gold mining at the site of Plavica commenced during the Roman period. The deposit was mined at this time by shaft sinking and stoping to the south and west of the Northern Ridge to the west of Plavica peak, within softer and less silicified rocks. Some areas within the silica ridges were also mined on a limited basis by the Romans, such as the area around Maričanski Ridge, to the southwest of Plavica peak. In the 1930's, British Selection Mines developed two adits and an east-west trending drive beneath the focal area of Roman mining targeting a potential high grade vein zone. The mine was closed at the end of 1939 due to the Second World War.

Modern exploration of the project continued in the 1970's and 1980's through a joint venture between the Yugoslav Government and RIK Sileks AD Kratovo (Sileks) targeting porphyry-copper style mineralisation. Limited work was carried out by Cyprus Amax in 1997, before Rio Tinto acquired the property from 1997 – 2000 targeting the four ridges. Limited work was carried out by European Minerals in 2004, before Genesis' involvement in the property from 2007.

On 19 July 2007 Genesis entered into a joint venture agreement with Sileks. The key commercial terms of the agreement are as follows:

- Genesis will earn a 62% participating interest in the Plavica project concessions by funding all work expenditure on the project up to the completion of a final feasibility study.

On the 28 August 2014 Genesis announced to the ASX that Genesis and Sileks have jointly incorporated a company (dated 12 August 2014) in Macedonia, Silgen Resources International Ltd, Kratovo (JV Company), which is 62% owned by Genesis and 38% owned by Sileks. The JV Company has submitted the final feasibility study reports for the Plavica project to the Macedonian Ministry of Economy, which includes a submittal for an application for a 30 years exploitation (mining) licence for the Plavica tenement (refer Figure 1 inset). As a result of these developments Genesis now has a direct 62% ownership.

There is a 2% net smelter return and 10% corporate tax applicable. The project is free of encumbrances and third parties. Genesis are to pay Sileks a bonus of US$10 per ounce of gold for every ounce of gold the final mineable Proven Reserve category exceeds 1.2M ounces Au. It is to be paid at the commencement of mining after the plant reaches 90% of design capacity (Genesis Resources Limited, 2014

Individual land holders hold most of the land covering the Plavica Deposit. Genesis would need to purchase the land title from these individual land owners. In the event of a dispute the Government has the right to compulsorily acquire land at market rates after the granting of an Exploitation Licence.

The Australian Projects owned (100%) by Genesis are located in the Northern Territory (Alice Springs, McArthur River, Fenn Gap and Arltunga) and in Queensland (Gladstone – Mount Miller, Pioneer and Laura River).

The Alice Springs Project consists of Exploration Licence EL24817 covering 372.59km², and is located approximately 110-155km northeast from Alice Springs. The McArthur River project consists of Exploration Licence EL24814 covering 380.88km² and is located approximately 850km southeast of Darwin in the Northern Territory and 450km northwest of Mount Isa in Queensland. The Fenn Gap project consists of one Exploration Licence EL24839 which covers a total area of 52.43km², and is located approximately 25km southwest of Alice Springs. The Arltunga Gold Project consists of Exploration Licence EL25238 covering 95.2km², and is located approximately 110km northeast of Alice Springs in the vicinity of the Arltunga Goldfield. The Gladstone-Mount Miller Project consists of Exploration Licence (EPM15771) covering 63.93km²

and Mining Lease Application (MLA80166) covering 32.24 Ha and is located approximately 15km by road from the port of Gladstone on the east coast of central Queensland. The Pioneer Project consists of one granted Exploration Permit Mineral (EPM15619) covering 12.47km² approximately 70km by road from Bundaberg via the Bruce Highway in Queensland. The Laura River project consists of Exploration Licence EPM15242 covering 165.35km² which is centred on the Cape York Peninsular township of Laura, 210km northwest of Cairns and 88km west of Cooktown in Far North Queensland.

All projects are the at the early exploration stage, with minor historical production being carried out at Gladstone – Mount Miller, Arltunga and Pioneer projects.

1.3 Geology and Mineralisation

The Kratovo-Zletovo ore district is located within the Miocene age Kratovo-Zletovo volcanic complex, which covers an area of 1,200km². Polymetallic mineralisation is located within this complex in an area of approximately 400km². The district is well endowed with vein type Pb-Zn mineralisation (e.g. Zletovo and Blizanci deposits), and Cu-Au stockwork-disseminated mineralisation (e.g. Plavica, Borovik and Tursko Rudari), in addition to high-sulphidation epithermal gold mineralisation styles (e.g. Plavica). The Kratovo-Zletovo ore district is confined to the Miocene age Probistip Graben which is bounded on its eastern side by a northwest-southeast striking normal fault. The lithostratigraphy of the Kratovo-Zletovo region is well constrained from geological mapping and exploration drill holes. The total thickness of the sedimentary sequence in this region is estimated to be greater than 1,000m and comprises two lithologically distinct formations, which are the host rocks to both gold and base-metal mineralisation in the area.

The Plavica deposit is hosted in a sequence of andesitic to dacitic volcanoclastics of mixed sub-aerial and sub-aqueous nature which dips at approximately 30° to the south-southwest. The volcanic stratigraphy is cut by steeply dipping vuggy silica bodies which are up to 500m long and between 100-150m wide. Four silicified bodies are recognised and form prominent ridges with broadly east-west and northwest to southeast orientation.

The Plavica deposit is formed within the remnants of a volcanic caldera which covers an area of approximately 20km² and is cut by a series of northwest and northeast tending faults.

The Alice Springs Project is located within the Arunta Region of central Australia which is a complex basement inlier that has undergone a prolonged history of sedimentation, magmatism and tectonism extending from the Palaeoproterozoic to the Palaeozoic. The Arunta Region can be subdivided into the three, largely fault bounded terranes with distinct geological histories which are the Aileron, Warumpi and Irindina Provinces. The Alice Springs project lies within the Aileron Province (Kastellorizis, 2008c).

The Palaeo to Mesoproterozoic McArthur Basin (1800-1500 Ma) is exposed over an area of about 180,000km² in the northeastern Northern Territory and unconformably overlies metamorphosed and deformed Palaeoproterozoic rocks of the Pine Creek Orogen to the west, the Murphy Inlier to the south and the Arnhem Inlier to the northeast. The Murphy Inlier may have been a palaeogeographical high separating the McArthur Basin from the South Nicholson Basin and Lawn Hill Platform. Phanerozoic strata of the Georgina Basin unconformably overlie the McArthur Basin succession.

The Arltunga Project is located in the eastern Arunta region within the Ongeva package. The Arunta complex is a late Palaeoproterozoic to Ordovician succession of sedimentary, volcanic and intrusive rocks which has been deformed, metamorphosed and intruded by granites. Mineral deposits in the Arunta region vary in commodity, style and age. Although base-metal and gold deposits in the Arunta region are relatively widespread, these deposits have been considered economically insignificant although several abandoned mines are shown on to exist to the north of the project area.

The Gladstone-Mount Miller Project is located over the Berserker Graben. The Devonian-Carboniferous Doonside Formation forms northwest trending ridges and hills that transect the project area. This formation outcrops over a width of about four kilometres but owing to folding the true thickness is uncertain. Northwest of the project , the Berserker Graben hosts the Mt



Warmister (Cu), Mt Chalmers (Au-Cu-Ag) and North Star (Au) deposits, within volcanic and sediments of the Chalmers Formation. Recorded production from underground and open cut mining at Mount Chalmers from 1898-1982 was approximately 1.2Mt @ 3.6g/t Au, 2.0% Cu, 19g/t Ag for 142koz Au, 53Mlbs Cu, 758koz Ag.

The Pioneer Project is located within the Gaeta Goldfield which is part of the Permo-Triassic Miriam Vale Granodiorite. The Granodiorite is a polyphase igneous complex emplaced as a series of coalescing plutons. The Pioneer Reef, a quartz-carbonate fissure, has a sub-vertical orientation and trends east-southeast in the Miller-Main Shaft sector and northeastwards in the less productive faulted block alongside it.

The Laura River Project area is covered mostly by the Siluro-Devonian Hodgekinson Formation, and Jurassic/early Cretaceous units of the Gilbert River Formation. Large tracts of the project area are covered by Quaternary colluvial or alluvial deposits.

1.4 Mine Production

Other than the ancient and historical production referred to above, there has been no modern mine production at the Plavica Project. Minor historical production has been carried out at the Gladstone – Mount Miller, Arltunga and Pioneer projects in Australia, with no modern mine production at the Australian projects.

1.5 Mineral Resources and Ore Reserves

A Mineral Resource as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - 2012 Edition (JORC Code 2012) has not been reported for the Plavica project. At present Genesis have employed the services of IGMC to undertake a Mineral Resource estimation in accordance with the JORC Code 2012 on the Plavica project, however the Mineral Resource was not completed at the time of writing. From discussions with Genesis' management, they are expecting a Mineral Resource of Inferred category to be estimated. There are no Mineral Resources defined on any of the Australian projects, which are at the early exploration stage.

1.6 Project Plan

A geological report and resource (non-JORC compliant, Macedonian standard calculation) known as the *Elaborate*, compiled by local Macedonian consultants was submitted to the Government of Macedonian by Genesis' Joint Venture (JV) partner Sileks on 1st April 2014. The *Elaborate* was the first part of eight reports to be submitted and it has been approved by the Macedonian Government. The other reports, which together with the *Elaborate*, makes up the Macedonian Final Feasibility Study (FFS), have been submitted by the recently formed (see ASX Announcement dated 28 August 2014) JV company, Silgen Resources International Ltd, Kratovo to the Ministry of Economy together with an application for an Exploitation (Mining) Licence.

The FFS was completed pursuant to detailed exploration undertaken by Genesis over the Plavica tenement, and comprises studies which collectively report on a range of feasibility matters in connection with the possible future exploitation of a Resource at Plavica, including the economic feasibility of establishing a mine, and reviews of the geology, ore resources and metallurgy.

1.7 Risk Assessment

Ravensgate has assessed the key business risks identified by Genesis in their recent Annual Report to Shareholders, dated 30 June 2014 and released on the 23 September 2014. A number of specific risks that may impact the business strategies, future performance and financial position of Genesis and its controlled entities were outlined as:

a) Plavica Project interest and recently expired tenements
b) Additional requirements for capital / going concern
c) Title risks and Native Title
d) Sovereign Risk
e) Joint Ventures

f) Resource and Reserve estimates
g) Discovery risk
h) Operating risk

It is Ravensgate's opinion that items c) through to h) listed above are the same risks that all publically listed resource companies are subject to and may vary between particular countries of operation. In relation to items a) and b) above, Ravensgate lists the following detail and comments:

- Plavica Project interest. The recently formed JV company has submitted an application for a 30 year exploitation licence. Whilst there is a risk this may not be granted, there is no reason to believe that the application will not be successful. Given that Genesis has been operating at Plavica since 2011 and has met all the required criteria and statutory obligations to date, Ravensgate can see no reason and is not aware of information causing concerns as to why the licence would not be granted.
- Recently expired tenements. Genesis is currently reviewing the mapping over six recently expired tenements (although having the option to renew them for a maximum of two years) around Plavica to determine the best areas over which to re-submit applications for new exploration concession licences. There is no guarantee that these applications will be successful. However, if the applications are successful, the JV Company will benefit from recent changes to Macedonian law which entitles holders of newly granted concession licences to conduct exploration over a period of up to six years.
- Additional requirements for capital / going concern. Assuming the 30 year exploitation licence is granted to the JV Company, Genesis will need to obtain further funding to meet its obligations under its JV agreement with Sileks to undertake infill and extensional drilling and to complete a feasibility study. Genesis has set a timeframe of 2.5 years, from the grant date of the exploitation licence, to complete this work and has committed US$7.5 million for such activities. In order to secure the performance of these obligations, Genesis has granted a security interest over its shares in the JV Company in favour of Sileks. This security interest will only be discharged when Genesis completes and pays for the proposed infill and extensional drilling and feasibility study. If Genesis is unable to meet these obligations through lack of finance, Sileks may exercise its right to obtain a transfer of Genesis' shares in the JV Company to Sileks. Therefore, in the event that this was to occur, Genesis would lose its interest in the Plavica tenement and the exploitation licence over it. Further capital would also be required to further explore the Australian projects and repay debts. Whilst the current climate for capital raising is challenging, Genesis has previously been successful in raising both equity and debt capital to fund its activities, with Genesis Directors confident in the ability to raise funds as and when the need arises. Ravensgate confirms this successful record and notes that Genesis recently (19 September 2014) announced that it had raised A$1,243,219 pursuant to its completion of a placement of 24,864,384 ordinary shares to a sophisticated, unrelated investor.

1.8 Conclusions

Ravensgate has concluded that Genesis' Projects are of merit (although at varying stages of exploration and subsequent Mineral Asset classification), and worthy of further exploration. A summary of Genesis' project valuations in current ownership percentage terms is provided in Table 1. The applicable valuation date is 22 September 2014 and is derived from using Comparable Transactions valuation method. The value of the listed projects is considered to lie in a range from S$23.47M to S$34.84M, within which range Ravensgate has selected a preferred value of S$28.62M. As the technical valuation is based on comparable transactions it can be considered to also be the market value of the mineral assets. The definition of market value that Ravensgate adopts is that used in the VALMIN code, which is the market value definition as defined by the International Valuation Standards Committee (IVSC).

Table 1 Genesis – Summary Valuation on Ownership Interest Basis						
Genesis Projects	**Mineral Asset**	**Ownership %**	**Area km²**	**Valuation**		
				Low S$M	**Preferred S$M**	**High S$M**
Plavica	Advanced Exploration Area	62%	17.41*	21.71	24.81	27.91
Alice Springs	Exploration Area	100%	372.59	0.56	0.93	1.86
McArthur River	Exploration Area	100%	380.9	0.57	0.76	1.90
Fenn Gap	Exploration Area	100%	26.9	0.04	0.09	0.13
Arltunga	Exploration Area	100%	95.2	0.14	0.43	0.48
Gladstone-Mount Miller	Exploration Area	100%	63.9	0.39	1.42	2.20
Pioneer	Exploration Area	100%	6.23	0.04	0.09	0.11
Laura River	Exploration Area	100%	163.35	0.02	0.09	0.25
TOTAL	**Various**	**62% & 100%**	**1,126.48**	**23.47**	**28.62**	**34.84**

The valuation has been compiled to an appropriate level of precision and minor rounding errors may occur.

**Exploitation Licence application area is 16.85km²*

1.9 Recommendations

The Plavica Project is Genesis' key project and focus of attention and holds by far the majority of the total projects valuation, as demonstrated in the Table above. Once the new JORC Code 2012 compliant Mineral Resource has been estimated, Ravensgate recommends an independent review of the resource, particularly by a resource geologist familiar with the Carpathian Volcanic Arc mineralisation styles to provide added confidence. Ravensgate also recommends that metallurgical test work is carried out during the upcoming infill and extensional drilling campaigns, as Genesis meets its joint venture obligations.

With regard to the Australian projects, Ravensgate recommends that a decision point is reached with regard to prioritising the most prospective tenements to retain and explore, whilst rationalising less prospective tenements to reduce holding costs, potentially by way of farming out the tenements for joint venture, as the company progresses the priority Plavica Project.

2. INTRODUCTION

2.1 Aim and Scope of Report

Corvidae Pty Ltd as trustee for the Ravensgate Unit Trust trading as Ravensgate (Ravensgate) has been commissioned by Blumont Group Ltd (Blumont) to provide an Independent Qualified Person Report (IQPR) and Independent Technical Valuation (ITV) on the Macedonian and Australian Assets of Genesis Resources Limited (Genesis). The IQPR has an effective date of 1 October 2014 and the ITV has an effective date of 22 September 2014.

2.2 Use of Report

Ravensgate understands Blumont requires the IQPR and ITV as part of its disclosure requirements under the rules (Listing Rules) in the Listing Manual of the Singapore Exchange Securities Trading Limited (SGX), in relation to Blumont's proposed takeover bid for Genesis (refer to ASX Announcement dated 24 January 2014).

2.3 Reporting Standard

The IQPR has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - 2012 Edition (JORC Code 2012) and has been compiled based on information available up to and including the date of this report.

The JORC Code requires that a public report concerning a company's exploration targets, exploration results, mineral resources, or ore reserves must be based on, and fairly reflect, the information and supporting documentation prepared by a Competent Person, as defined by the JORC Code. SGX Listing rules use the term qualified person, and provide a definition which is effectively equivalent to a Competent Person. In this report, whenever reference is made to a Competent Person as per the JORC Code, it is equivalent to a qualified person as per SGX Listing rules.

The ITV has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (The VALMIN Code) as adopted by the Australasian Institute of Mining and Metallurgy (AusIMM) in April 2005. The report has also been prepared in accordance with ASIC Regulatory Guides 111 (Contents of Expert Reports) and 112 (Independence of Experts). The ITV has been compiled based on information available up to and including the Valuation Date.

2.4 Report Authors

SGX Listing Rule 210 (9) (b) sets out the requirements of an independent qualified person, and Rule 210 (9) (b) (ii) notes that "if the qualified person producing the report is not a partner or director of his firm, the production of the report must be directly supervised by a partner or director on behalf of the firm".

Table 2 lists the Ravensgate staff who contributed to the preparation of the IQPR and ITV. Mr Stephen Hyland is nominated as the Ravensgate Director who has supervised the production of this IQPR and ITV, Mr Sam Ulrich and Mr Alan Hawkins are nominated as the Competent Persons responsible for the compilation of the ITV and IQPR, respectively. Competent Person statements for Mr Hyland, Mr Ulrich and Mr Hawkins are provided in Appendix 2 of this report.

Mr Hyland has over 25 years' experience in the minerals industry, with over 15 years and 5 years' experience in gold and copper, respectively. Mr Hawkins and Mr Ulrich, both have over 18 years' experience in the minerals industry, with over 10 years and 5 years' experience in gold and copper, respectively.

Table 2 Contributing Ravensgate Staff to the IQPR and Valuation					
Name	**Position**	**Professional Designation**	**Role**	**Employer**	**Independent of Blumont**
Stephen Hyland	Director and Principal Consultant Geologist	FAusIMM & CIMM	Overall supervision	Ravensgate	Yes
Sam Ulrich	Principal Consultant Geologist	MAusIMM & MAIG	Competent Person (ITV). Transaction Research, Review of Comparable Transactions, Valuation and Report Preparation	Ravensgate	Yes
Alan Hawkins	Principal Consultant Geologist	MAIG	Competent Person (IQPR). Exploration Potential Review, Valuation and Report Preparation	Ravensgate	Yes
Kate Holdsworth	Senior GIS Geologist	MAusIMM	Report Preparation	Ravensgate	Yes
Neal Leggo	Principal Consultant Geologist	MAIG	Peer Review	Ravensgate	Yes

Site visits to the Macedonian and Australian projects were not carried out as part of this IQPR and ITV. Mr Sam Ulrich previously carried out a site visit to the Plavica Gold and Copper Project in Macedonia on the 23rd to 25th of May 2012 as part of an independent technical review and valuation of Genesis' projects at that time. As part of the site visit Ravensgate completed a review of the projects technical aspects, including previous work, geology, planned exploration and exploration potential in order to assist in the valuation. Ravensgate is of the opinion that on limited review, the site visit reasonably covered all significant areas for the purposes of this report. Ravensgate is satisfied that there is sufficient current information available to allow an informed appraisal to be made without including a site inspection of the Australian projects and is of the opinion that no significant additional benefit would have been gained through a site visit to these areas at this stage.

2.5 Statement of Independence

The relationship with Blumont is solely one of professional association between client and independent consultant. All Ravensgate contributors to this report are independent of Blumont, its directors, substantial shareholders, advisers and their associates. In addition, no Ravensgate report authors have any interest, direct or indirect, in Blumont, its subsidiaries or associated companies, and will not receive benefits other than remuneration paid to Ravensgate in connection with the IQPR or ITV. Remuneration paid to Ravensgate is not dependent on the findings of these reports.

2.6 Basis of Report

The principal sources of information used to compile this report comprise technical reports and data variously compiled by Genesis and their partners or consultants, publically available information such as ASX releases, government reports and discussions with Genesis' technical and corporate management personnel. With the consent of Genesis, the report sections describing the geology, historical exploration and current exploration have been reproduced from their reports. A listing of the principal sources of information is included in the references attached to this report.

Ravensgate has endeavoured, by making all reasonable enquiries and exercising its judgement on the reasonable use of such information, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based. A final draft of this report



was also provided to Blumont prior to finalisation by Ravensgate, requesting that Blumont identify any material errors or omissions prior to its final submission. Ravensgate has not found any reason to doubt the accuracy or reliability of the information.

Project descriptions for the Genesis assets within this IQPR are divided into two sections:

- Macedonian Assets, and;
- Australian Assets.

Sections 3.1, 4.1, 5.1, 6.1, 7.1, 8.1 and 9.1 of this IQPR will provide detail on the Plavica Project in the Republic of Macedonia, with details of the Australian Projects being described in Sections 3.2, 4.2, 5.2, 6.2, 7.2, 8.2 and 9.2.

The ITV report does not provide a valuation of Genesis as a whole, nor does it make any comment on the fairness and reasonableness of any proposed transaction between any two companies. The conclusions expressed in the IQPR and ITV are valid as at 1 October 2014 and the Valuation Date (22 September 2004), respectively. The review and valuation is therefore only valid for this date and may change with time in response to changes in economic, market, legal or political factors, in addition to ongoing exploration results. All monetary values included in this report are expressed in Singapore dollars (S$) unless otherwise stated.

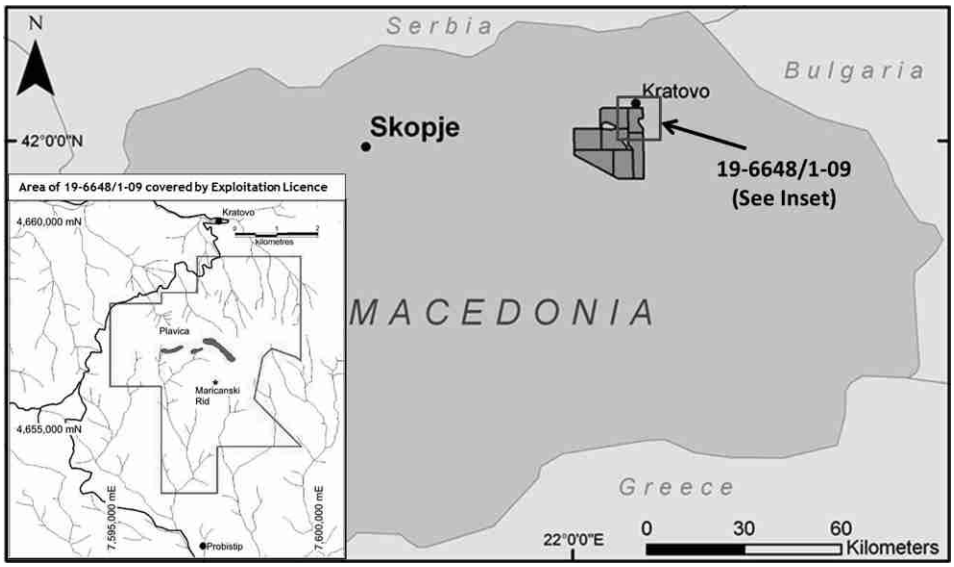
3. PROJECT DESCRIPTION

3.1 Macedonian Projects

3.1.1 Project Location

The Plavica project is located within the (former Yugoslav) Republic of Macedonia (Macedonia) in southeastern Europe, north of Greece. Within Macedonia the project is located in the municipality of Kratovo in northeast Macedonia (Figure 1). Kratovo is also the name of the town where the municipal seat is found, with the project tenements located immediately to the southwest. Skopje, the capital of Macedonia, is located approximately 65km west of the project.

Figure 1 Locality Map of Genesis Resources Limited's Macedonian Project



3.1.2 Ownership and Tenure

The project consists of one concession (Table 3), which covers a total area of 17.41km^2. The concession is held under a joint venture agreement of which Genesis has a 62% interest. An Exploitation Licence application (described in more detail below) has been submitted over the top of the concession, covering an area of 16.85km^2 (refer Figure 1 inset). Six tenements (as seen in Figure 1) expired recently on the 14th April of this year (2014).

As per the requirements of the Macedonian Government the main tenement on which the Plavica Deposit is situated, is being converted to an Exploitation Licence upon the submittal and acceptance of a Macedonian Final Feasibility Study (FFS), refer to section 3.1.4. Genesis is currently reviewing the mapping over the six recently expired tenements (although there was the option to renew them for a maximum of two years) around Plavica to determine the best areas over which to re-submit applications for new exploration concession licences. If the applications are successful, the JV Company will benefit from recent changes to Macedonian law which entitles holders of newly granted concession licences to conduct exploration over a period of up to six years.

Ravensgate has not independently verified the status of all the tenements that are referred to in this section. This is a matter for independent legal or tenement experts. Blumont commissioned an independent review of Genesis' tenement status. A team of Macedonian legal specialists completed this review and did not identify any material issues that would impact on Ravensgate's IQPR and ITV.

Ravensgate is satisfied, based on the legal specialists review, that the tenements are in good standing and the values assigned to the tenements correctly reflect Genesis' ownership.

Table 3 Plavica Project Tenement Details

Exploration Licence	Issuers Interest (%)	Development Status	Expiry Date	Area (km^2)	Type of Mineral	Comment
19-6648/1-09	Genesis earning 62%	Advanced Exploration Area	14/04/2014	17.41	Au, Cu, Ag	Conversion to Exploitation License (16.85km^2) underway.

3.1.3 Project Ownership and Relevant Interests

Currently all tenements are held under a joint venture agreement between RIK Sileks Kratovo and Genesis, with Genesis earning a 62% interest upon completion of a final feasibility study (see below). Individual land holders hold most of the land covering the Plavica Deposit. Genesis would need to purchase the land title from these individual land owners. In the event of a dispute the Government has the right to compulsorily acquire land at market rates after the granting of an Exploitation Licence (Genesis Resources Limited, 2014).

3.1.4 Agreements

On 19 July 2007 Genesis entered into a joint venture agreement with Sileks. The key commercial terms of the agreement are as follows:

- Genesis will earn a 62% participating interest in the Plavica project concessions by funding all work expenditure on the project up to the completion of a final feasibility study.

On the 28 August 2014 Genesis announced to the ASX that Genesis and Sileks have jointly incorporated a company (dated 12 August 2014) in Macedonia, Silgen Resources International Ltd, Kratovo (JV Company), which is 62% owned by Genesis and 38% owned by Sileks. The JV Company has submitted the final feasibility study reports for the Plavica project to the Macedonian Ministry of Economy, which includes a submittal for an application for a 30 years exploitation (mining) licence for the Plavica tenement (refer Figure 1 inset). As a result of these developments Genesis now has a direct 62% ownership.

3.1.5 Royalties and Taxes

There is a 2% net smelter return and 10% corporate tax applicable. The project is free of encumbrances and third parties. Genesis are to pay Sileks a bonus of US$10 per ounce of gold for every ounce of gold the final mineable Proven Reserve category exceeds 1.2M ounces Au. It is to be paid at the commencement of mining after the plant reaches 90% of design capacity (Genesis Resources Limited, 2014).

3.1.6 Access

The Plavica project can be accessed via sealed roads from Skopje and within the project the infrastructure consists of sealed roads and forestry or agricultural tracks. From the International Airport the journey time to the Plavica Project is approximately one hour and from central Skopje the journey time is one and a half hours. From the towns of Kratovo and Probishtip it is approximately 5km by sealed road. Within the project area there is a dirt road in good condition to the drilling site.

3.1.7 Supporting Infrastructure

There are two towns approximately 5km from the project area, Kratovo and Probishtip. The workforce in the region is mostly employed in agriculture, followed by the service industry. There are 2,482 people registered as unemployed in the Kratovo municipality and 2,600 from the Probishtip municipality. Roads within the region range from local roads, asphalt or dirt, regional roads and highways. Additional local asphalt surfaced roads are planned. A railway is currently under construction through the municipality of Kratovo with a proposed railway station at Kriva Reka. Power is supplied by Elektro Kratovo to residential and industrial customers in the Kratovo Municipality. They have new high voltage and low voltage transformer stations in the city and out of the city to provide electricity. A hydropower scheme is under construction on the Zletovska River with the first phase of construction complete. EVN Macedonia is responsible for the distribution of electricity in the Probishtip Municipality. Mining is being undertaken in the Probishtip Municipality at the Zletovo lead-zinc mine. Water in the Kratovo Municipality is sourced from the Zletovica River and in the Probishtip Municipality from the Zletovska reka, a reservoir. In the vicinity of the project area the main watercourses are the Kratovska (a tributary of the Kriva River) and Probistip Rivers and the Grizilevski, Kiselichki and Plavichki streams. The Zletovska and Kriva Rivers have good water potential for the project area.

3.1.8 Climate and Physiography

Macedonia experiences warm, dry summers and autumns; relatively cold winters with heavy snowfall. The town of Kratovo lies on the western slope of Mount Osogovo at an altitude of 600m above sea level (asl). Within the project, the topography ranges from rolling hills in the northern part of the project which have a maximum altitude of 1,300m asl to flatter land in the southeast.

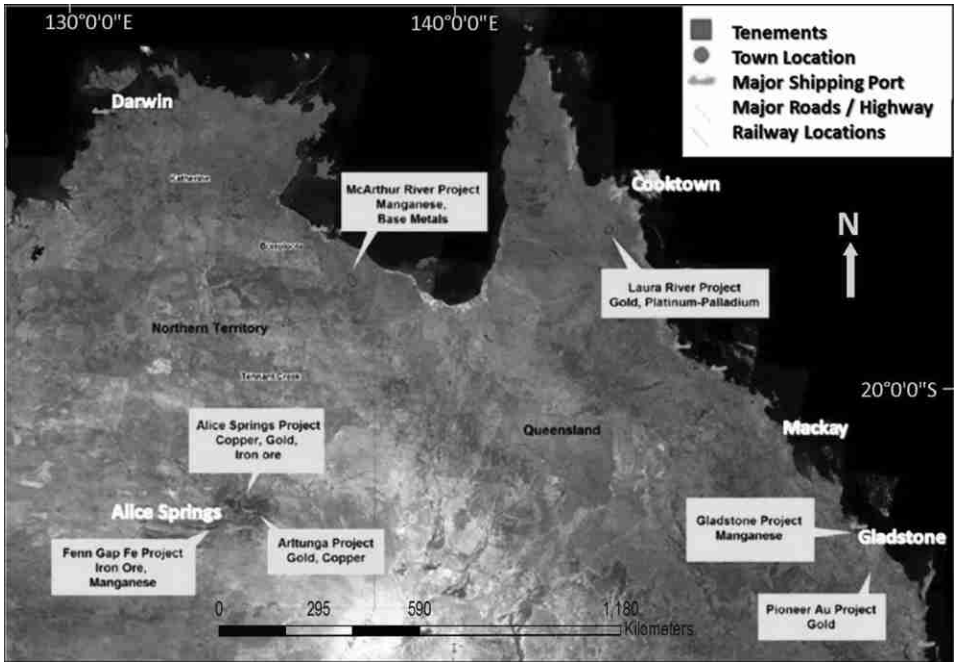
3.1.9 Geopolitical Environment

Macedonia's politically stability is increasing, however standards of living are low and there are a number of socio-economic problems. According to the IntierraRMG website, Political and Operational ratings are both categorised as medium risk, with Security rating categorised as low and Terrorism risk rated as insignificant.

3.2 Australian Projects

Genesis has seven projects covering more than 1,111km^2 in Queensland and the Northern Territory of Australia (Figure 2).

Figure 2 Locality Map of Genesis Resources Limited's Australian Projects



3.2.1 Ownership and Tenure

The Australian projects are owned 100% by Genesis the details of which are listed in Table 4.

Table 4 Australian Project Tenement Details

Exploration Licence	Issuers Interest (%)	Development Status	Expiry Date	Area (km^2)	Type of Mineral	Comment
Alice Springs EL24817	100	Exploration Area	17/04/14	372.59	Fe-Cu-Au	Renewal Pending
McArthur River EL24814	100	Exploration Area	17/04/14	380.88	Mn, base metals	Renewal Pending
Fenn Gap EL24839	100	Exploration Area	5/05/14	26.93	Fe-Mn	Renewal Pending
Arltunga EL25238	100	Exploration Area	7/11/14	95.2	Au-PGE	Granted
Gladstone EPM15771	100	Advanced Exploration Area	18/06/17	63.93	Mn	Granted

Table 4 Australian Project Tenement Details						
Exploration Licence	**Issuers Interest (%)**	**Development Status**	**Expiry Date**	**Area (km^2)**	**Type of Mineral**	**Comment**
Mt Millar MLA ML80166	100	Advanced Exploration Area		32.24 Ha	Mn	Application
Pioneer EPM15619	100	Exploration Area	1/08/16	6.235	Au	Granted
Laura River EPM15242	100	Exploration Area	22/08/12	165.35	Au-PGE	Renewal Pending

Ravensgate has not independently verified the status of all the tenements that are referred to in this section. This is a matter for independent legal or tenement experts. Blumont commissioned an independent review of Genesis' tenement status. Legal specialist Holding Redlich, Australia, completed this review and did not identify any material issues that would impact on Ravensgate's IQPR and ITV.

Ravensgate is satisfied, based on Holding Redlich's review, that the tenements are in good standing and the values assigned to the tenements correctly reflect Genesis' ownership.

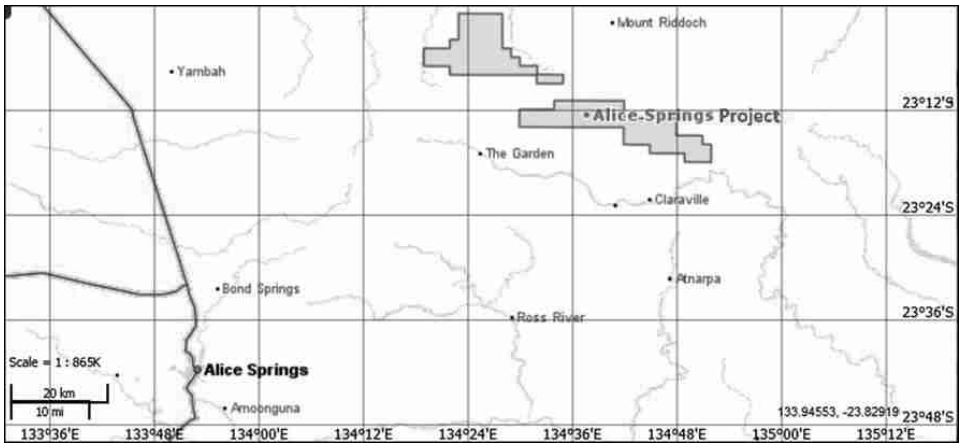
3.2.2 Geopolitical Environment

Australia is a politically stable, liberal democracy. According to the IntierraRMG website, Political, Security and Terrorism ratings are all categorised as low risk, with Operational rating categorised as insignificant risk.

3.2.3 Alice Springs Project Location

The Alice Spring Project lies within the polymetallic Harts Range Minerals field which is prospective for copper, gold, iron, uranium and rare earth element (REE) mineralisation. The property lies 155km northeast of Alice Springs in the Northern Territory (refer to Figure 2 and Figure 3).

Figure 3 Location of the Alice Springs Project



3.2.4 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence EL24817, with an area of 372.59km^2. A Central Land Council (CLC) Sacred Site Clearance Certificate Application was lodged on the 4th February 2014.

3.2.5 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EL 24817. There are Heritage Protection Site(s) or Sacred Site(s) within the project.

3.2.6 Royalties and Taxes

Under the Mining Management Act (MMA) a rehabilitation security is required for any activity (exploration, mining or extractive) that creates a substantial disturbance to the environment.

Securities are calculated on the level of disturbance for each site.

The non-refundable annual levy of 1% on the total calculated rehabilitation cost is applied to each mining operation authorised under the MMA in return for a decrease of 10% in the total security amount payable by operators. The Department of Mines and Energy (DME) will still hold a minimum 100% security for each site as the 10% discount to be provided to operators is taken from a 15% contingency fee applied to calculated securities. A statutory Mining Remediation Fund will also be created to hold a portion of monies generated by the levy in trust, to be used to undertake activities to reduce the level of impact mining sites have on the environment (nt.gov.au, 2014).

3.2.7 Access

The project can be accessed from Alice Springs via the Stuart and Plenty Highways. The project has many tracks across it as a result of local agriculture and stock farming.

3.2.8 Supporting Infrastructure

Communications in the project area are via radio and satellite links. There are airstrips in the region which are mostly located next to homesteads.

3.2.9 Climate and Physiography

The project area is considered to have a semi-arid climate with an average annual rainfall of 286mm although rainfall varies from year to year. The rainy season is between November and March. The average summer temperature ranges between 20ºC and 35ºC. In winter the average temperature ranges between 3˚C and 20˚C. Night temperatures can drop below freezing. The project is hilly with creeks transitioning into plains in the south and east of the project.

3.2.10 McArthur River Manganese Project Location

The McArthur River Manganese Project is located in the Northern Territory, approximately 850km south east of Darwin (refer Figure 2 and Figure 4) and 210km from Borroloola. Borroloola is located on the McArthur River approximately 50km upstream from the Gulf of Carpentaria.

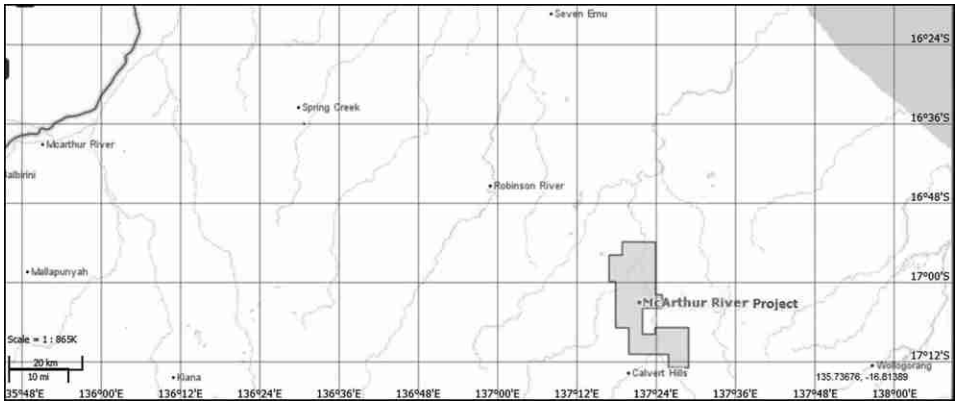
3.2.11 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one granted exploration licence EL24814, with an area of 380.88km^2.

3.2.12 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EL24814. There are Heritage Protection Site(s) or Sacred Site(s) within the project.

Figure 4 Location of the McArthur Project



3.2.13 Royalties and Taxes

Under the Mining Management Act (MMA) a rehabilitation security is required for any activity (exploration, mining or extractive) that creates a substantial disturbance to the environment.

Securities are calculated on the level of disturbance for each site. The non-refundable annual levy of 1% on the total calculated rehabilitation cost is applied to each mining operation authorised under the MMA in return for a decrease of 10% in the total security amount payable by operators. The Department of Mines and Energy (DME) will still hold a minimum 100% security for each site as the 10% discount to be provided to operators is taken from a 15% contingency fee applied to calculated securities. A statutory Mining Remediation Fund will also be created to hold a portion of monies generated by the levy in trust, to be used to undertake activities to reduce the level of impact mining sites have on the environment (nt.gov.au, 2014).

3.2.14 Access

The project is accessed via the Carpentaria Highway and is located 210km from the Borroloola Township. The central part of the project area is rugged hill country only accessible on foot with the remainder of the project area consisting of low undulating hills and escarpments with drainage features, potentially accessible using a four wheel drive vehicle.

3.2.15 Supporting Infrastructure

The project is located 265km by road from the working port at McArthur River. A light aircraft airstrip is located 10km west of the project area. The nearest settlement (15km to the south west) to the project is a homestead at Calvert Hills. The area is mostly uninhabited with the exception of a community at Ngukurr and small communities of Aboriginal groups at scattered outstations.

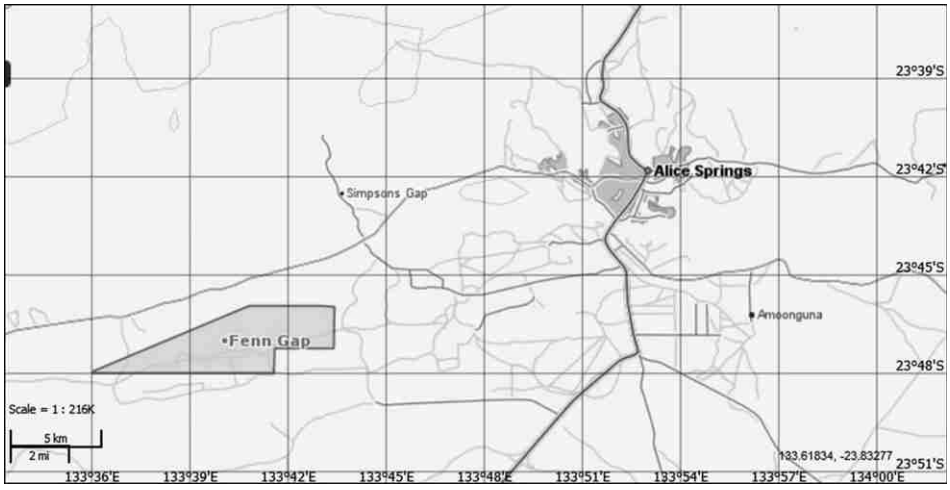
3.2.16 Climate and Physiography

The project has a tropical savanna climate with distinct wet and dry seasons. The average maximum temperature is 37.7°C and with an average minimum temperature of 19.6°C. The average annual rainfall is 946.0mm. The licence area is comprised of undulating terrain with widespread low hills.

3.2.17 Fenn Gap Project Location

The Fenn Gap project is located in the Northern Territory, approximately 25km south west of Alice Springs. Alice Springs is located near the southern border of the Northern Territory and is the geographical centre of Australia (refer Figure 2 and Figure 5).

Figure 5 Location of the Fenn Gap Project



3.2.18 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence EL24839, which covers a total area of 26.93km^2.

3.2.19 Agreements

There is no compensation agreements and/or Indigenous Land Use Agreements (ILUAs) registered against EL24839. There are Heritage Protection Site(s) or Sacred Site(s) within the project.

3.2.20 Royalties and Taxes

Under the Mining Management Act (MMA) a rehabilitation security is required for any activity (exploration, mining or extractive) that creates a substantial disturbance to the environment.

Securities are calculated on the level of disturbance for each site.

The non-refundable annual levy of 1% on the total calculated rehabilitation cost is applied to each mining operation authorised under the MMA in return for a decrease of 10% in the total security amount payable by operators. The Department of Mines and Energy (DME) will still hold a minimum 100% security for each site as the 10% discount to be provided to operators is taken from a 15% contingency fee applied to calculated securities. A statutory Mining Remediation Fund will also be created to hold a portion of monies generated by the levy in trust, to be used to undertake activities to reduce the level of impact mining sites have on the environment (nt.gov.au, 2014).

3.2.21 Access

The project is located 25km from the Stuart Highway.

3.2.22 Supporting Infrastructure

The project is located 25km from the Stuart Highway and the Alice to Adelaide Railway line.

3.2.23 Climate and Physiography

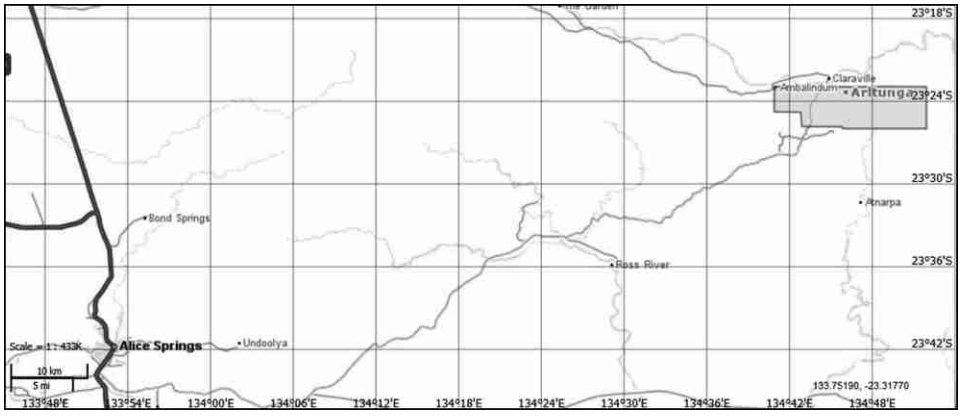
The project area is considered to have a semi-arid climate with an average annual rainfall of 286mm although rainfall varies from year to year. The rainy season is between November and

March. The average summer temperature ranges between 20ºC and 35ºC. In winter the average temperature ranges between 3˚C and 20˚C. Night temperatures can drop below freezing.

3.2.24 Arltunga Project Project Location

The Arltunga Project lies 110km northeast of Alice Springs in the Northern Territory (refer Figure 2 and Figure 6). The project borders the Arltunga Historical Reserve on its southern boundary.

Figure 6 Location of the Arltunga Project



3.2.25 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence EL25238, which covers a total area of 95.2km^2. A CLC Sacred Site Clearance Certificate Application was lodged on the 4th February 2014.

3.2.26 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EL25238. There are Heritage Protection Site(s) or Sacred Site(s) within the project.

3.2.27 Royalties and Taxes

Under the Mining Management Act (MMA) a rehabilitation security is required for any activity (exploration, mining or extractive) that creates a substantial disturbance to the environment.

Securities are calculated on the level of disturbance for each site.

The non-refundable annual levy of 1% on the total calculated rehabilitation cost is applied to each mining operation authorised under the MMA in return for a decrease of 10% in the total security amount payable by operators. The Department of Mines and Energy (DME) will still hold a minimum 100% security for each site as the 10% discount to be provided to operators is taken from a 15% contingency fee applied to calculated securities. A statutory Mining Remediation Fund will also be created to hold a portion of monies generated by the levy in trust, to be used to undertake activities to reduce the level of impact mining sites have on the environment (nt.gov.au, 2014).

3.2.28 Access

The Arltunga Project can be accessed from Alice Springs via the Ross Highway and local gravel roads. A north-south gravel track in the west of the project links Arltunga to the Claraville farmstead. Within the project access is possible along several unmaintained and seldom used dirt tracks. Large parts of the project are only accessible on foot.

3.2.29 Supporting Infrastructure

Communication is via radio and satellite links. There are airstrips located across the region, mostly next to homesteads.

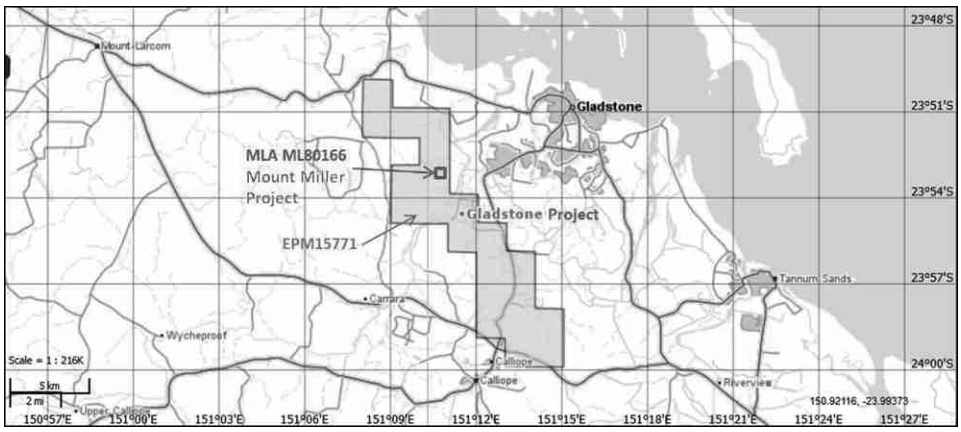
3.2.30 Climate and Physiography

The project area is considered to have a semi-arid climate with an average annual rainfall of 286mm although rainfall varies from year to year. The rainy season is between November and March. The average summer temperature ranges between 20ºC and 35ºC. In winter the average temperature ranges between 3°C and 20°C. Night temperatures can drop below freezing. The project topography is comprised of undulating hills into which the Hale river valley is incised in the north.

3.2.31 Gladstone-Mount Miller Project Location

The Gladstone-Mount Miller Manganese Project is located approximately 15km by road east of Gladstone a multi-commodity port which is located 550km by road north of Brisbane in Queensland (refer Figure 2 and Figure 7).

Figure 7 Location of the Gladstone-Mount Miller Project



3.2.32 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence and one mining lease application. The exploration licence and MLA has an area of about 64km^2.

3.2.33 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EPM15771 and MLA ML80166. For the mining lease an agreement has been reached and signed with the Queensland Main Roads and the Queensland National Railways. There are Heritage Protection Site(s) or Sacred Site(s) within the project but not within the Mount Miller MLA ML80166.

3.2.34 Royalties and Taxes

There is no indication that there are royalties or taxes pertaining to the project.

3.2.35 Access

The project can be accessed via the Dawson Highway which originates in the township Gladstone.

3.2.36 Supporting Infrastructure

The Port of Gladstone is a multi-commodity port as well as a stop on the North Coast railway line. There is an airport located at Gladstone.

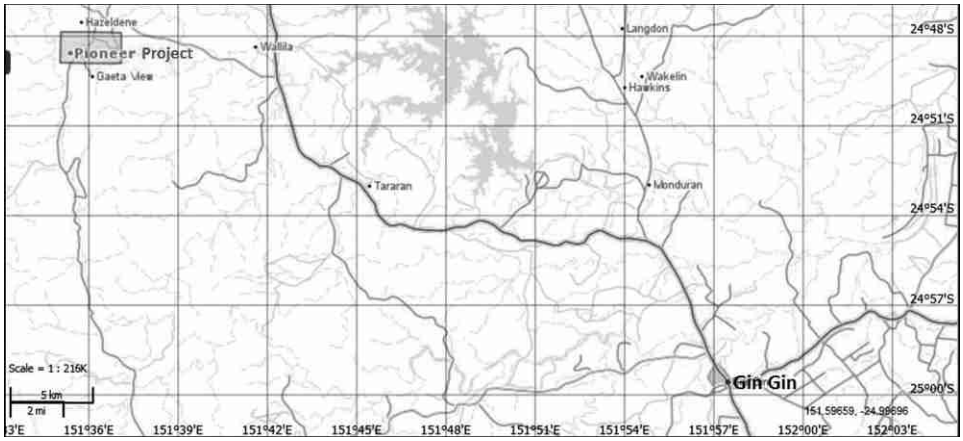
3.2.37 Climate and Physiography

The climate of the region is sub-tropical, with a distinct wet and dry season. Rain falls mostly during the summer months with an average annual rainfall of 880mm. The winters are warm and dry. Summer temperatures range from 21°C to 31°C and winter temperatures range from 13°C to 24°C. The topography over the project is characterised by steep terrain in the northern portion where the range is densely forested, with pockets of rainforest remaining in steeply incised gullies draining the northeast and southwest slopes. The remainder of the area is low and undulating, either lightly wooded with dry schlerophyl forest or cleared for grazing purposes (Kastellorizos, 2010a).

3.2.38 Pioneer Project Location

The Pioneer Gold Project is located approximately 40km northwest of the town of Gin Gin and 170km by road from Bundaberg. Bundaberg is located approximately 385km north of Brisbane, Queensland (refer Figure 2 and Figure 8).

Figure 8 Location of the Pioneer Project



3.2.39 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence EPM 15619 with an area of 6.23km^2. The permit excludes land where previous exclusive possession acts have been granted and is now held or currently set aside for the benefit of Aboriginals or Torres Strait Islanders or unallocated State land, occupied by Aboriginal People or Torres Strait Islanders as well as all validly dedicated roads (including stock routes and esplanades where dedicated as roads) that are previous exclusive possession acts.

3.2.40 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EPM 15619. There are no Heritage Protection Sites or Sacred Sites within the project.

3.2.41 Royalties and Taxes

There is no indication that there are royalties or taxes pertaining to the project.

3.2.42 Access

The Pioneer project can be accessed via the Bruce Highway.

3.2.43 Supporting Infrastructure

The project is located close to the Bruce Highway, regional townships and the North Coast Railway line.

3.2.44 Climate and Physiography

The project area has a subtropical climate. Average temperatures in summer range from 20°C to 29°C and in winter the average maximum is 20°C. Rainfall occurs during the warmer months with a highly variable average annual rainfall which has ranged from 1,892.5mm (1971) to a low of 482.8 mm (2001).

The project area is drained to the east by the Walily Creek system and the north by the Two Mile Creek, a tributary of the Kolan River. Topographically the area is comprised of pastoral grasslands to lightly-timbered hills, with the Burnett Range in the far southwest being densely forested and rugged terrain. Tropical rainforests occur in places on Mount Gaeta, a topographical high.

3.2.45 Laura River Project Project Location

The Laura River Gold Project is located on the Cape York Peninsula in Queensland, near the township of Laura (refer Figure 2 and Figure 9). Laura is located approximately 210km northwest of Cairns and ~85km west from the coastal township of Cooktown.

Figure 9 Location of the Laura River Project



3.2.46 Project Ownership and Relevant Interests

Genesis is the current owner of the project which is comprised of one exploration licence with an area of 165.35km^2. There is aboriginal reserve land in the extreme south and north east of the permit area.



3.2.47 Agreements

Compensation agreements and/or Indigenous Land Use Agreements (ILUAs) have been registered against EPM 15242. There are Heritage Protection Site(s) or Sacred Site(s) within the project.

3.2.48 Royalties and Taxes

There is no indication that there are royalties or taxes pertaining to the project.

3.2.49 Access

The Laura River project is accessed via unsealed roads which are closed during the wet season. Access from Cairns is via the Peninsula Development Road for a distance of 320km via Mount Molloy, Mount Carbine and Lakeland. The northern 130km of road from Cairns is mostly unsealed however it is generally in pretty good condition during the dry season. This road is closed during the wet season, which means the area can be isolated to road transport for up to three months at a time (January – March). The coastal township of Cooktown is 140km east of Laura by road via Lakeland (Kastellorizos, 2008b).

3.2.50 Supporting Infrastructure

Hotel and camping accommodation is available in Laura as well as a general store and fuel. Laura has CDMA mobile phone coverage to a radius of 12-15km from the township. There is no GSM coverage available. There are also fixed line telephone communications in the town. The town of Laura has a well maintained gravel airstrip (Kastellorizos, 2008b).

3.2.51 Climate and Physiography

The project area has a tropical climate with a distinct wet and dry season. With an average rainfall of 1,250mm most of which falls between December and March. Temperatures range from 15°C in June-August to 35°C from November-January.

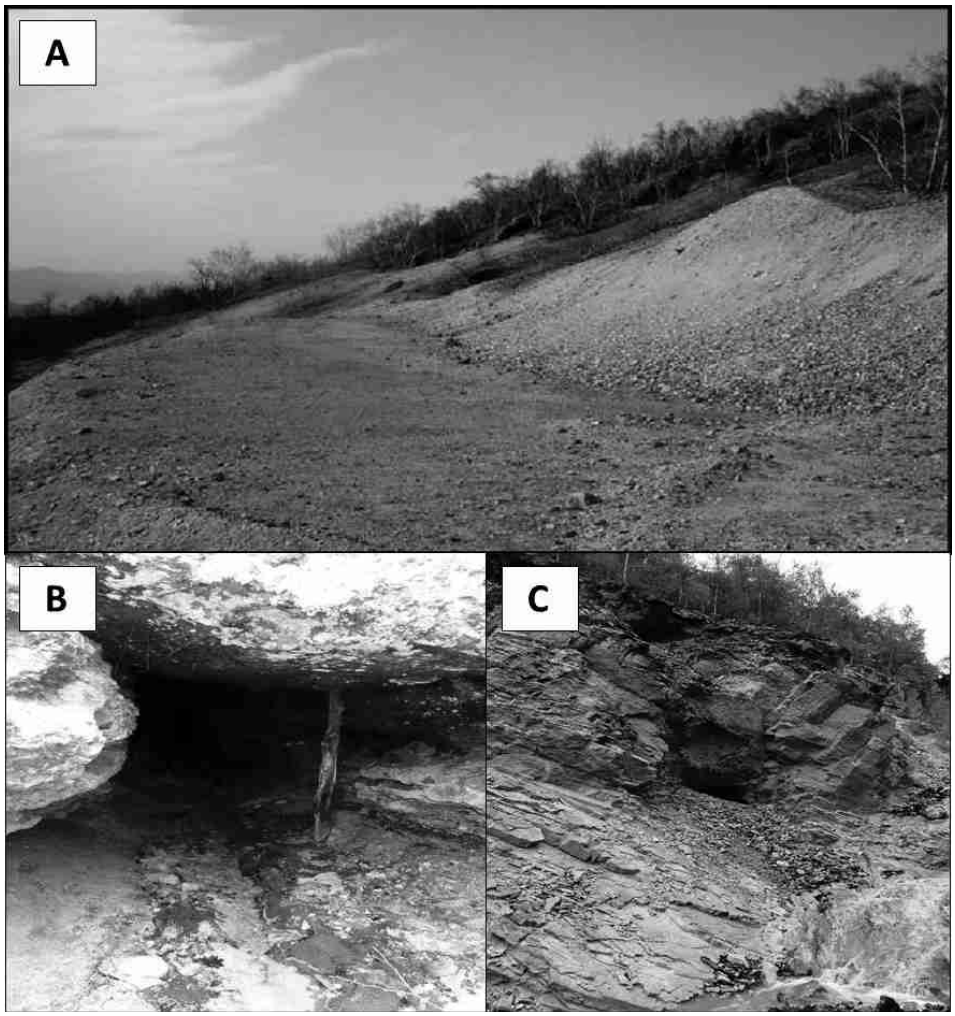
Topographically the project area is mostly flat to gently undulating and vegetated with eucalyptus bush. To the east around Kennedy Creek the ground rises distinctly to form a number of steep sandstone pediments, some of which contain sites sacred to the local indigenous population and important Quinkan artwork (Kastellorizos, 2008b).

4. HISTORY

4.1 Macedonian Projects

The Plavica project area has been mined since Roman and Ottoman times with evidence of Roman workings across the deposit. In ancient times, gold was panned from streams and rivers in the Kratovo-Zletovo region. Hard-rock gold mining at the site of Plavica commenced during the Roman period. The deposit was mined at this time by shaft sinking and stoping to the south and west of the Northern Ridge to the west of Plavica peak, within softer and less silicified rocks. Some areas within the silica ridges were also mined on a limited basis by the Romans, such as the area around Maričanski Rid, to the southwest of Plavica peak. See Figure 10.

Figure 10 View of historic Roman workings below silicified outcrops on upper part of the slope (A) and Roman adits (B & C)



(Source: A - Gillman, 2010, B & C - Ravensgate, 2012 site visit)

4.1.1 Exploration History

The modern exploration history and ownership of the project area is outlined in Table 5.

Table 5 Historic Activities within the Plavica Project Area

Company	Date	Comment
British Selection Mines	1930s	Also referred to as English Selection Mines, the company developed two adits and an east-west trending drive beneath the focal area of Roman mining. The mine was closed in 1939 due to the Second World War. The mine targeted a potential high grade vein zone.
Yugoslav Government and RIK Sileks AD Kratovo (Sileks) JV	1970s to 1980s	Sileks JV drilled 100 vertical diamond holes generally over areas of Roman mining on a 100 x 100m grid over an area of 1.0km^2 for approximately 30,000m. Most of the hills were drilled south of the silicified zone on the Plavica Ridge and to the north of the Eastern Ridge (Gillman, 2010).
Cyprus Amax	1997	Limited rock chip sampling and one RC hole (identified as Nassau RC) were carried out on the Northern Ridge. The RC hole was drilled without the licence holder's permission therefore the data from this hole is not available.
Rio Tinto	1997 - 2000	Rio Tinto recognised the exploration potential of the district during a reconnaissance visit in 1997, which identified significant levels of gold mineralisation (1 – 5g/t Au) within two sub-parallel ridges of vuggy silica (Fish, 1998). A data review program of all existing Sileks JV data was carried out. A radiometric and magnetic geophysical survey was conducted over an area of 632km^2. A study of Landsat 7 imagery was undertaken as well as surface sampling and geological mapping. As a result of their program, 39 targets were generated of which areas of known mineralisation were visited during 1998. Surface sampling of 838 stream sediment samples and 521 rock chip samples were collected. Four angled diamond holes were drilled for a total of 1,028m with the aim of targeting down dip extensions of mineralisation in the four ridges namely, Northern, Plavica, Eastern and Maričanski. Best results returned were: • 29m @ 0.41g/t Au and 137g/t Ag (PLV 001); • 76m @ 1.15g/t Au and 0.3% Cu (PLV 002); • 0.25m @ 0.42g/t Au (PLV 003); and • 105m @ 0.67g/t Au.
European Minerals	2004	Drilled five diamond holes for about 903m. Very little of this work was documented by European Minerals and much of the primary data has been lost. The only report compiled by European Minerals relates to the drilling of the Borovic prospect, several kilometres to the west of Plavica.

4.1.2 Previous Mineral Resource Estimates

Historically, under the control of the Yugoslav Government JV in 1986, a mineral resource estimate for Plavica was calculated by the operators of Bor Cuporphyry (in what is now Serbia). These resource calculations survive in hard copy as crude computer output. The final resource calculations were provided based on a *monometal* figure, which includes the contribution made by Cu and Au amongst other metals (Gillman, 2010).

More recently an Inferred Mineral Resource was estimated at the Plavica project, reported in accordance with the JORC Code 2004, based solely on the historic drill holes – refer to ASX Announcement dated 1 June 2010. The estimation was undertaken by Mr Alfred Gillman of Odessa Resources Pty Ltd. This Inferred Resource was later updated (Table 6) by Mr Alfred Gillman in 2012 – refer to ASX Announcement dated 30 May 2012.

This 2012 resource was based on the results from 108 diamond drill holes, totalling 34,408m, over an area 1.5km in length, by 500m in width and extending the a depth of 800m. The holes used for the estimation were a combination of historic holes and holes from the Genesis 2011 drilling program – refer to section 6.1.3.

Table 6		*Historic May 2012 JORC Inferred Mineral Resource for the Plavica Project*					
Element	**Cut Off (ppm)**	**Tonnes**	**Grade**	**Au (oz)**	**Ag (oz)**	**Cu (kg)**	**Classification**
Au*	0.50	151,046,457	0.75g/t	3,662,333	55,486,281	360,133,182	Inferred
Ag**	15	34,766,222	25g/t		28,232,352		Inferred
Cu***	4,000	7,975,180	0.43%			33,921,304	Inferred

Notes: Grade and tonnage reported separately for gold (Au), silver (Ag) and copper (Cu) based on domains established for each element individually (after Pang, 2012).

** reported from within Au defined domain (using an average grade of 11.43g/t Ag and 0.24% Cu)*

*** reported from within Ag defined domain*

**** reported from within Cu defined domain*

In the latter part of 2012, Genesis commissioned the mining consulting firm Golder Associates Pty Ltd (Golder) to carry out a geological study and review of the Plavica project, as well as financial modelling, mining engineering evaluation, and a tailings dam study.

Genesis reported that the geological study pointed to a number of deficiencies in the modelling adopted by Odessa Resources resulting in Golder preferring to categorise the estimate of 150Mt @ 0.75g/t Au, 11.43g/t Ag and 0.24% Cu as an Exploration Target. With an Exploration Target, the potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource (refer to ASX Announcement dated 24 May 2013).

Ravensgate notes that to be compliant with the JORC Code, 2012 Edition, the reporting of an Exploration Target in a public report should express the potential quantity and grade as ranges. It should be noted that Genesis ceased reporting the Exploration Target at Plavica after 30 June 2013 and released a clarification statement with regard to the 2012 Golder analysis – refer to ASX Announcement dated 6th June 2013.

In a June 2012 Independent Technical Valuation carried out by Ravensgate on the assets of Genesis, the Inferred Resource estimate was considered to be of relatively low confidence for the following reasons:

- The core recovery of the historical drilling had been noted as highly variable, therefore the representative nature of assays from areas of potential high core loss could not easily be addressed or adequately compensated for;
- The bulk density had been assumed at 2.40g/cm^3, as no bulk density measurements had been undertaken;
- A lack of QA/QC sampling as a check on the assays;
- The inability to validate the database assay data with the original laboratory assay reports;
- The lack of reliable collar survey information and incomplete documentation on assay techniques; and

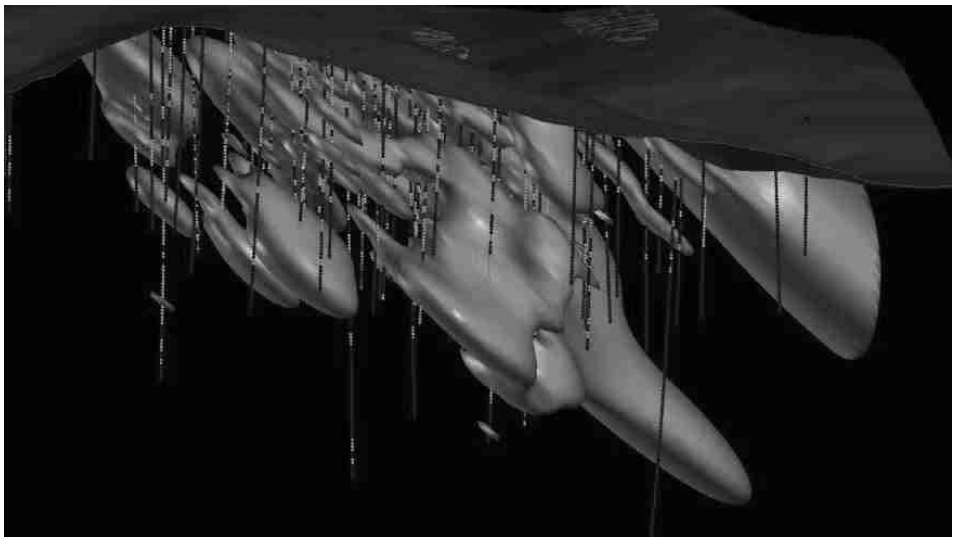
- The complexity of the deposit was not adequately addressed in the lower drilling density areas.

In addition to the above, Ravensgate noted the relatively small and relative irregularity / complexity of mineralisation zones where drilling density was highest, from observing cross sections through the mineral resource, and the corresponding often larger *un-complicated zones* where drilling density is low, which generally occurred at depth.

This can be a typical artefact of using an *open interpolation* modelling method, similar to that understood to be implemented in the Leapfrog software used for modelling. Whilst Leapfrog software can generate sound geological models and interpolate areas of contained mineralisation, the sole reliance for the creation of mineralisation domains, using Leapfrog software in an *un-constrained* manner, is cautioned by Ravensgate. Leapfrog modelling of mineralisation can often overestimate volumes, which coupled with assumed bulk density data, can then lead to potential overestimated tonnages. Figure 11 shows an area of the Plavica Leapfrog modelled resource.

The wireframes output from Leapfrog are considered appropriate to be used to identify mineralisation controls and geochemical associations however, it is Ravensgate's opinion, that the final domains used for estimation and public reporting should be manually wireframed using consistent geologic or rock-mass, structural and mineralogical wireframing criteria.

Figure 11 Au grade iso-surface model of the Plavica Resource estimate 2010



(Source: Gillman, 2010)

4.1.3 Previous Production

As described above, the Plavica area was the site of mining in Roman and Ottoman times and then again during the 1930s, reputedly of high grade gold, however these historic production figures have not been recorded.

Given that underground mining has occurred historically at Plavica, it should be assumed that a proportion of the mineralisation is relatively high grade. This interpretation is in contrast to the overall low grade, more massive mineralisation domains currently modelled and described above.

4.2 Australian Projects



4.2.1 Exploration History

Table 7 to Table 11 detail the modern exploration history and ownership for Genesis' Australian Projects.

4.2.1.1 Northern Territory Projects

Alice Springs Project

Table 7 Historic Activities within the Alice Springs Project Area

Company	Date	Comment
Russgar Minerals NL	1972-1976	Regional rock chip sampling was undertaken. Consultants interpreted the geochemical data and determined that the strongest geochemical anomalism, a Pb-Cu association, was located in the north-west and west sectors of the present project area. Most of higher Pb values were associated with a north-trending zone suggesting a structural control. A Cu-Pb association was also reported from an adjacent eastern area, together with a Zn-Ni response near the copper occurrences recorded as Camp Hill.
Clarence River Finance Group Pty	1990-1992	Conducted soil and rock chip sampling targeting copper mineralisation. The highest priority targets were the Camp Hill and Copper Hill old Cu Mines. The assay results returned with sporadic values but in some places were extremely high in copper with a strong association with gold and silver (e.g. sample from Camp Hill location returned up to 1% Cu, 0.3g/t Au and 2.25g/t Ag; a sample collected from south of Copper Hill returned up to 1.2% Cu, 0.66g/t Au and 1.2g/t Ag)
Pasminco Australia	1994- 1997	Completed an airborne aeromagnetic-radiometric survey (200m interval on north-south lines), collected stream sediments, soil and rock chip samples and defined high intensity aeromagnetic features using ground magnetic traverses (Saxon, 1996 and Rossiter, 1997). The survey covered part of the east area of the present project. Magnetite Hill was identified as a magnetite-Cu occurrence on a major northeast-trending aeromagnetic linear. The highest value encountered in rock chip sample was 3.1% Cu, and 0.22g/t Au.
PNC Exploration Australia	1996	Completed exploration work for uranium in the eastern part of the licence with work including surface gridding, rock chip sampling, geological mapping and costeaning. Rock chip samples ranged from 32 to 590ppm U.
Oneva Exploration Pty Ltd	2001	Work completed included rock chip sampling, soil sampling, geological mapping and drilling. Significant new discoveries of Cu and Cu-Au mineralisation were defined in two main areas along the south-east trending Cadney Fault, Corner Post Hill to Browns Rise and Missy Brown to Diamond T and a separate north-east trending zone, Diana's Block 2 to Block 8. Diana's Block 2 to Block 8 was drill tested with four RAB holes however these were abandoned due to excess water.

McArthur River Project

Table 8 Historic Activities within the McArthur River Manganese Project Area		
Company	**Date**	**Comment**
Bureau of Mineral Resources (BMR)	1957-1962	The area was mapped by the BMR and published as the Calvert Hills 1:250,000 Geological map.
Australian Geophysical Limited	1966	Undertook stream sediment sampling at a density of four samples per square mile.
C.H.C. Shannon	1971	Conducted mapping of three manganese prospects as well as some rock chip sampling. The results from the rock chip sampling program returned results ranging from 40-50% Mn or 60-80% MnO_2 and 1-8% Fe.
Carpentaria Exploration Company Pty Ltd	1979-1980	Carpentaria explored the area for copper mineralisation. Their programs included literature research, geological mapping, petrological studies and stream sediment sampling. Follow up work of anomalous stream sediment results were undertaken as well as geological mapping and soil sampling over the Thor Prospect.
J. Erickson	1982	Geonorth Mineral Exploration were contracted to review the data with regards to the southern portion of the licence.
Eupene Exploration Pty Ltd	1992	Exploration was conducted over the Masterton No. 2 manganese prospect.
CRA Exploration Pty Ltd	1995-1996	Base metal exploration was conducted over the licence from which the identification of a number of base metal anomalies were delineated. Their exploration program consisted of stream sediment and rock chip sampling. They collected 17 rock chip samples over the Thor Prospects. Thor's gossan returned results of 35% Zn, 1.9% Pb, 10% Fe and 4,800ppm Mn, 880ppm Co with one sample containing 27% Zn, 0.6% Pb, 24% Fe and 4,500ppm.
Genesis Resources Pty Ltd	2007	Desktop study of open file data was undertaken. A re-interpretation and re-processing of magnetic and radiometric data from the Northern Territory Geological Survey Database. This resulted in the identification of exploration targets. Genesis contracted Resource Potentials to carry out re-interpretation and re-processing of government open file airborne electromagnetic data and to review available gravity data for manganese and base metal mineralisation within the project. Thirteen areas were identified for ground reconnaissance. The review also resulted in the identification of northeast and northwest trending structures within the project area.
	2008	A site visit was undertaken to collect samples and investigate targets identified from the EM studies. This included a rock chip program which was undertaken over the Masterton No. 2 prospect as well as other areas from the 16 samples collected the results ranged from 21.2% Mn to 53.1% Mn.

Fenn Gap Project

The majority of exploration work on the licence has been completed since 2008 when systematic sampling and mapping of the Fenn Gap project was undertaken to follow up on earlier identified dolomite hosted manganese mineralisation. Reconnaissance mapping identified a 10km corridor of outcropping moderate Fe grade goethite and manganese

mineralisation within which several prospects were identified. This work was followed up with a detailed ground gravity survey and modelling of the gravity data to assist in identifying drill targets. A 1,000m drilling program was completed in 2011 testing the most prospective anomalies, however no iron or manganese mineralisation of significance was identified at depth. Geophysical anomalies appeared to be related to iron rich lithologies which were not of economically significant grade.

Arltunga Project

Gold was first discovered in the area in the late 1880s with mining continuing in the area until the early 1900s. Gold was worked from 33 occurrences within the licence area.

There appears to have been relatively little exploration that has been documented within the project area since historic mining was completed. Work has largely been focussed on sampling around the historic workings. Several phases of work under the Northern Territory Geological Survey and several scientific studies have been completed in the area. During the 1990s, reconnaissance rock-chip samples have yielded gold results up to 27.4g/t Au. Costean assay results also returned gold grades up to 41.7g/t Au, whilst dump samples from Wheal Fortune have assayed 132g/t Au. Several drill collars have been identified in the field however no records from these holes have been able to be obtained to date.

4.2.1.2 Queensland Projects

Gladstone Mount Miller Project

Manganese has been mined from the project area since 1895 from the Mount Miller Manganese Mine. It operated intermittently until 1916 and reopened for two years, 1958 to 1960. The total ore mined is 21,785 tonnes with the grade ranging from 48 -75% MnO_2. In addition to the mine there are four other sites of workings with ore mined of less than 150 tonnes. Details of exploration are listed in Table 9.

Table 9 Historic Activities within the Gladstone-Mount Miller Project Area

Company	Date	Comment
Geological Survey of Queensland	1915	Conducted a review of manganese mining activities with respect to the Mount Miller Manganese Mine.
K.C. Church & F. Canavan	1940	Reviewed the existing mine plans. Made revisions and undertook limited sampling of sections and dumps.
BHP		Undertook ground and airborne geophysical surveys over the project area. Soil sampling was conducted at the Mina Creek prospect and the head waters of Spring Creek. BHP also drilled two holes.
Genesis	2007	Conducted a desktop study as well as reprocessed and re-interpreted Geological Survey of Queensland (GSQ) magnetic data. A site visit was conducted.
	2008	Rock chip sampling program around the Mount Miller Mine as well as detailed mapping. As a result of the mapping program four manganese occurrences were outlined two of which were more significant. An IP survey was carried out over the Mount Miller Mine.

Pioneer Project

Gold was initially discovered in the region in 1880 along with the Pioneer Reef, the first reef to be located. Details of historic production are provided in Section 4.2.4.

Details of the activities that have taken place over the project area are listed in Table 10.

Table 10 Historic Activities within the Pioneer Gold Project Area		
Company	**Date**	**Comment**
Unknown	1947	Underground mining operations along the Pioneer Reef was attempted.
Queensland Department of Mines	1968	Five drill holes were drilled for a total of 519.3m beneath the Millar and Main Shaft workings.
West Coast and Command	1980-1982	Regional stream sediment sampling, with no significant results returned.
Planet Resources Group NL	1984-1988	Mapped the numerous shafts spaced over the vein length which has been traced to be approximately 700m. Two diamond drill holes were drilled in the northern part of Pioneer. The most significant results were 1m @ 1.2g/t Au from GD-1 and 1.9m @ 2.12g/t Au from GD-2.
Transit Mining	1988-1989	Mapped the Reef returning a strike length of 1,000m. GSQ drilling was undertaken as well as a rock chip sampling program. A result of 113.2g/t Au was returned from rock chip sampling of a vuggy pyritic quartz vein.
Genesis	2006	Review of open file data.
	2007	Review of re-processed and re-interpreted magnetic and radiometric data from the Queensland Geological Survey Database was undertaken. A total of 26 surface rock chip samples were collected.

Laura River Project

Alluvial gold was discovered in 1873, south of Laura at Palmer River. Activities undertaken within the licence are listed in Table 11.

Table 11 Historic Activities within the Laura River Gold Project Area		
Company	**Date**	**Comment**
Lamorna Mines Pty Ltd	1982	Embarked on reconnaissance sampling of the alluvium along the Mosman River. Pan concentrates of 71 samples contained between 0 to 120 specks of gold per dish, but generally less than 10 specks. The gold was fine and erratically distributed (Kastellorizos, 2008). No prospective gravels were identified.
Gold Copper Exploration Ltd	1985-1987	Identified the presence of gold and platinum group elements in river gravels near Laura. Their exploration programs consisted of a regional geological review, reconnaissance panning of the Laura River near Laura, the upper part of the Mosman River and the east branch of Kennedy Creek. This culminated in bulk alluvial sampling and resource estimations for the Laura, Mosman and Kennedy Rivers. It was concluded that their resource estimations were sub-economic.
Western Mining Corporation Ltd	1986	Undertook a drilling program of which three are within the current licence area. It was concluded that none of the holes reached their target areas.
Genesis	2007	Exploration has consisted of a desktop data review and the acquisition of digital magnetic and radiometric geophysics. Genesis contracted SRK Exploration Services Ltd to undertake a two day reconnaissance survey.



4.2.2 Previous Mineral Resource Estimates

There have been no previous JORC mineral resource estimates on the Australian Projects.

4.2.3 Previous Production

- Gladstone - Mount Miller Project

The largest mine on the tenements controlled by Genesis was at Mount Miller. The mine opened in 1895 and operated intermittently until 1916 and then from 1958 to 1960. A total of 21,785 tonnes of ore was mined with a grade which ranged from 71% to 75% MnO_2.

- Arltunga Project

Gold was historically worked from 33 occurrences within the licence area. There are no production figures recorded.

- Pioneer Project

In 1900 a shaft was sunk and in 1907 when operating ceased the recorded production was 2,400t of ore milled for a yield of 57kg of gold or an average recovered grade of 23.3g/t Au. From the Gympie Gold mine, 1938, production of 217t of ore grading 9.1g/t Au from a northwest trending vein system with a strike length of approximately 240m was reported. Five shafts were sunk on the quartz reef (Kastellorizos, 2010).

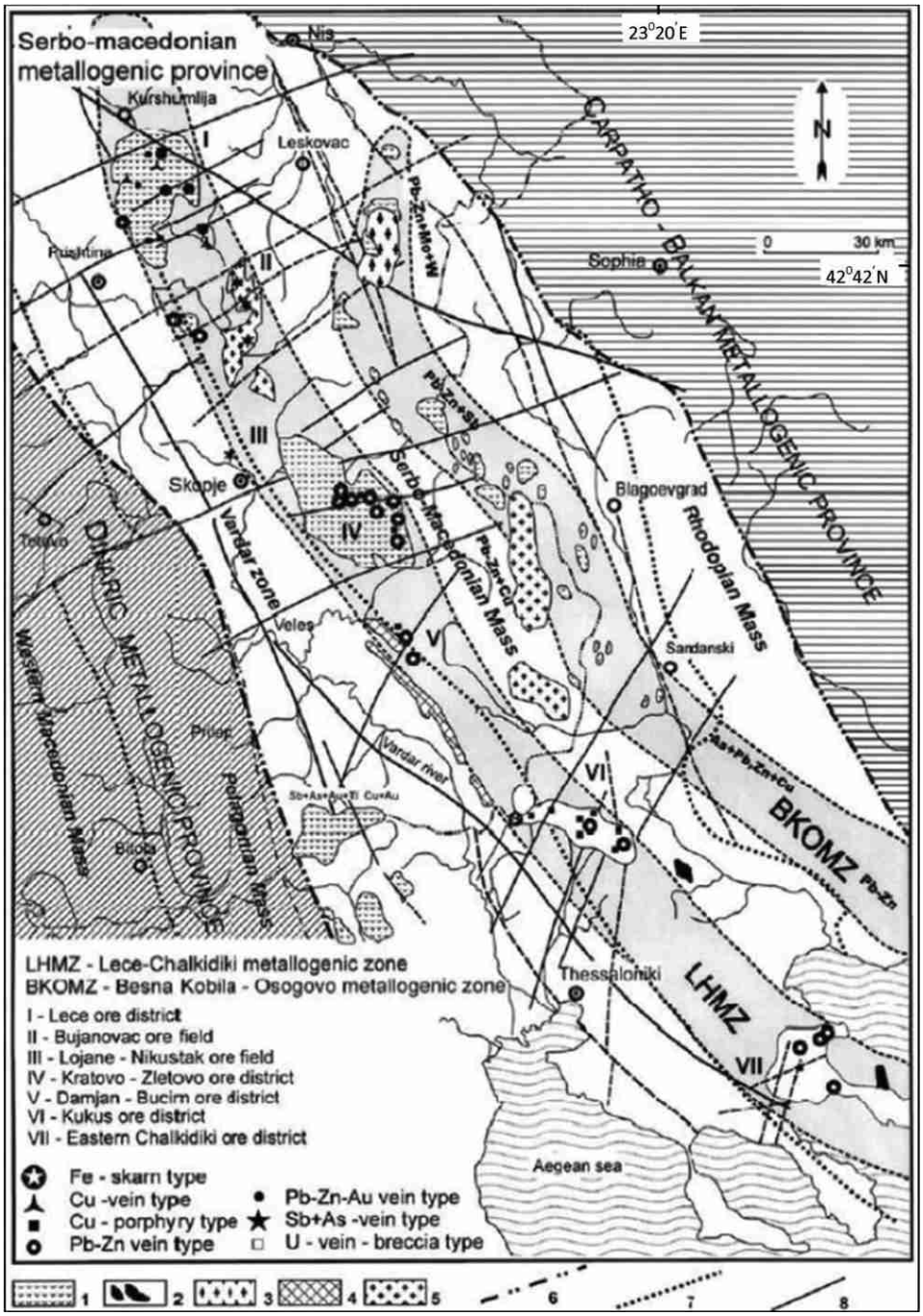
5. GEOLOGICAL SETTING

5.1 Macedonian Projects

5.1.1 Regional Geology and Mineralisation

The Kratovo-Zletovo ore district is located within the Miocene age Kratovo-Zletovo volcanic complex, which covers an area of 1,200km^2. Polymetallic mineralisation is located within this complex in an area of approximately 400km^2 (Figure 12). The district is well endowed with vein type Pb-Zn mineralisation (e.g. Zletovo and Blizanci deposits), and Cu-Au stockwork-disseminated mineralisation (e.g. Plavica, Borovik and Tursko Rudari) in addition to high-sulphidation epithermal gold mineralisation styles (e.g. Plavica). The Kratovo-Zletovo ore district is confined to the Miocene age Probistip Graben which is bounded on its eastern side by a northwest striking normal fault. The Kratovo-Zletovo volcanic structure and its related polymetallic deposits are the subject of several investigations, such as Stojanov and Denkovski (1974), Ivanov and Denkovski (1978), Stojanov (1980), Rakic (1982), Serafimovski and Mudrinic (1991), Serafimovski (1990, 1993), Serafimovski and Boev (1996), Serafimovski *et al*., (1997), and Serafimovski and Rakic (1998, 1999).

Figure 12 Geotectonic and metallogenic map of the Lece-Chalkidiki zone (Serafimovski, 2000)



Legend: 1. Neogene volcanics; 2. Tertiary intrusives; 3. Neogene granitoids; 4. Jurassic granodiorites; 5. Hercynian granites; 6. Boundary of metallogenic provinces; 7. Boundary of metallogenic zones; 8. Lineaments

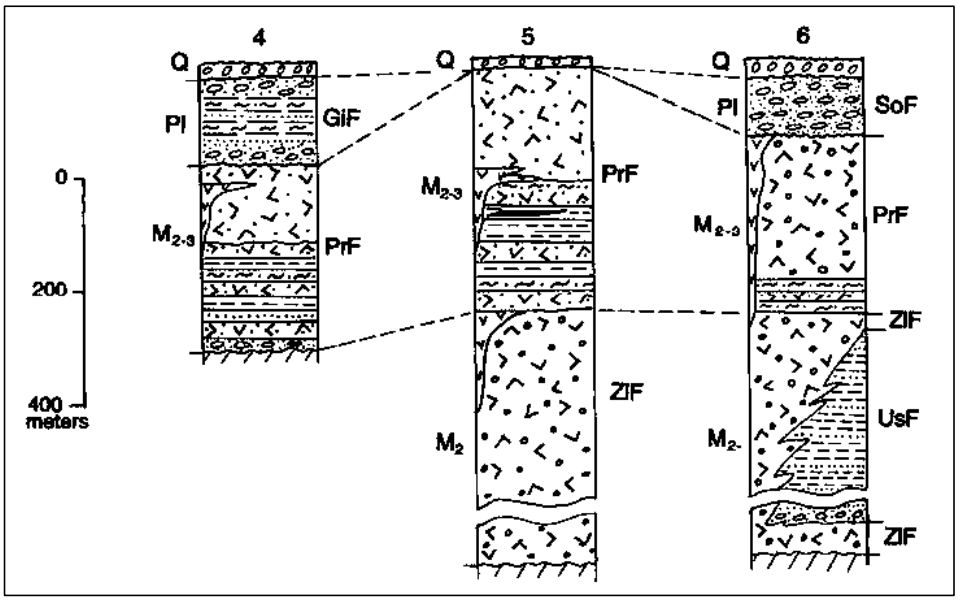
The lithostratigraphy of the Kratovo-Zletovo region is well-constrained from geological mapping and exploration drill holes. The total thickness of the sedimentary sequence in this region is estimated to be greater than 1,000m and comprises two lithologically distinct formations, which are the host rocks to both gold and base-metal mineralisation in the area. The Plavica polymetallic deposit is located in the centre of a volcanic caldera containing much of the stratigraphy outlined below:

The stratigraphy of the Kratovo-Zletovo region, as seen in Figure 13, consists of:

The ***Zletovo Formation***. The late Oligocene to middle Miocene basal unit is approximately 800m thick and is comprised of ignimbrite, volcanic breccia as well as dacitic and andesitic-latitic lava flows. These volcanic units, which currently form topographic highs, were deposited under lacustrine conditions in the Miocene Probistip Lake, which formed in the Probistip Graben.

The ***Probistip Formation*** is about 300m thick and can be divided into two lithological units. The lower unit, middle Miocene in age consists of interbedded andesitic tuff, sandstone, claystone, marl, bituminous siltstone and coal layers. The upper unit consists of andesitic tuff and volcanic breccia with layers of travertine. Travertine deposits overly the volcanic breccias. The Probistip Formation is overlain by Quaternary alluvial sediments.

Figure 13 Stratigraphic section of the Slaviski, Probistip and Kocani Grabens (Dumurdzanov et al., 2004)



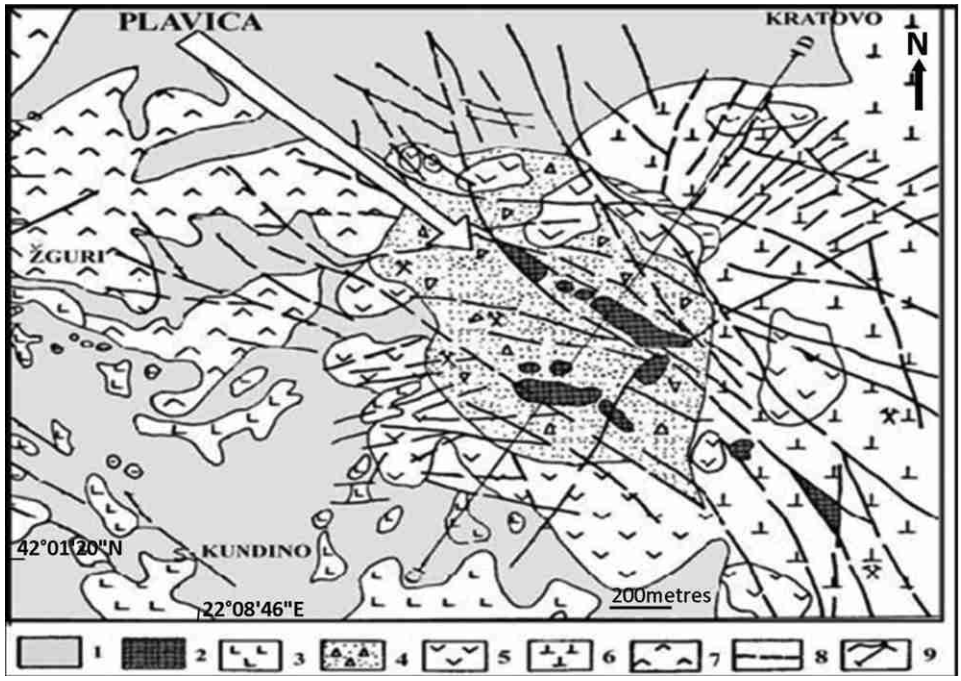
Legend: 4. Slaviski Graben; 5. Probistip Graben; 6. Kocani Graben; Q. Quaternary; Pl. Pliocene; GiF. Ginovci Formation; SoF. Solnje Formation; M. Miocene; PrF. Probistip Formation; ZlF. Zletovo Formation; UsF. Usje Formation

5.1.2 Project Geology

The Plavica deposit is hosted in a sequence of andesitic to dacitic volcanoclastics of mixed sub-aerial and sub-aqueous nature which dips at approximately 30° to the south-southwest. The volcanic stratigraphy is cut by steeply dipping vuggy silica bodies which are up to 500m long and between 100-150m wide. Four silicified bodies are recognised and form prominent ridges with broadly east-west and northwest to southeast orientation.

The Plavica deposit is formed within the remnants of a volcanic caldera (Figure 14) which covers an area of approximately 20km² and is cut by a series of northwest and northeast tending faults.

Figure 14 Geological map of the Plavica deposit (Serafimovski and Tasev, 2003)



Legend: 1. Miocene-Pliocene volcanic and sedimentary rocks (partially stratified andesitic tuff, and brecciated tuffs. 2. Silica areas. 3. Labradorite-augite andesite (basaltic andesite). 4. Hydrothermally altered and mineralised rocks (andesite, dacite, latite, pyroclastic rocks). 5. Dacite-andesite. 6. Dacitic ignimbrite. 7. Augite-biotite andesite. 8. Structures (partially mineralised). 9. Exploration drill holes, as at 2003.

The Plavica deposit is related to a volcanic structure within the Kratovo-Zletovo region. It represents the remains of a volcanic caldera which covers an area of approximately 20km². The volcanic stratigraphy within this caldera dips at approximately 30° to the south-southwest (Fish, 1998). A series of northwest and northeast trending faults cut across the structure, some of which are host to lead-zinc mineralisation and epithermal gold mineralisation. An important feature of the Plavica deposit is the occurrence of vuggy silica along ridges (residual silica after acidic alteration of volcanic rocks), which helps to identify it as a high-sulphidation epithermal system. The vuggy silica bodies have notable lateral discontinuity, but are distributed as 100 to 650m long lenses and can be followed for up to 100 to 150m in depth. They are broadly funnel-shaped and narrow with increasing depth. Deep drilling indicates that their roots extend to over 400m in depth where they tend to pinch out. There are three major outcrops of vuggy silica at Plavica: Northern Ridge, Eastern Ridge and Maričanski Ridge. Apart from the Eastern Ridge which trends north-south, the other silica ridges trend east-west. The polymetallic mineralisation was controlled spatially and genetically by the structures developed within the caldera and by Miocene-age subvolcanic intrusions of dacitic and andesitic composition.

5.1.3 Controls on Mineralisation

The polymetallic mineralisation was controlled by the structures developed within the caldera and by Miocene intrusions of dacitic and andesitic composition.

Four distinct styles of mineralisation are evident at the Plavica deposit:

Stockwork-disseminated copper-gold mineralisation was identified over an area of 0.2km^2 from Yugoslav government drilling. The mineralisation extends to 300m and in places 600 to 1,000m with copper grades ranging from 0.2 to 0.3%. Pyrite and chalcopyrite are the dominant ore minerals occurring in veinlets and disseminated in the adjacent altered volcanics. The mineralisation is interpreted to be related to a deep porphyry stock.

Enargite-bearing copper-gold veining is a mineralisation style evident from the old Zlatica underground workings. The dominant vein hosted minerals are quartz, pyrite and enargite and are thought to have been the source of the bulk of the historical gold production. Grades were thought to have reached one ounce gold per tonne.

The gold mineralisation in vuggy silica is of a high sulphidation epithermal style and is found on the silicified ridges. Gold grades range from 0.1 to 10g/t, with an average of 1g/t. Gold is disseminated in the vuggy, steeply-dipping silica structures and can extend to 150m.

Lead and zinc bearing veins dominate towards the margins of the Plavica deposit however there are some small, low-grade Pb-Zn veins in the centre of the deposit.

Alteration Styles: The volcanics of the Plavica area are intensely altered over an area of 6 to 8km². The alteration styles include sericitisation, kaolinitisation, alunitisation, silicification and pyritisation. While most volcanic rocks in the central part of the Kratovo-Zletovo display regional propylitisation, certain areas such as Plavica, are intensively altered over an area of 6-8km². The alteration is dominated by varying degrees of sericitisation, kaolinitisation, alunitisation, silicification and pyritisation. Significantly, this area of alteration also shows the greatest structural complexity.

Ore Minerals: The Plavica deposit has a polymetallic character dominated by copper and gold and is typical, in this regard, of many high-sulphidation epithermal systems. Variable concentrations of Cu, Au, Ag, Mo, Pb, Zn and Sb are present throughout the system and are all well above background in an area of 2.5km² associated with the most altered volcanic rocks. Gold contents of the vuggy silica zones range from 0.1-5 g/t Au in general, but contents of up to 17 g/t have been determined from surface sampling. Average values of other elements include, 9ppm Ag, 2,435ppm As, 242ppm Cu, 0.9ppm Hg, 671ppm Pb, 39ppm Sb and 24ppm Zn. Stockwork-disseminated mineralisation provides an average grade of 0.2% Cu, 0.25g/t Au and 5-10g/t Ag (Serafimovski & Tasev, 2003).

The following ore minerals have been identified at the Plavica deposit: pyrite, pyrrhotite, chalcopyrite, magnetite, rutile, haematite, molybdenite, sphalerite, galena, bornite, enargite, luzonite, native gold, tetrahedrite, tennantite, chalcocite, prustite, digenite (as primary minerals) and covellite, native copper, malachite and azurite (as the secondary minerals). Gangue minerals include quartz, calcite, chalcedony, siderite, rhodochrocite and barite.

The most ubiquitous ore mineral in the deposit is pyrite, while the second most common mineral, which is present in the stockwork and stockwork-disseminated mineralisation, is enargite. Mineralisation at Plavica is described as high sulphidation based primarily on the presence of vuggy silica and Cu-Au mineralisation associated with enargite-bearing silicified zones. Rio Tinto did not discuss the styles of mineralisation intercepted in the four drill holes at Plavica and did not attempt to establish either key controls on mineralisation or paragenetic relationships. A review of the existing literature and Sileks JV data indicate that mineralisation has variously been described as comprising:

Gold mineralised vuggy silica: Rock chip sampling of the vuggy silica ridges and silicified zones by Rio Tinto at 25m intervals on lines spaced 50m apart indicated areas with elevated geochemistry associated with each of the silicified ridges. Peak gold values of up to 10g/t Au were recorded.

Rock chip sampling of the Northern Ridge defined an area of 300 by 350m with anomalous gold-copper-arsenic geochemistry. Sampling of the Eastern Ridge defined a gold-arsenic anomalous area of 100 by 250m where eight samples assayed >1g/t Au. A cluster of samples on the Maričanski Ridge (100 by 150m) with >1g/t Au are associated with depleted copper-arsenic-silver-lead.

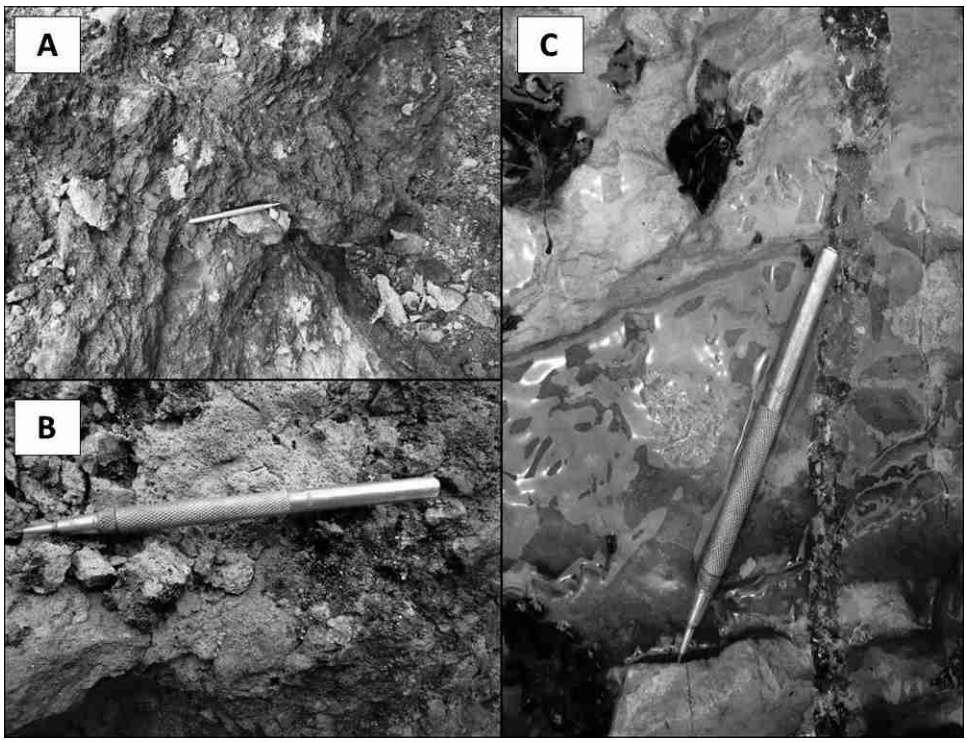
Enargite-bearing veins: Serafimovski and Tasev (2003) suggested that the underground development by British Selection Mines targeted enargite-bearing veins and silicified zones. One vein was described as between 0.7 to 5.0m wide and up to 200m long data

Stockwork / disseminated copper-gold mineralisation: This style of mineralisation was identified in some of the Sileks JV drill holes. Mineralisation is dominated by veinlet and fracture fill pyrite and lesser chalcopyrite which also occurs as disseminations in the surrounding clay-altered wallrock. Cross-section interpretations by the JV suggests that stockwork and disseminated mineralisation is best developed proximal to faults and fractures, but is also partly stratigraphically controlled.

Lead-zinc veins and disseminations: Galena and sphalerite filled fractures and disseminations were intercepted in drill holes marginal to the Plavica deposit.

Examples of alteration and veining at Plavica are shown below in Figure 15.

Figure 15 Examples of alteration (A), partially oxidised veins (B) and thin sulphide veining (C) at Plavica



(Source: Ravensgate, 2012)

5.2 Australian Projects

5.2.1 Alice Springs Project Regional Geology and Mineralisation

The Alice Springs Project is located within the Arunta Region of central Australia which is a complex basement inlier that has undergone a prolonged history of sedimentation, magmatism and tectonism extending from the Palaeoproterozoic to the Palaeozoic. The Arunta Region can be subdivided into the three, largely fault bounded terranes with distinct geological histories

which are the Aileron, Warumpi and Irindina Provinces. The Alice Springs project lies within the Aileron Province (Kastellorizis, 2008c).

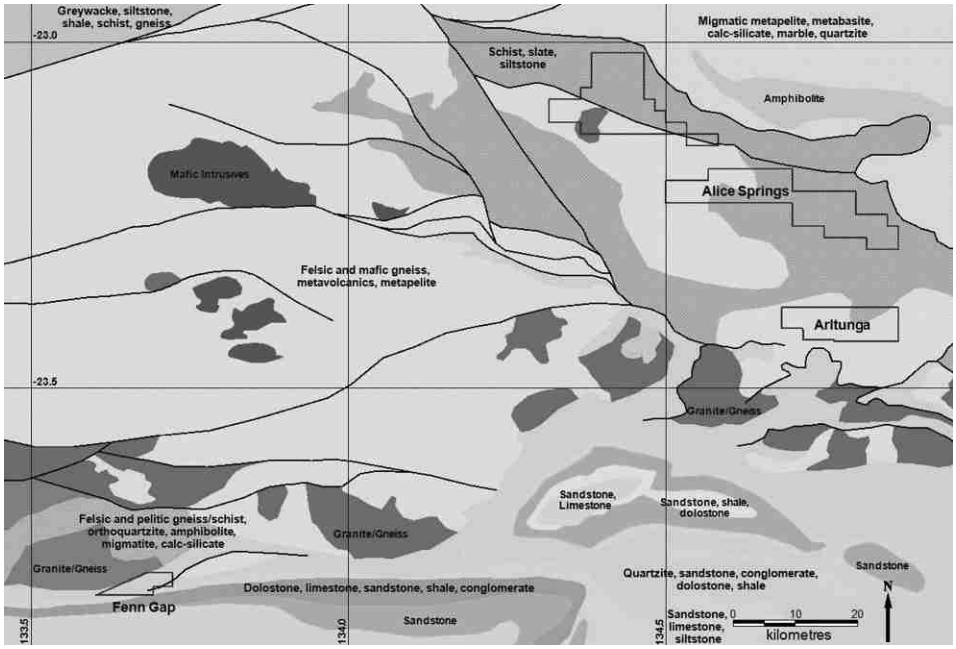
5.2.2 Alice Springs Project Geology

The geology of the licence is dominated by the highly deformed amphibolite to granulite facies grade metamorphosed volcanic sediments and igneous intrusions of the Hillsoak Bore metamorphics. The Cadney Metamorphics lie within the eastern and western portions of the licence area and are comprised of a variety high grade metamorphosed schists, slate and metasediments. The Ovegeva Granulite lies within the central parts of the licence area. A large pegmatite swarm intrudes the northwestern corner of the licence area. The area is highly deformed with many units showing intense folding and deformation. A major northwest trending shear zone transects the western part of the licence area (Cadney Fault zone) (Refer Figure 16) (Kastellorizis, 2008c).

5.2.3 Alice Springs Project Controls on Mineralisation

Copper-gold mineralisation has been identified in the northern and eastern parts of the licence area. At the Camp Hill copper mine, copper and gold mineralisation is associated with malachite and chrysocolla bearing quartz veins in metagabbros. In the eastern part of the licence at Magnetite and Triple Hill, iron mineralisation with associated copper, cobalt and gold has been identified. At the Mt Johnson Dam prospect rare earth element mineralisation has been identified in pegmatites at an old mica mine (Kastellorizis, 2008c).

Figure 16 Geology of the Alice Springs, Fenn Gap and Arltunga Projects



5.2.4 McArthur River Manganese Project Regional Geology and Mineralisation

The Palaeo to Mesoproterozoic McArthur Basin (1800-1500 Ma) is exposed over an area of about 180,000km^2 in the northeastern Northern Territory and unconformably overlies metamorphosed and deformed Palaeoproterozoic rocks of the Pine Creek Orogen to the west, the Murphy Inlier to the south and the Arnhem Inlier to the northeast. The Murphy Inlier may have been a

palaeogeographical high separating the McArthur Basin from the South Nicholson Basin and Lawn Hill Platform. Phanerozoic strata of the Georgina Basin unconformably overlie the McArthur Basin succession.

The McArthur Basin succession is comprised of sandstone, shale and carbonate as well as interbedded volcanic and intrusive rocks. The Tawallah Group and stratigraphic equivalents are 3 - 4.5km thick in both the fault zones and the shelves, whereas the McArthur Group and its equivalents thicken to 5km in the fault zones. A deep level seismic survey undertaken in collaboration with Geoscience Australia showed that the entire succession is essentially horizontal and about 8km thick. There is no evidence from the seismic data for the Batten Fault Zone (trough) to be a separate depocentre. The sedimentary succession appears to continue in both directions away from the implied boundaries of the trough.

The Walker Fault Zone and Batten Fault Zone are two north-trending fault zones, separated by the east-trending Urapunga Fault Zone within the McArthur Basin. These relatively deformed fault zones are flanked by tectonically stable shelves to the east (the Caledon Shelf) and the west (the Arnhem Shelf). The fault zones are 50-80km wide and hundreds of kilometres long.

The McArthur Basin hosts the world-class HYC lead-zinc-silver deposit and several smaller uranium and base metal deposits, as well as diamond bearing kimberlites at Merlin. The Groote Eylandt manganese deposit consists of stratiform, massive to disseminated manganese ore in a sheet-like body averaging 3m in thickness. Past production is 50Mt at 49% Mn with total resources of 212 Mt @ 47.5% Mn (Kastellorizos, 2008).

5.2.5 McArthur River Manganese Project Project Geology

The McArthur River Manganese project area is covered mostly by Proterozoic carbonate rocks of the Karns Dolomite (McArthur Group) and underlying sedimentary rocks of the Masterton Formation (Tawallah Group). The Karn dolomite unconformably overlies the Masterton Formation. Jointing is well developed with two major directions of 090º and 110º, with less well developed sets at around 350º. The Karns Dolomite outcrops throughout the project.

The Karns Dolomite has a maximum thickness of 100m to 150m and can be subdivided into two units:

- A basal unit consisting of talus breccias, dolomites and dolomitic shales forming in a mostly lagoonal depositional environment. Textures similar to “birds eye” textures are present with these cavities being filled with a manganese rich carbonate.
- The upper unit of the Karns Dolomite is a silty dolomite with chert bands.

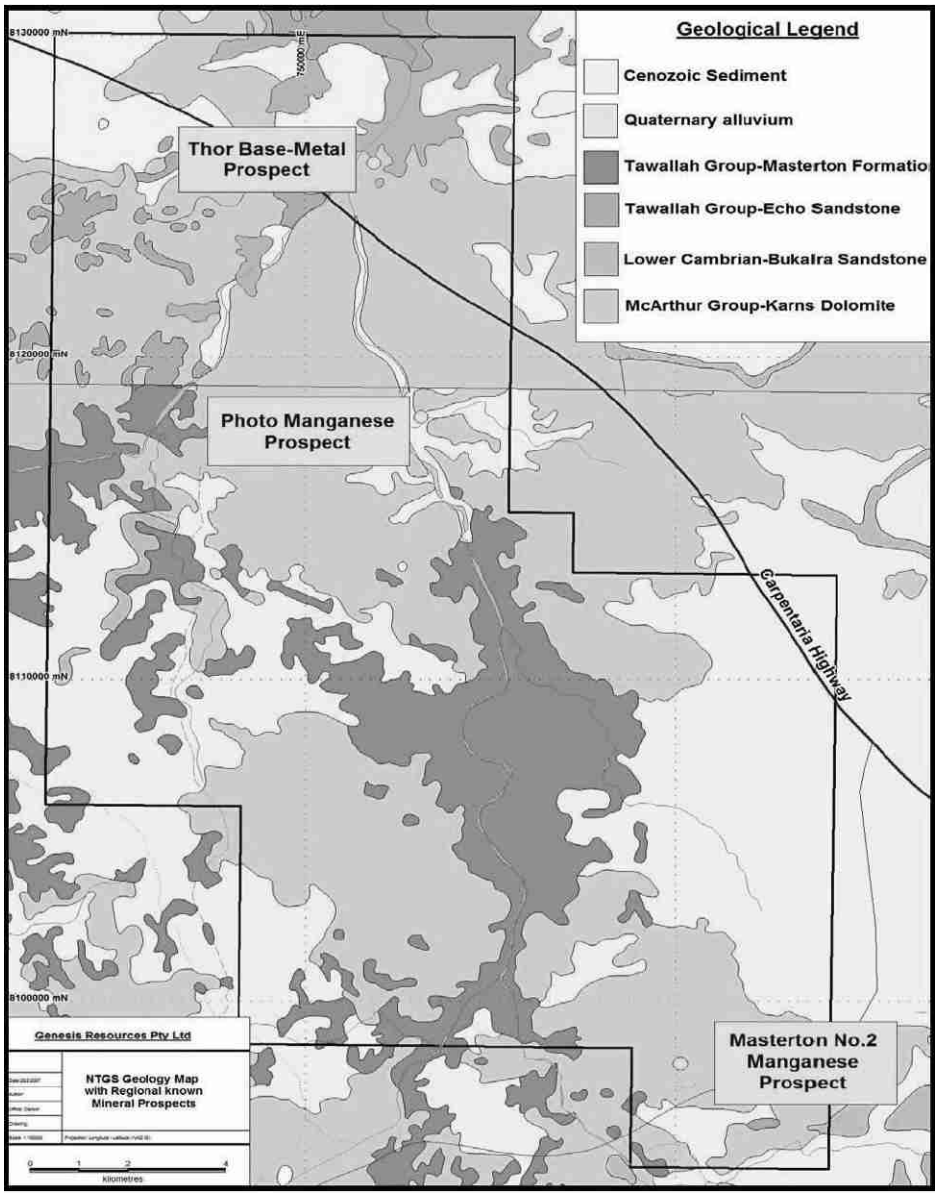
Buklara Sandstone is found in the western portion of the project consisting mostly of sandstone and minor conglomerate.

Most of the project area is covered by Caninozoic aeolian deposits of a few metres in thickness (refer Figure 17) (Kastellorizos, 2008).

5.2.6 McArthur River Manganese Project Controls on Mineralisation

Copper, lead, zinc and manganese mineralisation has been established in the area. The Redbank copper breccia pipes are about 40km to the east. Chamosite and manganese are widespread throughout the dolomite and chert is a common constituent in the exploration licence area. Galena is present filling cavities in small areas. Copper occurs as chalcopyrite in association with galena (Kastellorizos, 2008).

Figure 17 Geology of the McArthur Project (after Kastellorizos, 2008)



5.2.7 Fenn Gap Project Regional Geology and Mineralisation

The Amadeus Basin in the southern Northern Territory is approximately 170,000km^2 in area. It is at the centre of a series of intracratonic basins on the Australian continent that share their origins in the breakup of the Rodinia supercontinent at about 1Ga. Strong stratigraphic ties have been made between the early phases of these basins, which include the Officer, Ngalia and Georgina basins, leading to them being collectively referred to as the Centralian Superbasin (Kastellorizis, 2010).

5.2.8 Fenn Gap Project Project Geology

The project overlays part of the Missionary Syncline which is located along the northern margin of the Amadeus Basin with sediments ranging in age from the Precambrian to the Palaeozoic. Manganese prospects are located within the sandstone, siltstone and dolomite units.

The goethite and manganese alteration occurs in the Bitter Springs Formation which dips steeply to the south. It forms a broad strike-parallel valley lying to the south of a major cuesta formed from the Heavitree Quartzite. In the project area, the Bitter Springs Formation is dominated by carbonates (mainly dolomite) which is thought to represent the Loves Creek Member.

Minor clastic units occur lower in the sequence near to the contact with the underlying Heavitree Quartzite. These clastics could be remnants of the Gillen Member. Numerous chert lenses are enclosed by dolomite in the carbonate sequence (refer Figure 16) (Kastellorizis, 2010).

5.2.9 Fenn Gap Project Controls on Mineralisation

The alteration zones in the Fenn Gap area consist of goethite with secondary manganese. The alteration is complex. It occupies individual altered beds of carbonate, forms lenses in chert breccias or it may run along the trend of cross faults. The mineralisation extends for about 9km in an east-northeast direction parallel to the strike of the beds.

It is proposed that the breccia represents a so called 'salt weld' resulting from the extrusion of the Gillen Salt Member on the edge of the Amadeus Basin. Following the extrusion of the salt, the breccia has been left behind as a residual deposit. The goethitite is probably the primary form of mineralisation. The manganese may have been leached out of the surrounding carbonates and scavenged by the goethite. It appears to represent a later phase of supergene enrichment. In many places, the manganese has invaded the fissures and vughs in the geothitic breccia. Conjugate faults produced by north-south orientated compression have displaced the salt weld and possibly acted as conduits for the mineralised fluids.

The mineralised zone is in a favourable position to receive fluids charged with other base metals exhaled from the Amadeus Basin. Although no sulphides or relic sulphide fabrics could be seen in the rock chip samples (Kastellorizis, 2010).

5.2.10 Arltunga Project Regional Geology and Mineralisation

The Arunta complex is a late Palaeoproterozoic to Ordovician succession of sedimentary, volcanic and intrusive rocks which has been deformed, metamorphosed and intruded by granites. The project is located in the eastern Arunta region within the Ongeva package.

The region is comprised of three provinces:

1. According to Geoscience Australia, 2009 (Kastellorizis, 2008a), the Aileron Province, which makes up most of the Arunta, consists of:
   - the basal Lander Package (1880-1840 Ma), comprising about 60% of the north, centre, and west of the region.
   - the Ongeva Package (1810-1800 Ma) in the southeast, of unknown relationship to the Lander Package which consists of metapelitic and metapsammitic rocks with subordinate calcsilicate, marble, felsic and mafic orthogneiss (Huston *et al.*, 2006, Kastellorizis, 2008a).
   - an unnamed sandstone unit above the Lander Package, with a maximum depositional age of 1820-1800 Ma.
   - the Reynolds Package, which is unconformable on the Lander Package and the unnamed sandstone unit.
2. The Warumpi Province along the south margin of the Arunta.
3. The triangular Irindina Province to the east.

Mineral deposits in the Arunta region vary in commodity, style and age. Although base-metal and gold deposits in the Arunta region are relatively widespread, these deposits have been considered economically insignificant; although several abandoned mines are known to exist to the north of the project area. Vermiculite has been found associated with the weathered rocks in the Mud Tank carbonatite complex, and garnet-amphibole-rich sands concentrated by aeolian and alluvial processes to the north of the Harts Ranges.

The oldest deposits in the eastern Arunta region are base-metal and gold deposits hosted by the Strangways Metamorphic Complex, Bonya Schist and Cadney Metamorphics. These deposits have been divided into three sub-types:

- Utnalanama-type, which Genesis interpret as VHMS deposits;
- Johnnies-type, which Genesis interpret as IOCG deposits; and
- Oonagalabi-type, which Genesis interprets as either carbonate-replacement or VHMS deposits.

Utnalanama-type deposits are Zn-Pb-Cu-(Ag-Au) and form the majority of known Palaeoproterzoic deposits in the Strangways Metamorphic Complex. They are characterised by the extensive development of alteration zones dominated by quartz-cordierite ± orthopyroxene ± biotite ± orthoamphibole ± garnet gneiss. Feldspar is typically absent in these rock types. Despite localised magnetite rich zones occurring, magnetite is not a major component of the mineralisation or alteration assemblage and most of the quartz-cordierite rocks have a very low magnetic susceptibility (Kastellorizis, 2008a).

Johnnies-type deposits, which includes Johnnies Reward and Gumtree in the Strangways Metamorphic Complex and the base-metal-Au deposits of the Jervois district in the Bonya Schist further to the east. They are Cu-Au-(Pb-Zn-Ag) deposits characterised by an association with abundant magnetite, and an asymmetric quartz-biotite-garnet ± feldspar alteration assemblage. These deposits are closely associated with magnetite, either in a magnetite-diopside ± amphibole skarn assemblage (e.g. Johnnies Reward) or in an iron formation (amphibole-quartz-magnetite rocks, e.g. Gumtree). Although base-metals are most concentrated in magnetite-rich zones, Au is concentrated in the structural footwall of these deposits. Gold values are typically one or two orders of magnitude higher in the Johnnies-type than the Utnalanama-type. Moreover, at Johnnies Reward, Mn and some high field strength elements and rare earth elements are highly enriched in places within the lode. Based on these characteristics, Johnnies-type deposits are more likely to be equivalent to IOCG deposits rather than VHMS deposits (Hussey et al., 2005, Kastellorizis, 2008a).

Oonagalabi-type deposits, which are represented by the Oonagalabi deposit and two nearby prospects, are hosted by the ~1765 Ma Oonagalabi assemblage of the Ledan package. They are not associated with abundant magnetite and are characterised by a Zn-Cu-Pb-(Ag-Au) metal assemblage. The main alteration assemblage outside of the host marble is a quartz-garnet-feldspar rock: quartz-cordierite gneiss is rare. Carbonate in the ore host is progressively replaced by calc-silicate and then massive anthophyllite rock. All three rock types are mineralised. These characteristics are most consistent with a carbonate replacement origin although a VHMS origin cannot be ruled out (Hussey *et al.*, 2005, Kastellorizis, 2008a).

5.2.11 Arltunga Project Project Geology

The Arunta complex is a late Palaeoproterozoic to Ordovician succession of sedimentary, volcanic, and intrusive rocks interrupted by several tectonothermal events (deformation, metamorphism and granite intrusion).

The region comprises three provinces: the Aileron Province, which makes up most of the Arunta; the Warumpi Province along the south margin of the Arunta; and the triangular Irindina Province to the east. The Aileron Province consists of: (1) a basal Lander Package (1880-1840 Ma), which makes up about 60% of the north, centre, and west of the region; (2) the Ongeva Package (1810-1800 Ma) in the southeast, of unknown relationship to the Lander Package; (3) an unnamed sandstone unit above the Lander Package, with a maximum depositional age of 1820-1800 Ma; (4) the Reynolds Package, which is unconformable on the Lander Package and the unnamed sandstone (Geoscience Australia, 2009).

The project is located in the eastern Arunta region within the Ongeva package which consists of metapelitic and metapsammitic rocks with subordinate calcsilicate, marble, and felsic and mafic orthogneiss (Huston *et al.*, 2006).

The greater part of the tenement is formed by the supracrustal package in the eastern Arunta region, the Ongeva package (refer Figure 16) (Kastellorizis, 2008a).

5.2.12 Arltunga Project Controls on Mineralisation

The Arltunga goldfield occurs within the Alice Springs Arltunga Nappe Complex (~430-300 Ma). The Arltunga Nappe Complex was formed when a south-directed thrusting event resulted in the current structural duplex arrangement of the Amadeus Basin and the Palaeoproterozoic basement. The deposits are hosted both by the Palaeoproterozoic basement and by the Neoproterozoic Heavitree Quartzite, and are inferred to have an age of ~300-290 Ma (late Alice Springs Orogeny) based on structural relationships of Au-bearing veins and 39Ar-40Ar ages of white micas (Huston *et al.*, 2006). Palaeoproterozoic rocks that host the deposits include the Cadney Metamorphics (marble and calc-silicates), the Hillsoak Bore Metamorphics (predominantly metasediments, including calcareous units and rare marbles, and amphibolites), the Cavenagh Metamorphics (mainly metasediments, including calcareous units, and quartzofeldspathic gneiss with minor iron formation) and the Atnarpa Igneous Complex (retrogressed tonalitic gneiss: Mackie, 1986). Of these units, only the Atnarpa Igneous Complex has been reliably dated at ~1770 Ma (Zhao and Bennett, 1995). There are several areas of well documented mineralisation within and adjacent to the Genesis Arltunga licence. The Au bearing veins vary in thickness from several tens, to hundreds of centimetres and consist of white quartz that is variably iron stained, with limonite and locally contains malachite and other trace sulphides (Kastellorizis, 2008a).

5.2.13 Gladstone-Mount Miller Project Regional Geology and Mineralisation

Northwest of the project, the Berserker Graben hosts the Mt Warmister (Cu), Mt Chalmers (Au-Cu-Ag) and North Star (Au) deposits, within volcanic and sediments of the Chalmers Formation. These are interpreted as VMS deposits of the Kuroko type. Recorded production from underground and open cut mining at Mount Chalmers from 1898-1982 was 142koz Au, 53Mlbs Cu, 758koz Ag. Additionally several northwest striking manganese mineralised bodies occur in the Doonside Formation west of Gladstone inside the project area. The mineralisation is structurally controlled (Kastellorizos, 2010a).

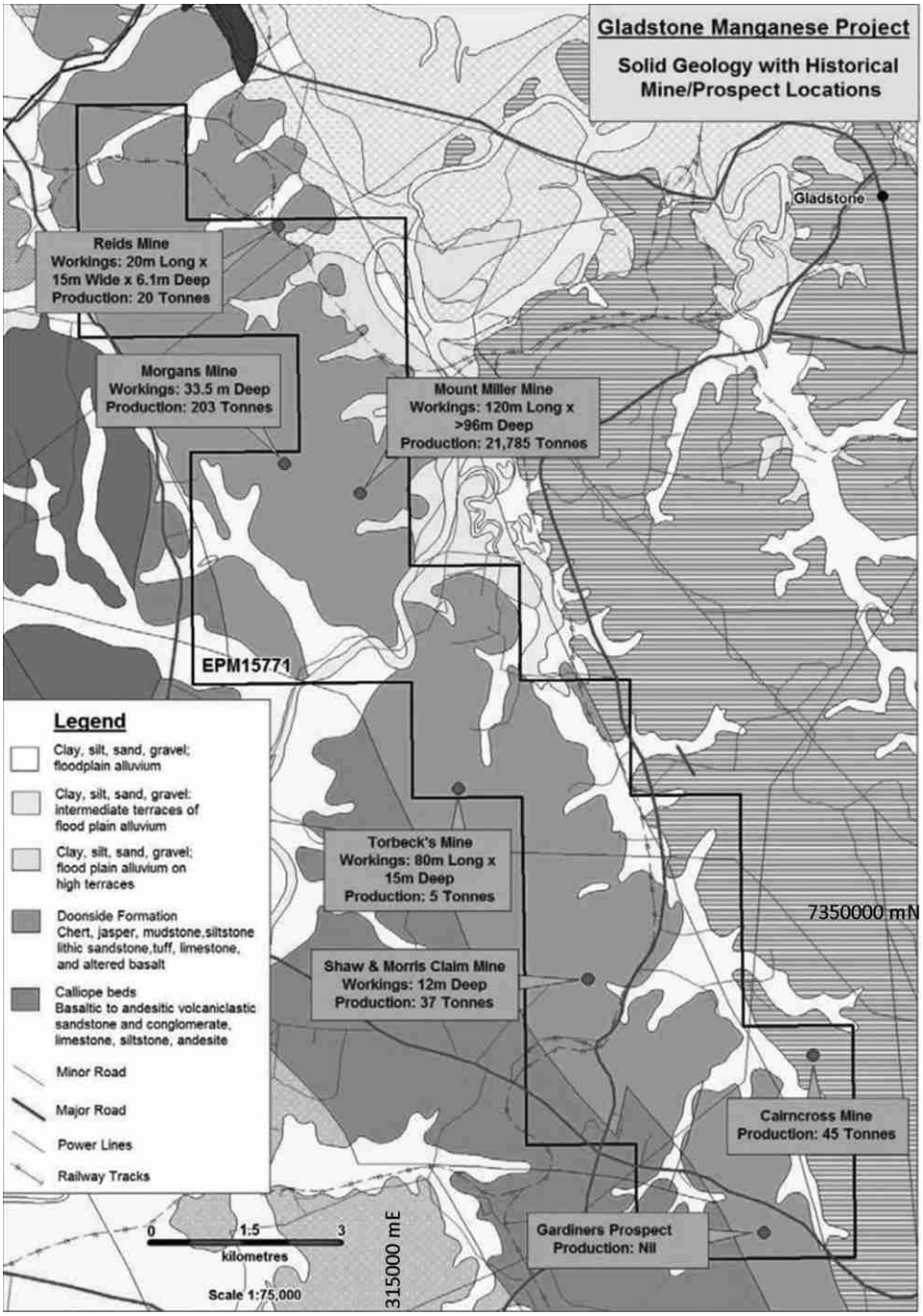
5.2.14 Gladstone-Mount Miller Project Project Geology

The project is located over the Berserker Graben. The Devonian-Carboniferous Doonside Formation forms northwest trending ridges and hills that transect the project area. This formation outcrops over a width of about 4km but owing to folding the true thickness is uncertain. The western boundary of the Doonside Formation as well as the Berserker, Crana and Calliope beds are faulted by the Boyne River Fault in the west. These beds are comprised of volcanic and sedimentary lithologies (refer Figure 18). The Berserker beds are thought to have been deposited in a marine trough (Kastellorizos, 2010a).

5.2.15 Gladstone-Mount Miller Project Controls on Mineralisation

The Mount Miller manganese body within the project area is lens shaped. From field observations it was concluded that the Mt Miller manganese body was surrounded by deformed pelitic sediments with pervasive silica alteration and localised clay alteration (supposedly kaolinite). The main orientation of the manganese body was that of the host rock stratigraphy (northerly), however the manganese body and host rock stratigraphy are not concordant. Brecciation within the manganese ore body and a slightly angular relationship with the host rock may indicate a hydrothermal origin to the mineralisation (Poulsen, 2014).

Figure 18 Geology of the Gladstone Project (after Kastellorizos, 2010a)



5.2.16 Pioneer Project Regional Geology and Mineralisation

Mineralisation is restricted to the Palaeozoic rocks, and to the Upper Permian and Lower Triassic granitic rocks. Gold mineralisation in both granitic and sedimentary units, occurs in narrow veins, composed of quartz, or quartz and calcite, and is accompanied by abundant sulphide mineralisation (pyrite, arsenopyrite, chalcopyrite).

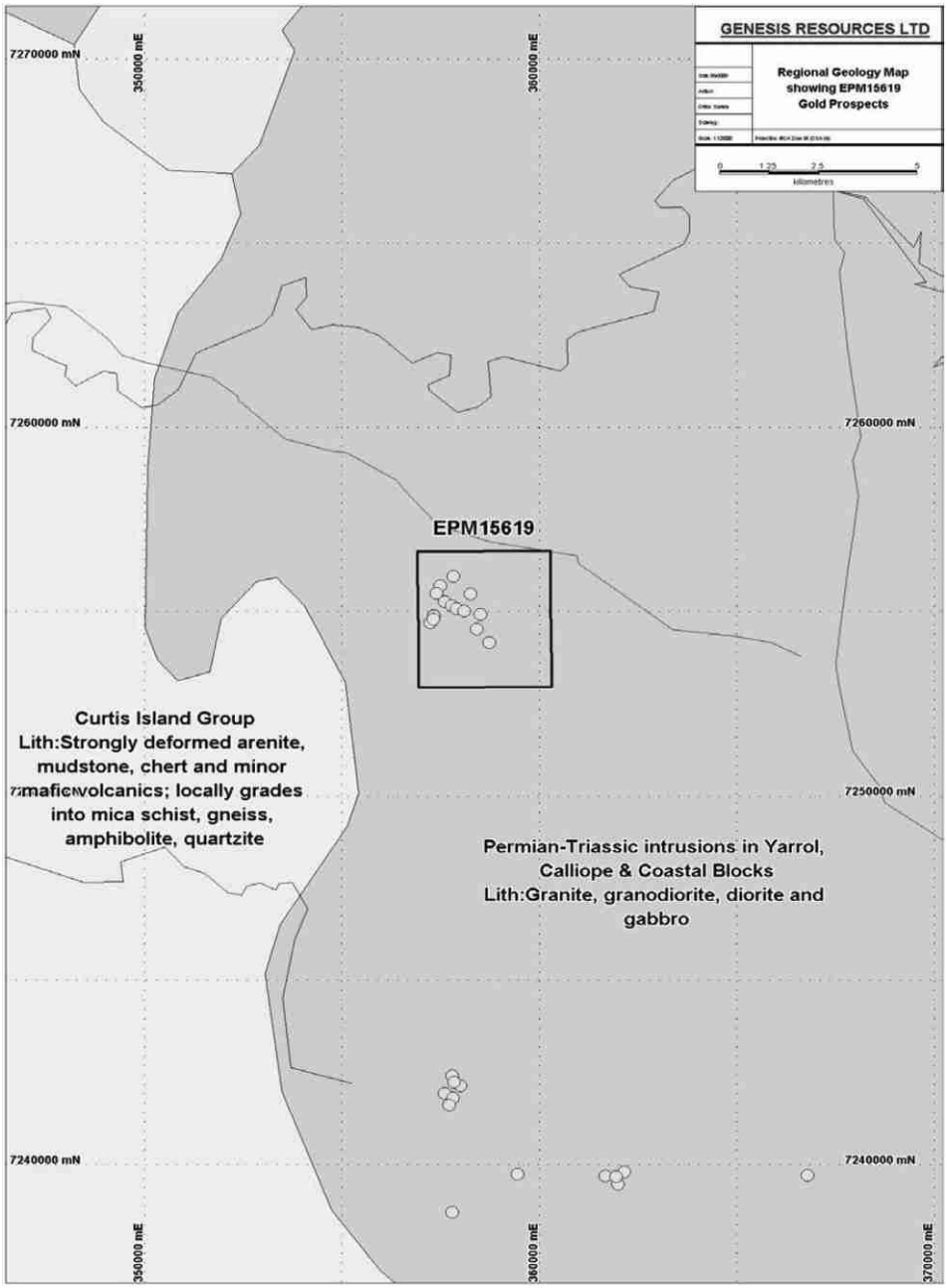
5.2.17 Pioneer Project Geology

The project is located within the Gaeta Goldfield which is part of the Permo-Triassic Miriam Vale Granodiorite. The Granodiorite is a polyphase igneous complex emplaced as a series of coalescing plutons. The Pioneer Reef, a quartz-carbonate fissure, has a sub-vertical orientation and trends east-southeast in the Miller-Main Shaft sector and north-eastwards in the less productive faulted block alongside it (refer Figure 19).

5.2.18 Pioneer Project Controls on Mineralisation

Gold mineralisation is structurally controlled in most places in the project area. It is vein hosted and associated with various sulphides and magnetite which may aid in geophysical prospecting. From petrological studies on two samples from the Main Shaft on the Pioneer Reef it was concluded that these are altered granitoids which are mineralised with pyrite and arsenopyrite.

Figure 19 Pioneer Project – Regional Geology with Prospect Location Map (after Kastellorizos, 2010c)



5.2.19 Laura River Project Regional Geology and Mineralisation

The Dalrymple Sandstone and Gilbert River Formation (previously called the Battle Camp Sandstone), were deposited on river plains and in fringing marine environments, at the beginning of the sinking of the Laura Basin in Jurassic to Cretaceous times. To the south they lie on the hard, steeply inclined old meta-sediments of the Hodgkinson Province, and were once more extensive, as remnants are still present south of the North Palmer River (Willmott, 2009). Rocks of the Hodgkinson Province (Hodgkinson Formation) host significant mesothermal quartz vein-hosted gold mineralisation, which includes the Hodgkinson/Palmer goldfields. A detailed study of the Hodgkinson Goldfield is given in Peters (1987). This mineralisation is thought to have formed from metamorphic fluids produced during the devolatilisation of the sedimentary pile (slate-belt style) with the distribution of fluids controlled by major shear zones (Phillips & Powell, 1992).

5.2.20 Laura River Project Project Geology

The project area is covered mostly by the Siluro-Devonian Hodgekinson Formation, and Jurassic/early Cretaceous units of the Gilbert River Formation. Large tracts of the project area are covered by Quaternary colluvial or alluvial deposits. The Hodgekinson Formation is comprised mostly of micaceous quartz siltstone, slatey mudstone, black phyllite, greywacke, greywacke-conglomerate and sandstone (Kastellorizos, 2008b).

5.2.21 Laura River Project Controls on Mineralisation

Alluvial Mineralisation

Pitting work in the Laura River has highlighted features of the alluvial mineralisation. Both gold and platinum occur throughout the profile however the best gold grades are found in the coarser gravels. Work in the Mosman River highlighted the better potential of the coarser sediments of the upper reaches of the river in contrast to the basal gravels. The gold from the Laura and Mosman rivers tends to be flakier than the Kennedy Creek gold. Exploration in the Pine Tree Creek failed to detect any gold or platinum although it has been reported by other prospectors (Kastellorizos, 2008b).

Dalrymple Basal Conglomerate

South of the project area gold has been recovered from a narrow zone at the interface of the Dalrymple sandstone basal conglomerate and the underlying Hodgekinson Formation. Owing to problems such as tracing the conglomerates below the sandstones, inconsistent grades and water scarcity, mining was sporadic and small scale. Modern streams close to the conglomerate outcrops were also worked for alluvial gold (Kastellorizos, 2008b).

6. EXPLORATION ACTIVITIES

6.1 Macedonian Projects

6.1.1 Exploration Overview

Matrix Exploration was contracted by Genesis to undertake exploration work which commenced towards the end of November 2011, which consisted of an initial two day desk top study, reviewing high resolution satellite and processed ASTER clay and silica alteration data. This resulted in the identification of 20 targets, with some of the targets corresponding with the known prospects of Plavica and Borovic. Targets were also identified in the southern parts of the project area within the Strivosti, Drenork and Crni Vrv South concessions. Follow up field interpretations, data review and surface rock-chip sampling was implemented (after van Coller, 2011).



The conclusions drawn by Matrix Exploration are listed below (after van Coller, 2011):

- Many regions with extensive alteration appear to correlate with northwest trending fault structures.
- Existing data identifies trends and highlights anomalous regions very well.
- Potential for further exploration exists dominantly within the Plavica and Crni Vrv North concessions.
- The Barbarevo and Crni Vrv South concessions display weak geochemical anomalies with respect to the neighbouring prospects.
- In order of relevance, the Strisovici, Drenork and Probistip concessions have very little to offer in terms of potential for future discoveries.

From 2012 to 2013, Genesis have completed (in a number of drilling phases) 52 diamond holes and 119 RC holes (for 18,200.3m and 23,233m, respectively) for a total of 41,433.3m. This drilling has primarily focused on the east-west structurally controlled mineralisation in the north of the project around Plavica Peak. The drilling by Genesis has resulted in a drill spacing of 50m (on section) on 100m north-south sections through the deposit along the northern ridge. This additional drilling will form the basis of the upcoming mineral resource estimate. Genesis geologists have endeavoured to re-log historic core where available.

6.1.2 Exploration Methods

The main exploration methods that have been employed over the project area are:

- High resolution satellite imagery
- ASTER clay and silica alteration data
- Geological mapping
- Rock chip sampling with geochemical analysis
- RC drilling, logging and sampling with geochemical analysis
- Diamond core drilling (HQ and NQ), logging and sampling with geochemical analysis

Samples from the diamond core programme in 2011 were composited every 2m with half core sent for assay. Strict QA/QC procedures were followed and samples were analysed at the ALS Chemex laboratory in Romania and in Vancouver, both of which are accredited laboratories conforming with the requirements of ISO/IEC 17025:2005 (CAN-P-4E) by the Standards Council of Canada. Due to the polymetallic nature and internal mineral zoning within the deposit, intercepts can be calculated by various methods, with Genesis adopting the following criteria. The intercepts are calculated separately on the basis of Au zones defined at a 0.2 g/t cut-off and Cu zones defined at a cut-off of 0.2% Cu, using Au or Cu as the primary element respectively. The mineralisation is also notable for the content of molybdenum, lead and zinc, which are also reported in Genesis announcements based on the intercepts calculated for Au and Cu.

Samples for the 2013 drilling campaign were assayed on a 1m basis and were sent to either SGS Laboratories in Ankara (ISO9001 accredited) or SGS Laboratories in Bor, Serbia. The laboratory in Bor does not have ISO/IEC 17025:2005 or ISO9001 accreditation, but falls under the SGS Global (SGS) umbrella. Bor uses the Laboratory Information Management System (LIMS) and follows all of SGS's methods and QA/QC procedures, participating in both SGS and other international laboratory round robin checks. All methods used in Bor are fully accredited in Canada and Australia; and Ravensgate has viewed these accreditation certificates.

6.1.3 Exploration Results

6.1.3.1 2011

The Phase 1 diamond drilling program at Plavica commenced in 2011. This drilling program of 13 holes was completed in late July 2011 for 2,842m and announced to the ASX on 17 November 2011. Four holes, totalling 1,319m, were drilled in to an area that contains part of the maiden 2010 resource estimate (refer to ASX Announcement dated 1 June 2010), eight holes were

drilled in to the exploration target represented by Plavica Ridge and one hole was drilled in to an area containing historic mining activity. The drill holes reported in Table 12 are those that were drilled into the existing resource area with intercept data from the drilling program provided in Table 12, Table 13 and Table 14.

Table 12 Drill hole summary table for holes drilled in to part of the 2010 maiden resource at Plavica. Coordinates are given according to UTM WGS84

Drill Hole ID	Easting	Northing	Azimuth	Angle °	Final Depth (m)
PLV-10	596200	4655971	0	-50	304
PLV-11	596598	4655977	0	-70	347
PLV-12	596434	4655965	0	-50	317
PLV-13	596502	4656074	1	-90	351

Table 13 Au Intercepts obtained from the first four holes of the 2011 drilling programme undertaken by Genesis on the Plavica Project, Macedonia

Hole ID	From (m)	To (m)	Length (m)	Au (ppm)	Cu (ppm)	Ag (ppm)	Mo (ppm)	Pb (ppm)	Zn (ppm)
PLV-10	59.9	75.5	15.6	0.31	2,433	0.44	52	394	1,839
	89.2	98.4	9.2	0.32	501	4.38	43	4,365	3,371
	151.2	156.4	5.2	0.29	3,312	2.52	3	1,482	4,709
	161.8	238.0	76.2	0.54	1,627	4.52	22	1,504	2,362
PLV-11	12.0	50.6	38.6	0.68	1,065	6.58	183	1,543	2,462
	63.9	116.2	52.3	0.31	2,328	5.23	227	2,210	5,892
	121.8	174.5	52.7	0.42	4,044	7.21	285	1,087	8,921
	180.7	185.9	5.2	1.03	796	10.67	17	1,458	19,397
	204.8	215.9	11.1	0.68	2,820	16.09	658	2,533	4,855
	221.4	261.8	40.4	0.75	417	8.43	840	2,171	5,263
	268.0	340.0	72.0	0.61	5,178	9.96	712	445	3,416
PLV-12	100.9	125.3	24.4	0.45	1,612	9.60	46	10,531	1,556
	131.2	136.8	5.6	2.37	1,003	18.36	93	24,611	4,759
	157.4	164.8	7.4	0.23	2,240	12.60	29	6,527	2,516
	193.1	202.5	9.4	0.26	1,553	3.41	11	3,288	1,474
	224.5	246.3	21.8	0.36	4,259	38.06	113	1,632	1,799
	259.2	266.4	7.2	0.61	44	4.08	99	527	1,359
PLV-13	0.0	13.6	13.6	0.48	84	7.20	5	1,273	10
	23.4	35.0	11.6	0.52	24	18.62	13	1,205	4
	147.7	169.8	22.1	0.43	2,631	34.79	329	3,099	689
	283.0	290.3	7.3	0.27	3,201	2.00	1	665	2,428

Note: The intercepts are calculated on the basis of Au zones defined at a 0.2 g/t cut-off. A minimum composite width of 5m was selected, with maximum internal dilution of 4m.



Table 14 Cu Intercepts obtained from the first four holes of the 2011 drilling programme undertaken by Genesis on the Plavica Project, Macedonia

Hole ID	From (m)	To (m)	Length (m)	Cu (ppm)	Au (ppm)	Ag (ppm)	Mo (ppm)	Pb (ppm)	Zn (ppm)
PLV-10	45.6	67.8	22.2	7,093	0.17	0.37	29	217	1,015
	147.6	169.0	21.4	6,288	0.36	2.36	5	858	3,830
	174.2	185.0	10.8	5,242	0.98	1.83	41	788	6,079
PLV-11	23.0	28.5	5.5	3,598	0.38	2.29	350	1,281	1,248
	90.9	116.2	25.3	4,301	0.27	7.76	225	3,249	6,504
	121.8	129.0	7.2	3,885	0.23	15.72	287	866	10,019
	134.6	174.5	39.9	4,428	0.49	5.89	316	1,255	9,254
	189.8	195.3	5.5	3,652	0.15	3.96	203	938	5,757
	206.6	217.8	11.2	3,154	0.61	14.85	615	1,660	4,021
	271.7	316.8	45.1	6,975	0.52	11.54	1,038	500	3,806
	326.2	335.3	9.1	4,001	0.93	3.74	185	481	1,819
PLV-12	100.9	108.5	7.6	2,269	0.25	9.29	100	6,048	1,816
	157.4	164.8	7.4	2,240	0.23	12.60	29	6,527	2,516
	191.3	196.9	5.6	5,117	0.25	4.54	11	62	3,354
	202.5	207.9	5.4	4,703	0.10	5.17	26	2,148	1,955
	222.6	246.3	23.7	4,224	0.33	35.09	105	1,505	1,701
PLV-13	83.2	94.8	11.6	5,473	0.29	3.35	10	1,566	225
	151.4	169.8	18.4	3,034	0.47	40.16	337	3,482	792
	283.0	290.3	7.3	3,201	0.27	2.00	1	665	2,428

Note: The intercepts are calculated on the basis of Cu zones defined at a 0.2% cut-off. A minimum composite width of 5m was selected, with maximum internal dilution of 4m.

The purpose of these four holes was to provide constraints to the June 2010 Inferred Resource estimate (JORC Code 2004), which was based entirely on historical data collected by the Yugoslav government approximately 30 years ago. Following various checks undertaken by Genesis and previous operator Rio Tinto, the historic data was shown to have variable reliability across the deposit with the historical drill core being in a poor state of preservation. Confirmation drilling of part of the 2010 resource area was designed to improve the understanding of the distribution of grade within the deposit, and form the basis of the revised 2012 resource estimate.

Apart from hole PLV-13, all holes drilled in the Phase 1 program were angled, therefore a direct comparison between old data and new data was not strictly possible, but certain generalisations were able to be made. The Genesis angled holes were primarily targeting zones of mineralisation identified at depth from earlier Yugoslav drilling. Broad agreement exists between the grades of mineralisation encountered in the Genesis holes when compared to the earlier Yugoslav data.

PLV-13 was a vertical hole drilled in the vicinity of historic Yugoslav hole Zb-19 from which a previous high-grade intercept of 40m at 6.71 g/t Au was recorded and for which no representative core remains. Genesis drilled PLV-13 to verify the unusually high grades reported in the Yugoslav hole; however PLV-13 recorded significantly lower gold grades than Zb-19, which may be in part due to different sampling and assay procedures. Alternatively, Zb-19 may have intersected a steeply dipping, narrow, high grade mineralised structure, giving an enhancement to both apparent width and grade, as Genesis have reported the presence of similar structures observed elsewhere in drilling and mapping at Plavica. Genesis note that such



an intercept is not typical of the broadly distributed and generally lower grade mineralisation seen within Plavica as a whole.

The remaining nine holes from the Phase 1 drill program were reported to the ASX on the 19th December 2011, totalling 1,526m (Table 15).

Table 15 Drill hole summary table for holes drilled mainly within the Plavica Ridge at Plavica

Drill Hole ID	Easting	Northing	Azimuth	Angle °	Final Depth (m)
PLV-14	596723	4656371	19	-45	242
PLV-15	596843	4656340	19	-45	117
PLV-16	596928	4656324	19	-45	155
PLV-17	597108	4656285	19	-45	152
PLV-18	597239	4656212	19	-45	151
PLV-19	597352	4656162	19	-45	151
PLV-20	397507	4656187	202	-45	151
PLV-21	597638	4656101	22	-45	154
PLV-22	595865	4656329	0	-50	253

Note: Coordinates are given according to UTM ED50

Holes were drilled into the exploration target represented by Plavica Ridge (eight holes) and one hole, PLV-22, was drilled into an area containing historic mining activity. The purpose of these holes was to better determine the potential for the Plavica Ridge to host low-grade gold-only mineralisation contained within vuggy silica material. The results from these nine holes are reported below in Table 16. Note that PLV-15 ended in mineralisation as the hole was abandoned due to a technical drilling issue.



Table 16 Summary intercepts obtained from nine holes of the 2011 drilling program undertaken by Genesis on the Plavica Project, Macedonia

Hole ID	From (m)	To (m)	Length (m)	Au (ppm)	Ag (ppm)	Cu (%)	Pb (%)	Zn (%)
PLV-14	149.5	168.5	19.0	0.57	0.30	0.02	0.02	0.05
PLV-15	86.5	116.8	30.3	1.08	3.06	0.02	0.02	0.07
PLV-16	0.0	33.2	33.2	0.62	3.52	0.03	0.04	0.00
PLV-17	50.9	62.9	12.0	0.69	1.15	0.14	0.01	0.00
PLV-18	28.9	45.3	16.4	1.28	1.93	0.01	0.33	0.01
	76.5	89.5	13.0	0.56	0.57	0.03	0.01	0.00
	144.9	151.0	6.1	0.31	0.76	0.08	0.07	0.01
PLV-19	16.8	118.8	102.0	0.80	6.28	0.06	0.07	0.08
PLV-20	0.0	7.9	7.9	0.69	7.42	0.03	0.20	0.00
PLV-21	88.3	95.9	7.6	0.22	0.97	0.14	0.04	0.04
	115.2	128.6	13.4	0.25	0.63	0.04	0.01	0.02
PLV-22	0.0	21.9	21.9	0.35	84.90	0.04	0.82	0.02
	27.9	39.5	11.6	0.34	3.67	0.21	0.51	0.76
	54.7	77.14	22.44	0.73	6.35	0.36	0.24	0.19

Note: The intercepts are calculated on the basis of Au zones defined at a 0.2 g/t cut-off. A minimum composite width of 5m was selected, with maximum internal dilution of 4m.

The drilling reported above confirmed the presence of gold mineralisation within vuggy silica and related alteration along Plavica Ridge over a strike length of approximately 800m and to a depth of approximately 100m below surface. A limited amount of historic drilling had previously been carried out on the silica ridges by previous operators, but the full extent of Plavica Ridge was not properly tested prior to this program.

6.1.3.2 2012 to 2013

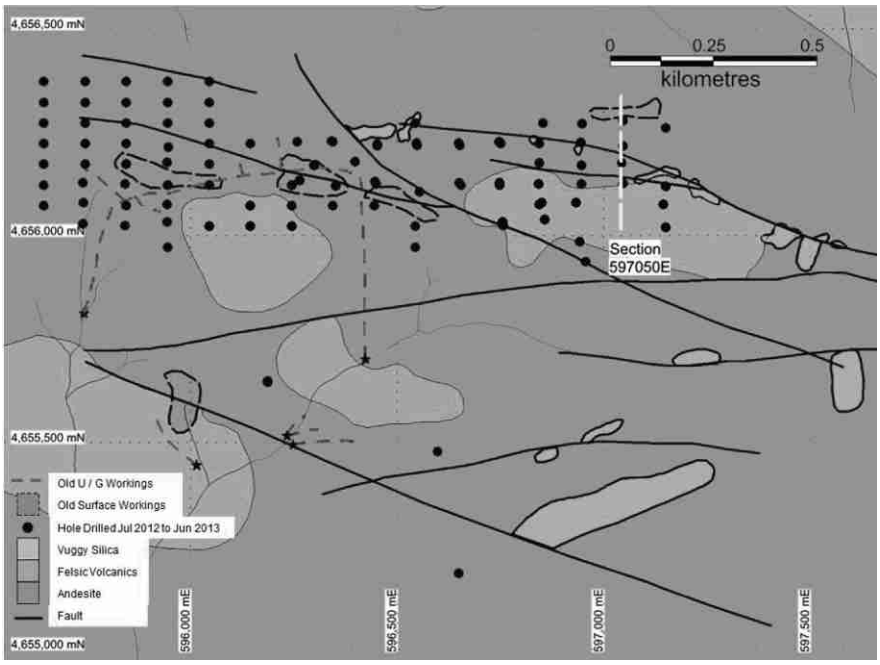
During the 2012 to 2013 exploration campaign, 88 RC and 12 diamond core drill holes were drilled at Plavica for a total of 17,631.5m of RC and 3,787.4m of diamond core, respectively. There was no drilling over the winter months due to snow, with results being released to the ASX in April, May and June 2013. Drill hole coordinates and significant results (above a 0.4g/t Au cut-off) for this program are shown in Appendix 1, with program highlights detailed below.

A number of holes intersected encouraging mineralisation leading to the delineation of a new zone on the north-eastern flank of the prospect which was open to the east and at depth. Best results included:

- PNRC003: 44m @ 2.7 g/t Au from 0m
- PNRC008: 54m @ 3.9 g/t Au from 25m including 17m @ 7.4 g/t Au from 38m
- PNRC009: 24m @ 2.4 g/t Au from 171m
- PNRC011: 65m @ 3.1 g/t Au from 62m Including: 7m @ 9.1 g/t Au from 87m

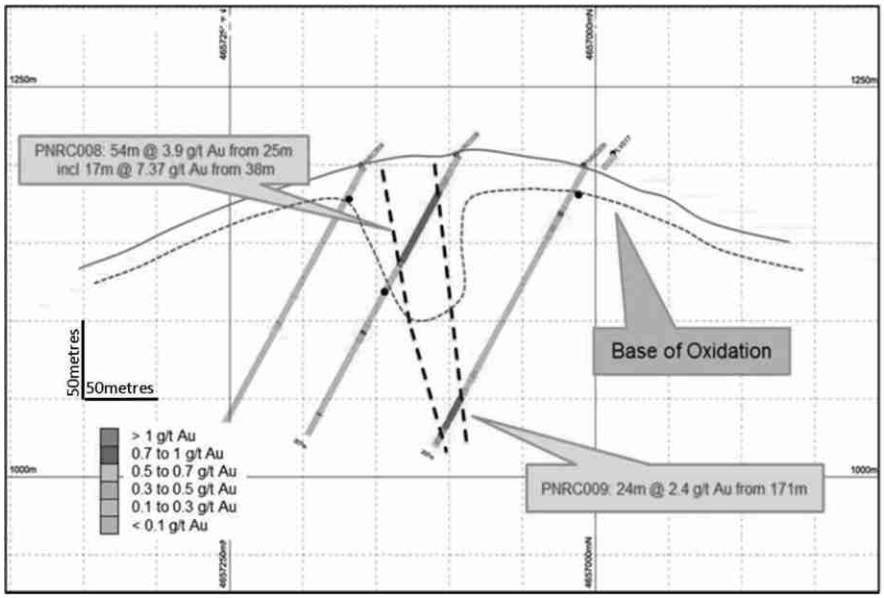
The above results were reported to the ASX on May 14 2013 with locations shown in Figure 20. The zone containing PNRC008 and 009 is shown in Section 597,050E as Figure 21.

Figure 20 Location of Drill Collars, July 2012 - June 2013, Plavica Gold-Copper-Silver Project. UTM WGS84



(Source: Genesis, 2013)

Figure 21 Section 597,050E UTM WGS84. July 2012 - June 2013, Plavica Gold-Copper-Silver Project



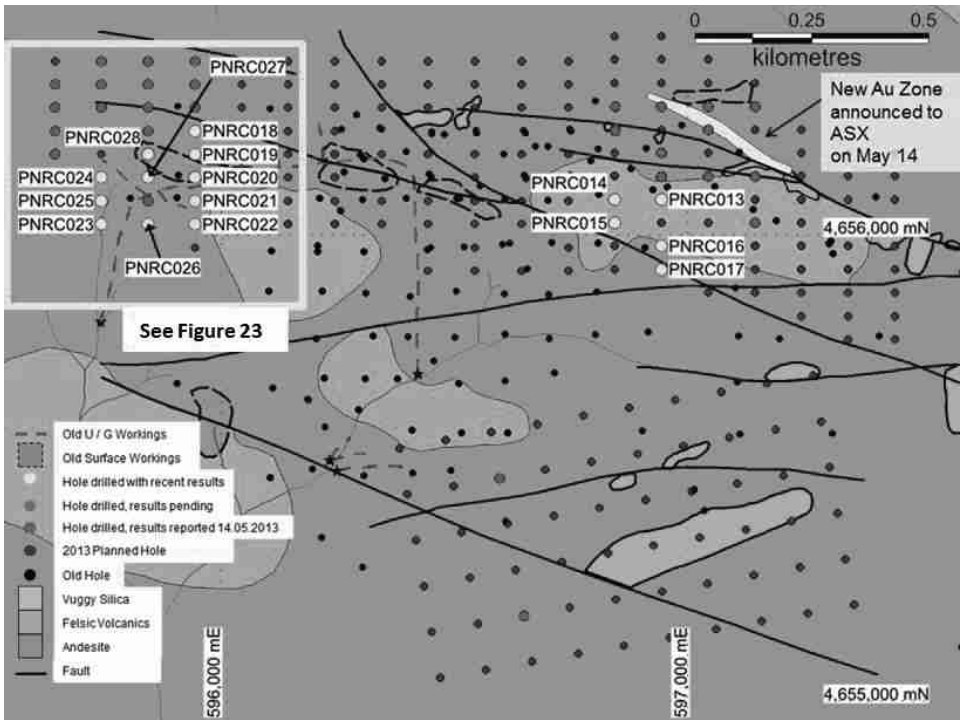
(Source: Genesis, 2013)

In addition, a number of holes were drilled on the western end of Plavica where previous drilling was sparse, returning encouraging mineralisation, with a number of intercepts also high in silver and base metals. The results were reported to the ASX on 12 June 2013. Highlights included:

- PNRC022: 9m @ 3.5 g/t Au, 313.8 g/t Ag, 1.42% Cu, 0.2% Zn from 204m
- PNRC026: 17m @ 1.5 g/t Au, 9.1 g/t Ag, 0.21% Cu, 0.8% Pb, 0.4% Zn from 143m and 18m @ 1.3 g/t Au, 37.6 g/t Ag, 0.60% Cu, 2.7% Pb, 0.2% Zn from 178m
- PNRC027: 32m @ 0.6 g/t Au, 83.8 g/t Ag, 0.1% Cu, 2.2% Pb, from 40m

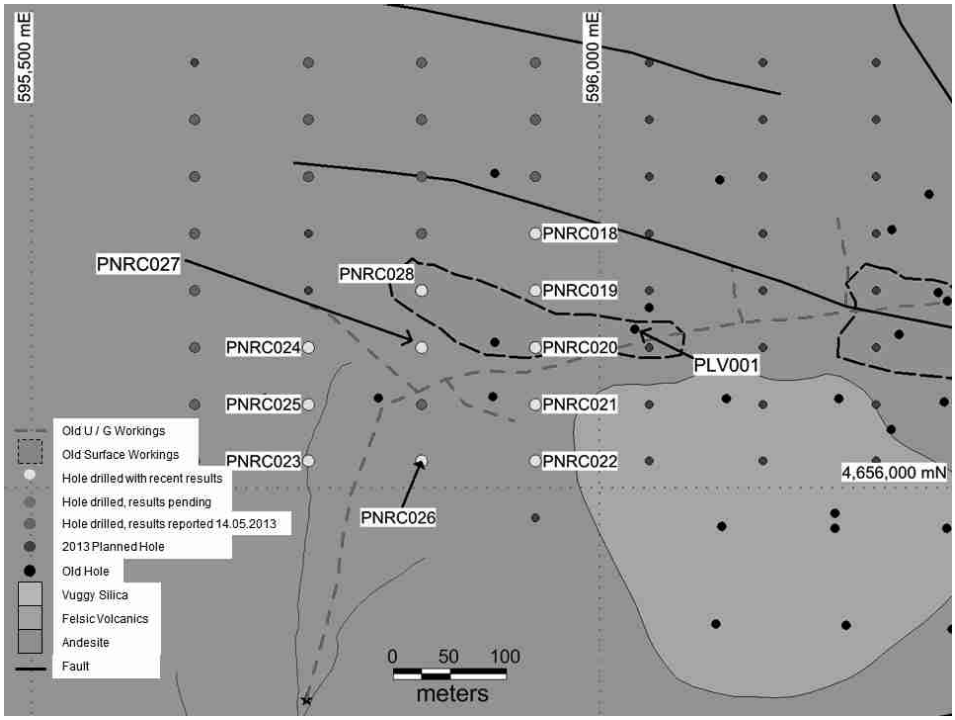
The encouraging intersections in PNRC026 and 027 are 200m west of Rio Tinto drill hole PLV001 (Figure 22) which intersected 29m @ 0.41g/t Au and 137 g/t Ag from 19m. There are also a number of underground workings in this area where enargite veins were mined by British company Selection Trust in the 1930's. Further drilling has been proposed to determine the ore geometries in this area (Figure 26).

Figure 22 Plavica Drill Hole Location Map (UTM WGS84)



(Source: Genesis, 2013)

Figure 23 Plavica Western Area Drill Hole Location Map (UTM WGS84)



(Source: Genesis, 2013)

On 4 October 2013, Genesis announced to the ASX that it had received further assays from the RC and diamond drill program (refer to Appendix 1 for detailed results) leading to a greater understanding of the geology and the controls on mineralisation at the prospect. Highlights included:

- PNDD003A: 21m @ 1.82g/t Au from 124m
- PNDD004: 46m @ 0.97g/t Au from 0m and 31m @ 1.58 g/t Au from 50m
- PNDD013: 15m @ 1.17g/t Au, 23.2g/t Ag, 0.32% Cu, 1.18% Pb, from 37m and 38m @ 1.02g/t Au, 1.9g/t Ag, 0.44% Cu, 0.30% Zn, from 80m and 18m @ 1.71g/t Au, 13.8g/t Ag, 0.46% Cu, 0.25% Pb, 0.46% Zn from 210m

In addition, the first scout RC Hole from Maričanski Rid, a silica cap located 800m to the South of Plavica, returned the following:

- PNRC068: 46m @ 1.59g/t Au, 4.8g/t Ag from 29m

The mineralisation intersected in PNRC068 was all within an oxidised vuggy silica cap, with the hole collapsing at a depth of 98m. This hole is located close to the only other hole drilled into the silica cap, hole PLV4 (101m @ 0.70g/t Au, uncut, from 0m) drilled by Rio Tinto in 1998.

Drilling was suspended towards the end of the 2013 Quarter due to the onset of snow and sub-zero temperatures. All remaining assays from the 2013 drilling campaign were reported to the ASX in the 2014 January - March Quarterly Activities Report, with the Plavica Ridge area now being drilled out to an approximate 100m (E-W) x 50m (N-S) spacing. Highlights included:

- PNDD036:72m @ 1.47g/t Au from 34m
- PNRC075:47m @1.29% Cu, 0.29g/t Au from 101m

Results to the west of the main zone included:

- PNRC055: 54m @ 3.51g/t Au, 10.8g/t Ag,2.79% Cu, 1.08% Zn from 54m (including: 12m @ 12.41g/t Au, 21.8g/t Ag, 3.78% Cu, 1.28% Pb and 1.73% Zn from 107m
- PNRC057: 39m @ 2.78g/t Au, 34.1g/t Ag, 0.48% Cu and 1.72% Pb from 24m

Results to the east of this main zone included:

- PNDD043: 34m @ 2.00g/t Au, 8.0g/t Ag and 0.29% Cu from 111m

Drilling beneath the main zone of mineralisation at Plavica was unsuccessful as it appears the feeder zone has been faulted off. The western and eastern extents / pods of mineralisation, mentioned above, remain open at depth and along strike with more drilling scheduled here in 2014.

Results for two more core holes at Maričanski Rid, included:

- MRDD004: 17m @ 1.05g/t Au and 15.1g/t Ag from 204m
- MRDD005: 11m @ 1.29% Cu , 0.71g/t Au and 146.2g/t Ag from 259m

MRDD005 was drilled away from the main ridge and further drilling is required here to understand the geology and controls on mineralisation. Further drilling is scheduled at Maričanski Rid, in the last quarter of 2014.

Figure 24 shows the gold gram-metres in drilling (gold grade x thickness) at Plavica for the assays received up to November 2013. Figure 25 shows the same plot with all the recently received assay results showing the increased grades and continuity the recent phases of drilling have delineated.

Figure 24 Gold gram-metres in drilling – November 2013. (Source: Genesis, 2014)

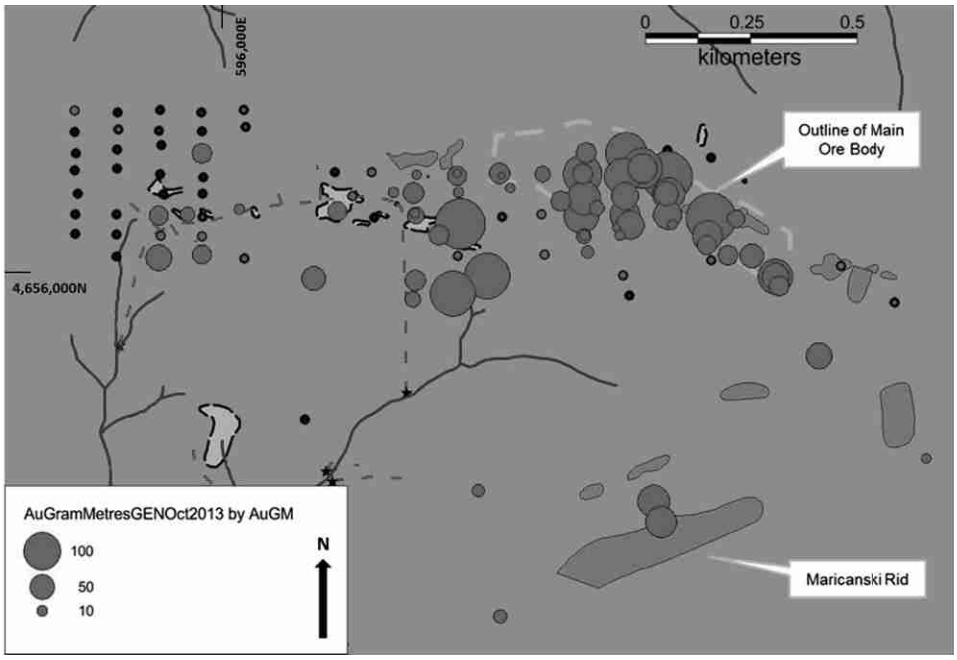
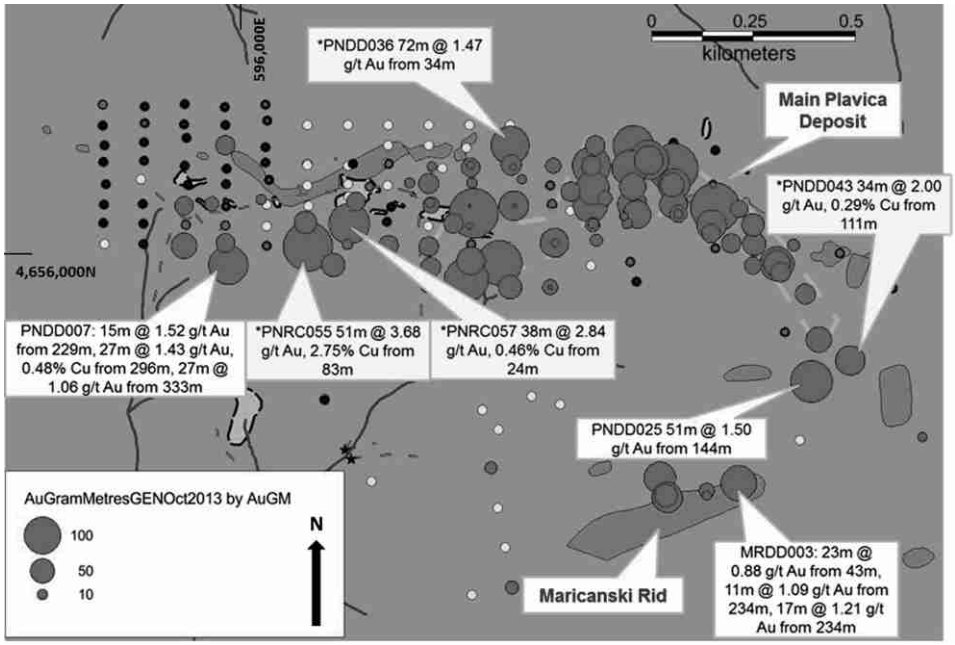


Figure 25 Gold gram-metres in drilling – all recent results. (Source: Genesis, 2014)



No drilling has been carried out to date in 2014 however continued geological mapping around the main Plavica ore zones is ongoing. A new zone of mineralisation exhibiting vuggy silica and limonite after sulphides was discovered approximately 700m northeast of the main pod of mineralisation at Plavica (Figure 26). This zone of fifteen rock chip samples returned grades up to 9.66g/t Au, as seen in Figure 27. This zone is scheduled to be drill tested once extensional drilling resumes at Plavica.

Figure 26 Location of new mineralised zone, Plavica Gold-Copper-Silver Project (Source: Genesis, 2014)

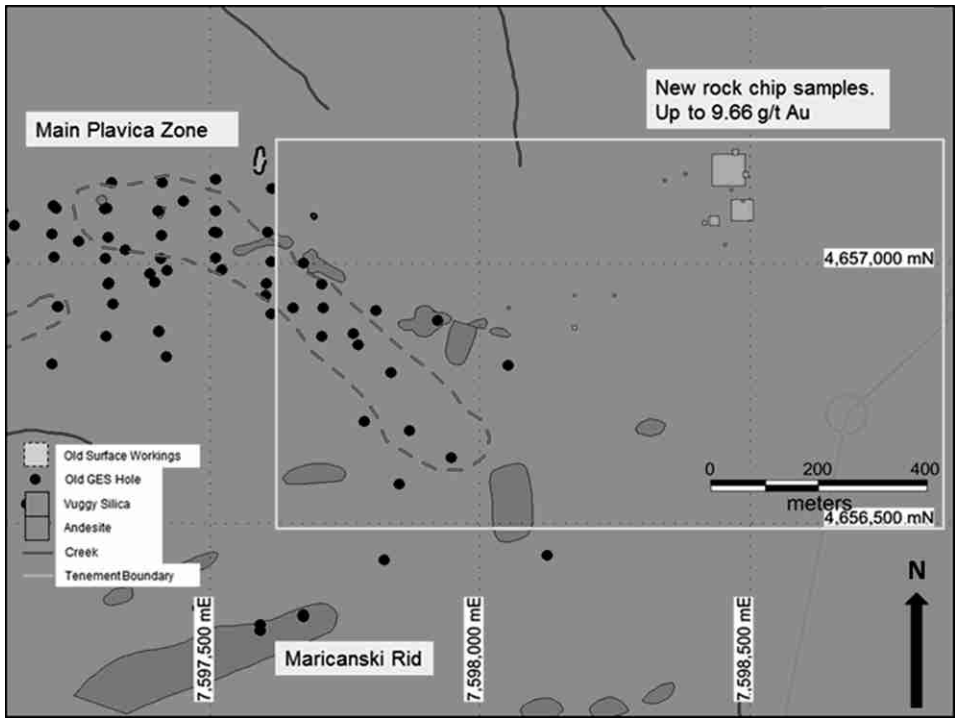
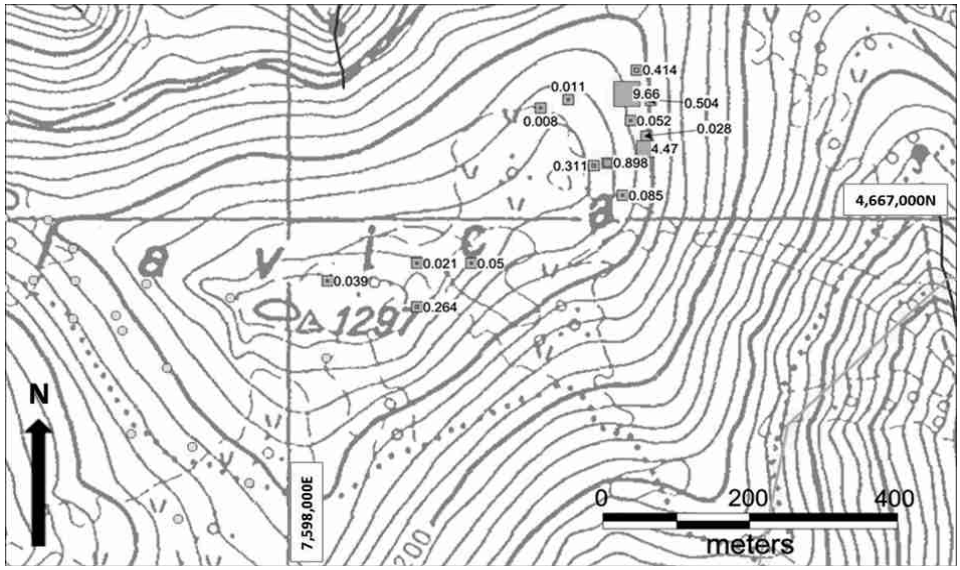


Figure 27 Location of new mineralised zone, enlargement of inset above with assay results (Source: Genesis, 2014)



6.1.4 Exploration Potential

At the Plavica deposit, the drilling completed by the Yugoslav government (100m x 100m drill spacing), was all vertical drilling (with the exception of one hole) and not optimal for intersecting the near vertical mineralised vuggy silica zones. This has now been rectified with recent drilling programs that have identified these near vertical zones more adequately allowing them to be modelled as separate mineralisation domains. While these structures may be considered small due to their restricted dimensions, the high grades contained within can contribute significantly to mineral resource estimates and subsequent project economics. The tighter drill spacing carried out will also provide greater confidence in the forthcoming resource estimation process.

Although drill testing of the main Plavica deposit at depth was unsuccessful as it appears the feeder structure has been faulted off, potential exists at the western and eastern extents which remain open at depth and along strike.

An additional two drill holes have been added to the three existing holes at Maričanski Ridge to the south of Plavica, where vuggy silica outcrops associated with anomalous >1ppm Au rock chips occur. Encouraging Au, Cu and Ag mineralisation was returned from recent drilling (section 6.1.3), with further planned worked justified.

The potential to find additional mineralisation exists immediately surrounding the Plavica resource area. The exploration objective at the time of the Yugoslav government activity was to focus on a small area to develop a resource and then expand exploration around the resource area. Although some areas appeared to be extensively drilled, it was at a time when the gold price was low and the Yugoslav government drilling at the time was not routinely assaying for gold, as the focus was primarily on copper.

Genesis' recent drill programs and routine multi-element assaying has improved the understanding and continuity of such areas. The recent discovery of mineralisation 700m northeast of Plavica (Figure 26 and Figure 27) also highlights this potential.

Outside of the main Plavica prospect / tenement, outcropping silicified structures trending northeast-southwest exist at a number of locations with associated pyritisation and alteration. These areas have undergone geochemical and geophysical surveys, with either only a few drill holes, or none at all, completed by historical explorers.

Reconnaissance mapping and geochemical sampling followed by sixteen shallow scout core holes for a total of 1,457.8m were drilled on the regional tenements of Plesenci, Zarapinci, Stroimanci, Barbarevo, Borovik and Probistip around Plavica in 2013.

Results from these regional tenements returned a number of interesting alteration zones which were characterised by high arsenic and sulphur assays. Collar details are shown in Appendix 1 and spatially below in Figure 28, however results were mostly disappointing. The best result was 1m @ 1.85% Cu from 81m within a broad low grade gold zone of 25m @ 0.1 g/t Au from 62m in PSDD002 (Figure 28 and Figure 29) at Plesenci, showing abundant silica – clay – limonite alteration. Recent field visits have discovered silica ledges and the presence of native sulphur along major creeks (Figure 29).

Further work is planned at some of these regional prospects, including geophysics, after applications to extend these tenements are approved.

Figure 28 Tenements overlying RTP Magnetics showing location of Plesenci PSDD002 with other Regional Drill Collars, drilled in late 2013 (Source: Genesis, 2014)

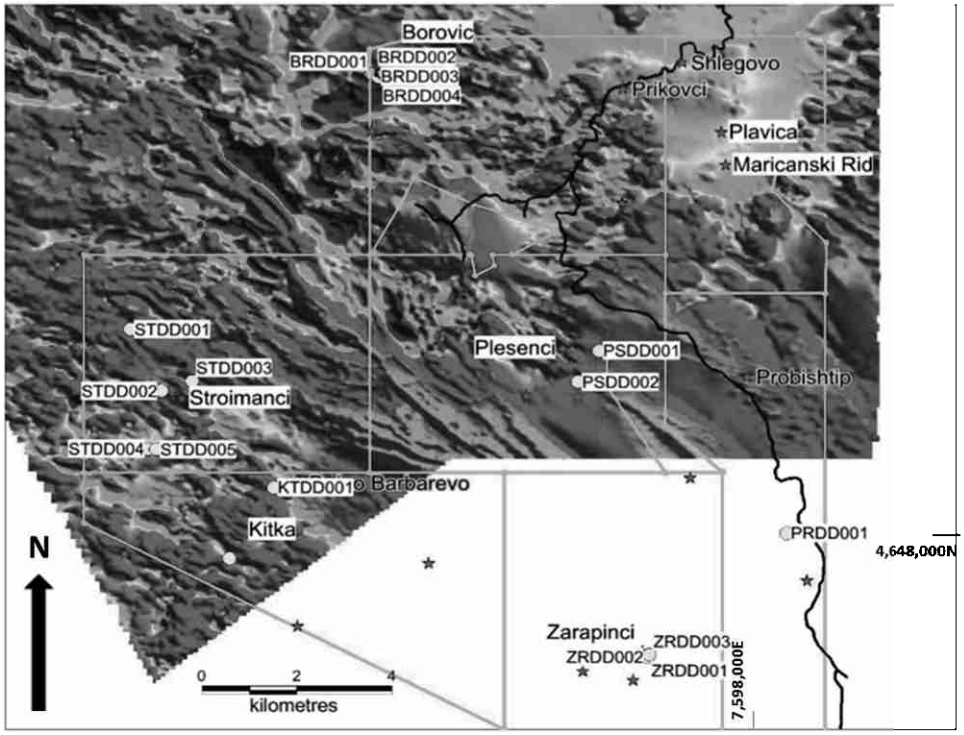


Figure 29 Best result of 1m @ 1.85% Cu, from 81m in PSDD002 and site of native sulphur and silica ledges at Plesenci (Source: Genesis, 2014)



6.1.5 Constraints to Further Exploration Success

Ravensgate can see no immediate constraints to further exploration success and emphasises the importance in future work, to account for potential intermittent, steeply dipping, high-grade mineralised structures in adjacent areas to Plavica.

6.2 Australian Projects

6.2.1 Exploration Overview

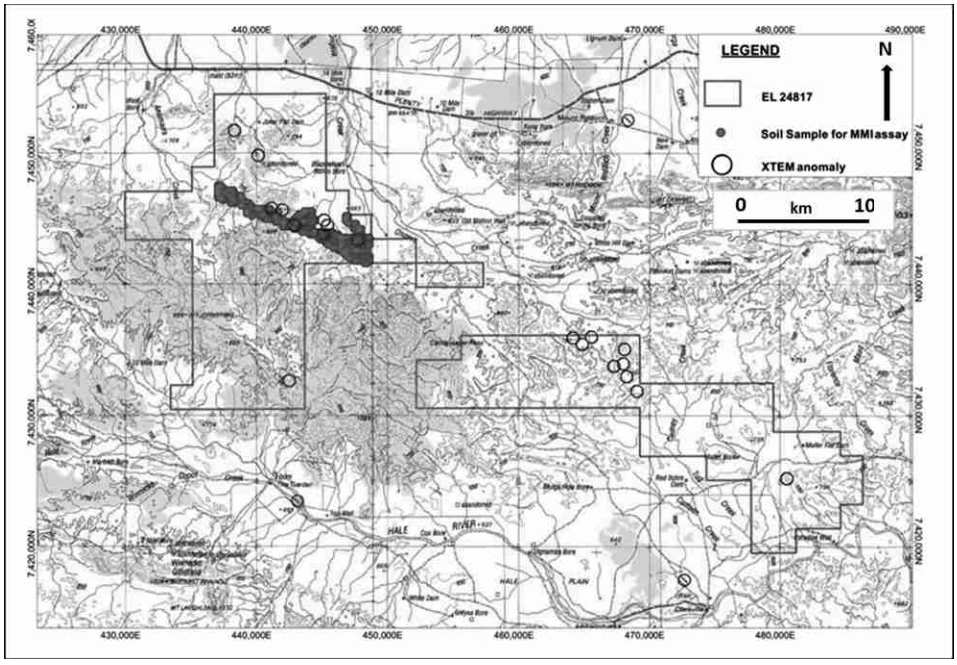
6.2.1.1 Northern Territory

Alice Springs Project

Genesis became involved with the project in 2007 with initial work focussing on collating and reviewing all available exploration and geophysical data; and identifying target areas for further follow up. Reconnaissance field mapping and rock chip sampling began in 2010. Rock chip sampling completed by previous explorers returned a number high grade copper values over a number of areas, with up to 30% Cu. This copper-gold mineralisation appears to be structurally controlled and associated largely with the Cadney Fault Zone and other northwest striking structures.

A Helicopter EM survey was commissioned in 2010 covering the western part of the licence (Camp Hill) and part of the eastern part of the Licence (Magnetite Hill). From this survey a number of high priority targets prospective for copper-gold (Camp Hill area) and iron-base metal mineralisation (Magnetite Hill area) were identified. These were followed up in 2011 with further reconnaissance rock chip sampling, small ground magnetic surveys and broad spaced regional soil sampling programs. A total of 351 samples were collected at a staggered grid interval of 200 x 200m, the location of which is shown in Figure 30.

Figure 30 Location 2011 of soil samples and XTEM anomalies at the Alice Springs Project





From this program it was concluded that there was good potential to identify potentially economic copper-gold mineralisation particularly, around the Cadney Fault zone and that further more systematic intensive exploration is warranted (i.e., detailed soil surveying, ground geophysical techniques and drill testing). From the iron mineralisation targets that were visited in the Magnetite Hill area, maximum rock chip assays of 63% Fe, 2.1% Cu, 0.05g/t Au and 552ppm Co were returned and at Triple Hill assays of up to 70% Fe were returned. In the eastern part of the licence the ground truthing of potential anomalies associated with iron and base metal mineralisation was hindering by difficult access. Therefore, this potential needs to be further evaluated. No exploration activities were carried out during the 2013 – 2014 reporting period.

McArthur River Project

No exploration activities were performed during the 2009 reporting period. In 2010, a VTEM survey was undertaken. The survey was flown on north-south lines on 100m spacings. The results of the VTEM survey confirmed the presence of known manganese mineralisation at Masterton No.2, defined possible structural controls on mineralisation as well as nine exploration targets.

In 2011, the targets identified from the VTEM Survey were inspected with only minor isolated manganese outcrops found at the targets. Genesis Resources located drilling collars during the site visit and traced the drilling results to Goulevitch, 1990. The drilling indicated that the manganese outcrops at Masterton No.2 are superficial, and are thus probably due to supergene processes.

A total of 63 samples were collected in the Masterton No.2 area. Samples were also collected in the vicinity of the Thor Prospect, and in the east of the tenement.

A gravity survey was undertaken by Haines Surveys over the Masterton No.2 area and the Thor Prospect to test for signs of buried Mn mineralisation, however geophysical interpretation of the data has yet to be carried out.

No work was carried out during the 2012 – 2013 or 2013 – 2014 reporting periods, due to financial constraints.

Fenn Gap Project

The majority of exploration work on the licence has been completed since 2008 when systematic sampling and mapping of the Fenn Gap project was undertaken to follow up on earlier identified dolomite hosted manganese mineralisation. Reconnaissance mapping identified a 10km corridor of outcropping moderate Fe grade goethite and manganese mineralisation within which several prospects were identified. This work was followed up with a detailed ground gravity survey and modelling of the gravity data to assist in identifying drill targets. A 1,000m RC drilling program was completed in 2010 testing the most prospective anomalies however no iron or manganese mineralisation of significance was identified at depth. Geophysical anomalies appeared to be related to iron rich lithologies which were not of economically significant grade.

No work was carried out during the 2012 – 13 reporting period, due to financial constraints, with work in the 2013 – 2014 reporting period restricted to a review of previous work, a brief site visit and subsequent planning for fieldwork in the second half of 2014.

Arltunga Project

Genesis Resources became involved with the project in 2007 with initial work focussing on collating and reviewing all available exploration and geophysical data and identifying target areas for further follow up. Reconnaissance field mapping and rock chip sampling followed which was largely focussed on sampling around the known veins and workings. These programs returned a number of high grade assays.

To aid in targeting, a Gradient Array Induced Polarisation (GAIP) survey was completed over two of the more prospective areas. This identified a number of prospective target areas that



were followed up with ground truthing programs which identified several new areas of gold anomalism including a 500m long schist-hosted shear zone with gold up to 29.2g/t Au. Further work is warranted to follow up on this work.

In addition, detailed literature research using the original documents clarified the location of the gold-rich (132g/t Au) massive sulphide reported by Matthews in 1905 at the Wheal Fortune Mine. The sulphide did not appear to have been detected by the IP survey as it occurred on the western flank of a GAIP chargeability anomaly. It is possible that other massive sulphide occurrences may remain undetected on the flanks and at high concentrations of disseminated pyrite at GAIP anomalies. Thus, the electromagnetic ground geophysical method Controlled Source Audio Magneto Telluric (CSAMT), which is more suited to the detection of massive sulphide, was deployed to provide profiles for drill hole planning. The profiles include the peaks and flanks of the best GAIP anomalies.

6.2.1.2 Queensland Projects

Gladstone / Mount Miller Project

In 2009, the independent consulting firm, Odessa Resources, were retained to complete a 3D model over the Mount Miller Mine. A mineralisation target was estimated at 35,000t to 206,000t with an average grade of 35 – 50% Mn, with the mineralisation open at depth. This work was subsequently reviewed by Golder in 2011 and is referred to in section 9.2. Ravensgate cautions the reader that the potential quantity and grade or quality of an exploration target is conceptual in nature and shows there has been insufficient exploration and work to define a mineral resource. Also, it is uncertain if further exploration and associated resource development work will result in the determination of a mineral resource.

A drilling program of six diamond holes for a total of 640.9m was undertaken. Ravensgate understands that these holes were not sited correctly and did not intersect the drilling targets.

A VTEM survey was completed in December 2010. Genesis concluded that the VTEM survey did not prove to be an effective method by which to explore for additional manganese however some targets were defined which may be of interest for other economic mineralisation (Bachmann, 2012).

In 2011, a preliminary assessment of the Mount Miller mine was carried out by Golder Associates on historic data and the estimated exploration target. Initial conclusions indicated that an open cut mine would be profitable with further options to consider underground mining. An initial diamond drilling program consisting of five drill holes was planned to define the manganese ore tonnage (Genesis, 2011), but was not carried out.

No work was carried out during the 2012 – 2013 reporting period.

In 2014, work was restricted to a brief site visit and reconnaissance of the Mt Miller mine to determine access and locate previous drill collars. A review of data is currently being undertaken to confirm if more drilling is necessary and if other prospect areas on the tenement require drill testing during Q3 or Q4 2014.

Pioneer Project

From 2009 – 2010, Genesis contracted Resource Potentials to review available government and open file geophysical and geological datasets. It was concluded that the Pioneer Reef was the highest priority target for future exploration. An IP survey was undertaken with the aim of delineating sulphide-rich zones. This resulted in 12 anomalies which were all associated with known gold workings.

From the 2011 field work program, at the Main Shaft area, it was noted that slightly magnetic pyrrhotite and magnetite occur in samples from the Pioneer Reef. Two samples of altered graintoid were sent for analysis at Pontifex & Associates Pty Ltd (Pontifex) to determine the association between gold, magnetite, pyrite, pyrrhotite and arsenopyrite. Pontifex reported that gold was not found when viewed in polished section by reflected light microscopy, but may be within pyrite or arsenopyrite. The assay also had 4.185ppm Te, allowing some gold as telluride.



No work was carried out during the 2012 – 13 reporting period.

In the 2013 – 2014 reporting period, no work was carried out apart from a brief site visit in May 2014 to meet landowners and attempt to locate drill collars from the 1970 Queensland Department of Mines diamond drilling program. A review of all available data is underway to determine if the 1970 drilling program adequately tested all targets.

Laura River Project

There has not been any on ground exploration at the Laura River Project from 2008 through to 2014. Desktop studies have been carried out with changing priorities within the company leading to this property being listed for joint venture.

6.2.2 Exploration Methods

The main exploration methods that have been employed by Genesis over each of the project areas are as follows:

Alice Springs Project

Reconnaissance field mapping, rock chip sampling, aeromagnetic and ground magnetic surveys, helicopter-electromagnetic survey, regional soil sampling and geochemical analysis (TL8/OMA93 (ionic/partial leach) analytical method).

McArthur River Project

Rock chip sampling, Versatile Time Domain Electromagnetic (VTEM) survey, gravity survey and geochemical analysis.

Fenn Gap Project

Reconnaissance field mapping, rock chip sampling, ground gravity survey, RC drilling and geochemical analysis.

Arltunga Project

Reconnaissance field mapping, rock chip sampling, Gradient Array Induced Polarisation (IP) survey, Controlled Source Audio Magneto Telluric (CSAMT) survey and geochemical analysis.

Gladstone – Mount Miller Project

Reconnaissance field mapping, VTEM Survey, diamond drilling and geochemical analysis.

Pioneer Project

Reconnaissance field mapping, rock chip sampling, IP survey, petrographic and polished section analysis and geochemical analysis.

Laura River Project

There has not been any on ground exploration carried by Genesis at the project.

Geochemical analyses were carried out at accredited Australian laboratories.

6.2.3 Exploration Results

6.2.3.1 Northern Territory

Alice Springs Project

Results from the November 2011 partial leach soil sampling survey, consisting of 351 samples, collected at a staggered grid interval of 200 x 200m, are as follows.

Interpretation of the partial leach analytical results generated a significant multi-element footprint along the Cadney Fault. These included Ag up to 32.5ppb, Au up to 1.25ppb, Co up to 985ppb, Cu up to 9.6ppm, U up to 2972.6ppb and Zn up to 3164ppb.

The strong association of Cu and Au and sometimes Ag (which was noted in rock chip samples by Gregory, 2002 and Bogie, 2003) was not expressed in the assay results of the soil samples.

The results, however, confirmed the rock chip anomaly reported by Gregory (2002) and Bogie (2003) at Corner Post Hill which contained discrete strongly mineralised Cu lenses in sheared felsic gneisses over 60m x 15m along the Cadney Fault (Cu up to 11.1%, Au up to 0.489 ppm).

Corbett, 2002, suggested that the mineralisation was introduced along the Cadney Fault during deformation and that drilling was necessary to ascertain the continuity and nature of the mineralisation at depth and along strike.

Scattered, spotty, anomalies of Co occurred usually with a strong association to Cu anomalies. Three samples 1.5km west of Corner Post Hill, samples G00424 (440900E & 7445000N), G00430 (440450E & 7445200N) and G00413 (441100E & 7445000N) returned U assay results of 2,973ppb, 1,222ppb and 1,051ppb respectively.

The overall assay results of this survey, warrant infill soil sampling of semi-regional and detailed scale to generate drill target.

McArthur River Project

A VTEM Survey was carried out by Geotech Airborne Pty Ltd on the 22nd June 2010. The VTEM data highlighted zones of potential manganese mineralisation which were visited in June 2011. A gravity survey was complete by Haines Surveys in August and September 2011, to find any buried manganese deposits in the vicinity of the Masterton occurrences.

Fenn Gap Project

Genesis completed a 13 hole RC drill program over the granted Exploration Licence between 14 and 29 June 2010, testing the outcropping iron-manganese and gravity models. However no iron or manganese mineralisation of significance was identified at depth. Geophysical anomalies appeared to be related to iron rich lithologies which were not of economically significant grade.

6.2.4 Exploration Potential

Alice Springs Project

The Alice Springs project has had relatively little modern exploration until recent times, primarily due to its location and that the perception that the Arunta blocks higher metamorphic grade rocks are less favourable for the deposition of economic gold and copper mineralisation. However, Genesis and previous workers have identified a substantial corridor of shear zone hosted copper-gold mineralisation with grades locally up to 30% Cu and 2.5g/t Au along the Cadney Fault Zone, as well as other sub-parallel northeast striking structures and in the Camp Hill Area. It is Ravensgate's opinion that this project warrants further systematic evaluation of this mineralised corridor.

There is potential for iron and base metal mineralisation on the eastern parts of the licence around the Magnetite Hill and Triple Hill areas. Airborne-EM work has identified a number of targets requiring further systematic exploration and evaluation.

A large pegmatite dyke swarm occurs in the northwest of the project area which is noted to contain anomalous REE concentrations. In addition, previous workers have identified areas anomalous in U in the southeast of the project area. Both of these areas warrant further exploration. Further reconnaissance work is planned for Q3 2014 with the aim of defining targets for Reverse Circulation drilling in Q4 2014.

McArthur River Project

Outcropping high grade manganese mineralisation has been identified in several prospective areas, most notably at the Masterton No.2 Prospect. However, drilling results at that prospect have been disappointing suggesting that mineralisation is superficial and does not extend to depth. A small gravity survey has been completed over the surrounding area which may assist identify deeper manganese mineralisation. Anomalies from this survey will need to be followed up.

There does appear to be some potential for base metal mineralisation in the licence area. Gossanous material at the Thor Prospect has returned Zn grades up to 35%. Further work on assessing the base metal potential of the project is warranted.

Geophysical data from the gravity survey carried out in 2011 should be interpreted for signs of buried manganese resources. Follow-up work in the Thor prospect should include surface geochemical sampling and; drilling of geochemical, gravity and previously defined EM geophysical targets is warranted.

Fenn Gap Project

The Fenn Gap project has had relatively little modern exploration until recent times. Genesis have completed a substantial amount of work on the project, however despite the encouraging near surface goethite-manganese mineralisation identified in early programs, deeper drilling has not intersected any significant mineralisation. This downgrades the tonnage potential of the mineralisation as it appears that the earlier results are of a shallow gossan zone. Of note is that further work is warranted to test an alternate hypothesis.

Arltunga Project

The Arltunga project has had relatively little modern exploration until recent times. The project area contains a numerous narrow (<0.5m), short strike length (<50m) high grade Au mineralised quartz veins which have been mined and identified from mapping.

Geological mapping and sampling and ground geophysics have identified several anomalous areas that warrant further follow up. Of note is that mineralisation largely appears to be solely hosted in the narrow quartz veins with little mineralisation in the surrounding country rock. As such, most of these narrow veins, although high-grade are of small tonnage. However there is potential to identify prospective structural zones and host lithologies within the project areas. The high grade nature of the narrow quartz veins suggests a gold mineralisation system of some efficiency and thus there may be potential to identify areas that have more focussed fluid flow and may be more favourable for development of economic mineralisation. Genesis plans further reconnaissance and a full data review during late 2014 with the aim of defining targets for RC drilling in the near future.

6.2.4.1 Queensland Projects

Gladstone / Mount Miller Project

The Mount Miller project is centred on the historically underground mined high grade Mount Miller manganese mine which was mined in the late 1800s until early 1900s, producing 22,000 tonnes at 44 to 47% Mn. Remnant mineralisation remains around the historically mined areas. The deposit is open at depth and there is also potential to identify extensions along strike.

Preliminary scoping studies have identified that mineralisation at Mount Miller can potentially be economically mined based on the Exploration Target of 35,000t to 206,000t with an average grade of 35 – 50% Mn which has been reported for the project by Odessa, 2009 and subsequently reviewed by Golder in 2011 (refer to section 9.2). Identification of strike and down dip extensions would enhance project economics. Drilling is required to define a JORC Code compliant resource on which more accurate assessment of the project economics can be

defined. The project is well situated and close to infrastructure being only 10km from the port of Gladstone.

Several historic Mn shows are noted in the surrounding licence area and there may be some potential for Au mineralisation. A gravity survey may be useful for identifying potential new Mn mineralised lens positions. Genesis is currently reviewing data to confirm if more drilling is necessary and if other prospect areas on the tenement require drill testing in the near future.

Pioneer Project

The Pioneer Project is centred on several historic gold mines that collectively produced around 1,500oz of Au. Gold mineralisation occurs within narrow fissure veins which are locally very high grades (up to 113.2g/t Au) with mineralisation noted over a strike length of 700m at the Pioneer Prospect and 250m at the Gympie Prospect. There appears to have has been very limited amounts of drilling in the project area.

Genesis have completed gradient array IP and pole-dipole IP over the Pioneer vein system and several geochemical sampling programs which has highlighted several anomalous zones for gold mineralisation. The system is under explored and further geophysical and geochemical surveys are warranted to define targets for drill testing. Genesis is currently reviewing all available data with a view to drilling some of the old lodes in the near future.

Laura River Project

The Laura River project area has substantial occurrences of alluvial gold which have been the subject of extensive evaluation in the 1980s. Given the recent historically high gold prices it would be worth revisiting the economic potential of the alluvial deposits in the project area.

Genesis's main focus within at Laura River has been to identify the hard rock sources of the alluvial gold in the project area which appears to be sourced from orogenic quartz vein mineralisation within the Hodgekinson Formation. Exploration is at a very early stage and further work is warranted to assess this concept, with the project being listed for joint venture.

6.2.5 Constraints to Further Exploration Success

The only constraint that Ravensgate can see in relation to the exploration success of the Australian projects is the lack of funds to effectively explore the properties, as exploration budgets are directed to the progress and development of the Macedonian projects.

7. MINERAL RESOURCES

7.1 Macedonian Projects

A Mineral Resource as defined in the JORC Code 2012 has not been reported for the Plavica project. At present Genesis is undertaking a mineral resource estimation in accordance with the JORC Code 2012 on the Plavica project, however the mineral resource was not completed at the time of writing. From discussions with Genesis' management they are expecting a mineral resource of Inferred category to be estimated.

7.2 Australian Projects

A Mineral Resource as defined in the JORC Code 2012 has not been reported on any of the Australian projects.

8. MINERAL PROCESSING AND METALLURGICAL TESTING

8.1 Macedonian Projects

8.1.1 Metallurgical Test work

During 2011, Genesis undertook geological logging of certain historic drill core and bulk sampled selected sections for metallurgical test work to better constrain the geological model and potential for beneficiation. Based on initial metallurgical test work, it has been demonstrated that gold and copper can be successfully recovered for both the oxide (gold) and sulphide material types (gold and copper) using standard and accepted processing techniques:

- Recovery of gold from direct leaching of oxide material over 14 days reached 95.4% and 97.9% on -12.5mm and -3.35mm fractions respectively; and
- Sulphide material can be upgraded by froth flotation followed by leaching of flotation tailings, providing overall recovery of 83.5% gold and 97.1% copper.

These initial results suggest that the most effective processing route with which to treat the oxide mineralisation will be by direct leaching. Gold recovery levels achieved at the coarser particle sizes were also higher than that achieved at the fine size, albeit after a longer leach time, suggesting that this mineralisation could potentially be successfully treated using a coarse ore leach methodology such as conventional heap leaching.

8.2 Australian Projects

Due to the early stage nature of the projects there have been no metallurgical studies carried out on the Australian project.

9. MINING STUDIES AND FINANCIAL MODELLING

9.1 Macedonian Projects - Plavica

Golder Associates Pty Ltd (Golder) were commissioned by Genesis in 2012 to undertake a number of reviews and studies to evaluate the economic viability of the Plavica project. Golder reviewed the following elements:

- Geological study;
- Mining engineering evaluation;
- Tailings dam study; and
- Financial modelling.

It was during this review process that Golder downgraded the Plavica Mineral Resources as reported on the 30 May 2012 to an Exploration Target as reported on the 25 May 2013 and described in Section 4.1.2.

Golder undertook financial modelling of the Exploration Target based on the geological data provided by Genesis, and reached a number of findings with respect to financial model outcomes. The financial modelling was based on a scoping level mine planning study. This study is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the study will be realised.

Ravensgate believes that the financial modelling carried out by Golder provides a guide as to the potential economics of a sulphide flotation operation, though Ravensgate cautions readers that the financial information in Golder's study was based on a number of assumptions (including exploration targets and production targets) which were made in circumstances where Genesis has not yet identified Mineral Resources in accordance with the JORC Code with respect to the Plavica Project.

The potential quantity and grade of gold, silver and copper reported in the Plavica Exploration Target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource. Accordingly, it cannot be guaranteed that further exploration will result in sufficient resources being identified to meet the assumptions used in Golder's assessment.

Ravensgate notes that in the absence of a JORC Code compliant Mineral Resource for the Plavica project, reliance should not be placed on the accuracy or otherwise of the financial modelling for the viability of the project until further work is undertaken and on this basis has not shown the results of this study as per the JORC Code 2012 guidelines.

9.2 Australian Projects – Gladstone – Mount Miller

Golder Associates Pty Ltd (Golder) were commissioned by Genesis in 2011 to undertake a preliminary assessment of the Gladstone-Mt Miller manganese project.

Golder made the following observations upon assessing the data:

- There is insufficient consistent data to comment accurately on mining potential.
- There is insufficient appropriate drilling information to assess potential depth or strike extensions.
- Grade information available on the potential ore zone is from historically mined ore and mining faces.
- Geophysical surveys suggest there may be potential along strike but cannot confirm potential at depth.
- The historic presence of mineable grade ore and the unknown potential for extensions of mineralisation at depth and along strike suggest this area is a potential target for further drilling to explore potential extensions.

Golder undertook financial modelling of the Mt Miller Exploration Target (See Sections 6.2.1 and 6.2.4) based on the geological data provided by Genesis, and reached a number of findings

with respect to financial model outcomes. The financial modelling was based on a preliminary desktop level mine planning study. This study is based on very low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the study will be realised.

Ravensgate believes that the financial modelling carried out by Golder provides a guide as to the potential economics of an open pit or underground manganese mining operation, though Ravensgate cautions readers that the financial information in Golder's study was based on a number of assumptions (including exploration targets and production targets) which were made in circumstances where Genesis has not yet identified Mineral Resources in accordance with the JORC Code with respect to the Mt Miller Project.

The potential quantity and grade of the manganese reported in the Mt Miller Exploration Target is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource, and that it is uncertain if further exploration will result in the determination of a Mineral Resource. Accordingly, it cannot be guaranteed that further exploration will result in sufficient resources being identified to meet the assumptions used in Golder's assessment.

Ravensgate notes that in the absence of a JORC Code compliant Mineral Resource for the Mt Miller project, reliance should not be placed on the accuracy or otherwise of the financial modelling for the viability of the project until further work is undertaken and on this basis has not shown the results of this study as per the JORC Code 2012 guidelines.



10. RISK ASSESSMENT

Ravensgate has assessed the key business risks identified by Genesis in their recent Annual Report to Shareholders, dated 30 June 2014 and released on the 23 September 2014 and provided comment. A number of specific risks that may impact the business strategies, future performance and financial position of Genesis and its controlled entities were outlined as:

a. **Plavica Project interest and recently expired tenements:** The recently formed JV company has submitted an application for a 30 year exploitation licence. Whilst there is a risk this may not be granted, there is no reason to believe that the application will not be successful. Given that Genesis has been operating at Plavica since 2011 and has met all the required criteria and statutory obligations to date, Ravensgate can see no reason why the licence would not be granted. Genesis is currently reviewing the mapping over six recently expired tenements (although having the option to renew them for a maximum of two years) around Plavica to determine the best areas over which to re-submit applications for new exploration concession licences. There is no guarantee that these applications will be successful. However, if the applications are successful, the JV Company will benefit from recent changes to Macedonian law which entitles holders of newly granted concession licences to conduct exploration over a period of up to six years.

b. **Additional requirements for capital / going concern:** Assuming the 30 year exploitation licence is granted to the JV Company, Genesis will need to obtain further funding to meet its obligations under its JV agreement with Sileks to undertake infill and extensional drilling and to complete a feasibility study. Genesis has set a timeframe of 2.5 years, from the grant date of the exploitation licence, to complete this work and has committed US$7.5 million for such activities. In order to secure the performance of these obligations, Genesis has granted a security interest over its shares in the JV Company in favour of Sileks. This security interest will only be discharged when Genesis completes and pays for the proposed infill and extensional drilling and feasibility study. If Genesis is unable to meet these obligations through lack of finance, Sileks may exercise its right to obtain a transfer of Genesis' shares in the JV Company to Sileks. Therefore, in the event that this was to occur, Genesis would lose its interest in the Plavica tenement and the exploitation licence over it. Further capital would also be required to further explore the Australian projects and repay debts. Whilst the current climate for capital raising is challenging, Genesis has previously been successful in raising both equity and debt capital to fund its activities, with Genesis Directors confident in the ability to raise funds as and when the need arises. Ravensgate confirms this successful record and notes that Genesis recently (19 September 2014) announced that it had raised A$1,243,219 pursuant to its completion of a placement of 24,864,384 ordinary shares to a sophisticated, unrelated investor.

c. **Title risks and Native Title:** Genesis' key project is Plavica, interests in tenements in Macedonia are governed by legislation and are evidenced by the granting of concession licences. Genesis' Australian projects are primarily governed by State-based legislation and are evidenced by the granting of exploration licences. Each exploration licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Genesis may lose title to its interest in tenements if licence conditions are not met or if sufficient funds are not available to meet expenditure commitments. It is also possible that, in relation to tenements which Genesis has an interest in or will in the future acquire such an interest, there may be areas over which legitimate Native Title rights exist. If Native Title rights do exist, the ability of Genesis to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be adversely affected. Ravensgate considers this risk as standard to that of the vast majority of resources companies operating in Australia and overseas.

d. **Sovereign Risk:** Genesis is subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in that country. Other potential issues



contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and government control over mineral properties should also be considered. Potential risk to Genesis' activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of Genesis' interests in Macedonia. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes. Ravensgate refers the reader to sections 3.1.9, 3.2.9 and 12.4, with regard to sovereign risk.

e. **Joint Ventures:** The Plavica Project is being developed through a joint venture (JV) relationship. In addition, Genesis may wish to develop its other projects or its future projects through JV arrangements. Any JV's entered into by, or interests in JV's assigned to, Genesis could be affected by the failure or default of any of the JV participants (including Genesis). Ravensgate considers this risk as low due to the Genesis' JV activities to date and also the commonplace practice of doing business through JV's, throughout the resources industry.

f. **Resource and Reserve estimates:** There is a risk that the future mineral resources and ore reserves of Genesis, which are estimated and published on a regular basis by Genesis in accordance with ASX Listing Rules and the JORC Code, are incorrect. If the estimates are martially in excess of the recoverable mineral content of the tenements, the production and financial performance of Genesis would be adversely affected. Ravensgate considers this risk to be the same for all resource companies and reinforces the guidelines of the JORC Code in the preparation of mineral resources and ore reserves by competent practitioners with peer review systems in place; and also recommends the practice of an independent review of resources and reserves to provide additional confidence in the estimations.

g. **Discovery risk:** Any discovery by Genesis may not be commercially viable or recoverable: that is that no resources are defined within the guidelines of the JORC Code may be able to be established and it may be that consequently no reserves can be established. Ravensgate considers this risk as standard to that of any other resource company, but does recommend metallurgical test work as an ongoing activity during drilling campaigns, especially when specific domains with particular mineralisation characteristics are recognised.

h. **Operating risk:** The nature of exploration, mining and mineral processing involves hazards which could result in Genesis incurring uninsured losses and liabilities to third parties, for example arising from pollution, environmental damage or other damage, injury or death. These could include, but are not limited to, rock falls, flooding, unfavourable ground conditions or seismic activity, ore grades being lower than expected and the physical or metallurgical characteristics of the ore being less amenable to mining or treatment than expected. Ravensgate again considers this risk to be similar to that faced by the vast majority of resource companies and not just to Genesis.

11. RECOMMENDATIONS

The Plavica Project is Genesis' key project and focus of attention and holds by far the majority of the total projects valuation, as demonstrated in Table 1. Once the new JORC Code compliant Mineral Resource has been estimated, Ravensgate recommends an independent review of the resource, to provide added confidence. Ravensgate also recommends that metallurgical test work is carried out during the upcoming infill and extensional drilling campaigns, as Genesis meets its joint venture obligations.

With regard to the Australian projects, Ravensgate recommends that a decision point is reached with regard to prioritising the most prospective tenements to retain and explore whilst rationalising less prospective tenements to reduce holding costs, potentially by way of farming out the tenements / projects for joint venture, as the company progresses the priority Plavica Project.

12. VALUATION

12.1 Introduction

There are a number of recognised methods used in valuing "mineral assets". The most appropriate application of these various methods depends on several factors, including the level of maturity of the mineral asset, and the quantity and type of information available in relation to the asset. All monetary values included in this report are expressed in Singapore dollars (S$) unless otherwise stated.

The VALMIN Code, which is binding upon "Experts" and "Specialists" involved in the valuation of mineral assets and mineral securities, classifies mineral assets in the following categories:

- Exploration Areas refer to properties where mineralisation may or may not have been identified, but where specifically a JORC compliant Mineral Resource has not been identified.
- Advanced Exploration Areas refer to properties where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by some form of detailed geological sampling. A JORC compliant Mineral Resource may or may not have been estimated but sufficient work will have been undertaken that provides a good understanding of mineralisation and that further work will elevate a prospect to the resource category. Ravensgate considers any identified Mineral Resources in this category would tend to be of relatively lower geological confidence.
- Pre-Development Projects are those where Mineral Resources have been identified and their extent estimated, but where a positive development decision has not been made. This includes projects at an early assessment stage, on care and maintenance or where a decision has been made not to proceed with immediate development.
- Development Projects refers to properties which have been committed to production, but which have not been commissioned or are not operating at design levels.
- Operating Mines are those mineral properties, which have been fully commissioned and are in production.

Various recognised valuation methods are designed to provide the most accurate estimate of the asset value in each of these categories of project maturity. In some instances, a particular mineral property or project may include assets that comprise one or more of these categories. When valuing Exploration Areas, and therefore by default where the potential is inherently more speculative than more advanced projects, the valuation is largely dependent on the informed, professional opinion of the valuer. There are a number of methods available to the valuer when appraising Exploration Areas.

The Multiple of Exploration Expenditure ("MEE") method can be used to derive project value, when recent exploration expenditure is known or can be reasonably estimated. This method involves applying a premium or discount to the exploration expenditure or Expenditure Base ("EB") through application of a Prospectivity Enhancement Multiplier ("PEM"). This factor directly relates to the success or failure of exploration completed to date, and to an assessment of the future potential of the asset. The method is based on the premise that a "grass roots" project commences with a nominal value that increases with positive exploration results from increasing exploration expenditure. Conversely, where exploration results are consistently negative, exploration expenditure will decrease along with the value. The following guidelines are presented on selection of the PEM:

- PEM = 1. Exploration activities and evaluation of mineralisation potential justifies continuing exploration.
- PEM = 2. Exploration activities and evaluation of mineralisation potential has identified encouraging drill intersections or anomalies, with targets of noteworthy interest generated.
- PEM = 3. Exploration activities and evaluation of mineralisation potential has identified significant grade intersections and mineralisation continuity.



Where transactions including sales and joint ventures relating to mineral assets that are comparable in terms of location, timing, mineralisation style and commodity, and where the terms of the sale are suitably "arms length" in accordance with the VALMIN Code, such transactions may be used as a guide to, or a means of, valuation. This method is considered highly appropriate in a volatile financial environment where other "cost based" methods may tend to overstate value.

The Joint Venture Terms valuation method may be used to determine value where a Joint Venture Agreement has been negotiated at "arms length" between two parties. When calculating the value of an agreement that includes future expenditure, cash and/or shares payments, it is considered appropriate to discount expenditure or future payments by applying a discount rate to the mid-point of the term of the earn-in phase. Discount factors are also applied to each earn-in stage to reflect the degree of confidence that the full expenditure specified to completion of any stage will occur. The value assigned to the second and any subsequent earn-in stages always involves increased risk that each subsequent stage of the agreement will not be completed, from technical, economic and market factors. Therefore, when deriving a technical value using the Joint Venture Terms method, Ravensgate considers it appropriate to only value the first stage of an earn-in Joint Venture Agreement. Ravensgate have applied a discount rate of 10.0% per annum to reflect an average company's cost of capital and the effect of inflation on required exploration spends over the timeframe required.

The total project value of the initial earn-in period can be estimated by assigning a 100% value, based on the deemed equity of the farminor, as follows:

$$V_{100} = \frac{100}{D}\left[CP + \left(CE * \frac{1}{(1+I)^{\frac{t}{2}}}\right) + \left(EE * \frac{1}{(1+I)^{\frac{t}{2}}} * P\right)\right]$$

where:

V_{100}	=	Value of 100% equity in the project ($)
D	=	Deemed equity of the farminor (%)
CP	=	Cash equivalent of initial payments of cash and/or stock ($)
CE	=	Cash equivalent of committed, but future, exploration expenditure and payments of cash and/or stock ($)
EE	=	Uncommitted, notional exploration expenditure proposed in the agreement and/or uncommitted future cash payments ($)
I	=	Discount rate (% per annum)
t	=	Term of the Stage (years)
P	=	Probability factor between 0 and 1, assigned by the valuer, and reflecting the likelihood that the Stage will proceed to completion.

Where Mineral Resources remain in the Inferred category, reflecting a lower level of technical confidence, the application of mining parameters using the more conventional DCF/NPV approach may be problematic or inappropriate and technical development studies may be at scoping study level. In these instances it is considered appropriate to use the 'in-situ' Resource method of valuation for these assets. This technique involves application of a heavily discounted valuation of the total in-situ metal or commodity contained within the resource. The level of discount applied will vary based on a range of factors including physiography and proximity to infrastructure or processing facilities. Typically and as a guideline, the discounted value is between 1% and 5% of the in-ground value of the metal in the Mineral Resource.

In the case of Pre-development, Development and Mining Projects, where Measured and Indicated Mineral Resources have been estimated and mining and processing considerations are known or can be reasonably determined, valuations can be derived with a reasonable degree of confidence by compiling a discounted cash flow (DCF) and determining the net present value (NPV).

The JORC Code 2012 sets out minimum standards, recommendations and guidelines. A Mineral Resource defines a mineral deposit with reasonable prospects of economic extraction. Mineral

Resources are sub-divided into Inferred, Indicated and Measured to represent increasing geological confidence from known, estimated or interpreted specific geological evidence and knowledge. An Ore Reserve is the economically minable part of a Measured or Indicated Resource after appropriate studies. An Inferred Resource reflecting insufficient geological knowledge, cannot translate into an Ore Reserve. Measured Resources may become Proved (highest confidence) or Probable Reserves. Indicated Resources may only become Probable Reserves.

12.2 Previous Mineral Asset Valuations

Ravensgate completed a VALMIN compliant valuation of Genesis' Macedonian and Australian mineral assets dated 12 June 2012. This valued Genesis' projects from A$1.47M to A$6.38M (S$1.87M to S$8.11M), with a preferred value of A$3.66M (S$4.65M) based on Genesis' respective ownership interests in the projects. Note at 12 June 2012 Genesis had a 0% ownership interest in the Plavica project.

Ravensgate is not aware, nor have we been made aware, of any other VALMIN compliant valuations over Genesis' Projects.

Exploration tenements have not been included in the valuation where tenure or permits have not been granted to the relevant company and the company does not therefore have any ownership over tenement mineral assets or any exploration value within the tenements.

12.3 Material Agreements

Ravensgate has been commissioned by Blumont Group Ltd (Blumont) to provide an Independent Technical Valuation Report in accordance with the VALMIN Code. The Technical Valuation report encompasses Genesis' Macedonian and Australian Projects. The Technical Valuation report provides an assessment of the Macedonian and Australian "Exploration Area" and "Advanced Exploration Area" minerals assets listed below which either are owned 100% by Genesis or in a Joint Venture agreement with Genesis having a 62% interest. Brief details of the ownership and joint venture agreements can be listed as follows.

Mineral Asset	Genesis Ownership %
• Plavica Project (Au+Ag+Cu), Macedonia	62%
• Alice Springs Project (Au+Cu+Fe), Northern Territory	100%
• McArthur River Project (Mn), Northern Territory	100%
• Fenn Gapp Project (Mn), Northern Territory	100%
• Arltunga Project (Au+Cu+Fe), Northern Territory	100%
• Gladstone-Mount Miller Project (Mn), Queensland	100%
• Pioneer Project (Au), Queensland	100%
• Laura River Project (Au), Queensland	100%
Genesis Projects, Macedonia and Australia	**62% and 100%**

On 19 July 2007 Genesis entered into a joint venture agreement with Rik Sileks Ad Kratovo (Sileks). The key commercial terms of the agreement are as follows:

- Genesis will earn a 62% participating interest in the Plavica project concessions by funding all work expenditure on the project up to the completion of a final feasibility study.

On the 28 August 2014 Genesis announced to the ASX that Genesis and Sileks have jointly incorporated a company (dated 12 August 2014) in Macedonia, Silgen Resources International Ltd, Kratovo (JV Company), which is 62% owned by Genesis and 38% owned by Sileks. The JV Company has submitted the final feasibility study reports for the Plavica project to the Macedonian Ministry of Economy, which includes a submittal for an application for a 30 years exploitation (mining) licence for the Plavica tenement (refer Figure 1 inset). As a result of these developments Genesis now has a direct 62% ownership.



After the licence is granted, Genesis remains responsible under the terms of the JV agreement for undertaking infill and extensional drilling and completing a feasibility study in respect of the Licence area (as required to obtain funding for mine development), and the costs of those activities. The infill drilling will aim to deliver a resource in the 'Indicated' mineral resource category and the extensional drilling will aim to increase the total resource of Plavica. Genesis expects to complete the proposed infill and extensional drilling and feasibility study within 2.5 years of the JV Company being granted the licence, and has agreed to commit up to US$7.5M for such activities. In order to secure the performance of Genesis' obligations to complete and pay for the proposed infill and extensional drilling and the feasibility study within 2.5 years, Genesis has granted a security interest over its shares in the JV Company in favour of Sileks. This security interest will be discharged when Genesis completes the proposed infill and extensional drilling and feasibility study.

Ravensgate understands all active mining and exploration tenements are granted at this point in time and are in good standing. Ravensgate makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

Ravensgate is not aware, nor have we been made aware, of any other agreements that have a material effect on the provisional valuations of the mineral assets, and on this basis have made no adjustments on this account.

12.4 Macedonia Country Risk

Genesis has a joint venture in the former Yugoslav Republic of Macedonia. This introduces sovereign risk and domestic economic risks. Sovereign risks include changes in the terms of mining tenements, changes in royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights.

According to Intierra RMG, which rates country's risk profiles, Macedonia has:

- **Political Risk** – Medium - Political stability is increasing. However, standards of living are low and there are a number of socio-economic problems. Rule of law remains weak and affects the business environment through legal shortcomings, a weak judiciary, widespread corruption and organised crime, despite some progress towards addressing these issues in recent years. The country is a candidate for accession to both the EU and NATO, though progress has stalled since 2008 as a result of the country's name dispute with Greece.
- **Operational Risk** – Medium - Corruption is present in dealings with most state institutions, ranging from high-level corruption in government ministries to petty corruption among civil servants. Although there have been improvements in the judicial sector, excess bureaucracy and inefficiency persist, undermining the legal framework. Judges and lawyers lack resources and are subject to corruption and political pressure, threatening judicial independence. Programmes are in place to address these issues, but stricter action and implementation are needed. Infrastructure is generally adequate and reliable, though railway services and rural roads remain in a poor condition and power cuts may occur. Trade unions are weak and foreign investors are unlikely to face significant labour unrest.
- **Security Risk** – Low - The security environment has improved significantly since the end of the ethnic conflict in 2001. Inter-ethnic relations have gradually improved, though some tensions remain. The security situation in northwestern areas bordering Kosovo may require companies and personnel operating there to employ increased security precautions as organised crime groups operate freely in the area and police enforcement is weak. The prevalence of weapons in the country remains a concern.



- **Terrorism Risk** – Insignificant - The government remains a staunch supporter of the US-led global counter-terrorism campaign, has participated with troops in the US-led military operations in Iraq until 2008, and retains a military presence in Afghanistan as part of the international troops deployed there. This makes the country a potential target for Islamist extremist terrorist attacks in principle. However, there are no active terrorist organisations operating in the country and there is no evidence indicating a specific terrorist threat. There are no active insurgent groups. Lingering tensions between the ethnic-Macedonian majority and the ethnic-Albanian minority occasionally manifest in the form of low-level violence rather than terrorism. The Muslim ethnic-Albanian community is pro-Western and is not religiously radicalised; the population is unlikely to support or provide concealment for Islamist extremists.

12.5 Comparable Transactions

Ravensgate has completed a search for publicly available market transactions involving gold and manganese projects, without resources within Australia, gold resources in Europe, gold resources in Australia and manganese exploration targets in the world. Transactions reflect comparable tenement holdings in geological provinces that are considered prospective for similar commodities, and that are of similar prospectivity to the minerals assets being valued. In Ravensgate's opinion and experience, it is understood that individual market transactions are rarely completely identical to the relevant project area or may not necessarily contain all the required information for compilation. In practice, a range of implied values on a dollar per metal unit or dollar per square kilometre of tenement holding will be defined as suitable for use. The transactions identified along with the implied cash-equivalent values are summarised in Section 12.5.1 by commodity and region.

Publically available market transactions have been separated to reflect transactions on a dollar per square kilometre of tenement holding or on a dollar per metal unit for a more advanced Exploration Target or Mineral Resource. This was undertaken to reflect the varying levels of geological exploration carried out within the various project tenements. In general terms, exploration projects may start with a relatively large tenement holding where a lack of detailed geological sampling and knowledge renders the use of the "in-situ" yardstick valuation method inappropriate (i.e. an "Exploration Area Mineral Asset). For these particularly early-stage exploration areas comparable transactions on a dollar per square kilometre basis are more relevant. As the project advances and as geological sampling and knowledge increase, tenement areas tend to decrease to match a narrowing focus on more prospective areas. For these areas where specific, drill sample supported Exploration Targets have been identified that warrant further detailed evaluation or Mineral Resources require estimation, comparable transactions on a dollar per metal unit basis may be more appropriate (i.e. an "Advanced Exploration Area Mineral Asset or Pre-Development Project at early assessment").

To compare the transactions of the various projects with both gold and other commodities where resources have been reported they have been compared on an ounces of contained Gold equivalent (AuEq) metal. The reason for using ounces of contained AuEq over ounces of contained gold is that most of the resources have varying ratios of gold to other commodities. The number of ounces of contained AuEq metal has been determined at the time of the announcement of the transaction for each resource. This has been undertaken by determining the ratio of the metal prices in relation to one ounce of Gold metal, of the average price for each metal for the month that the transaction occurred in. Ravensgate's opinion is that the reader should be aware that the use of AuEq metal is inherently difficult to use because of the often significant variations of gold and other commodity prices at any given point in time in the metals market cycle. Prices of different metal commodities may move in similar directions or trends; however the converse is often the case. Using AuEq also allows Ravensgate to compare the project to gold only transactions of which there are many more in the market.



12.5.1 Reported Market Transactions

12.5.1.1 Reported Market Transaction Involving Gold Projects in Europe and Central Asia

Ravensgate's analysis of European and Central Asia market transactions for gold±silver±copper projects indicates an implied value ranging between S$1.48 to S$77.93 per ounce of contained gold equivalent metal for low confidence Mineral Resources through to high confidence Mineral Resources (Table 17). The majority of the transactions have an implied value between S$8.94 to S$53.97 per ounce of contained gold equivalent metal. The average of all the transactions is S$36.35 per ounce of contained gold equivalent metal, with the majority subset having an average of S$31.89 per ounce of contained gold equivalent.

To take into account the change in gold price over time (normalising), the implied value per ounce of contained gold equivalent is divided by the gold spot price in Singapore dollars at the time of the transaction and expressed as a percentage (Table 18). This gave a normalised range from 0.11% to 4.31%. The normalised average of all transactions was 2.02% and the majority subset had an average of 1.79%.

12.5.1.2 Reported Market Transaction Involving Exploration Area Manganese Projects in Australia

Ravensgate's analysis of Australian market transactions for Exploration Area asset manganese projects (Table 19), indicate an implied value between S$86 and S$103,830 per km^2 for Exploration Area Mineral Assets, with no estimated Mineral Resources in accordance of the JORC Code 2012. The implied value per km^2 is dependent on the type of licence, whether it is an Exploration Licence or Mining Licence. With lower implied values per km^2 for Exploration Licences compared to Mining Licences. The implied value was also affected by the strategic importance of the licences and the presence of known manganese mineralisation upon them.

12.5.1.3 Reported Market Transactions Involving Low Confidence Manganese Exploration Targets or Mineral Resources Globally

Ravensgate's analysis of market transactions of low confidence manganese Exploration Targets of Mineral Resources returned few transactions, so transactions from around the world were used an indicator of implied value. The market transactions (Table 20) indicate and an implied value between S$0.44 and S$12.85 per tonne of manganese metal for low confidence Exploration Targets and Mineral Resources for Advanced Exploration Area mineral assets.

12.5.1.4 Reported Market Transactions Involving Exploration Area Gold Projects in Australia

Ravensgate's analysis of Australian market transactions for Exploration Area asset gold projects (Table 21) indicates an implied value between S$123 and S$898,511 per km^2 for Exploration Area Mineral Assets, with no estimated Mineral Resources in accordance of the JORC Code 2012. The implied value per km^2 is dependent on the type of licence, whether it is an Exploration Licence or Mining Licence. With lower implied values per km^2 for Exploration Licences compared to Mining Licences. The implied value was also affected by the strategic importance of the licences and the presence of known gold mineralisation upon them.

Table 17 Market Transactions for Gold ±Silver ± Copper Mineral Resources in Europe and Central Asia

Date	Project, Country	Vendor	Purchaser	Resource Contained Metals	Contained AuEq Metal Ounces (Moz)	Purchase Price 100% Basis (S$)	Implied Value / Metal Ounce (S$)
25-Jul-14	Kestanelik Gold Project, Turkey	Chesser Resources Limited	Nurol Holdings	Au: 0.703Moz Ag: 0.628Moz	0.713	49.39	69.23
16-Dec-13	Talas Gold Project, Kyrgyz Republic	Gold Fields Limited	Robust Resources Limited	Au: 6.727Moz Cu: 755,900t	11.055	31.38	2.84
25-Nov-13	Krasny Gold Project, Russia	Koy Goldfields AB	GV Gold OJSC	Au: 1.370Moz	1.370	17.19	12.54
1-May-13	Andash Gold Copper Project, Kyrgyz Republic	Kentor Gold Limited	Robust Resources Limited	Au: 0.693Moz Cu: 78,300t	1.063	23.94	22.52
21-Mar-13	Inlice Gold Silver Project, Turkey	Strates International PLC and NTF Insaat Ticaret Sti	Private Company	Au: 0.262Moz	0.262	12.48	47.67
12-Dec-12	Oksut Gold Project, Turkey	Stratex International PLC	Centerra Gold Inc	Au: 1.048Moz	1.048	81.65	77.93
18-Aug-11	Sappes Gold Project, Greece	Cape lambert Resources	Glory Resources Limited	Au: 0.828Moz Ag: 0.466Moz Cu: 4,000t	0.858	46.30	53.97
28-Jul-11	Marminskoye Gold Project, Russia	Frontier Mining Limited	Stanhigh Limited	Au: 0.985Moz	0.985	45.17	45.85
24-Feb-11	Kutyn Gold Project, Russia	Olsen Business Limited	JSC Polymetal	Au: 1.223Moz	1.223	86.03	70.35
27-Oct-10	Barsele Gold Project, Sweden	Northland Resources S.A.	Orex Minerals Inc	Au: 0.766Moz	0.766	13.94	18.21
27-Jul-10	Malpica-Tuy Gold Project, Spain	Lundin Mining Corporation	Edgewater Exploration Limited	Au: 1.200Moz	1.200	10.74	8.95
23-Apr-10	Amulsar Gold Project, Armenia	Newmont	Lydian International Limited	Au: 1.400Moz	1.400	40.49	28.92
23-Sep-09	Agi Dagi and Kirazli Gold Projects, Turkey	Fronteer and Teck	Alamos Gold Limited	Au: 1.995Moz Ag: 13.654Moz	2.215	107.19	48.39
17-Mar-09	Breznik Gold Project, Bulgaria	International Resource Holdings Limited	Euromax Resources Limited	Au: 0.110Moz Ag: 0.335Moz	0.115	0.17	1.48

Note: Differences may occur due to rounding errors. Contained gold (Au), silver (Ag) and copper (Cu) metal values have been rounded to the nearest thousand.

Table 18 Summary of Market Transactions Involving Gold ± Silver ± Copper Mineral Resources						
Transaction Date	**Project Name**	**Transaction Value S$M**	**Contained AuEq ounces (Moz)**	**AuEq Cost Per Ounce S$**	**Au Price[1] on Trans Date S$/oz AuEq**	**Cost per oz as a % of the Au Price**
25-Jul-14	Kestanelik Gold Project	49.39	0.713	69.23	1,608	4.31%
24-Feb-11	Kutyn Gold Project	86.03	1.223	70.35	1,802	3.90%
12-Dec-12	Oksut Gold Project	81.65	1.048	77.93	2,096	3.72%
23-Sep-09	Agi Dagi and Kirazli Gold Projects	107.19	2.215	48.39	1,423	3.40%
18-Aug-11	Sappes Gold Project	46.30	0.858	53.97	2,196	2.46%
28-Jul-11	Marminskoye Gold Project	45.17	0.985	45.85	1,941	2.36%
21-Mar-13	Inlice Gold Silver Project	12.48	0.262	47.67	2,019	2.36%
23-Apr-10	Amulsar Gold Project	40.49	1.400	28.92	1,565	1.85%
1-May-13	Andash Gold Copper Project	23.94	1.063	22.52	1,791	1.26%
27-Oct-10	Barsele Gold Project	13.94	0.766	18.21	1,724	1.06%
25-Nov-13	Krasny Gold Project	17.19	1.370	12.54	1,558	0.81%
27-Jul-10	Malpica-Tuy Gold Project	10.74	1.200	8.95	1,590	0.56%
16-Dec-13	Talas Gold Project	31.38	11.055	2.84	1,550	0.18%
17-Mar-09	Breznik Gold Project	0.17	0.115	1.48	1,405	0.11%

Table 19 Market Transactions Involving Manganese Projects at the Exploration Stage in Australia

Date	Vendor	Purchaser/Farminee	Transaction Type	Prospective Commodities[1]	Value[2] S$M	Area km^2	Cost per km^2 S$
23-Jul-14	Rio Tinto Exploration Pty Ltd	Zenith Minerals Limited	Acquisition	Mn	0.117	498	235
10-Jul-14	Ucabs Pty Ltd	Montezuma Mining Company Ltd	Option to Acquire	Mn	0.710	7	103,830
21-May-14	Monax Mining Limited	Archer Exploration Ltd	Acquisition	Mn-Fe-Au	0.347	1,016	342
9-Dec-13	Trafford Resources Limited	Ironclad Mining Ltd	Joint Venture	Mn	2.741	976	2,809
28-Feb-12	Private Vendor	Northern Manganese Limited	Acquisition	Mn	0.475	111	4,268
02-Feb-12	Hunan Zhenxing Co. Ltd	Bligh Resources Ltd	Joint Venture	Mn	0.387	546	709
01-Nov-11	Private Vendor	Aurium Resources Limited	Acquisition	Mn-Fe	0.020	3	6,598
31-May-11	North Manganese Pty Ltd	Groote Resources Limited	Acquisition	Mn	0.330	3,856	86
13-Aug-10	Private Vendor	Brumby Resources Ltd	Acquisition	Mn	0.939	650	1,444
15-Mar-10	UraniumSA Limited	Archer Exploration Ltd	Acquisition	Mn	0.349	1,042	335
28-Jan-10	Archer Exploration Ltd	OM Holdings Limited	Joint Venture	Mn	1.045	54	19,346
18-Dec-09	Private Vendor	Aurora Minerals Limited	Joint Venture	Mn	2.881	47	61,368
11-Dec-09	Galaxy Resources Limited	Pioneer Resources Limited	Acquisition	Mn	0.382	4	86,544
29-Nov-09	WDR Base Metals Pty Ltd	Genesis Resources Limited	Acquisition	Mn	2.115	569	3,720
13-Oct-09	Talisman Mining	Shaw River Resources Limited	Joint Venture	Mn	0.910	223	4,082
11-Sep-09	Legacy Iron Ore Limited	Ausquest Limited	Joint Venture	Mn	0.508	87	5,842
27-Aug-09	Monax Mining Limited	OM Holdings Limited	Joint Venture	Mn	3.297	1,004	3,284
06-Nov-08	Pallinghurst Resources and Red Rock Resources	Jupiter Mines Limited	Acquisition	Mn	9.293	696	13,351
06-Oct-08	Contact Uranium Limited	Shaw River Resources Limited	Acquisition	Mn	0.149	370	403
05-Oct-07	Planet Mining Pty Ltd	Spitfire Resources	Acquisition	Mn	8.201	433	18,941

Notes: All dollar values were converted to Singapore Dollar values using the Official Reserve Bank of Australia exchange rates on the day of the transaction. Areas were rounded to the nearest square kilometre.

1. *Prospective Commodities, Mn = Manganese, Fe = Iron, Au = Gold.*
2. *Value is on a 100% equity basis.*

Table 20 Market Transactions Involving Low Confidence Manganese Exploration Targets or Mineral Resources Globally

Project	Transaction Details & Type	Contained Mn Metal Tonnes (t)	Purchase Price 100% Basis (S$)	Implied Value / Metal Tonne (S$)
Emang Manganese Project, South Africa	July 2011: Segue Resources Limited entered into an acquisition agreement with Emang Mmogo Mining Resources (Pty) Ltd for an initial 30% interest in the Emang Manganese project in South Africa for A$2.91M in cash. The project is prospective for manganese and has an exploration target of 45-60Mt @ 28-48% Mn for a contained 12.6-28.8Mt of manganese metal. Assuming the terms of the agreement were met the implied discounted cash equivalent on a 100% equity basis is S$12.76M (notional S$0.44-1.01 S$/metal tonne on 100% terms).	12.6-28.8Mt	$12.76M	$0.44-1.01
Otjozondu Manganese Project, Namibia	December 2010: Shaw River Resources Limited entered into an acquisition agreement with Otjozondu Holdings Pty Ltd for a 75.5% interest in the Otjozondu Manganese Project in Namibia for US$15.0M in cash and shares. The project is prospective for manganese and has an exploration target of 35-50Mt @ 23-27% Mn for a contained 8.1-13.5Mt of manganese metal. Assuming the terms of the agreement were met the implied discounted cash equivalent on a 100% equity basis is S$27.05M (notional S$2.00-3.36 S$/metal tonne on 100% terms).	8.1-13.5Mt	$27.05M	$2.00-$3.36
San Francisco Manganese Mine, Mexico	December 2010: Azure Minerals Limited entered into an acquisition agreement with a Private vendor for 100% of the not operating San Francisco Manganese mine for US$15.0M in cash. The project is prospective for manganese and has an exploration target of 3.2-5.8Mt @ 35-42% Mn and a non-JORC mineral resource estimate of 0.81Mt @ 38.81% Mn for a total contained of 1.43-2.75Mt of manganese metal. Assuming the terms of the agreement were met the implied discounted cash equivalent on a 100% equity basis is S$18.41M (notional S$6.70-12.85 S$/metal tonne on 100% terms).	3.2-5.8Mt	$18.41M	$6.70-12.85

Table 21 Market Transactions Involving Gold Projects at the Exploration Stage in Australia

Date	Vendor	Purchaser/Farminee	Transaction Type	Prospective Commodities[1]	Value[2] $M	Area km^2	Cost per km^2 S$
16-Jul-14	Archean Star Resources Australia Pty Ltd	Doray Minerals Limited	Acquisition	Au	0.660	178	3,704
30-Jun-14	Auminco Coal Pty Ltd	Nagambie Mining	Acquisition	Au	0.093	218	425
18-Jun-14	Atlas Iron Limited	Aruma Resources Limited	Joint Venture	Au-Cu	0.347	896	387
13-Jun-14	Navarre Minerals Limited	Catalyst Metals Limited	Joint Venture	Au	5.716	69	82,895
12-Jun-14	Emmerson Resources Limited	Evolution Mining Limited	Joint Venture	Au-Cu	23.487	2,500	9,395
27-May-14	Tychean Resources Limited	Ramelius Resources Limited	Joint Venture	Au	0.662	1,700	389
23-May-14	Alloy Resources Limited	Doray Minerals Limited	Joint Venture	Au	3.525	850	4,146
14-May-14	Toro Energy Ltd	ABM Resources NL	Acquisition	Au	0.117	567	207
30-Apr-14	Australian Mines Limited	Riedel Resources Limited	Joint Venture	Au-Cu	3.066	425	7,214
14-Apr-14	Eclipse Metals Limited	Laura Exploration Pty Ltd	Acquisition	Au	0.147	167	879
10-Apr-14	Elementos Limited	Belo Groud Technology Pty Ltd	Joint Venture	Au-BM	1.199	109	10,950
25-Mar-14	De Grey Mining Ltd	Rugby Mining Limited	Joint Venture	Au	2.656	798	3,328
10-Mar-14	Ram Resources Ltd	Newcrest Operations Limited	Acquisition	Au-Cu	0.740	77	9,650
7-Mar-14	Black Fire Minerals Limited & Entree Gold Inc	Parmelia Resoures Limited	Acquisition	Au	0.351	205	1,716
7-Mar-14	Mount Magnet South NL	Australian Mines Limited	Joint Venture	Au-Cu	1.741	129	13,495
30-Jan-14	Augur Resources Ltd	Helix Resources Limited	Acquisition	Au-BM	0.128	147	876
16-Jan-14	Riedel Resources Limited	Fortescue Metals Group	Joint Venture	Au-BM-Fe	0.382	131	2,913
24-Dec-13	Caeneus Minerals Pty Ltd	Matrix Metals Limited	Acquisition	Au-Ni-Cu	0.074	6	12,630
20-Dec-13	Doray Minerals Limited	Mithril Resources Limited	Joint Venture	Au-BM	1.161	160	7,255
20-Dec-13	Talisman Mining Limited	Sandfire Resources NL	Joint Venture	Au-Cu	18.208	323	56,371
4-Dec-13	Northern Star Resources Limited	Resource and Investment NL	Joint Venture	Au-Cu	0.966	123	7,855
28-Nov-13	Private Vendor	Parker Resources NL	Joint Venture	Au	0.104	42	2,481
25-Nov-13	Enterprise Metals Limited	Independence Group NL	Joint Venture	Au-BM	3.307	760	4,351
19-Nov-13	Newcrest Mining Limited	ActivEX Limited	Acquisition	Au-Cu	0.234	190	1,231
18-Nov-13	Gossan Hill Gold Limited	Precious Metals Resources Limited	Acquisition	Au	0.820	1,211	677

Table 21 Market Transactions Involving Gold Projects at the Exploration Stage in Australia

Date	Vendor	Purchaser/Farminee	Transaction Type	Prospective Commodities[1]	Value[2] $M	Area km²	Cost per km² S$
7-Nov-13	New Ballarat Consolidated Pty Ltd	Dart Mining NL	Acquisition	Au	0.162	22	7,357
17-Oct-13	Cazaly Resources Limited	Excelsior Gold Limited	Acquisition	Au	0.273	18	15,166
3-Sep-13	Yandal Investments Pty Ltd	Antipa Minerals Limited	Acquisition	Au-Cu	0.633	3,367	188
21-Aug-13	ABM Resources NL	Independence Group NL	Joint Venture	Au	10.774	6,700	1,608
12-Aug-13	Plasia Pty Ltd	Gleneagle Gold Limited	Acquisition	Au	0.023	115	202
12-Aug-13	Panaoramic Resources Limited	Gateway Mining Limited	Acquisition	Au	1.767	7	271,366
9-Aug-13	Private Vendors	Stratum Metals Limited	Acquisition	Au	0.126	4	33,558
30-Jul-13	Private Vendor	Silver City Minerals Limited	Joint Venture	Au-Cu	2.050	200	10,252
4-Jul-13	Valley Floor Resources Pty Ltd	Eros Mining Limited	Acquisition	Au	0.174	6	31,628
1-Jul-13	Ramelius Resources Limited	Eros Mining Limited	Acquisition	Au-Ni	0.466	114	4,071
25-Jun-13	Ninghan Exploration Pty Ltd	Erongo Energy Limited	Acquisition	Au-BM	0.153	1,248	123
21-Jun-13	Fraser Range Resources Pty Ltd	International Goldfields Limited	Joint Venture	Au-Ni	1.825	832	2,193
19-Jun-13	Private Vendor	Phoenix Gold Limited	Acquisition	Au	0.036	2	21,078
13-Jun-13	Dourado Resources Limited	Proto Resources Limited	Joint Venture	Au-Cu	1.540	1,461	1,054
30-May-13	Snowmist Pty Ltd	Arc Exploration Limited	Joint Venture	Au	1.407	2	898,511
27-May-13	Private Vendors	Bligh Resources Ltd	Acquisition	Au	0.097	1	262,595
21-May-13	Weddarla Pty Ltd	Peel Mining Limited	Acquisition	Au-Cu	0.955	116	8,222
20-May-13	Glencore Xstrata	Great Western Exploration Limited	Joint Venture	Au-Cu	3.452	780	4,425
20-May-13	Clancy Exploration Limited	High Power Exploration Inc	Joint Venture	Au-Cu	0.660	178	3,704
7-May-13	Trafford Resources Limited	Alloy Resources Limited	Joint Venture	Au	0.093	218	425

Notes: All dollar values were converted to Singapore Dollar values using the Official Reserve Bank of Australia exchange rates on the day of the transaction. Areas were rounded to the nearest square kilometre.

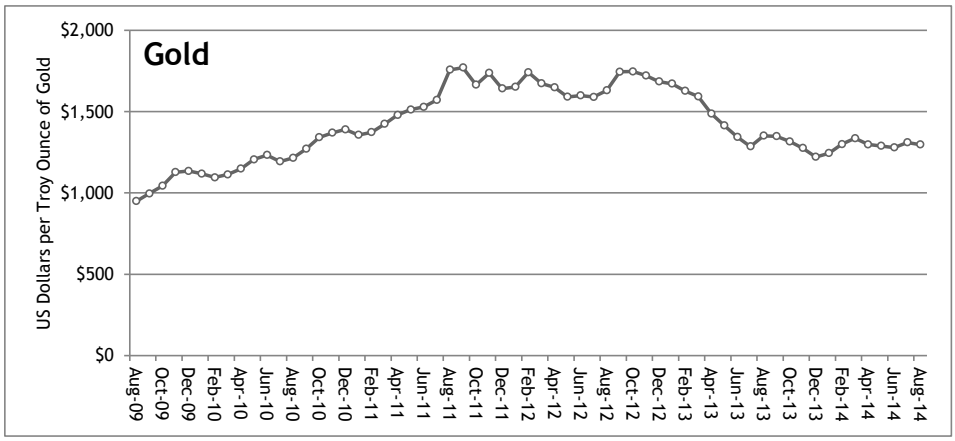
1. Prospective Commodities, Au = Gold, Cu = Copper, Ni = Nickel, BM = Base Metals, Fe = Iron.

2. Value is on a 100% equity basis.

12.5.2 Commodity Prices

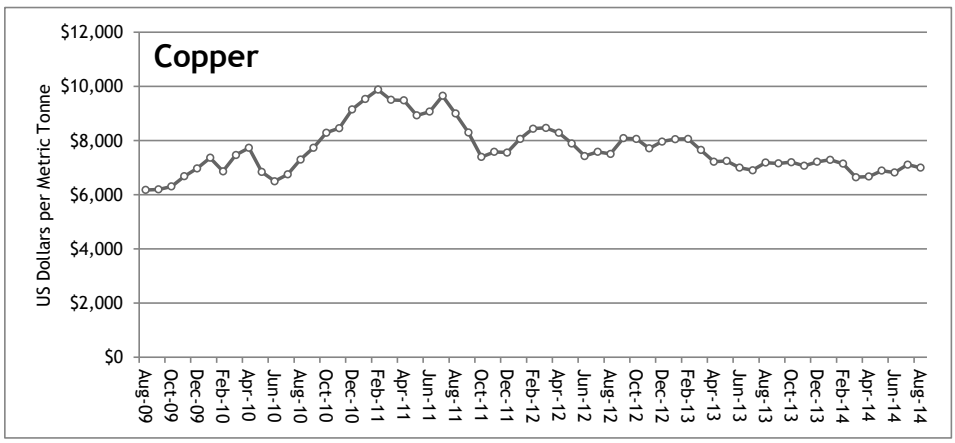
Ravensgate has examined the historical commodity charts (Figure 31, Figure 32, Figure 33 and Figure 34) for general trends over time. Note all commodity price charts are shown in US Dollars. A general analysis of the price chart for gold in Figure 31 shows a continuous price increase with only a short period of slight price decline through to September 2011, where it remained relatively steady until September 2012. The gold price then declined until July 2013, from where it has remained relatively steady. Copper in Figure 32 shows the price rising to February 2011 where the price remained steady until July 2011 followed by a steady decline. Silver in Figure 33 has slowly risen until September 2010, where it rose steadily until April 2011, where it trended down to July 2013, from where it has remained relatively stable. Australian Lumpy 45.5% Manganese Ore in Figure 34 shows an increase in price until July 2010 followed by a decline to June 2011, from where it has remained relatively steady. Ravensgate has taken into consideration the general commodity trend as an influence on deriving a final project valuation.

Figure 31 Gold Five Year Monthly Average Price Chart to August 2014



Source: IndexMundi.com

Figure 32 Copper Five Year Monthly Average Price Chart to August 2014



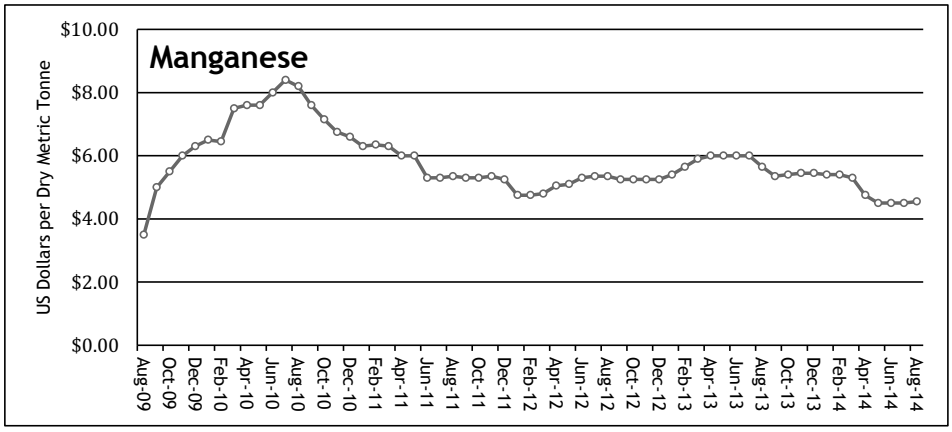
Source: IndexMundi.com

Figure 33 Silver Five Year Monthly Average Price Chart to August 2014



Source: IndexMundi.com

Figure 34 Manganese Ore Five Year Monthly Average Price Chart to August 2014



Source: FerroAlloyNet.com – Australian Lumpy Mn 45.5% Ore CIF China

12.6 Mineral Asset Valuations

12.6.1 Plavica Gold and Copper Project, Macedonia

12.6.1.1 Selection of Valuation Method

The Plavica Gold and Copper Project, which Genesis has 62% interest in can be classified as an "Advanced Exploration Area" mineral asset where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by some form of detailed geological sampling. A JORC 2012 compliant Mineral Resource has not been estimated, but sufficient work has been undertaken that provides a good understanding of mineralisation and that further work will elevate a prospect to the resource category;

A Mineral Resource as defined in the JORC Code 2012 has not been reported for the Plavica project. At present Genesis is undertaking a mineral resource estimation in accordance with the JORC Code 2012 on the Plavica project, however the mineral resource was not completed at the time of writing. From discussions with Genesis' management they are expecting a mineral resource of Inferred category to be estimated.

In valuing the mineral asset of the Plavica Project, Ravensgate considers the 'DCF/NPV' method inappropriate, due to their not being a current mineral resource having been estimated in accordance with the JORC Code. With the future mineral resource expected to only be of Inferred category, it would also be inappropriate to perform a DCF/NPV valuation on a mineral resource of this classification confidence level. At the Inferred category the confidence in the mineral resource is insufficient to estimate Ore Reserves. The JORC Code 2012 states that:

"An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated mineral resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred mineral resources could be upgraded to Indicated mineral resources with continued exploration." and

"An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated mineral resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified."

Ravensgate has elected to apply the Comparable Transaction and Joint Venture Terms Valuation Methods to value the project after consideration of the various valuation methods outlined in Section 12.1 and the geological / exploration information outlined in Sections 5 and 6.

12.6.1.2 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of gold market transactions in Europe and Central Asia (Table 17) indicates that the implied value of advanced exploration area projects with gold mineral resources range from S$1.48 to S$77.93 per contained resource ounce of gold metal in Europe and Central Asia, with the majority of those transactions ranging from S$8.95 to S$53.97 per contained resource ounce of gold. Analysing this majority range of the transactions of the advanced exploration projects in Europe and Central Asia, excluding the more advanced exploration projects taking into account the change in the gold price over time, expressing the dollar value per ounce of gold as a percentage of the gold price (Table 18) the average of these transactions is 1.79%, which equates to S$27.45 per contained resource ounce using the gold spot price as at 22 September 2014 of S$1,533.62 (US$1,211.96). Ravensgate has not further discounted this value for perceived country risk, due to the sovereign risk and the risks outlined in Section 12.4, as the comparable transactions come from countries with generally a similar risk profile.

To value the Plavica project Ravensgate has taken the historical 2012 Plavica Mineral Resource estimate by Odessa, which was subsequently downgraded by Golder in 2013 to an Exploration Target as a starting point. Ravensgate has taken a range of 20% to 25% of the average of the majority of the resource transactions. This range reflects the difference in the confidence of



an Exploration Target in comparison to a Mineral Resource. It should be noted that for an Exploration Target, that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Ravensgate has derived an implied range of S$5.37 to S$6.90 with a preferred value of S$6.13 per ounce of contained gold equivalent (AuEq) to apply to the Plavica historical Mineral Resources, which became an Exploration Target listed in Section 4.1.2 using the Gold Spot Price 22 September 2014 of S$1,533.62 (US$1,211.96). These derived values are based on the dollar value per ounce of gold expressed as a percentage of the gold price, where a range from 0.35% to 0.45% has been applied and the preferred value is based on 0.40%. This range reflects the lower confidence and grade gold Exploration Target and makes allowances for any country risk. These values relate to approximately S$35.01M to S$45.02M for the contained metal within the current Mineral Resource estimates (6,523,068 oz AuEq metal) for a 100% interest in the Plavica project. From this range a preferred value of S$40.02M has been selected which reflects a value of S$6.13 per contained resource ounce of gold, which reflects the outcome of successful exploration to date and the quality of the Exploration Target.

A summary of the valuation of the Plavica Project can be found below in Table 22.

Table 22 Genesis – Comparative Transactions Valuation for the Plavica Project

Project	Mineral Asset	Ownership %	Area km²	Valuation		
				Low S$M	Preferred S$M	High S$M
Plavica	Advanced Exploration Area	62%	-NA-	21.71	24.81	27.91

The valuation has been compiled to an appropriate level of precision and minor rounding errors may occur.

12.6.1.3 Project Analysis – Joint Venture Terms Valuation Method

The Plavica project can also be valued by the Joint Venture Terms valuation method. Genesis had to complete a feasibility study to Macedonian standards to earn a 62% beneficial interest in the project. Genesis expended a total of A$16.83M (S$19.01M 22 September 2014) over a number of years to complete the feasibility study and earn the 62% interest in the project. Ravensgate has discounted this expenditure back to a present value of A$12.90M (S$14.57M 22 September 2014) using a discount rate of 10% (see Table 23). In addition to this Genesis announced in 28 July 2014 it expected to expend a further US$7.5M (S$8.75M) on infill and extensional drilling and a feasibility study in the next 2.5 years to maintain this 62% interest. This additional expenditure discounted back to the announcement date using the JV terms relates to S$7.77M. Based on the expenditure made and future expected expenditure a 62% interest in the Plavica project would be valued at S$22.34M. On a 100% equity basis the Plavica project has a valuation of S$36.03M based on the Joint Venture Terms valuation method.

Table 23 Joint Venture Terms Valuation of the Plavica Project					
Expense Item	**2011**	**2012**	**2013**	**2014**	**Total**
Exploration Expenditure – Macedonian Subsidiary (A$)	0	0	1,297,559	2,389,377	3,686,936
Exploration Expenditure Genesis Directly (A$)	934,427	153,600	3,763,478	3,885,793	8,737,298
Operational & Administration (A$)	427,224	53,187	1,752,471	2,172,885	4,405,766
Total Expenditure (A$)	1,361,651	206,787	6,813,508	8,448,055	16,830,000
Discounting Factor (A$)	1.0488	1.1537	1.2691	1.3960	NA
Discounted Expenditure (A$)	1,298,609	179,239	5,368,946	6,051,769	12,898,238
Discounted Expenditure (S$)					14,568,559
Discounted Future Expenditure (S$)					7,769,468
Total Expenditure (62% Interest) (S$)					**22,338,027**

Notes: All values are in Australian dollars unless otherwise stated (S$ = Singapore Dollars). As expenditure does not occur as a single payment at the start or end of a year and is spread over the year, the mid-point of each year has been taken as the discounting point. Australian dollars were converted to Singapore dollars using the exchange rate on 22 September 2014, where A$1.0000 = S$1.1295.

12.6.1.4 Summary Valuation Plavica Project

The preferred value from the Comparable Transactions Valuation method and the Joint Venture Terms Valuation method are quite similar being S$24.81M and S$22.34M respectively, with the Joint Venture Terms Valuation number falling within the range derived by the Comparable Transactions Valuation method. Based on this, Ravensgate has elected to choose the Comparable Transactions Valuation range of S$21.71M to S$27.91M and preferred value of S$24.81M for a 62% interest in the Plavica project.

12.6.2 Northern Territory Projects

All of the Northern Territory projects (Alice Springs, McArthur River, Fenn Gap and Arltunga) are considered to be "Exploration Area" mineral assets, where mineralisation may or may not have been identified, but where specifically a JORC compliant mineral resource has not been identified. A mineral resource as defined in the JORC Code 2012 has not been reported for any of the Northern Territory projects. The commodity items of interest for each project are listed below:

- Alice Springs – gold, copper and iron ore;
- McArthur River – manganese;
- Fenn Gap – manganese and iron ore; and
- Arltunga – gold and copper.

Due to all projects being early stage with no defined mineral resources as per the JORC Code Ravensgate considers the DCF/NPV to be inappropriate in valuing the Northern Territory projects.

Ravensgate has elected to apply the Comparable Transaction Method to value the projects after consideration of the various valuation methods outlined in Section 12.1 and the geological / exploration information outlined in Sections 5 and 6.



12.6.2.1 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of Australian market transactions for Exploration Area mineral asset gold ± copper ± iron projects (Table 21) suggests an implied value between S$123 and S$898,511 per square kilometre for Exploration Area Mineral Assets, with no estimated mineral resources in accordance with the JORC Code 2012. A value breakdown based on the level of prospectivity and type of licence is provided in Table 24 below.

Table 24 Tenement Type Value Ranges Breakdown – Gold ± Copper ± Iron

Cost per km² Range	**Comments**
Exploration Tenements	
$100 - $1,500	Grass roots early stage exploration, with limited work or limited exploration potential.
$1,500 - $5,000	Average exploration stage, early stage prospects with gold mineralisation for follow up. Mature exploration ground that has been well explored.
$5,000 - $20,000	Advanced stage exploration with good potential, defined gold targets ready for resource drilling.
$20,000 – $100,000+	Advanced stage exploration with good potential and/or strategic to the purchaser.
Mining Tenements	
$50,000 - $500,000+	Value varies due to quality of gold mineralisation and how strategic it is to the purchaser.

Notes: All monetary values are in Singapore Dollars

Ravensgate's analysis of the manganese market transactions for early-stage, conceptual manganese projects (Table 19), indicates an implied value between S$86 to S$103,830 per square kilometre. Ravensgate considers that the lower end of the range to be more appropriate for valuing Exploration Area Mineral Assets while the higher end of the range be more appropriate for valuing Advanced Exploration Area Mineral Assets where a resource estimate may not yet have been undertaken but the project is of a more advanced and/or strategic nature. This reflects the greater value inherent in Advanced Exploration Area Mineral Assets where considerable exploration has been undertaken and specific mineralisation targets identified while Exploration Area Mineral Assets may or may not have any mineralisation identified. A value breakdown based on the level of prospectivity and type of licence is provided in Table 25 below.

Ravensgate considers that the manganese transaction for S$86 per square kilometre to not be appropriate for valuing any of Genesis' manganese projects as this transaction is for exploration licences under application in a shallow marine environment.

Table 25 Tenement Type Value Ranges Breakdown - Manganese	
Cost per km² Range	**Comments**
Exploration Tenements	
$100 - $1,500	Grass roots early stage exploration, with limited work or limited exploration potential.
$1,500 - $5,000	Average exploration stage, early stage prospects with manganese mineralisation for follow up. Mature exploration ground that has been well explored.
$5,000 - $15,000	Advanced stage exploration with good potential, defined manganese targets ready for resource drilling.
$15,000 – $100,000+	Advanced stage exploration with good potential and/or strategic to the purchaser.

Notes: All monetary values are in Singapore Dollars

12.6.2.2 Alice Springs Project

Ravensgate considers the Alice Springs project at the average exploration stage (Table 24) and has derived an implied range of S$1,500 to S$5,000 per square kilometre with a preferred value of S$2,500 per square kilometre to apply to the area of the Alice Springs exploration licence, which has an area of 372.59km^2. These values relate to approximately S$0.56M to S$1.86M. From this range a preferred value of S$0.93M has been selected, which reflects a value of S$2,500 per square kilometre. This value reflects the stage of exploration at the project and the quality of the exploration ground. The project is at the drilling stage having high grade lenses of oxide copper, moderate grade gold, prospective Fe and Mn targets and other base metals.

12.6.2.3 McArthur River Project

Ravensgate considers the McArthur River project at the average exploration stage (Table 25) and has derived an implied range of S$1,500 to S$5,000 per square kilometre with a preferred value of $$2,000 per square kilometre to apply to the area of the McArthur River exploration licence, which has an area of 380.9km^2. These values relate to S$0.57M to S$1.90M. From this range Ravensgate has a preferred value at the lower end of the range of S$0.76M reflecting the stage that exploration is at, and given that no significant results have been returned from drilling to date and that no mineral resource in accordance with the JORC Code (2012) has been defined. The value of S$0.76M relates back to an implied value of S$2,000 per square kilometre. It is a large project area still at a relatively early stage of exploration, drilling to date has not identified depth extensions to surface manganese gossans, there are still some geophysical targets to be tested. The project area also contains some base metal potential.

12.6.2.4 Fenn Gap Project

Ravensgate considers the Fenn Gap project at the average exploration stage (Table 25) and has derived an implied range of S$1,500 to S$5,000 per square kilometre with a preferred value of S$3,250 per square kilometre to apply to the area of the Fenn Gap exploration licence, which has an area of 26.9km^2. These values relate to S$0.04M to S$0.13M. From this range Ravensgate has a preferred value in the middle of the range of S$0.09M reflecting the stage that exploration is at, and given that no significant results have been returned from drilling to date and that no mineral resource in accordance with the JORC Code (2012) has been defined. The drilling to date has downgraded the potential that the surface Fe-Mn mineralisation extends to any great depth, which limited the tonnage potential of the area.



12.6.2.5 Arltunga Project

Ravensgate considers the Arltunga project at the average exploration stage (Table 24) and has derived an implied range of S$1,500 to S$5,000 per square kilometre with a preferred value of S$4,500 per square kilometre to apply to the area of the Arltunga exploration licence, which has an area of 95.2km^2. These values relate to approximately S$0.14M to S$0.48M. From this range a preferred value of S$0.43M has been selected, which reflects a value of S$4,500 per square kilometre. This value reflects the stage of exploration at the project and the quality of the exploration ground. The higher preferred value within the range reflects the number of prospects defined and that the project has a historic high grade narrow vein goldfield with production over 1,000oz gold.

12.6.3 Queensland Projects

All of the Queensland projects (Gladstone-Mt Miller, Pioneer and Laura River) are considered to be "Exploration Area" mineral assets, where mineralisation may or may not have been identified, but where specifically a JORC compliant mineral resource has not been identified. A mineral resource as defined in the JORC Code 2012 has not been reported for any of the Queensland projects. The commodity items of interest for each project are listed below:

- Gladstone-Mt Miller – manganese;
- Pioneer – gold; and
- Laura River – gold and platinum

Due to all projects being early stage with no defined mineral resources as per the JORC Code, Ravensgate considers the DCF/NPV to be inappropriate in valuing the Northern Territory projects.

Ravensgate has elected to apply the Comparable Transaction Method to value the projects after consideration of the various valuation methods outlined in Section 12.1 and the geological / exploration information outlined in Sections 5 and 6.

12.6.3.1 Project Analysis – Comparable Transactions Method

Ravensgate's analysis of Australian market transactions for Exploration Area mineral asset gold ± copper ± iron projects (Table 21) suggests an implied value between S$123 and S$898,511 per square kilometre for Exploration Area Mineral Assets, with no estimated mineral resources in accordance with the JORC Code 2012. A value breakdown based on the level of prospectivity and type of licence was provided in Table 24 above.

Ravensgate's analysis of the manganese market transactions for early-stage, conceptual manganese projects (Table 19), indicates an implied value between S$86 to S$103,830 per square kilometre. Ravensgate considers that the lower end of the range to be more appropriate for valuing Exploration Area Mineral Assets while the higher end of the range be more appropriate for valuing Advanced Exploration Area Mineral Assets where a resource estimate may not yet have been undertaken but the project is of a more advanced and/or strategic nature. This reflects the greater value inherent in Advanced Exploration Area Mineral Assets where considerable exploration has been undertaken and specific mineralisation targets identified while Exploration Area Mineral Assets may or may not have any mineralisation identified. A value breakdown based on the level of prospectivity and type of licence is provided in Table 25 above.

Ravensgate considers that the manganese transaction for S$86 per square kilometre to not be appropriate for valuing any of Genesis' manganese projects as this transaction is for exploration licences under application in a shallow marine environment.

12.6.3.2 Gladstone-Mount Miller Project

A Mineral Resource as defined in the JORC Code 2012 has not been reported for the Gladstone-Mount Miller project. An Exploration Target for the project was reported in 2009 of between 35,000t to 206,000t with an average grade of 35 – 50% Mn.

Ravensgate's analysis of the manganese market transactions for exploration area/advanced exploration stage manganese projects (Table 20) with Exploration Targets as per the JORC Code (2012) reported indicates an implied value between S$0.44 to S$12.85 per tonne of Mn metal. Of note is that there are very few transactions (only 3) and that higher values are assigned to potentially higher grade deposits.

Ravensgate considers that the best approach to arrive at an appropriate valuation for Gladstone/Mount Miller is to use comparable transactions, using the Exploration Target that has been reported to value the historic Mount Miller Mine area (i.e., on basis of potential Mn tonnage), and using comparison on a square kilometre basis on which to value the surrounding exploration licence.

An Exploration Target of 35,000t to 206,000t with an average grade of 35 – 50% Mn has been reported for the Mount Millar project by Odessa, 2009. Ravensgate has selected S$6.00 per tonne and S$12.00 per tonne of Mn metals as being appropriate values to use given that the Mount Miller deposit is high grade and situated very favourably with respect to infrastructure. On this basis Ravensgate believes a valuation range of between S$0.07M and S$1.24M is appropriate with a preferred valuation of S$0.65M (S$9.00/tonne Mn metal applied to the mid-point of tonnes and grade of the Exploration Target).

Ravensgate considers the Gladstone project at the advanced exploration stage (Table 25) and has derived an implied range of S$5,000 to S$15,000 per square kilometre with a preferred value of S$12,000 per square kilometre to apply to the area of the Gladstone exploration licence, which has an area of 63.9km^2. These values relate to approximately S$0.32M to S$0.96M. From this range a preferred value of S$0.77M has been selected, which reflects a value of S$12,000 per square kilometre. This value reflects the stage of exploration at the project and the quality of the exploration ground.

Combining both the valuation of the Mount Miller mine area and the surrounding Gladstone leases a valuation range of S$0.39M to S$2.20M with a preferred value of S$1.42M. Ravensgate believes this value reflects the stage of exploration at the project and the quality of the exploration ground. The preferred value reflects the strategic value of the licence, the high grade manganese exploration target and the potential to define new manganese mineralisation zones along strike from Mount Miller.

12.6.3.3 Pioneer Project

Ravensgate considers the Pioneer project at the advanced exploration stage (Table 24) and has derived an implied range of S$7,000 to S$18,000 per square kilometre with a preferred value of S$14,000 per square kilometre to apply to the area of the Pioneer exploration licences, which has an area of 6.23km^2. These values relate to approximately S$0.04M to S$0.11M. From this range a preferred value of S$0.09M has been selected, which reflects a value of S$14,000 per square kilometre. This value reflects the stage of exploration at the project and the quality of the exploration ground. A preferred value at the higher end of the range was selected because the project area is considered prospective, as it has had historic gold production of 1,500oz of gold, contains 1,000m strike of narrow high grade gold veins with little drilling making it prospective at depth and having potential for new vein positions.

12.6.3.4 Laura River Project

Ravensgate considers the Laura River project at the early exploration 'greenfields' stage (Table 24) and has derived an implied range of S$100 to S$1,500 per square kilometre with a preferred value of S$500 per square kilometre to apply to the area of the Laura River exploration licences, which has an area of 165.35km^2. These values relate to approximately S$0.02M to S$0.25M. From this range a preferred value of S$0.09M has been selected, which reflects a value of S$500 per square kilometre. This value reflects the very early stage of exploration at the project and the quality of the exploration ground. The project area has extensive alluvial gold workings, which warrants further work. The main hard rock target is finding the source of the alluvial gold, for which little work has been done to date.

12.7 Valuation Summary

Ravensgate has concluded that Genesis' Projects are of merit (although at varying stages of exploration and subsequent Mineral Asset classification), and worthy of further exploration. A summary of Genesis' project valuations in current ownership percentage terms is provided in Table 26. The applicable valuation date is 22 September 2014 and is derived from using Comparable Transactions valuation method. The value of the listed projects is considered to lie in a range from S$23.47M to S$34.84M, within which range Ravensgate has selected a preferred value of S$28.62M. As the technical valuation is based on comparable transactions it can be considered to also be the market value of the mineral assets. The definition of market value that Ravensgate adopts is that used in the VALMIN code, which is the market value definition as defined by the International Valuation Standards Committee (IVSC).

Table 26 Genesis – Summary Valuation on Ownership Interest Basis

Genesis Projects	Mineral Asset	Ownership %	Area km²	Valuation		
				Low S$M	Preferred S$M	High S$M
Plavica	Advanced Exploration Area	62%	17.41*	21.71	24.81	27.91
Alice Springs	Exploration Area	100%	372.59	0.56	0.93	1.86
McArthur River	Exploration Area	100%	380.90	0.57	0.76	1.90
Fenn Gap	Exploration Area	100%	26.90	0.04	0.09	0.13
Arltunga	Exploration Area	100%	95.20	0.14	0.43	0.48
Gladstone-Mount Miller	Exploration Area	100%	63.90	0.39	1.42	2.20
Pioneer	Exploration Area	100%	6.23	0.04	0.09	0.11
Laura River	Exploration Area	100%	163.35	0.02	0.09	0.25
TOTAL	**Various**	**62% & 100%**	**1,126.48**	**23.47**	**28.62**	**34.84**

The valuation has been compiled to an appropriate level of precision and minor rounding errors may occur.

**Exploitation Licence application area is 16.85km²*

13. CONCLUSIONS

The geological understanding of the Plavica Project has increased significantly over the past two years as Genesis has focused its exploration effort towards this flagship project in order to meet JV obligations and to provide data to enable the estimation of a JORC compliant resource, which is expected to be announced in the near future. Although drill testing of the main Plavica deposit at depth was unsuccessful, as it appears the feeder structure has been faulted off, potential exists at the western and eastern extents which remain open at depth and along strike to increase the deposit. Ravensgate considers there is potential to increase the mineralisation footprint around Plavica, especially in light of the newly discovered area 700m to the northwest of the main deposit, where recent rock chip sampling has returned encouraging results, although at an early stage.

Whist exploration has focussed on Plavica itself, drill testing on the regional tenements of Plesenci, Zarapinci, Stroimanci, Barbarevo, Borovik and Probistip around Plavica in 2013 returned a number of interesting alteration zones which were characterised by high arsenic and sulphur assays, however results were mostly disappointing and the tenements have since expired. This has led to Genesis reviewing the mapping over these tenements to determine the best areas over which to re-submit applications for new exploration concession licences. Ravensgate agrees with this strategy of focusing exploration on the optimum areas of the property, especially as the JV Company can potentially benefit from the recent changes to Macedonian law which entitles holders of newly granted concession licences to conduct exploration over a period of up to six years.

With regard to focussing exploration, Ravensgate recommends that a decision point is reached for the Australian Projects with regard to prioritising the most prospective tenements to retain and explore whilst rationalising less prospective tenements to reduce holding costs, potentially by way of farming out the tenements / projects for joint venture, as the company progresses the priority Plavica Project.

At the effective date of this report, Ravensgate considers the largest technical risk for the Plavica Project to be the granting of the exploitation licence, however given that Genesis has been operating at Plavica since 2011 and has met all the required criteria and statutory obligations to date, Ravensgate can see no reason why the licence would not be granted.

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15. LIST OF ABBREVIATIONS

A$	Australian dollar(s)
Ag	Silver
ASTER	Advanced Spaceborne Thermal Emission and Reflection Radiometer. A high resolution imaging instrument that is flying on the Terra satellite.
ASX	Australian Securities Exchange
Au	Gold
AuEq	Gold equivalent
Cu	Copper
DCF	Discounted cash flow
DGPS	Differential global positioning system
DTM	Digital Terrane Model
EM	Electromagnetic induction, as the name implies, uses the principle of induction to measure the electrical conductivity of the subsurface.
FAusIMM	Fellow of the Australasian Institute of Mining and Metallurgy
g x m	Gram metres
HQ	Diamond Drilling. A core diameter of 63.5mm
IP	Induced polarisation. A technique of measuring an induced potential field in the ground in order to map the geological subsurface.
JORC Code	2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
km	kilometre(s)
km^2	Square kilometre(s)
M	Million
MAIG	Member of the Australian Institute of Geoscientists
MAusIMM	Member of the Australasian Institute of Mining and Metallurgy
Mn	Manganese
Mt	Million Tonnes
NPV	Net present value
oz	Ounce (Troy ounce measure of weight)
Pb	Lead
PGE	Platinum Group Element
ppb	Parts per billion; a measure of concentration
ppm	Parts per million; a measure of concentration
QA/QC	Quality Assurance / Quality Control
RC	Reverse circulation drill hole
REE	Rare earth elements
S$	Singapore Dollar(s)
t	Tonne
U	Uranium
US$	United States Dollar(s)
VTEM	Versatile Time Domain Electromagnetic Surveying
XTEM	Cross-sectional Transmission Electron Microscopy
Zn	Zinc

16. GLOSSARY

Aeromagnetic	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
Aircore drilling	Air Core Drilling. A relatively inexpensive drilling technique similar to RC drilling, in that the drill cuttings are returned to surface inside the rods.
Andesite	An intermediate volcanic rock composed of andesine and one or more mafic minerals.
Anomalies	An area where exploration has revealed results higher than the local background level.
Apophyses	A tapering offshoot from a larger igneous intrusive mass.
Archaean	The oldest rocks of the Precambrian era, older than about 2,500 million years.
Assayed	The testing and quantification metals of interest within a sample.
Bedrock	Any solid rock underlying unconsolidated material.
Bornite	A copper iron sulphide mineral commonly found in hydrothermal veins, contact metamorphic rocks and in the enriched zone of sulphide copper deposits.
Chalcopyrite	$CuFeS_2$, a copper ore and iron sulphide mineral that crystallises in the tetragonal system.
Craton	An old and stable part of the continental lithosphere
deposit	A mineralised body which has been physically delineated by sufficient drilling and found to contain sufficient average grade of metal or metals to warrant further exploration and development expenditure.
Diamond drilling	Drilling method employing a (industrial) diamond encrusted drill bit for retrieving a cylindrical core of rock.
Dip	The angle at which a rock stratum or structure is inclined from the horizontal.
Dolerite	A medium grained mafic intrusive rock composed mostly of pyroxenes and sodium-calcium feldspar.
Domain	Geological zone of rock with similar geostatistical properties; typically a zone of mineralisation
Dykes	A tabular body of intrusive igneous rock, crosscutting the host strata at a high angle.
Epithermal	Hydrothermal deposits formed at shallow depths below a boiling hot spring system are commonly referred to as epithermal, a term retained from an old system of classifying hydrothermal deposits based on the presumed temperature and depth of deposition.
Facies	Characteristic features of rocks such as sedimentary rock type, mineral content, metamorphic grade, fossil content and bedding characteristics.
FAusIMM	Fellow of the Australasian Institute of Mining and Metallurgy
Fault zone	A wide zone of structural dislocation and faulting.
Feldspar	A group of rock forming minerals.
Felsic	An adjective indicating that a rock contains abundant feldspar and silica.
Foliated	Banded rocks, usually due to crystal differentiation as a result of metamorphic processes.
Footwall	Surface of rock along the fault plane having rock below it.

Gabbro	A large group of dark, often phaneritic, mafic intrusive igneous rocks chemically equivalent to plutonic basalt.
Galena	Is the natural mineral form of lead sulphide. It is the most important lead ore mineral.
Geochemical	Pertains to the concentration of an element.
Geophysical	Pertains to the physical properties of a rock mass.
Gneiss	A common and widely distributed type of rock formed by high-grade regional metamorphic processes from pre-existing formations that were originally either igneous or sedimentary rocks.
Graben	A depressed block of land bordered by parallel faults.
Granite	A coarse-grained igneous rock containing mainly quartz and feldspar minerals and subordinate micas.
Granoblastic	An anhedral phaneritic equi-granular metamorphic rock texture.
Granodiorite	A phaneritic texture intrusive igneous rock similar to granite, but containing more plagioclase feldspar than orthoclase feldspar.
Granulite	The granulite facies is part of a metamorphic facies series with the term granulite used to include a group of metamorphic rocks recrystallised under a range of high temperature conditions.
Greenschist	A metamorphosed basic igneous rock which owes its colour and schistosity to abundant chlorite.
Greenstone belt	A broad term used to describe an elongate belt of rocks that have undergone regional metamorphism to greenschist facies.
Hangingwall	The mass of rock above a fault, vein or zone of mineralisation.
High Sulphidation Deposit	High-sulphidation deposits result from fluids (dominantly gases such as SO_2, HF, HCl) channeled directly from a hot magma. The fluids interact with groundwater and form strong acids. These acids rot and dissolve the surrounding rock leaving only silica behind, often in a sponge-like formation known as vuggy silica.
Igneous	A rock that has solidified from molten rock or magma.
In-situ	In the natural or original position.
Intermediate	A rock unit which contains a mix of felsic and mafic minerals.
Intrusion/Intrusive	A body of igneous rock that invades older rock.
Joint venture	A business agreement between two or more commercial entities.
JORC Code	2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
Mafic	An adjective describing a silicate mineral or rock that is rich in magnesium and iron.
Magma	A mixture of molten or semi-molten rock, volatiles and solids that is found beneath the surface of the Earth
Magnetite	A mineral comprising iron and oxygen which commonly exhibits magnetic properties.
Mesothermal	A hydrothermal ore deposit formed at intermediate temperatures (200-300°C) and depths.
Metallurgical test work	The testing of ore samples in order to obtain the metallurgical characteristics the ore.
Metamorphic	A rock that has been altered by physical and chemical processes involving heat, pressure and derived fluids
Mineralisation	A geological concentration minerals or elements of prospective economic interest.
Mineral	A substance occurring naturally in the earth which may or not be of economic value.

Mineralised zone	Any mass of rock in which minerals of potential commercial value may occur.
Mineral Resource	A mineral inventory that has been classified to meet the JORC code standard.
Monzogranite	Biotite granite rocks that are considered to be the final fractionation product of magma.
Open pit	A mine working or excavation open to the surface.
Ore	Material that contains one or more minerals which can be recovered economically.
Ore Reserve	An Ore Reserve that has been classified to meet the JOR code standard.
Orogeny	The process of mountain formation, especially by a folding and faulting of the earth's crust.
Outcrop	Surface expression of underlying rocks.
Outlier	A limited area of younger rocks completely surrounded by older rocks.
Paleozoic	The earliest of three geologic eras of the Phanerozoic Eon, spanning from roughly 541 to 252.2 million years ago.
Precambrian	A period of geological time older than 570 million years before present.
Proterozoic	An eon of geological time spanning the period from 2,500 million years to 570 million years before present
Protolith	The original, unmetamorphosed rock from which a given metamorphic rock is formed.
Pyrite	A common, pale bronze iron sulphide mineral.
Pyrrhotite	An iron sulphide mineral with a variable iron content. Also called magnetic pyrite because the colour is similar to pyrite and it is weakly magnetic.
RAB drilling	Rotary Air Blast. A relatively inexpensive and less accurate drilling technique involving the collection of sample returned by compressed air from outside the drill rods.
RC drilling	Reverse Circulation. A drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.
Regolith	The layer of unconsolidated material which overlies or covers in situ basement rock
Reserves	The portion of a mineral deposit which could be economically extracted or produced at the time of the Reserve determination. These are classified as either proven, probable or possible Ore Reserves based on the JORC code.
Resource	In situ mineral occurrence from which valuable or useful minerals may be recovered.
Rock chip sampling	The collection of rock specimens for mineral analysis.
Sedimentary	A term describing a rock formed from sediment.
Shale	Fine grained sedimentary rock with well-defined bedding planes.
Silica	Dioxide of silicon, SiO_2, usually found as the various forms of quartz.
Siliclastic	Clastic non-carbonate sedimentary rocks that are almost exclusively silica-bearing, either as forms of quartz or other silicate minerals.
Sinistral	Of or facing the left side.
Soil sampling	The collection of soil specimens for mineral analysis.
Sphalerite	(Zn,Fe)S is a mineral that is the chief ore of zinc.

Stratiform	The arrangement of mineral deposit in strata or layers.
Strike	Horizontal direction or trend of a geological structure.
Tenements	Large tracts of land granted under lease to mining companies and prospectors by the government.
Troctolite	A mafic intrusive rock type consisting essentially of major but variable amounts of olivine and calcic plagioclase along with minor pyroxene.
Ultramafic	Igneous and meta-igneous rocks with a very low silica content, generally >18% MgO, high FeO, low potassium, and are composed of usually greater than 90% mafic minerals.
Variogram	A function describing the degree of spatial dependence of a spatial random field or stochastic process.
Volcanics	Rocks formed or derived from volcanic activity.
Vuggy	Vugs (also spelled vugh) are small to medium-sized cavities inside rock that may be formed through a variety of processes. Most commonly cracks and fissures opened by tectonic activity (folding and faulting) are partially filled by quartz, calcite, and other secondary minerals.



APPENDIX 1

Plavica Drill Collars and Significant Results

Table A1: Diamond Core Drill Collar Details, 2012-13, Plavica Gold-Copper-Silver Project

Hole	Depth	Dip	Azm	East_UTM_Zone34	North_UTM_Zone34	RL_E50	Type	Year Drilled
DDP002	389.0	-50	360	596186	4655646	**983**	DD	2012
DDP002A	320.0	-70	150	596186	4655648	**983**	DD	2012
DDP006	227.0	-50	230	596554	4656106	1140	DD	2012
MRDD001	400.0	-60	350	596649	4655183	1090	DD	2013
MRDD002	400.0	-60	170	596597	4655478	1073	DD	2013
PNDD001	400.0	-60	360	595844	4656073	1002	DD	2013
PNDD002	430.4	-60	360	597144	4656076	1210	DD	2013
PNDD003A	402.0	-60	360	597044	4656176	1205	DD	2013
PNDD004	410.5	-60	360	596944	4656226	**1188**	DD	2013
PNDD005	401.5	-60	360	596844	4656176	1180	DD	2013
PNDD006	364.0	-60	360	596844	4656076	1150	DD	2013
PNDD007	443.0	-60	360	595944	4655973	1020	DD	2013

Table A2: RC Drill Collar Details, Jul-Dec 2012, Plavica Gold-Copper-Silver Project

Hole	Depth	Dip	Azm	East_UTM_Zone34	North_UTM_Zone34	RL_E50	Type	Year Drilled
RP006	183.0	-60	50	596257	4656227	1166	RC	2012
RP007	255.0	-60	50	596344	4656228	1182	RC	2012
RP007A	260.0	-60	320	596340	4656229	1182	RC	2012
RP008	207.0	-60	50	596452	4656222	1190	RC	2012
RP008A	202.0	-60	150	596452	4656218	1190	RC	2012
RP009	225.0	-60	360	596547	4656225	1191	RC	2012
RP009A	250.0	-60	150	596548	4656219	1191	RC	2012
RP010	221.0	-60	360	596648	4656225	1180	RC	2012
RP010A	183.0	-60	150	596652	4656219	1179	RC	2012
RP011	183.0	-60	360	596746	4656227	1176	RC	2012
RP011A	183.0	-60	150	596750	4656223	1177	RC	2012
RP012	143.0	-60	360	596748	4656129	1166	RC	2012
RP012A	144.0	-60	150	596748	4656123	1165	RC	2012
RP013	250.0	-60	360	596650	4656128	1150	RC	2012
RP013A	140.0	-60	150	596654	4656122	1150	RC	2012
RP014	180.0	-60	360	596446	4656131	1155	RC	2012
RP014A	201.0	-60	150	596449	4656125	1155	RC	2012
RP015	237.0	-60	50	596397	4656180	1173	RC	2012
RP016	210.0	-60	50	596351	4656121	1152	RC	2012
RP017	225.0	-60	50	596298	4656171	1168	RC	2012
RP018	207.0	-60	50	596264	4656135	1156	RC	2012
RP036	207.0	-60	360	596755	4656033	1133	RC	2012
RP036A	201.0	-60	150	596757	4656025	1133	RC	2012



Table A3: RC Drill Collar Details, Jan-Jun 2013, Plavica Gold-Copper-Silver Project							
Hole	Depth	Dip	Azm	East_UTM_Zone34	North_UTM_Zone34	RL_E50	Type
PNRC001A	214.0	-60	360	596844	4656223	1195	RC
PNRC002	201.0	-60	360	596853	4656273	1180	RC
PNRC003	219.0	-60	360	596948	4656272	1190	RC
PNRC004	208.0	-60	360	597046	4656279	1200	RC
PNRC005	210.0	-60	360	597150	4656261	1200	RC
PNRC006	225.0	-60	360	596946	4656171	1188	RC
PNRC007	207.0	-60	360	596946	4656126	1176	RC
PNRC008	207.0	-60	360	597047	4656217	1207	RC
PNRC009	207.0	-60	360	597046	4656127	1200	RC
PNRC010	207.0	-60	360	597150	4656020	1194	RC
PNRC011	201.0	-60	360	597150	4656120	1220	RC
PNRC012	203.0	-60	360	596842	4656126	1165	RC
PNRC013	201.0	-60	360	596933	4656080	1162	RC
PNRC014	201.0	-60	360	596849	4656080	1150	RC
PNRC015	201.0	-60	360	596857	4656039	1130	RC
PNRC016	200.0	-60	360	596941	4655985	1130	RC
PNRC017	165.0	-60	360	596956	4655937	1110	RC
PNRC018	201.0	-60	360	595945	4656215	1077	RC
PNRC019	200.0	-60	360	595943	4656178	1068	RC
PNRC020	179.0	-60	360	595944	4656123	1055	RC
PNRC021	200.0	-60	360	595942	4656076	1042	RC
PNRC022	213.0	-60	360	595942	4656033	1032	RC
PNRC023	200.0	-60	360	595739	4656029	975	RC
PNRC024	197.0	-60	360	595739	4656128	1007	RC
PNRC025	200.0	-60	360	595740	4656080	992	RC
PNRC026	200.0	-60	360	595840	4656025	990	RC
PNRC027	200.0	-60	360	595840	4656125	1011	RC
PNRC028	200.0	-60	360	595844	4656173	1025	RC
PNRC029	200.0	-60	360	595844	4656223	1044	RC
PNRC030	177.0	-60	360	595744	4656323	1055	RC
PNRC031	200.0	-60	360	595744	4656273	1054	RC
PNRC032	200.0	-60	360	595844	4656323	1065	RC
PNRC033	200.0	-60	360	595944	4656373	1068	RC
PNRC034	200.0	-60	360	595844	4656273	1060	RC
PNRC035	200.0	-60	360	595644	4656323	1060	RC
PNRC036	200.0	-60	360	595644	4656273	1058	RC
PNRC037	200.0	-60	360	595644	4656223	1048	RC
PNRC038	201.0	-60	360	595644	4656173	1034	RC
PNRC039	200.0	-60	360	595644	4656123	1018	RC
PNRC040	200.0	-60	360	595644	4656073	1002	RC
PNRC041	201.0	-60	360	595944	4656323	1080	RC
PNRC042	200.0	-60	360	596044	4656373	1072	RC
PNRC043	200.0	-60	360	596044	4656323	1088	RC
PNRC044	175.0	-60	360	595744	4656373	1042	RC
PNRC045	200.0	-60	360	595844	4656373	1055	RC
PNRC046	200.0	-60	360	595644	4656373	1050	RC
PNRC047	200.0	-60	360	595744	4656223	1045	RC
PNRC048	200.0	-60	360	595944	4656273	1083	RC
PNRC049	200.0	-60	360	596044	4656023	1068	RC
PNRC050	200.0	-60	360	596044	4656173	1095	RC
PNRC051A	200.0	-60	360	596044	4656123	1086	RC
PNRC052	207.0	-60	360	596044	4656223	1102	RC
PNRC053	200.0	-60	360	596044	4656273	1100	RC
PNRC054	200.0	-60	360	595744	4656173	1025	RC
PNRC055	201.0	-60	360	596144	4656023	1100	RC
PNRC056	202.0	-60	360	596244	4656023	1108	RC
PNRC057	198.5	-60	360	596244	4656073	1122	RC
PNRC058	200.0	-60	360	596144	4656073	1110	RC
PNRC059	200.0	-60	360	596344	4656073	1125	RC
PNRC060A	200.0	-60	360	596544	4656273	1205	RC

Table A3: RC Drill Collar Details, Jan-Jun 2013, Plavica Gold-Copper-Silver Project							
Hole	Depth	Dip	Azm	East_UTM_Zone34	North_UTM_Zone34	RL_E50	Type
PNRC061	127.0	-60	360	596144	4656223	1127	RC
PNRC061A	129.0	-60	360	596144	4656223	1127	RC
PNRC062	200.0	-60	360	596444	4656073	1130	RC
PNRC063	200.0	-60	360	596544	4656023	1105	RC
PNRC064	51.0	-60	360	596544	4655973	1083	RC
PNRC065	200.0	-60	360	596244	4656123	1140	RC

Table A4: Significant Drilling Results, Jan-Jun 2013, Plavica Gold-Copper-Silver Project. Composited at a 0.4 g/t Au cut-off, minimum 3m interval, maximum 1m internal waste. Results in red denote composites above 50 gram-metres									
Hole	From	To	Int	Au g/t	AU g x m	Ag g/t	Cu %	P %	Zn %
DDP006	21	22	4	0.97	3.88	23.00	0.00	0.14	0.00
DDP006	178	179	3	1.27	3.81	12.70	0.05	2.06	0.21
DDP006	192	193	3	3.13	9.39	9.70	0.05	1.55	0.11
DDP006	197	198	3	2.92	8.76	4.00	0.03	0.51	0.25
DDP006	207	208	6	13.47	80.82	143.00	0.07	0.34	1.32
DDP006	220	221	7	15.98	111.86	33.00	0.27	0.92	1.10
RP007	163	164	3	0.72	2.16	189.00	2.46	0.08	0.14
RP007	182	183	5	0.82	4.10	137.20	1.04	0.15	0.08
RPO08	28	29	8	1.02	8.16	19.50	0.02	0.12	0.00
RP008A	93	94	4	0.64	2.56	8.00	0.04	2.00	0.00
RP009	140	141	3	0.55	1.65	35.30	0.05	0.04	0.00
RP009	154	155	9	0.54	4.86	31.90	0.11	0.05	0.00
RP009A	209	210	9	2.12	19.08	54.60	1.40	0.03	0.21
RPO09A	245	246	9	1.26	11.34	58.10	0.13	0.10	0.02
RP010	162	163	27	0.86	23.22	14.50	0.44	0.06	0.01
RP010	183	184	19	0.63	11.97	7.80	0.93	0.06	0.01
RP010A	46	47	3	1.38	4.14	19.00	0.03	0.11	0.01
RP011A	150	151	4	0.70	2.80	5.30	0.98	0.17	0.00
RP011A	173	174	14	1.35	18.90	13.80	0.97	0.10	0.03
RP012	95	96	5	0.72	3.60	1.60	0.19	0.02	0.02
RP012	106	107	3	0.44	1.32	1.30	0.09	0.02	0.01
RP012	128	129	3	0.61	1.83	5.00	0.14	0.15	0.00
RP013A	25	26	4	0.49	1.96	8.30	0.02	0.36	0.00
RP014	17	18	5	0.72	3.60	6.20	0.00	0.11	0.00
RP014	49	50	3	0.56	1.68	3.30	0.01	0.06	0.00
RP014	154	155	6	0.56	3.36	77.80	1.09	0.17	0.09
RPO14A	48	49	9	0.85	7.65	51.20	0.00	1.03	0.00
RP014A	110	111	4	1.49	5.96	6.00	0.07	0.25	0.02
RP014A	180	181	9	0.76	6.84	41.00	0.08	0.71	0.06
RP014A	189	190	6	0.49	2.94	16.30	0.07	0.81	0.07
RP015	39	40	8	1.19	9.52	93.80	0.01	0.35	0.00
RP015	44	45	3	0.60	1.80	16.00	0.01	0.13	0.00
RP017	29	30	3	2.60	7.80	23.30	0.03	0.10	0.14
RP018	27	28	28	0.80	22.40	19.40	0.02	0.74	0.00
RP018	45	46	7	1.10	7.70	10.70	0.06	0.16	0.00
RP036	169	170	11	0.69	7.59	9.40	0.24	0.02	0.02



Table A5: Significant Drilling Results, Jan-Jun 2013, Plavica Gold-Copper-Silver Project. Composited at a 0.4 g/t Au cut-off, minimum 3m interval, maximum 1m internal waste. Results in red denote composites above 50 gram-metres

Hole	From	To	Int	Au g/t	Au g x m	Ag g/t	Cu %	Pb %
MRDD001	168	172	4	0.43	1.71	1.0	0.01	0.09
MRDD001	294	297	3	0.75	2.26	11.7	0.15	0.07
MRDD001	375	380	5	0.94	4.69	10.8	1.51	0.02
MRDD002	368	372	4	0.63	2.51	11.8	0.29	0.16
MRDD002	376	379	3	0.87	2.61	27.0	0.48	0.05
PNDD001	78	85	7	0.36	2.49	15.9	0.19	0.69
PNDD001	125	130	5	0.79	3.95	20.4	1.06	0.06
PNDD001	143	147	4	0.54	2.15	49.3	1.85	0.09
PNDD001	180	185	5	0.61	3.03	19.2	0.32	0.07
PNRC001A	0	38	38	2.07	78.74	4.9	0.01	0.13
PNRC001A	133	142	9	0.87	7.85	3.8	0.02	0.10
PNRC001A	150	167	17	0.99	16.84	7.8	0.03	0.05
PNRC001A	203	206	3	0.47	1.41	36.0	0.03	0.25
PNRC002	52	60	8	1.81	14.45	3.5	0.02	0.11
PNRC002	87	95	8	2.27	18.14	14.3	0.02	0.08
PNRC003	0	44	44	2.67	117.46	6.4	0.02	0.21
PNRC003	80	85	5	0.71	3.55	1.4	0.12	0.06
PNRC004	0	3	3	0.46	1.38	2.7	0.01	0.11
PNRC006	5	17	12	0.72	8.61	1.7	0.02	0.04
PNRC006	22	36	14	0.72	10.09	1.9	0.04	0.03
PNRC006	61	65	4	0.68	2.73	3.8	0.01	0.01
PNRC006	103	117	14	1.16	16.28	2.1	0.02	0.09
PNRC006	123	128	5	0.65	3.25	1.0	0.03	0.07
PNRC006	134	144	10	1.51	15.13	1.0	0.03	0.07
PNRC007	15	27	12	0.68	8.20	1.9	0.02	0.20
PNRC007	29	33	4	0.55	2.21	1.0	0.02	0.07
PNRC007	58	70	12	1.00	12.02	1.1	0.04	0.03
PNRC007	74	80	6	1.64	9.86	3.0	0.09	0.04
PNRC007	129	132	3	0.39	1.16	1.0	0.07	0.11
PNRC007	187	207	20	1.66	33.26	1.4	0.11	0.05
PNRC008	25	79	54	3.89	210.27	5.5	0.03	0.09
PNRC009	33	37	4	0.69	2.78	2.3	0.10	0.06
PNRC009	45	48	3	0.46	1.39	1.0	0.67	0.03
PNRC009	171	195	24	2.39	57.39	8.2	0.03	0.08
PNRC011	11	16	5	0.41	2.06	1.0	0.01	0.05
PNRC011	19	39	20	0.87	17.33	1.5	0.01	0.05
PNRC011	62	127	65	3.05	198.54	1.7	0.07	0.09
PNRC012	52	61	9	0.81	7.25	1.9	0.06	0.02
PNRC012	63	66	3	0.61	1.83	7.0	0.03	0.08
PNRC012	80	102	22	1.09	24.06	1.0	0.12	0.09
PNRC012	104	109	5	0.76	3.79	2.4	0.39	0.06
PNRC012	172	203	31	1.69	52.54	16.0	0.36	0.10
PNRC013	93	98	5	0.58	2.89	1.0	0.07	0.03
PNRC013	103	107	4	0.71	2.86	1.0	0.07	0.04
PNRC013	192	197	5	0.86	4.32	8.8	0.09	0.02
PNRC014	0	5	5	0.60	3.02	3.6	0.02	0.13
PNRC014	123	129	6	0.70	4.22	1.0	0.23	0.10
PNRC014	158	165	7	0.54	3.76	1.0	0.19	0.06
PNRC015	2	15	13	1.15	15.01	4.2	0.02	0.11
PNRC016	165	175	10	0.64	6.41	3.1	0.29	0.04
PNRC022	204	213	9	3.25	29.27	313.8	1.42	0.06
PNRC026	143	160	17	1.46	24.78	9.1	0.21	0.84



Table A5: Significant Drilling Results, Jan-Jun 2013, Plavica Gold-Copper-Silver Project. Composited at a 0.4 g/t Au cut-off, minimum 3m interval, maximum 1m internal waste. Results in red denote composites above 50 gram-metres

Hole	From	To	Int	Au g/t	Au g x m	Ag g/t	Cu %	Pb %
PNRC026	171	175	4	1.05	4.21	44.8	0.29	3.18
PNRC026	178	196	18	1.26	22.60	37.6	0.60	2.71
PNRC027	40	72	32	0.57	18.10	83.8	0.11	2.16
PNRC027	81	84	3	1.02	3.06	13.3	0.32	0.44
PNRC027	93	98	5	0.53	2.63	34.6	0.25	0.26
PNRC027	110	115	5	0.67	3.36	4.8	0.25	0.06
PNRC027	123	126	3	0.85	2.56	194.7	0.31	0.88

Table A6: Significant Core Drilling Results, returned in QTR 1 2014, Plavica Gold-Copper-Silver Project. Composited at a 0.4g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Results in red denote composites above 50 gram-metres. Results with an asterisk (*) have used a 0.3 % Cu cut-off

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres
MRDD004	10	29	39	0.79	0.00	0.03	0.07	0.00	7.9
MRDD004	8	60	68	0.61	0.00	0.00	0.09	0.00	4.9
MRDD004	5	120	125	0.72	0.00	0.00	0.00	0.00	3.6
MRDD004	6	140	146	1.23	9.50	0.00	0.17	0.00	7.4
MRDD004	17	204	221	1.05	15.10	0.03	0.19	0.00	17.9
MRDD004	4	233	237	0.77	8.80	0.00	0.41	0.00	3.1
MRDD004*	9	290	299	0.18	0.00	0.37	0.05	0.00	1.6
MRDD004	9	313	322	0.23	20.30	0.78	0.10	0.00	2.1
MRDD005	3	137	140	0.79	0.00	0.00	0.53	0.00	2.4
MRDD005	15	174	189	0.43	4.90	0.21	0.05	0.00	6.5
MRDD005	4	196	200	0.60	0.00	0.20	0.07	0.00	2.4
MRDD005	5	215	220	0.51	5.40	0.10	0.00	0.00	2.6
MRDD005	11	259	270	0.71	146.20	1.29	0.13	0.09	7.8
MRDD005	5	311	316	0.65	4.60	0.67	0.00	0.00	3.3
MRDD005	11	342	353	0.84	8.80	0.32	0.05	0.00	9.2
MRDD005	16	388	404	0.51	0.00	0.33	0.00	0.00	8.2
MRDD005	10	408	418	0.49	0.00	0.28	0.00	0.00	4.9
PNDD009	No Significant Results								
PNDD010	7	22	29	0.50	4.70	0.00	0.24	0.30	3.5
PNDD010	19	40	59	0.52	4.50	0.00	0.63	0.00	9.9
PNDD010	5	98	103	1.09	4.40	0.00	0.00	0.00	5.5

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres
PNDD010	4	244	248	1.27	0.00	0.31	0.00	0.00	5.1
PNDD036*	72	34	106	1.47	23.00	0.00	0.09	0.00	105.8
PNDD036	10	110	120	0.04	0.00	0.43	0.00	0.00	0.4
PNDD036	10	127	137	1.26	6.00	0.44	0.05	0.00	12.6
PNDD037	3	74	77	0.82	0.00	0.07	0.00	0.00	2.5
PNDD038	3	137	140	0.76	0.00	0.00	0.16	0.00	2.3
PNDD038	5	149	154	1.11	0.00	0.06	0.00	0.00	5.6
PNDD039	7	321	328	0.41	0.00	0.11	0.00	0.06	2.9
PNDD040	16	161	177	0.52	0.00	0.30	0.00	0.21	8.3
PNDD040	4	235	239	1.26	0.00	0.08	0.00	0.16	5.0
PNDD041	8	152	160	1.26	3.00	0.60	0.00	0.26	10.1
PNDD041	7	253	260	0.73	0.00	0.14	0.00	0.34	5.1
PNDD041	7	520	527	0.72	22.70	0.07	0.12	0.00	5.0
PNDD042	8	137	145	0.49	5.00	0.58	0.00	0.00	3.9
PNDD042	7	150	157	0.43	0.00	0.08	0.00	0.00	3.0
PNDD042*	3	162	165	0.93	26.30	2.22	0.21	0.00	2.8
PNDD042	12	169	181	0.23	0.00	1.58	0.00	0.00	2.8
PNDD042*	16	235	251	0.13	0.00	0.44	0.00	0.00	2.1
PNDD043	7	80	87	0.47	6.90	0.00	0.00	0.00	3.3
PNDD043	34	111	145	2.00	8.00	0.29	0.09	0.00	68.0
PNDD043	12	169	181	0.52	3.10	0.10	0.08	0.00	6.2

Table A6: Significant Core Drilling Results, returned in QTR 1 2014, Plavica Gold-Copper-Silver Project. Composited at a 0.4g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Results in red denote composites above 50 gram-metres. Results with an asterisk (*) have used a 0.3 % Cu cut-off

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres

Table A7: Significant RC Drilling Results, returned in QTR 1 2014, Plavica Gold-Copper-Silver Project. Composited at a 0.4 g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Results in red denote composites above 50 gram-metres. Results with an asterisk (*) have used a 0.3 % Cu cut-off

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres
PNRC028	No Significant Results								
PNRC029	No Significant Results								
PNRC030	No Significant Results								
PNRC032	No Significant Results								
PNRC033	No Significant Results								
PNRC034	No Significant Results								
PNRC035	No Significant Results								
PNRC036	No Significant Results								
PNRC037	No Significant Results								
PNRC038	No Significant Results								
PNRC039	No Significant Results								
PNRC040	No Significant Results								
PNRC041	No Significant Results								
PNRC043	No Significant Results								
PNRC044	No Significant Results								
PNRC045	No Significant Results								
PNRC047	No Significant Results								
PNCR062	3	76	79	0.55	14.30	0.15	0.11	0.00	1.7
PNCR062*	4	92	96	0.15	44.00	0.45	0.09	0.04	0.6
PNCR063*	24	38	62	0.25	0.00	0.45	0.11	0.11	0.6
PNCR065	5	86	91	0.16	6.20	0.31	0.00	0.00	0.8
PNCR066	4	130	134	0.60	33.60	1.34	0.43	0.20	2.6
PNCR067	No Significant Results								
PNCR071	20	63	83	0.58	0.00	0.00	0.10	0.00	11.6
PNCR073*	3	196	199	0.30	14.30	1.11	0.22	0.00	0.9
PNCR074	5	108	113	0.62	3.40	0.00	0.25	0.00	3.1
PNCR075*	47	101	148	0.29	31.50	1.29	0.09	0.00	13.6
PNCR076	7	37	44	0.04	0.00	0.64	0.16	0.26	0.3
PNCR076	8	152	160	0.87	11.00	0.18	0.05	0.04	7.0
PNCR078	24	120	144	0.74	6.30	0.33	0.09	0.00	17.8
PNCR079	4	1	5	0.68	6.30	0.00	0.14	0.00	2.7
PNCR079*	6	40	46	0.18	1.30	0.55	0.66	0.00	1.1
PNCR079*	9	73	82	0.09	0.00	0.44	0.15	0.05	0.8
PNCR079*	10	85	95	0.11	0.00	1.24	0.29	0.00	1.1

Table A6: Significant Core Drilling Results, returned in QTR 1 2014, Plavica Gold-Copper-Silver Project. Composited at a 0.4g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Results in red denote composites above 50 gram-metres. Results with an asterisk (*) have used a 0.3 % Cu cut-off

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres
PNRC050	3	177	180	0.09	9.30	0.51	0.14	0.00	0.3
PNRC055	3	25	28	0.65	0.00	0.00	0.00	0.00	2.0
PNRC055	7	62	69	0.60	0.00	0.44	0.15	0.08	4.2
PNRC055	54	85	139	3.51	10.80	2.79	0.73	1.08	189.5
INCL	12	107	119	12.41	21.80	3.78	1.28	1.73	148.9
PNRC055	7	149	156	0.65	23.00	0.23	0.21	0.19	4.6
PNRC055	4	169	173	0.73	10.30	0.06	0.00	0.12	2.9
PNRC057	12	2	14	1.23	12.30	0.00	1.43	0.00	14.8
PNRC057	39	24	63	2.78	34.10	0.48	1.72	0.05	108.4
PNRC057	8	78	86	0.66	5.60	0.06	0.45	0.40	5.3
PNRC057	7	95	102	0.55	9.60	0.06	0.17	0.00	3.9
PNRC058	30	23	53	0.78	6.80	0.20	0.49	0.25	23.4
PNRC058	24	57	81	1.09	1.70	0.00	0.25	0.13	26.2
PNRC060A	14	4	18	0.68	5.40	0.00	0.11	0.00	9.5
PNRC060A*	6	65	71	0.11	3.00	0.45	0.06	0.00	0.7
PNRC061A*	3	38	41	0.18	64.70	1.67	6.91	0.25	0.1
PNRC061A*	4	88	92	0.38	1.70	0.84	0.11	0.00	1.5

Hole	Int	From	To	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Au gram-metres
PNCR079	4	170	174	0.84	21.00	0.18	0.24	0.26	3.4
PNCR079	9	194	203	0.70	22.40	0.41	0.09	0.05	6.3
PNCR080	6	92	98	0.33	0.00	0.19	0.10	0.13	2.0
PNCR081	No Significant Results								
PNCR082	7	76	83	0.61	0.00	0.08	0.76	0.05	4.3
PNCR082	4	89	93	0.54	24.30	0.05	1.26	1.47	2.2
PNCR082	3	98	101	0.56	8.70	0.12	0.53	0.14	1.7
PNCR082	3	125	128	3.58	21.30	0.00	0.86	0.00	10.7
PNCR083	3	97	100	2.08	7.30	0.00	0.23	0.68	6.2
PNCR084	9	23	32	0.43	0.00	0.00	0.06	0.00	3.9
PNCR085*	3	144	147	0.14	5.30	0.40	0.10	0.40	0.4
PNCR085*	3	168	171	0.44	4.00	0.80	0.00	0.34	1.3
PNCR086	32	12	44	0.90	0.00	0.00	0.20	0.00	28.8
PNCR087	No Significant Results								
PNCR094	6	1	7	1.13	5.60	0.00	0.00	0.00	6.8
PNCR094	17	24	41	0.43	4.50	0.00	0.05	0.00	7.3
PNCR094	5	194	199	0.28	0.00	1.96	0.05	0.00	1.4



Table A8: Diamond Core Drill Collar Details, Jul 2013- Jun 2014, Plavica Gold-Copper-Silver Project

Hole	Depth	Dip	Azm	East_GK_MIG	North_GK_MIG	RL_GK_MIG
MRDD003	407.50	-60.00	180.00	7,597,672.000	4,656,324.000	1,205.000
MRDD004	506.10	-60.00	360.00	7,597,672.000	4,656,321.000	1,205.000
MRDD005	400.00	-60.00	360.00	7,597,822.000	4,656,430.000	1,207.000
PNDD008	402.00	-60.00	360.00	7,596,808.695	4,656,910.589	1,120.139
PNDD009	402.00	-60.00	360.00	7,596,107.835	4,656,912.698	994.633
PNDD010	400.00	-60.00	360.00	7,596,507.384	4,656,957.984	1,088.861
PNDD011	402.00	-60.00	360.00	7,596,905.313	4,656,811.499	1,070.243
PNDD012	40430	-60.00	360.00	7,596,907.440	4,657,062.432	1,175.941
PNDD013	400.00	-60.00	360.00	7,596,999.868	4,656,825.287	1,061.138
PNDD014	594.10	-60.00	360.00	7,597,013.181	4,657,063.218	1,172.577
PNDD015	400.00	-60.00	360.00	7,597,673.007	4,657,000.751	1,245.117
PNDD016	408.50	-60.00	360.00	7,597,709.871	4,656,914.038	1,237.831
PNDD017	462.00	-60.00	360.00	7,597,869.621	4,656,678.107	1,236.543
PNDD018	452.00	-60.00	360.00	7,597,765.000	4,656,865.000	1,240.000
PNDD019	156.00	-60.00	45.00	7,597,507.000	4,657,060.000	1,205.000
PNDD020	195.00	-60.00	45.00	7,597,307.583	4,657,106.716	1,194.807
PNDD021	403.00	-60.00	360.00	7,597,207.000	4,657,057.000	1,172.000
PNDD022	150.00	-60.00	360.00	7,597,450.000	4,657,120.000	1,201.000
PNDD023	400.00	-60.00	360.00	7,597,107.000	4,656,807.000	1,058.000
PNDD024	320.00	-60.00	360.00	7,597,607.000	4,657,060.000	1,224.000
PNDD025	473.00	-60.00	360.00	7,597,850.000	4,656,575.000	1,210.000
PNDD026	413.00	-60.00	360.00	7,596,907.000	4,656,907.000	1,110.000
PNDD027	36L00	-60.00	360.00	7597786.000	4,656,696.000	1,220.000
PNDD028A	40100	-60.00	360.00	7,597,007.000	4,656,957.000	1,125.000
PNDD029	300.00	-45.00	360.00	7,597,117.000	4,657,007.000	1,149.502
PNDD030	339.00	-60.00	360.00	7,597,835.000	4,656,790.000	1,240.000
PNDD031	37L00	-45.00	360.00	7,597,217.000	4,656,917.000	1,133.000
PNDD032	401.00	-45.00	360.00	7597207,000	4,656,807.000	1,100.000
PNDD033	221.00	-50.00	360.00	7,597,807.000	4,656,910.000	1,260.000
PNDD034	360.00	-60.00	360.00	7,597,522.000	4,656,988.000	1,207.600
PNDD035	202.00	-60.00	360.00	7597305,000 .	4,657,105.000	1,194.807
PNDD036	*221.00*	-60.00	360.00	7,597,107.000	4,657,157.000	1,182.000
PNDD037	200.00	-45.00	360.00	7,597,209.712	4,657,110.760	1,176.348
PNDD038	350.00	-45.00	360.00	7,597,107.000	4,656,907.000	1,100.000
PNDD039	498.00	-60.00	360.00	7,597,307.000	4,656,860.000	1,110.000
PNDD040	425.80	-60.00	360.00	7,597,160.000	4,656,538.000	1,042.000
PNDD041	527.00	-60.00	340.00	7,597,039.000	4,656,505.000	1,022.000
PNDD042	367.20	-45.00	360.00	7,597,404.464	4,656,870.000	1,130.000
PNDD043	290.50	-60.00	360.00	7,597,947.000	4,656,626.000	1,241.000

Table A9: RC Drill Collar Details, Jul 2013-Jun 2014, Plavica Gold-Copper-Silver Project						
Hole	**Depth**	**Dip**	**Azm**	**East_GK_MIG**	**North_GK_MIG**	**RL_GK_MIG**
PNRC066	200.00	-60.00	360.00	7596707.938	4657061.089	1162.306
PNRC067	200.00	-60.00	360.00	7596804.471	4657057.797	1169.513
PNRC068	98.00	-60.00	180.00	7597495.347	4656288.709	1203.915
PNRC069A	102.00	-60.00	360.00	7597492.745	4656293.530	1204.364
PNRC070	126.00	-60.00	180.00	7597592.693	4656293.650	1207.835
PNRC071	87.00	-60.00	360.00	7597592.735	4655305.536	1207.161
PNRC072	123.00	-60.00	360.00	7597707.000	4656860.000	1210.000
PNRC073	201.00	-60.00	360.00	7596607.000	4657057.000	1130.000
PNRC074	200.00	-60.00	360.00	7596707.000	4657107.000	1158.000
PNRC075	200.00	-60.00	360.00	7596807.000	4657157.000	1180.000
PNRC076	194.00	-60.00	360.00	7597107.000	4656907.000	1100.000
PNRC077A	200.00	-60.00	360.00	7597207.000	4656807.000	1100.000
PNRC078	201.00	-60.00	360.00	7596765.000	4656328.000	930.000
PNRC079	204.00	-60.00	360.00	7597077.400	4656263.500	1104.000
PNRC080	181.00	-60.00	360.00	7597095.000	4656165.000	1104.000
PNRC081	100	-60.00	360.00	7597013.700	4656049.100	1060.000
PNRC082	201.00	-60.00	360.00	7597060.000	4656362.000	1072.000
PNRC083	191.00	-60.00	360.00	7597230.000	4656518.000	1084.000
PNRC084	200.00	-60.00	360.00	7597079.000	4656456.000	1043.000
PNRC085	200.00	-60.00	360.00	7597322.000	4656611.000	1039.000
PNRC086	219.00	-60.00	360.00	7597007.000	4657007.000	1150.000
PNRC087	200.00	-60.00	360.00	7596607.000	4657207.000	1112.000
PNRC088	219.00	-60.00	360.00	7596707.000	4657207.000	1148.000
PNRC089	178.00	-60.00	360.00	7596807.000	4657207.000	1175.000
PNRC090	200.00	-60.00	360.00	7596907.000	4657207.000	1192.000
PNRC091	200	-60.00	360.00	7596907.000	4657157.000	1198.000
PNRC092	200.00	-60.00	360.00	7597007.000	4657207.000	1200.000
PNRC093	200.00	-60.00	360.00	7597000.000	4657150.000	1205.000
PNRC094	179.00	-60.00	360.00	7597107.000	4657207.000	1182.000
PNRC095	204.00	-60.00	360.00	7597010.000	4656872.000	1083.000
PNRC096	200.00	-60.00	360.00	7597707.000	4656960.000	1240.000

Table A10: Diamond Core Drill Collar Details, Regional Holes 2013									
Tenement	**Prospect**	**Hole**	**Depth**	**Dip**	**Azm**	**East_GK_MIG**	**North_GK_MIG**	**RL**	**type**
2(T-2/4)	Plesenci-Gorun	PSDD001	74.00	-60	20	7594835	4652152	745	Core
2(T-2/4)	Plesenci-Creek	PSDD002	*88.20*	-60	60	7594393	4651459	*570*	Core
4(T-2/8)	Kostomor-Zarapinci	ZRDD001	82.10	-60	210	7595849	4645330	*477*	Core
4(T-2/8)	Kostomor-Zarapinci	ZRDD002	56.10	-60	30	7595852	4645333	477	Core
4(T-2/8)	Kostomor-Zarapinci	ZRDD003	84.70	-60	210	7595886	4645389	481	Core
1(T-2/2)	Stroimanci-Vaklinci	STDD001	100.40	-60	330	7584964	4652630	805	Core
1(T-2/2)	Stroimanci-Kachar	STDD003	100.80	-60	240	7586277	4651479	735	Core
1(T-2/2)	Stroimanci-Stroimanci	STDD002	74.00	-60	240	7585624	4651256	736	Core
1(T-2/2)	Stroimanci-Kraikochani	STDD004	100.10	-60	235	75885351	4649962	730	Core
1(T-2/2)	Stroimanci-Kraikochani	STDD005	100.30	-60	55	7585510	4649953	730	Core
3(T-2/6)	Kita-Dolne Barbarevo	KTDD001	92.50	-60	80	7587991	4649103	*700*	Core
7(T-2/5)	Borovik-Mulevci	BRDD001	101.00	-60	290	7590060	4658289	570	Core
7(T-2/5)	Borovik-Mulevci	BRDD002	101.30	-60	290	7590104	4658267	570	Core
7(T-2/5)	Borovik-Mulevci	BRDD003	100.20	-60	290	7590158	4658255	565	Core
7(T-2/5)	Borovik-Mulevci	BRDD004	100.70	-60	290	7590202	4658241	565	Core
5(T-2/9)	*Probistip-Ozren*	PRDD001	101.40	-60	*230*	7598779	4648091	570	Core

APPENDIX 2

Director and Competent Persons Statements

Ravengate
Mining Industry Consultants

Ravengate Director: Mr Steve Hyland

I Stephen Hyland, confirm that I am a Principal Consultant and Director of Ravensgate and that I directly supervised the production of the report titled "Independent Qualified Person Report and Independent Technical Valuation on Genesis Resources Limited's Macedonian and Australian Projects" with an effective date of 1 October 2014, in accordance with SGX Listing Rule 210 (9) (b) (ii).

I confirm that my firm's directors, employees, substantial shareholders, their associates and I are independent of Blumont Group Ltd, its directors, substantial shareholders, advisers and their associates. In addition, my firm's directors, employees, substantial shareholders, their associates and I have no interest, direct or indirect, in Blumont Group Ltd, its subsidiaries, or associated companies, and will not receive benefits other than remuneration paid to Ravensgate in connection with the Independent Qualified Persons Report and Independent Technical Valuation. Remuneration paid to Ravensgate is not dependent on the findings of this report.

I have over 25 years' experience in the minerals industry, with over 15 years and 5 years' experience in gold and copper, respectively.

I am a Fellow of The Australasian Institute of Mining and Metallurgy. I have not been found in breach of any relevant rule or law of that institute, and I am not the subject of any disciplinary proceeding. I am not the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association. I have reviewed the report to which this Consent Statement applies.



Signature of Ravensgate Director

Date: 1 October 2014

Ravensgate
Mining Industry Consultants

Ravensgate Competent Person for the Independent Qualified Persons Report: Mr Alan Hawkins

I Alan Hawkins, confirm that I am a Principal Consultant Geologist with Ravensgate and that I am responsible for the preparation of the Independent Qualified Persons Report, dated 1 October 2014.

I confirm that my firm's directors, employees, substantial shareholders, their associates and I are independent of Blumont Group Ltd, its directors, substantial shareholders, advisers and their associates. In addition, my firm's directors, employees, substantial shareholders, their associates and I have no interest, direct or indirect, in Blumont Group Ltd, its subsidiaries, or associated companies, and will not receive benefits other than remuneration paid to Ravensgate in connection with the Independent Qualified Persons Report (IQPR). Remuneration paid to Ravensgate is not dependent on the findings of this report.

I have over 18 years' experience in the minerals industry, with over 10 years and 5 years' experience in gold and copper, respectively.

I am a Member of The Australian Institute of Geoscientists. I have not been found in breach of any relevant rule or law of that institute, and I am not the subject of any disciplinary proceeding. I am not the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association.

I have read and understood the requirements of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). I am a Competent Person as defined by the JORC Code, 2012 Edition, having greater than five years' experience that is relevant to the style of mineralisation and type of deposit described in this report, and to the activity for which I am accepting responsibility.

I verify that this report is based on and fairly and accurately reflects, in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results. I have reviewed this report, to which this Consent Statement applies, and I consent to the release of this report.



Signature of Ravensgate Competent Person (IQPR) Date: 1 October 2014

Ravensgate
Mining Industry Consultants

Ravensgate Competent Person for the Independent Technical Valuation: Mr Sam Ulrich

I Sam Ulrich, confirm that I am a Principal Consultant Geologist with Ravensgate and that I am responsible for the preparation of the Independent Technical Valuation (ITV), with an effective Valuation Date of 22 September 2014. The ITV has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports (The VALMIN Code) as adopted by the Australasian Institute of Mining and Metallurgy (AusIMM) in April 2005.

I confirm that my firm's directors, employees, substantial shareholders, their associates and I are independent of Blumont Group Ltd, its directors, substantial shareholders, advisers and their associates. In addition, my firm's directors, employees, substantial shareholders, their associates and I have no interest, direct or indirect, in Blumont Group Ltd, its subsidiaries, or associated companies, and will not receive benefits other than remuneration paid to Ravensgate in connection with the Independent Technical Valuation (ITV). Remuneration paid to Ravensgate is not dependent on the findings of this report.

I have over 18 years' experience in the minerals industry, with over 10 years and 5 years' experience in gold and copper, respectively.

I am a Member of The Australasian Institute of Mining and Metallurgy and a Member of The Australian Institute of Geoscientists. I have not been found in breach of any relevant rule or law of that institute, and I am not the subject of any disciplinary proceeding. I am not the subject of any investigation that might lead to a disciplinary proceeding by any regulatory authority or any professional association.

I have read and understood the requirements of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). I am a Competent Person as defined by the JORC Code, 2012 Edition, having greater than five years' experience that is relevant to the style of mineralisation and type of deposit described in this report, and to the activity for which I am accepting responsibility.

I verify that this report is based on and fairly and accurately reflects, in the form and context in which it appears, the information in my supporting documentation relating to the Valuation of Genesis' Macedonian and Australian Projects. I have reviewed this report, to which this Consent Statement applies, and I consent to the release of this report.



Signature of Ravensgate Competent Person (ITV) Date: 1 October 2014

APPENDIX C – GENESIS OFFER CONDITIONS

The Genesis Offer is subject to the fulfilment of the following Genesis Offer Conditions:

1. Minimum acceptance

At or before the end of the Genesis Offer Period, Blumont has a Relevant Interest in such number of Genesis Shares which represents at least 50.1% of the aggregate of all the Genesis Shares on issue.

2. Blumont shareholder approval

Prior to the end of the Genesis Offer Period, Blumont receives the approval of its shareholders, in general meeting, for:

(i) the Takeover Bid and the Genesis Offer if required, in accordance with Chapter 10 of the Listing Manual Part A: Mainboard Rules of the SGX-ST; and

(ii) the issuance of Blumont Shares as Genesis Takeover Consideration in accordance with Chapter 8 of the Listing Manual Part A: Mainboard Rules of the SGX-ST.

3. No prescribed occurrences

During the period from the Execution Date to the end of the Genesis Offer Period (each inclusive), none of the following occurrences happens:

(i) Genesis converts all or any of its shares into a larger or smaller number of shares;

(ii) Genesis or a subsidiary of Genesis resolves to reduce its share capital in any way;

(iii) Genesis or a subsidiary of Genesis enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C (1) or 257D (1) of the Corporations Act;

(iv) other than in respect of the placement as announced through the ASX on 23 January 2014, Genesis or a subsidiary of Genesis issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option other than any Genesis Shares issued on exercise of a Genesis Option on issue and announced by Genesis to the ASX prior to the Execution Date;

(v) Genesis or a subsidiary of Genesis issues, or agrees to issue, convertible notes;

(vi) Genesis or a subsidiary of Genesis disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

(vii) Genesis or a subsidiary of Genesis grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property;

(viii) Genesis or a subsidiary of Genesis resolves to be wound up;

(ix) a liquidator or provisional liquidator of Genesis or of a subsidiary of Genesis is appointed;

(x) a court makes an order for the winding up of Genesis or of a subsidiary of Genesis;

(xi) an administrator of Genesis or of a subsidiary of Genesis is appointed under section 436A, 436B or 436C of the Corporations Act;

(xii) Genesis or a subsidiary of Genesis executes a deed of company arrangement; or

(xiii) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Genesis or a subsidiary of Genesis,

(each, a "**Prescribed Occurrence**").

4. No action by Government Agency adversely affecting the Proposed Genesis Acquisition

During the period from the Execution Date to the end of the Genesis Offer Period:

(i) there is not in effect any preliminary or final decision, order, ruling or decree issued by (or on behalf of) a Government Agency;

(ii) no action or investigation is instituted, or threatened, by any Government Agency with respect to Genesis or any subsidiary of Genesis; or

(iii) no application is made to any Government Agency (other than an application by the Company or any Related Body Corporate (as defined in the Corporations Act) of the Company, an application under sections 657C or 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Proposed Genesis Acquisition),

in consequence of, or in conjunction with, the Proposed Genesis Acquisition (other than a determination by ASIC or the Takeovers Panel in exercise of the power and discretions conferred by the Corporations Act), which restrains or prohibits, or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Proposed Genesis Acquisition or the completion of any transaction contemplated by the Proposed Genesis Acquisition (including implementing the intentions expressed therein) or that seeks to require the divestiture by the Company of any Genesis Shares, or the divestiture of any assets by Genesis or by any subsidiary of Genesis or by any company within the Group.

5. Approvals by Government Agencies

During the period from the Execution Date to the end of the Genesis Offer Period, the Company receives all Approvals which are required by Law or by any Government Agency:

(i) to permit the Genesis Offers to be made to and accepted by Genesis Shareholders; or

(ii) as a result of the Offers or the successful acquisition of the Genesis Shares and which are necessary for the continued operation of the business of Genesis and its subsidiaries or of the Company and its subsidiaries,

and those Approvals are on an unconditional basis and remain in force in all respects and there is no notice or indication of intention to revoke, suspend, restrict, modify or not renew those Approvals.

This includes the Company receiving the approval of:

(i) the SGX-ST for the listing and quotation of the Genesis Consideration Shares; and

(ii) relevant Government Agencies in the Republic of Macedonia and Australia which may be required in respect of the Genesis Offer and, in particular, the change of control in the Genesis Exploration Projects.

6. No material acquisitions, disposals, etc

Except for any proposed transaction publicly announced by Genesis through the ASX before the Execution Date, none of the following events occurs before the end of the Genesis Offer Period without the written consent of the Company:

(i) Genesis, or any subsidiary of Genesis, acquires, offers to acquire or agrees to acquire one or more companies or assets (or an interest in one or more companies or assets) for an amount in aggregate greater than A$200,000 or makes an announcement about such an acquisition;

(ii) Genesis, or any subsidiary of Genesis, disposes, offers to dispose or agrees to dispose of, or creates, or offers to create, an equity interest in one or more companies or assets (or an interest in one or more companies or assets) for an amount or value in aggregate greater than A$200,000 or makes an announcement about such a disposal or creation;

(iii) Genesis, or any subsidiary of Genesis, enters into, offers to enter into or announces that it proposes to enter into any joint venture, partnership or management agreement involving a commitment of greater than A$200,000 or dual listed company structure, or makes an announcement about such a commitment;

(iv) Genesis, or any subsidiary of Genesis, incurs or commits to, or grants to another person a right the exercise of which would involve Genesis or any subsidiary of Genesis incurring or committing to, any capital expenditure or liability for one or more related items of greater than A$200,000 or makes an announcement about such a commitment; or

(v) Genesis, or any subsidiary of Genesis, or the Plavica JV Partner disposes, offers to dispose or agrees to dispose of, or creates, or offers to create, an interest in or an Encumbrance over any one or more of the Plavica Concessions.

7. No material failings in filings

The Company does not become aware, during the period from the Execution Date to the end of the Genesis Offer Period, that:

(i) any document filed by or on behalf of Genesis with ASX or ASIC contains a statement which is incorrect or misleading in any material respect or from which there is a material omission; or

(ii) Genesis has made or not made an announcement in breach of its continuous disclosure obligations.

8. Non-existence of certain rights

No person has any right (whether subject to conditions or not) as a result of the Company acquiring Genesis Shares to:

(i) acquire, or require Genesis or a subsidiary of Genesis to dispose of, or offer to dispose of, any material asset of Genesis or a subsidiary of Genesis;

(ii) terminate or vary any material agreement with Genesis or a subsidiary of Genesis; or

(iii) accelerate or adversely modify the performance or occurrence of any obligations of Genesis or any of its subsidiaries in a material respect under any material agreements, contracts or other legal arrangements.

9. No force majeure event

During the period from the Execution Date to the end of the Genesis Offer Period, no outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster, material increase in the intensity of any of the above events or other event beyond the control of Genesis or its subsidiaries occurs which affects or is likely to affect the assets, liabilities, financial position, performance, profitability or prospects of Genesis or any of its subsidiaries.

10. No material adverse change to Genesis

During the period from the Execution Date to the end of the Genesis Offer Period, no Genesis Material Adverse Change occurs.

11. Mining interests

Between the Execution Date and the end of the Genesis Offer Period (each inclusive), no mining or exploration agreement, right or licence to explore or mine or both a particular area or to construct, use or maintain infrastructure in connection with a mining operation, including an exploration licence or mining licence held by any member of the Genesis Group or in which a member of the Genesis Group has a legal or economic interest (including the Genesis Exploration Projects and the Plavica Concessions) at the Execution Date ("**Mining Interests**"), or any interest in any Mining Interest, is revoked or terminated (excluding for the avoidance of doubt relinquishment of parts of tenements in the ordinary course of business).

12. Distribution

Other than as announced by Genesis before the Execution Date, Genesis (each subsidiary of Genesis) does not, before the end of the Genesis Offer Period, make or declare, or announce an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and irrespective of whether it is cash or in specie).

13. Other persons acquiring a Relevant Interest

Other than as announced through the ASX before the Execution Date, before the end of the Genesis Offer Period no person or persons (other than the Company and its Associates) acquire a Relevant Interest in 20% or more of Genesis Shares.

14. Blumont Event

Before the end of the Genesis Offer Period, the rolling 5 day VWAP of the Shares as quoted on the SGX-ST ending on any trading day on the SGX-ST does not fall to a level that is 20% or more below the price of the Shares as at the close of trading of the SGX-ST on the Business Day before the Execution Date.

On 21 March 2014, the Company announced that it was waiving its right in respect of the non-satisfaction of this Genesis Offer Condition for the period prior to the date of the Genesis Offer, being 24 March 2014.

On 22 April 2014, the Company announced that it was waiving its rights in respect of the non-satisfaction of this Genesis Offer Condition at any time prior to the date of the Second Supplementary Genesis Bidder's Statement. The Company further announced that, from the date of the Second Supplementary Genesis Bidder's Statement, the relevant Share price at which the Company may rely on this Genesis Offer Condition being triggered is S$0.0272, which is equivalent to a level that is 20% below the price of the Shares as at the Genesis Applicable LPD.

Accordingly, on 22 April 2014, the Company and Genesis entered into the Genesis Amendment Deed pursuant to which Genesis agreed that it would not exercise any right of termination which may be available to it under the Genesis Implementation Deed at any time prior to the date of the Second Supplementary Genesis Bidder's Statement, including as a result of a fall in the Share price since the date of the initial announcement on the Proposed Genesis Acquisition. In addition, under the terms of the Genesis Amendment Deed, Genesis agreed to vary its right to terminate the Genesis Implementation Deed in the event of a fall in the Share price so that this right will only be exercisable in the event that the VWAP of the Shares falls below S$0.0272.

On 29 October 2014, 23 December 2014 and 10 February 2015, the Company announced that it was waiving its rights in respect of the non-satisfaction of this Genesis Offer Condition at any time prior to the date of the Seventh Supplementary Genesis Bidder's Statement, the date of the Eighth Supplementary Genesis Bidder's Statement and the date of the Eleventh Supplementary Genesis Bidder's Statement, respectively.

15. Plavica Joint Venture Agreement

Between the Execution Date and the end of the Genesis Offer Period:

(i) there is no variation or termination of the Plavica JV Agreement; and

(ii) neither a member of the Genesis Group nor the Plavica JV Partner is in breach of any material term or obligation under the Plavica JV Agreement.

16. Plavica Concessions

(i) Between the Execution Date and the end of the Genesis Offer Period, all of the Plavica Concessions are and remain valid, effective and in good standing.

(ii) Between the Execution Date and the end of the Genesis Offer Period, the Plavica JV Partner is and remains the registered holder of all of the Plavica Concessions.

(iii) Between the Execution Date and the end of the Genesis Offer Period, the Plavica JV Partner is in, and remains in, compliance with all material obligations under the terms and conditions of the Plavica Concessions.

(iv) By 28 February 2014, Genesis will finalise and submit to the Plavica JV Partner the final feasibility study in respect of Plavica Concession No. 19-6648/1 in accordance and compliance with the terms of the Plavica JV Agreement and all relevant Laws. On 2 May 2014, the Company gave notice under section 630(4) of the Corporations Act that this Genesis Offer Condition had been fulfilled.

(v) Prior to the end of the Genesis Offer Period, no application for exploitation, exploration or extension of any of or in respect of any of the Plavica Concessions (or any of the land the subject of the Plavica Concessions) which is made by the Plavica JV Partner or Genesis (or an associate of either entity) is rejected or declined by the Ministry of Economy of the Republic of Macedonia.

17. Existing Loan Agreements

At any time between the Execution Date and the end of the Genesis Offer Period:

(i) no additional amounts are drawn down by Genesis under the Existing Loan Agreements; and

(ii) there is no issue of any Genesis Shares as a result of any conversion or set-off of any amounts owing under the Existing Loan Agreements.

On 21 March 2014 and 2 May 2014, the Company announced that it was waiving this Genesis Offer Condition in respect of aggregate draw downs under the Existing Loan Agreements of up to A$9 million.

18. Genesis Options

There is no change, before the end of the Genesis Offer Period, to any of the terms or conditions of the Genesis Options.

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF GENESIS FOR THE FINANCIAL YEARS ENDED 30 JUNE 2012, 30 JUNE 2013 AND 30 JUNE 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS)/INCOME							
	For the financial year ended:				For the financial year ended:		
	30-Jun-14	30-Jun-13	30-Jun-12		30-Jun-14	30-Jun-13	30-Jun-12
	A$	A$	A$		S$	S$	S$
Other income	2,726	276	447,313	Other income	2,873	291	471,513
Professional fees	(351,136)	(511,335)	(441,220)	Professional fees	(370,132)	(538,998)	(465,090)
Administrative and other expenses	(845,731)	(685,676)	(663,188)	Administrative and other expenses	(891,485)	(722,772)	(699,067)
Employee benefit expenses	(1,217,896)	(694,424)	(166,767)	Employee benefit expenses	(1,283,784)	(731,992)	(175,789)
Finance cost	(215,808)	–	–	Finance cost	(227,483)	–	–
Results from operating activities	**(2,627,845)**	**(1,891,159)**	**(823,862)**	**Results from operating activities**	**(2,770,011)**	**(1,993,471)**	**(868,433)**
Interest income	10,575	96,094	22,744	Interest income	11,147	101,293	23,974
Net finance income	**10,575**	**96,094**	**22,744**	**Net finance income**	**11,147**	**101,293**	**23,974**
Loss before tax	**(2,617,270)**	**(1,795,065)**	**(801,118)**	**Loss before tax**	**(2,758,864)**	**(1,892,178)**	**(844,459)**
Income tax expense	–	–	(134,194)	Income tax expense	–	–	(141,454)
Loss for the year	**(2,617,270)**	**(1,795,065)**	**(935,312)**	**Loss for the year**	**(2,758,864)**	**(1,892,178)**	**(985,913)**
Other comprehensive income:				**Other comprehensive income:**			
Items that may be classified to profit or loss				*Items that may be classified to profit or loss*			

CONSOLIDATED STATEMENT OF COMPREHENSIVE (LOSS)/INCOME							
	For the financial year ended:				For the financial year ended:		
	30-Jun-14	30-Jun-13	30-Jun-12		30-Jun-14	30-Jun-13	30-Jun-12
	A$	A$	A$		S$	S$	S$
Net change in fair value of available for sale financial assets	–	–	31,511	Net change in fair value of available for sale financial assets	–	–	33,216
Available for sale financial assets, transfer to profit and loss	–	–	(447,313)	Available for sale financial assets, transfer to profit and loss	–	–	(471,513)
Foreign exchange gain/(loss)	(280,726)	66,873	–	Foreign exchange gain/(loss)	(295,913)	70,491	–
Income tax on other comprehensive income	–	–	124,741	Income tax on other comprehensive income	–	–	131,489
Other comprehensive loss for the year, net of tax	**(280,726)**	**66,873**	**(291,061)**	**Other comprehensive loss for the year, net of tax**	**(295,913)**	**70,491**	**(306,808)**
Total comprehensive loss for the year	**(2,897,996)**	**(1,728,192)**	**(1,226,373)**	**Total comprehensive loss for the year**	**(3,054,777)**	**(1,821,687)**	**(1,292,721)**
Earnings per share				**Earnings per share**			
Basic loss per share (cents per share)	(1.65)	(1.49)	(1.64)	Basic loss per share (cents per share)	(1.74)	(1.57)	(1.73)
Diluted loss per share (cents per share)	(1.65)	(1.22)	(1.64)	Diluted loss per share (cents per share)	(1.74)	(1.29)	(1.73)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	As at 30 June 2014 A$	As at 30 June 2013 A$	As at 30 June 2012 A$		As at 30 June 2014 S$	As at 30 June 2013 S$	As at 30 June 2012 S$
Assets				**Assets**			
Current assets				**Current assets**			
Cash and cash equivalents	543,206	1,129,833	751,207	Cash and cash equivalents	572,593	1,190,957	791,847
Prepayments and other receivables	53,608	191,800	97,574	Prepayments and other receivables	56,508	202,176	102,852
Other financial assets	1,110	1,852	9,627	Other financial assets	1,170	1,952	10,148
Total current assets	**597,924**	**1,323,485**	**858,408**	**Total current assets**	**630,271**	**1,395,085**	**904,847**
Non-current assets				**Non-current assets**			
Other financial assets	78,977	78,977	78,514	Other financial assets	83,250	83,250	82,762
Property, plant and equipment	176,310	213,032	3,762	Property, plant and equipment	185,848	224,557	3,966
Exploration and evaluation assets	13,310,315	8,152,812	3,326,543	Exploration and evaluation assets	14,030,403	8,593,879	3,506,509
Total non-current assets	**13,565,602**	**8,444,821**	**3,408,819**	**Total non-current assets**	**14,299,501**	**8,901,686**	**3,593,237**
Total Assets	**14,163,526**	**9,768,306**	**4,267,227**	**Total Assets**	**14,929,772**	**10,296,771**	**4,498,084**
Current liabilities				**Current liabilities**			
Trade and other payables	2,531,652	1,786,790	197,831	Trade and other payables	2,668,614	1,883,455	208,534
Borrowings	4,400,000	–	–	Borrowings	4,638,040	–	–

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF GENESIS FOR THE FINANCIAL YEARS ENDED 30 JUNE 2012, 30 JUNE 2013 AND 30 JUNE 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION							
	As at 30 June 2014 A$	As at 30 June 2013 A$	As at 30 June 2012 A$		As at 30 June 2014 S$	As at 30 June 2013 S$	As at 30 June 2012 S$
Total current liabilities	**6,931,652**	**1,786,790**	**197,831**	**Total current liabilities**	**7,306,654**	**1,883,455**	**208,534**
Total liabilities	**6,931,652**	**1,786,790**	**197,831**	**Total liabilities**	**7,306,654**	**1,883,455**	**208,534**
Net Assets	**7,231,874**	**7,981,516**	**4,069,396**	**Net Assets**	**7,623,118**	**8,413,316**	**4,289,550**
Equity				**Equity**			
Share capital	13,738,468	11,590,114	5,949,802	Share capital	14,481,719	12,217,139	6,271,686
Reserves	(213,853)	66,873	–	Reserves	(225,422)	70,491	–
Accumulated losses	(6,292,741)	(3,675,471)	(1,880,406)	Accumulated losses	(6,633,179)	(3,874,314)	(1,982,136)
Total Equity	**7,231,874**	**7,981,516**	**4,069,396**	**Total Equity**	**7,623,118**	**8,413,316**	**4,289,550**

NOTICE OF EXTRAORDINARY GENERAL MEETING

BLUMONT GROUP LTD.

(Company Registration Number: 199302554G)
(Incorporated in the Republic of Singapore)

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular (the "**Circular**") dated 25 February 2015 issued by Blumont Group Ltd. (the "**Company**").*

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of the shareholders (the "**Shareholders**") of the Company will be held at Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 on 12 March 2015 at 10.00 a.m. for the purposes of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions:

ORDINARY RESOLUTION 1: THE PROPOSED ADDITIONAL CORE BUSINESS

That:

(a) approval be and is hereby given for the Proposed Additional Core Business, and pursuant thereto, for the Group to carry on the business undertaken or to be undertaken under the Mineral and Energy Resources Business and all other businesses reasonably incidental or ancillary thereto, all as part of the Group's ordinary course of business; and

(b) the Directors and any of them be and are hereby authorised to do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph(s) of this Ordinary Resolution 1 as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

ORDINARY RESOLUTION 2: THE PROPOSED GENESIS ACQUISITION

That:

(a) approval be and is hereby given, for the purposes of Chapter 10 of the Listing Manual, for the Company to acquire from the shareholders of Genesis Resources Limited ("**Genesis**") fully paid ordinary shares constituting up to 100% of the issued and paid-up capital of Genesis, on the terms and subject to the conditions of the Genesis Bidder's Statement, as amended and supplemented by the Genesis Supplementary Bid Documents (the "**Proposed Genesis Acquisition**");

(b) approval be and is hereby given for the allotment and issue of up to 1,209,128,707 new fully paid ordinary shares in the capital of the Company (the "**Genesis Consideration Shares**") to such of the shareholders of Genesis who accept the Company's offer to acquire Genesis shares pursuant to the Proposed Genesis Acquisition, in satisfaction of the consideration for the Proposed Genesis Acquisition at 9.5 Genesis Consideration Shares for every two Genesis shares, subject to any fractional entitlements being rounded up to the nearest whole Genesis Consideration Share; and

(c) the Directors and any of them be and are hereby authorised to do all acts and things (including without limitation, executing all such documents and approving any amendments, alterations or modifications to any such documents as may be required in connection with the Proposed Genesis Acquisition and (if necessary) affixing the Common Seal of the Company to any and all share certificates in accordance with the Memorandum and Articles of Association of the Company) as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph(s) of this Ordinary Resolution 2 as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

BY ORDER OF THE BOARD

Ong Sing Huat
Company Secretary
25 February 2015

Notes:

(a) A member of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend and vote on his behalf. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100 per cent of the shareholding and any second named proxy as an alternate to the first named. A proxy need not be a member of the Company.

(b) A member of the Company which is a corporation is entitled to appoint its authorised representative or proxies to vote on its behalf. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.

(c) If a proxy is to be appointed, the instrument appointing a proxy must be deposited at the registered office of the Company at 298 Tiong Bahru Road, #20-02/03 Central Plaza, Singapore 168730 not less than 48 hours before the time appointed for the holding of the EGM.

(d) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 48 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

(e) Where a member of the Company is represented by one or more proxies, only the first named proxy specified in the relevant instrument of proxy shall be deemed to be authorised to vote on a show of hands and the second named proxy shall not be so entitled to vote unless the first named proxy is not present or fails to cast a vote.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

BLUMONT GROUP LTD.

(Company Registration No.: 199302554G)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. For investors who have used their CPF monies to buy shares in Blumont Group Ltd., this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the EGM as OBSERVERS have to submit their requests through their respective agent banks so that their agent banks may register with the Company Secretary of Blumont Group Ltd.

EXTRAORDINARY GENERAL MEETING

*I/We _____ (Name) _____ (NRIC/Passport No.) of _____ (Address) being *a member/members of **BLUMONT GROUP LTD.** (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)	
			No. of Shares	%

or failing him/them, the Chairman of the Extraordinary General Meeting ("**EGM**") as my/our proxy/proxies to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the EGM to be held at Seletar Room 3, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 on 12 March 2015 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the EGM as indicated hereunder. If no specified direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they may on any other matter arising at the EGM.

Ordinary Resolutions	To be used on a show of hands		To be used in the event of a poll	
	For	Against	Number of Shares for	Number of Shares against
Resolution 1: The Proposed Additional Core Business				
Resolution 2: The Proposed Genesis Acquisition				

(If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Otherwise please indicate the number of votes as appropriate.)

Dated this _____ day of _____ 2015

Total Number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

_____
Signature(s) of Shareholder(s) or Common Seal
*Delete accordingly

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register as well as registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. A member appointing more than one proxy shall specify the percentage of Shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

4. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 298 Tiong Bahru Road, #20-02/03 Central Plaza, Singapore 168730 not less than 48 hours before the time appointed for the EGM.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter of power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which, the instrument may be treated as invalid.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with its Articles of Association and section 179 of the Companies Act, Chapter 50 of Singapore.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instruments appointing a proxy or proxies. In addition, in the case of members whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

8. Agent Banks acting on the request of CPF investors who wish to attend the EGM as Observers are required to submit in writing, a list with details of the investors' names, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company Secretary, at the registered office of the Company not later than 48 hours before the time appointed for holding the EGM.

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AFFIX POSTAGE STAMP HERE

The Company Secretary
BLUMONT GROUP LTD.
298 Tiong Bahru Road
#20-02/03 Central Plaza
Singapore 168730

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