Quarterly Activities Report – September 2016

HIGHLIGHTS

Plavica Au-Ag-Cu Project

- The extensional and infill drilling program continued at Plavica during the quarter ended 30 September 2016 (**Quarter**). A total of 10 core holes were drilled for a total of 2,321.65m and 8 RC holes were also drilled for 1051m. Drilling is ongoing at Plavica and the Company plans to release a JORC 2012 compliant resource in the following Quarter.
- Results have been returned for 2 of the holes drilled this Quarter plus outstanding results from 33 holes drilled last Quarter. Results were generally encouraging and included:

  - **MRDD032: 129.8m @ 1.20 g/t Au from 12m from the Maricanski Rid prospect.**
  - **PNRC105: 51m @ 1.98 g/t Au from 78m from the Plavica prospect.**

EXPLORATION & DEVELOPMENT PROGRESS DURING THE QUARTER

REPUBLIC OF MACEDONIA

PLAVICA HIGH SULPHIDATION EPITHERMAL GOLD-COPPER-SILVER PROJECT *(Figures 1 & 2)*

Following the granting of the 30-year Exploitation Licence at Plavica in May 2015, drilling has since focussed on extending and better understanding the previously known mineralisation at both the Plavica and Maricanski Rid prospects with a focus on the oxide gold potential. During the Quarter, drilling has continued at both of these prospects using one core rig and one Reverse Circulation (RC) rig with the aim of re-doing the Inferred Resource at Plavica and completing a maiden Inferred Resource at Maricanski Rid in the following Quarter. Delays were experienced from poor assay turnaround due to political unrest in Turkey. One core rig and one RC rig are currently in operation. Genesis hopes to unveil a JORC compliant resource in November 2016.

At Plavica a total of 4 core holes for 1427.45m and 2 RC holes for 408m were completed. Results are pending. In addition, results were received for the holes drilled in the June Quarter (Table 2). Results include:

- **PNDD080: 20m @ 1.55 g/t Au from 111m & 53.3m @ 1.67 g/t Au from 152m.**
- **PNRC105: 51m @ 1.98 g/t Au from 78m.**

As drilling was focussed mainly on the gold oxide part of the mineralisation at Plavica, copper (which is rare in the oxide material) assays were relatively low grade. The best results were in hole PNDD081 which had 6m @ 1.02 % Cu from 122m and 13m @ 0.84 % Cu from 160m.

At Maricanski Rid a total of 6 core holes for 894.2m and 6 RC holes for 643m were completed. Results have been received for two of the RC holes with the rest still pending. Results were also received for the holes drilled in the June Quarter (Tables 3 and 4). Results include:

- **MRDD032: 129.8m @ 1.20 g/t Au from 12m.**
- **MRRC001: 76m @ 2.01 g/t Au from 0m.**

All drill collar locations drilled this Quarter are shown in Table 1 and Figure 2. Composites from results received this Quarter are shown in Tables 3, 4 and 5. A section from Maricanski Rid showing holes MRDD028, MRDD029 and MRDD032 is shown as Figure 3.

Genesis aims to complete a JORC compliant Resource in the 4th Quarter of 2016. Genesis then expects to complete a feasibility study before December 2017, and has agreed to commit up to US $7.5m for these activities.

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Figure 1 (above) Location of the Plavica Gold-Copper-Silver Project, Republic of Macedonia.

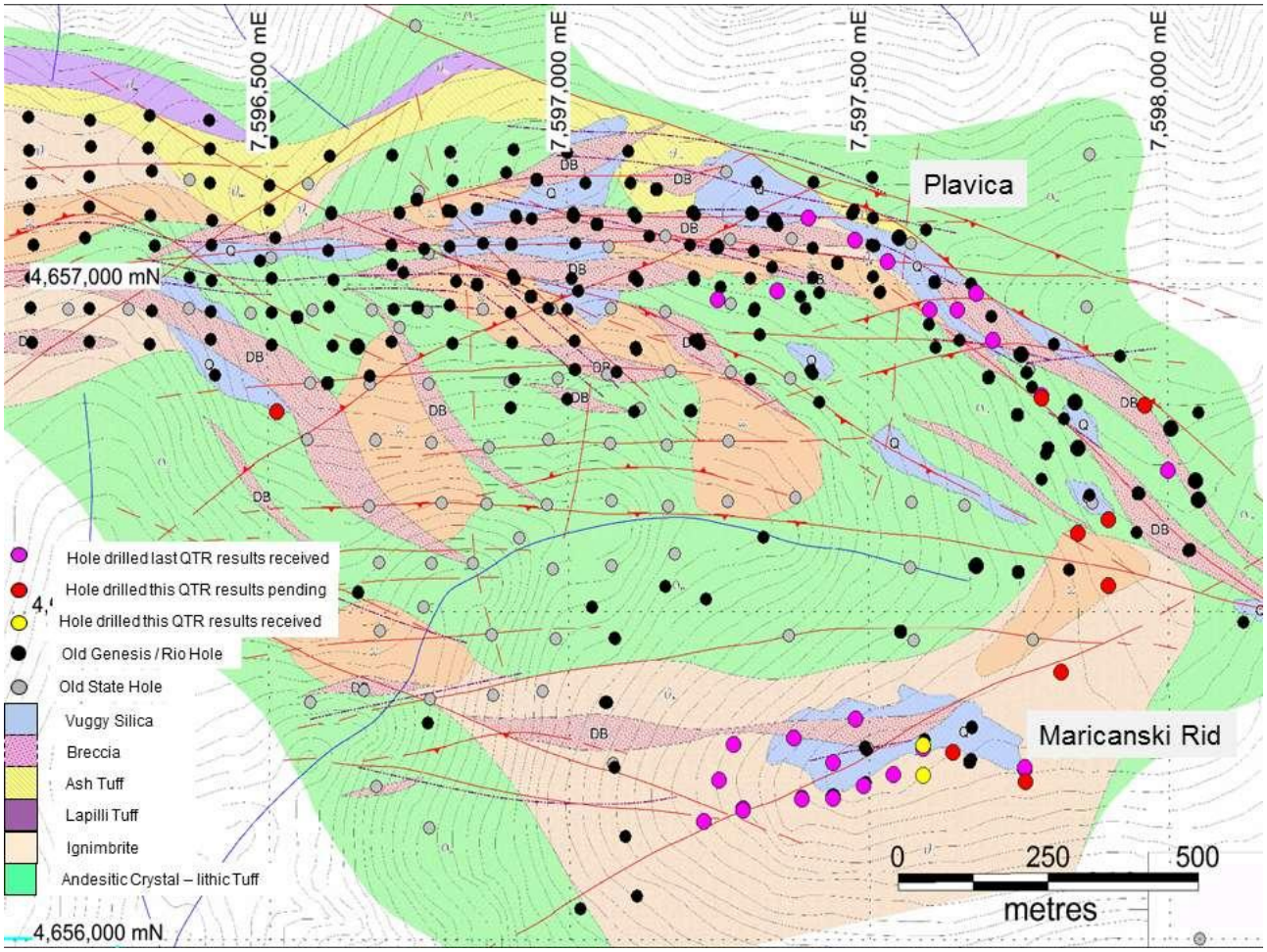


Figure 2 Location of Holes drilled or assays reported, QTR 3 2016, Plavica Project. Gauss Kruger Co-ordinate System.

Prospect	Hole ID	Type	Depth	Dip	Azi Mag	East_GK	North_GK	RL m	Comments
Plavica	PNDD085	DD	158.3	-45	322.5	7597961.11	4656815.32	1280.51	Results Pending
Plavica	PNDD086	DD	451.3	-60	4	7597849.96	4656619.36	1221.37	Results Pending
Plavica	PNDD087	DD	294.5	-54	4	7597790.37	4656825.65	1243.04	Results Pending
Plavica	PNDD088	DD	523.4	-60	359	7596515.09	4656806.48	1067.95	Results Pending
Plavica	PNRC109	RC	204	-50	4	7597900	4656540	1222	Results Pending
Plavica	PNRC110	RC	204	-61	4	7597900	4656640	1234	Results Pending
Maricanski Rid	MRDD034	DD	155.2	-65	184	7597860	4656290	1200	Results Pending
Maricanski Rid	MRDD035	DD	141.4	-45	184	7597810	4656290	1199.6	Results Pending
Maricanski Rid	MRDD036	DD	143	-60	190	7597820	4656408	1207	Results Pending
Maricanski Rid	MRDD037	DD	128.8	-45	184	7597640	4656285	1206	Results Pending
Maricanski Rid	MRDD038	DD	194.9	-65	184	7597640	4656285	1206	Results Pending
Maricanski Rid	MRDD039	DD	130.9	-45	4	7597640	4656285	1206	Results Pending
Maricanski Rid	MRRC012	RC	70	-90	0	7597590.3	4656250	1202.52	Results Received
Maricanski Rid	MRRC013	RC	79	-90	0	7597590	4656297	1207.8	Results Received
Maricanski Rid	MRRC014	RC	140	-65	4	7597810	4656290	1199.6	Results Pending
Maricanski Rid	MRRC015	RC	108	-65	184	7597810	4656290	1199.6	Results Pending
Maricanski Rid	MRRC016	RC	144	-90	360	7597810	4656290	1199.6	Results Pending
Maricanski Rid	MRRC017	RC	102	-90	360	7597760	4656240	1188.1	Results Pending

Table 1 Details of Holes drilled, QTR 3 2016, Plavica and Maricanski Rid Prospects. Gauss Kruger Co-ordinate System. NB Not all Collars have been surveyed.

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Prospect	Hole_ID	From	To	Interval	Au g/t	Ag g/t	Cu %
Plavica	PNDD080	68	71	3	1.84	9.60	0.22
Plavica	PNDD080	80	89	9	0.94	3.49	0.04
Plavica	PNDD080	95	98	3	0.95	2.15	0.01
Plavica	PNDD080	103	106	3	0.68	1.32	0.03
Plavica	PNDD080	111	131	20	1.55	2.66	0.14
Plavica	PNDD080	152	205.3	53.3	1.67	2.74	0.09
Plavica	PNDD081	81	95	14	0.67	4.11	0.21
Plavica	PNDD081	220	225	5	0.51	9.56	0.67
Plavica	PNRC098	1	39	38	1.12	5.45	0.03
Plavica	PNRC098	44	57	13	0.96	6.31	0.03
Plavica	PNRC098	66	90	24	0.69	3.42	0.02
Plavica	PNRC099	0	37	37	0.83	5.65	0.02
Plavica	PNRC099	48	75	27	0.66	1.00	0.06
Plavica	PNRC099	81	86	5	0.63	1.00	0.04
Plavica	PNRC099	110	152	42	1.60	3.67	0.11
Plavica	PNRC100	37	52	15	0.70	3.60	0.03
Plavica	PNRC100	60	67	7	1.12	3.43	0.01
Plavica	PNRC100	68	76	8	2.72	2.50	0.03
Plavica	PNRC100	97	113	16	0.73	1.62	0.03
Plavica	PNRC100	120	146	26	0.78	9.83	0.02
Plavica	PNRC101	22	31	9	0.56	1.33	0.02
Plavica	PNRC101	69	80	11	1.12	4.07	0.02
Plavica	PNRC101	88	91	3	0.48	0.44	0.01
Plavica	PNRC101	97	100	3	0.46	1.69	0.06
Plavica	PNRC101	118	123	5	0.57	3.52	0.03
Plavica	PNRC102	7	46	39	0.67	2.23	0.02
Plavica	PNRC103	41	78	37	1.16	3.22	0.04
Plavica	PNRC103	84	87	3	1.66	3.30	0.07
Plavica	PNRC104	0	6	6	0.92	1.44	0.01
Plavica	PNRC105	7	12	5	0.64	6.68	0.02
Plavica	PNRC105	39	47	8	0.86	2.15	0.01
Plavica	PNRC105	78	129	51	1.98	3.55	0.03
Plavica	PNRC106	14	21	7	0.82	5.02	0.02
Plavica	PNRC106	86	89	3	0.53	141.33	0.02
Plavica	PNRC106	93	96	3	0.63	75.33	0.04
Plavica	PNRC107	72	109	37	1.13	0.88	0.02
Plavica	PNRC107	135	144	9	2.72	14.45	0.01
Plavica	PNRC108	17	22	5	0.41	2.31	0.01

Table 2 (above): Significant Core and RC Drilling Gold Results received, QTR 3 2016, Plavica Prospect Area. Note all holes were drilled in QTR 2. Compositing done with a 0.4 g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Core samples are all orientated standard HQ size core split in two using a core saw. Half the core was sampled at 1m intervals and the other half retained for reference purposes. All core was logged and photographed prior to sampling. Samples were sent to SGS Laboratories in Bor, Serbia. Samples were assayed for gold by 30g Fire Assay and other elements by ICP. Standards, Blanks and Duplicates were also submitted for Laboratory Quality Assurance / Quality Control (QA/QC). Intercept widths are not necessarily true widths.

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Hole_ID	From	To	Interval	Au g/t
MRDD025	0	8	8	0.55
MRDD025	16	24	8	0.51
MRDD025	29	49	20	0.72
MRDD025	59.7	68.2	8.5	0.52
MRDD026	16	41	25	1.00
MRDD026	47	81	34	1.00
MRDD027	52	60	8	0.71
MRDD027	81	86	5	1.20
MRDD027	90	96	6	0.52
MRDD027	111	121	10	0.60
MRDD027	125	129	4	0.41
MRDD028	3	49	46	0.90
MRDD028	76	87	11	0.68
MRDD028	98	107	9	0.58
MRDD029	13	16	3	0.69
MRDD029	40	53	13	1.22
MRDD030	6	16	10	0.51
MRDD030	23	34	11	0.50
MRDD030	48	115	67	0.70
MRDD030	119	123	4	0.42
MRDD030	139	142	3	1.28
MRDD030	158	178.25	20.25	0.61
MRDD031	4	14	10	0.99
MRDD032	12	141.8	129.8	1.20
MRDD032	142.6	152	9.4	0.69
MRDD032	167	175	8	0.44
MRDD033	3	48	45	0.63
MRDD033	59	66	7	0.52
MRDD033	70	92	22	0.46
MRDD033	103	110	7	0.50
MRDD033	119	126	7	0.51
MRDD033	150	163.6	13.6	0.50

Table 3 (above): Significant Core Drilling Gold Results received, QTR 3 2016, Maricanski Rid Prospect Area. Note all holes were drilled in QTR 2. Compositing done with a 0.4 g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. Core samples are all orientated standard HQ size core split in two using a core saw. Half the core was sampled at 1m intervals and the other half retained for reference purposes. All core was logged and photographed prior to sampling. Samples were sent to SGS Laboratories in Bor, Serbia. Samples were assayed for gold by 30g Fire Assay and other elements by ICP. Standards, Blanks and Duplicates were also submitted for Laboratory Quality Assurance / Quality Control (QA/QC). Intercept widths are not necessarily true widths.

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Hole_ID	From	To	Interval	Au g/t
MRRC001	0	76	76	2.01
MRRC002	0	16	16	1.07
MRRC002	20	25	5	0.46
MRRC002	38	47	9	0.61
MRRC003	0	7	7	1.68
MRRC003	33	38	5	0.50
MRRC004	0	9	9	0.66
MRRC004	14	43	29	0.84
MRRC004	54	57	3	0.56
MRRC004	59	65	6	0.59
MRRC005	38	42	4	0.78
MRRC005	93	106	13	0.97
MRRC005	130	135	5	0.61
MRRC005	148	156	8	0.95
MRRC006	41	48	7	1.25
MRRC006	65	109	44	0.85
MRRC006	127	132	5	0.93
MRRC006	140	143	3	0.48
MRRC006	145	148	3	0.74
MRRC007	3	10	7	0.46
MRRC007	71	74	3	0.52
MRRC008	2	10	8	0.85
MRRC008	56	70	14	0.50
MRRC009	0	32	32	0.80
MRRC009	46	52	6	0.46
MRRC009	74	80	6	0.46
MRRC010	9	24	15	0.61
MRRC010	28	64	36	0.92
MRRC010	73	82	9	0.53
MRRC010	86	89	3	1.31
MRRC011	30	52	22	0.91
MRRC012	10	15	5	0.80
MRRC012	26	39	13	0.64
MRRC012	50	53	3	0.53
MRRC013	64	72	8	0.76

Table 4 (above): Significant RC Drilling Gold Results received, QTR 3 2016, Maricanski Rid Prospect Area. Note all holes were drilled in QTR 2 except MRRC012 and 013. Compositing done with a 0.4 g/t Au cut-off, minimum 3m interval, maximum 3m internal waste. RC samples were riffle split on site and sampled at 1m intervals. All samples were logged and photographed prior to sampling. Samples were sent to SGS Laboratories in Bor, Serbia. Samples were assayed for gold by 30g Fire Assay and other elements by ICP. Standards, Blanks and Duplicates were also submitted for Laboratory Quality Assurance / Quality Control (QA/QC). Intercept widths are not necessarily true widths.

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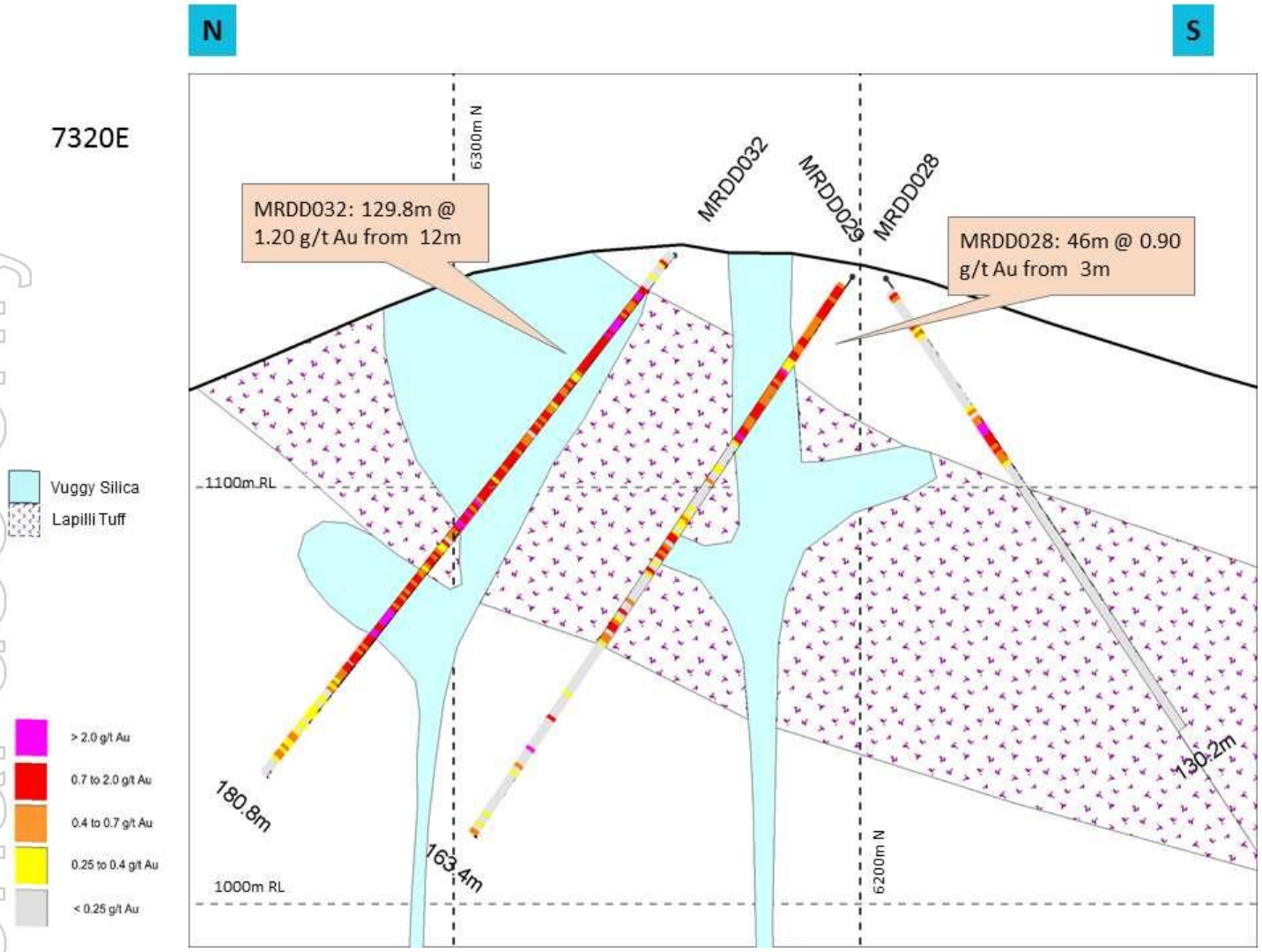


Figure 3 Maricanski Rid Section 7597320E Gauss Kruger, looking East.

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Figure 4 Location of Australian Projects.

AUSTRALIA

ARLTUNGA PROJECT: Copper, Gold, (GES 100%)

The Arltunga Gold Project consists of Exploration Licence EL25238 covering 95.2 sq km, is located approximately 110 km northeast of Alice Springs *(Figure 6)* in the vicinity of the Arltunga Goldfield. Thirty three historical gold mines and prospects are known in the licence area.

The Licence Renewal was approved on 6 February 2015 for a term of 2 years and will expire on 7 November 2016. All 31 sub-blocks were retained.

A full review of all available data is currently underway, with the aim of defining targets for Reverse Circulation drilling in Q3 2017.

The 9th Annual Technical Report was lodged on 9 November 2015 and accepted as satisfactory by the DME on the 19 November 2015.

An updated Mining Management Plan (MMP) was lodged on the 8 March 2016. This update was approved on the 20 July 2016. The next update is due on the 29 March 2017.

The Central Land Council Sacred Site Clearance Certificate was extended on the 12 July 2016. The new expiry date is the 19 September 2017.

No field work was carried out during the current Quarter.

ALICE SPRINGS PROJECT: Copper, Gold, Iron (GES 100%)

The Alice Springs Project consists of Exploration Licence EL24817 covering 372.59 sq km, is located approximately 110-155 km northeast from Alice Springs in the Northern Territory *(Figure 6)*.

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A Licence Renewal Application was lodged on 5 April 2016. It was approved on 13 May 2016 for a further term of 2 years and will expire on 17 April 2018. All 118 sub-blocks were retained.

The 10th Annual Technical Report was lodged on 18 April 2016 and accepted as satisfactory by the DME on the 9 May 2016.

An updated Mining Management Plan (MMP) was lodged on the 23 February 2016 and accepted as satisfactory on the 20 June 2016.

No field work was carried out. In addition a full review of all available data is underway to define targets for RC drill testing during Q3 2017.

GLADSTONE-MOUNT MILLER PROJECT: Manganese (GES 100%)

The Gladstone-Mount Miller Project consists of Exploration Licence (EPM15771) covering 42.62sq km and Mining Lease Application (MLA80166) covering 32.24 Ha and is located approximately 15 km by road from the port of Gladstone on the east coast of central Queensland *(Figure 6)*.

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.

The Licence Renewal was approved on 7 May 2013 for a term of 5 years and will expire on 18 June 2017.

As per the conditions of the exploration permit Genesis were required to relinquish 14 sub blocks from EPM 15771. A Partial Relinquishment Report was lodged on the 16 June 2016. 14 of the 21 sub blocks were relinquished, 7 sub-blocks were retained. EPM15771 now covers 42.62sq km. The partial relinquishment was accepted by the Department of Natural Resources on the 13 July 2016.

The 9th Annual Technical Report was lodged on 20 June 2016.

A Partial Surrender of an Environmental Authority was lodged on the 27 June 2016 and approved on the 5 July 2016.

No field work was carried out. A review of all available data is underway to confirm if more drilling is necessary at the Mt Miller mine and if other prospect areas on the tenement require drill testing during Q3 2017.

PIONEER PROJECT: Gold (GES 100%)

The Pioneer Project consists of one granted Exploration Permit Mineral (EPM15619) covering 6.23 sq km approximately 70 km by road from Bundaberg via the Bruce Highway in Queensland *(Figure 6)*.

The project lies within the Gaeta Goldfield and has undergone previous exploration for gold, uranium and base metals, with numerous historical gold workings located throughout the area. Historical mining was primarily focused on the Pioneer Reef which was the largest producer, but mining activities also included several other reefs including Gympie, Lord Nelson, West Yorkshire and Happy Jack.

A Licence Renewal Application was lodged on 28 April 2016 requesting another two year period. The renewal application was approved on the 30 June 2016. The new expiry date is the 2 August 2018. The 2 sub blocks were retained.

The 9th Annual Technical Report was lodged on 8 August 2016.

No field work was carried out. A review of all available data is underway to compile all geological mapping and define targets for drill testing during Q3 2017.

McARTHUR RIVER PROJECT: Manganese (GES 100%)

The McArthur River project consists of Exploration Licence EL24814 covering 380.88 sq km and is located approximately 850 km south east of Darwin in the Northern Territory and 450 km north-west of Mount Isa in Queensland *(Figure 6)*.

The project area contains the Masterton No2 manganese occurrence.

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A Licence Renewal Application was lodged on 5 April 2016. It was approved on 13 May 2016 for a further term of 2 years and will expire on 17 April 2018. All 116 sub-blocks were retained.

The 10th Annual Technical Report was lodged on 18 April 2016 and accepted as satisfactory by the DME on the 9 May 2016.

The Mining Management Plan Update was lodged on the 21 October 2015, it was accepted by DME on 30 October 2015.

No field work was carried out. A full review of all data available is underway to guide further exploration on the tenement.

LAURA RIVER Au-Pt PROJECT: (EMP15242) (GES:100%)

The Laura River project consists of Exploration Licence EPM15242 covering 82.67 sq km is centered on the Cape York Peninsular township of Laura, 210km north-west of Cairns and 88km west of Cooktown in North Queensland *(Figure 6)*. The area is prospective for gold. Several historical alluvial workings are found in the vicinity of the Laura River and tributaries.

The 9th Annual Technical Report was lodged on the 2 September 2016.

A Licence Renewal Application was lodged on the 19 May 2016 requesting another 2 year term. The renewal application was approved on the 26 August 2016. The new expiry date is the 23 August 2018.

As per the conditions of the exploration permit Genesis were required to relinquish 25 sub blocks from EPM 15242. A Partial Relinquishment Report was lodged on the 20 June 2016. 25 of the 50 sub blocks were relinquished, 25 sub-blocks were retained. EPM15242 now covers 82.67sq km.

A Partial Surrender of an Environmental Authority was lodged on the 22 June 2016 and approved on the 30 June 2016.

No field work was carried out.

FENN GAP Mn-Fe PROJECT: (EMP24839) (GES:100%)

The Fenn Gap project consists of one Exploration Licence EL24839 which covers a total area of 26.93 sq km, is located approximately 25 km south west of Alice Springs in the Northern Territory *(Figure 6)*. The project is 25 km from major infrastructure such as the Stuart Highway and Alice to Adelaide Railway.

Genesis was issued with a Partial Cancellation Notice (Loss of Block Penalty) for Fenn Gap on 23 June 2014, requesting the relinquishment of 13 sub blocks. EL24839 now comprises of 14 sub blocks covering 26.93 sq km.

A Licence Renewal Application requesting another two-year period was lodged on the 26 April 2016. The renewal application was approved on the 25 July 2016. The new expiry date is the 5 May 2018.

The 8th Annual Technical Report was lodged on 9 May 2016 and accepted as satisfactory by the DME on the 1 June 2016.

A Mining Management Plan Update was lodged on 7 September 2015. This was approved on 16 September 2015.

No field work was carried out. A full review of existing data has been completed. A further, more detailed review of drilling data is underway to determine if drilling has adequately tested the known manganese mineralisation.

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TENEMENTS AS AT 30 September 2016

PROJECT	TENEMENT NUMBER	COMMODITY	COMPANY'S BENEFICIAL INTEREST	CURRENT AREA (KM^2)	CURRENT HOLDER	COUNTRY/ STATE
Alice Springs	EL24817	Copper-Iron-Gold	100%	372.59	Genesis	NT
Arltunga	EL25238	Gold-PGE	100%	95.2	Genesis	NT
Fenn Gap	EL24839	Iron-Manganese	100%	26.93	Genesis	NT
Laura River	EMP15242	Gold-PGE	100%	82.67	Genesis	QLD
Pioneer	EPM15619	Gold	100%	6.23	Genesis	QLD
McArthur River	EL24814	Manganese-Base Metals	100%	380.88	Genesis	NT
Gladstone	EPM15771	Manganese	100%	42.62	Genesis	QLD
Mt Miller	MLA80166	Manganese	100%	32.24 Ha	Genesis	QLD
Plavica & Crn Vrv	19-6648/1	Gold-Silver-Copper	62%	16.85	Silgen Resources	Macedonia

All tenements noted above are Exploration Licences except Plavica in Macedonia which is an Exploitation Licence.

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CORPORATE UPDATES

Events during the Quarter

Non-renounceable rights issue

On 12 August 2016 the Company announced a pro-rata non-renounceable rights issue (**Rights Issue**). The Rights Issue closed on 16 September 2016 and the 10,774,579 shares subscribed for by eligible shareholders under the Rights Issue were issued on 23 September 2016, raising a total of $323,237.37.

Events subsequent

Issues of shares

On 3 October 2016, 66,666,667 fully paid ordinary shares were issued to the underwriter of the Rights Issue, being S Active Holding Sdn Bhd, an entity associated with Genesis Director Mr Kim Heng Lim, raising $2,000,000.

On 26 October 2016, 2,400,000 fully paid ordinary shares were issued as part of the placement of the shortfall under the Rights Issue, at $0.03 per share. The Directors may place shortfall shares following the Rights Issue within 3 months of the closing date of the Rights Issue.

Appointment and resignation of Directors

Ms Alyn Tai resigned as a Director of Genesis effective 10 October 2016, and Mr James Patterson (the Company's Exploration Manager), was appointed as a Director of Genesis on 24 October 2016.

Securities on issue as at 30 September 2016:

CLASS OF SECURITIES	NO. OF SECURITIES ON ISSUE
Fully paid ordinary shares	395,659,965

Board and Management as at 30 September 2016

Mr Eddie Pang	Managing Director / Executive Chairman
Mr Deric Wee	Non-Executive Director
Ms Alyn Tai	Non-Executive Director (resigned as a Director subsequent to 30 September 2016)
Mr Kim Heng Lim	Non-Executive Director
Mr Chin Niap Mah	Non-Executive Director
Ms Sophie Karzis	Company Secretary
Ms Patricia Wong	Chief Financial Officer
Mr James Patterson	Exploration Manager (appointed as a Director subsequent to 30 September 2016)

COMPETENT PERSON

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by James Patterson, a Competent Person who is a Member of the Australian Institute of Geoscientists. James Patterson is a full-time employee of Genesis. James Patterson 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. James Patterson consents to the inclusion in the report of the matters based on his information in the form and context of which it appears.

-ENDS

About Genesis Resources Limited

Genesis Resources Limited is an Australian company with a portfolio of quality gold, iron, manganese, uranium and base metal (copper-zinc-silver) in the highly prospective Proterozoic and Phanerozoic metallogenic provinces of northern and central Australia. Genesis has signed a Joint Venture over an advanced copper-gold project (Plavica) within the Former Yugoslav Republic of Macedonia. The Plavica Project lies within Carpathian Volcanic Arc, a major epithermal province running through Eastern Europe, which is highly prospective for gold, copper and silver mineralisation. Genesis' projects are close to established infrastructure including railways, shipping ports, highways, power stations and populated areas. The Company's objective is to provide rapid capital growth through mineral discoveries and development of economic deposits in Australia and overseas.

For more information please visit the Company's website at: www.genesisresourcesltd.com.au

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Appendix 1
Reporting of Exploration Results – Plavica Project
JORC Code, 2012 Edition – Table 1 Report

The following section is provided to ensure compliance with the JORC (2012) requirements for the reporting of Exploration Results for the Plavica project.

Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• N/A
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• N/A
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Holes were generally drilled towards grid north with dips of approximately 60 degrees to optimally intersect the steeply dipping east-west striking mineralised zones of high sulphidation style epithermal mineralization. Some holes at Maricanski Rid were drilled to the south as well as some vertically due to lack of access for drill pads and the sub-horizontal nature of the mineralization there.
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• The drill hole locations are to be picked up by local survey contractors using a DGPS (Differential Global Positioning System). • Down hole surveys have been undertaken using a Reflex EZ-Trac tool. Down hole surveys were conducted at intervals of 25m. • All DD holes completed by the Genesis were sampled by cutting the core longitudinally in half using diamond saws. Sampling of diamond core was also undertaken on 1m intervals. • Diamond core was drilled to obtain high quality samples that were logged for lithological, structural, geotechnical, density and other attributes. Sampling of diamond core was also on one meter intervals with the core being cut in half using a diamond core saw • Sub-samples of ~3 kg were sent to the laboratory for assaying. Analysis has been performed by commercial laboratories with samples sent to SGS Bor. The samples sent to SGS follow standard SGS crushing and pulverization procedures and a conventional fire assay procedure with either atomic absorption or gravimetric finish on a 30 gram sub-sample. Fire Assay is considered a total recovery method for gold.

Criteria	JORC Code explanation	Commentary
		• QC samples have been inserted into the routine sample stream to monitor sample quality as per industry best practice. These include standards, blanks and duplicates at regular (25m intervals) • RC Samples were split every 1m at the rig using a riffle splitter and the sub-samples of approximately 3kg sent to SGS Bor.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• The core drill rigs used 3m drill rods. Diamond drilling has employed a 63.5mm diameter HQ 'standard tube' core drilling methods. • RC drilling has been completed with 6m rods using a 4.5" or 121 mm face sampling hammer bit. • Orientationc are completed every run (maximum 3m) using a spear technique. Diamond drill core is typically orientated where possible though often the core is highly fractured and cannot be reliably orientated using standard techniques.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core is assessed by measuring the recovered drill length against the actual drilled. Diamond drill recovery is generally above 95%. Recoveries drop to less than this in minor (1-2m) zones of vuggy silica and clay. • RC sample weights have been taken on all primary samples. Theoretical sample weights are then compared to the actual sample to identify any intervals that have had poor recovery. Average recoveries for RC holes are >95% but can vary significantly between holes. • No detailed analysis of grade versus recovery has been undertaken at this stage however comparison of RC against DD gold results indicates a slight positive bias for RC drilling. This may indicate some loss of fines when using DD methods. • No coarse gold has been observed through Photo-micrographic studies.

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Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill holes have been logged in full and record standard criteria such as lithology, alteration, mineralisation, structures, weathering and oxidation. Geotechnical data such as drill recovery, RQD, hardness, fracture type and frequency are also recorded for input into future scoping level mining studies. • All logging is entered into excel spreadsheet templates or onto hard copy forms which are transferred to excel spreadsheets. These spreadsheets are then routinely imported into Micromine. • All diamond core is photographed in a wet and dry state.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Refer to the above sampling techniques • Quarter core duplicates are submitted every 50m.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Refer to the above analysis methods • Industry standard QC sample insertion procedures have been adopted. QC insertion rates are: - every 50m is a field duplicate, - every 25m is a Standard, - every 50m is a coarse blank • The QAQC results indicate acceptable levels of precision and accuracy

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Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Samples are currently submitted to an umpire laboratory and are comparable with the originals. • Data is imported into Micromine. There is no adjustment of assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A local control station near the project is utilised by the local surveying contractor. Holes are routinely surveyed using Surveyors with DGPS equipment. • All surveys are taken using the Gauss–Krüger (GK) coordinate system which has been the system used for survey by Genesis at Plavica since 2012.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The nominal drill hole spacing is 50m (easting) x 50m (northing) • Samples are collected at one meter lengths and are not composited in the field / core-shed.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Holes were generally drilled towards grid north with dips of approximately 45 to 60 degrees to optimally intersect the steeply dipping east-west striking mineralised zones • No orientation based sampling bias has been identified in the data at this stage
Sample security	• *The measures taken to ensure sample security.*	• Chain of Custody is managed by Genesis Staff. All drilling assay samples were collected from the field by Genesis personnel. Core samples were stored at the secure sample processing and storage facility where they were subsequently processed and prepared for pickup. This facility has CCTV. Assay samples were collected by appropriately qualified staff at the laboratories.

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Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• An audit of drilling and sampling procedures was undertaken by Golder Associates in 2012 at the commencement of that years drilling program. A number of priority based recommendations were provided to Genesis. All priority 1 recommendations were implemented and many of the lower priority actions have also been completed. The implementation of these recommendations has provided increased confidence in the quality of the data used in the resource estimate

Section 2 – Reporting of Exploration Results.

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• A 30 year Exploitation Licence and Concession Agreement were granted to Silgen Resources International Ltd, an incorporated joint venture entity owned by Genesis and its Macedonian-based joint venture partner RIK Sileks AD Kratovo. Silgen is 62% owned by Genesis. The JV Company has been formally granted the Licence for a term of 30 years. The area covered by the Licence totals 16.85 km2. • Genesis has pledged its 62% share of Silgen to completing a Feasibility Study to mine Plavica and has agreed to spend USD $7.5M for this work. • All Australian Tenements are Exploration Licences except Mt Millar which is a Mining Lease Application and are 100% owned by Genesis.
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	• At Plavica previous small scale mining was undertaken by Romans and Ottoman Turks. 2 adits were completed by British Mines Selection in the 1930's targeting enargite veins. • Previous exploration has been conducted by the Yugoslav Government, Cyprus Amax, Rio Tinto and European Minerals.

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Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation*	• Both Plavica and Maricanski Rid host oxide gold mineralization in vuggy silica and clay zones within silica caps of a high sulphidation epithermal style setting. Alunite alteration is common. • Beneath this oxide zone is a series of steeply dipping E-W striking structures comprising enargite-pyrite veins and vuggy silica zones. These zones are rich in Au, Cu, Ag and occasionally Pb and Zn. • The prospects lie within the Western Tethyan Arc and are Tertiary in age.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *o easting and northing of the drill hole collar* *o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *o dip and azimuth of the hole* *o down hole length and interception depth* *o hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All drill hole collars with location, elevation, depth, dip and azimuth are tabulated in the body of the report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• A 0.4 g/t Au cut-off is used for reporting of Au grades and a 0.3 % for Cu grades. No top cuts are used. • A minimum of 3m length is used for compositing and a maximum of 3m of internal waste is used. These parameters are considered adequate for this deposit style. • No metal equivalents used
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Core orientation and sectional interpretation suggest the mineralised zones are sub-vertical. • Holes are drilled on 45 to 60 degree angles to intersect the zones at the highest angle possible but also taking into account the steep topography of the area and the difficulty of locating drill pads. As a result the mineralized zones are intersected at an oblique angle and therefore down-hole lengths are not true widths.

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Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• A plan and section are included. .
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Of the holes reported this Quarter, all had significant results though some were low grade.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• N/A.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further step-out drilling will depend on the next set of results that are currently pending.

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++Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

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Name of entity

GENESIS RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
22 114 787 469	**30 September 2016**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,425)	(1,425)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(252)	(252)
	(e) administration and corporate costs	(195)	(195)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(39)	(39)
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,911)**	**(1,911)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(1)	(1)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(1)**	**(1)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	323	323
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Proceeds from underwritten portion of rights issue; corresponding shares allotted subsequent to 30 September 2016)	2,000	2,000
3.10	**Net cash from / (used in) financing activities**	**2,323**	**2,323**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	504	504
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,911)	(1,911)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,323	2,323

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	(14)	(14)
4.6	**Cash and cash equivalents at end of period**	**901**	**901**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	901	504
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposits - bank guarantee)	98	98
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**999**	**602**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	-
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

None

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

None

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8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	7,000	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

(i) In September 2013, the Company entered into a loan agreement with an unrelated Malaysian based financing company pursuant to which the financing company made available a loan facility to the Company, with a $3 million facility limit (**First Loan Facility**) at 8% per annum. In April 2014, the parties reached an agreement to increase the First Loan Facility limit from $3 million to $7 million on the same terms and conditions provided for in the existing loan agreement. Total funds of $7 million remain available for draw down by Genesis under the First Loan Facility.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	1,346
9.2	Development	-
9.3	Production	-
9.4	Staff costs	276
9.5	Administration and corporate costs	190
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**1,812**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 28 October 2016
(Director/Company secretary)

Print name:..Eddie Pang
Executive Chairman

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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