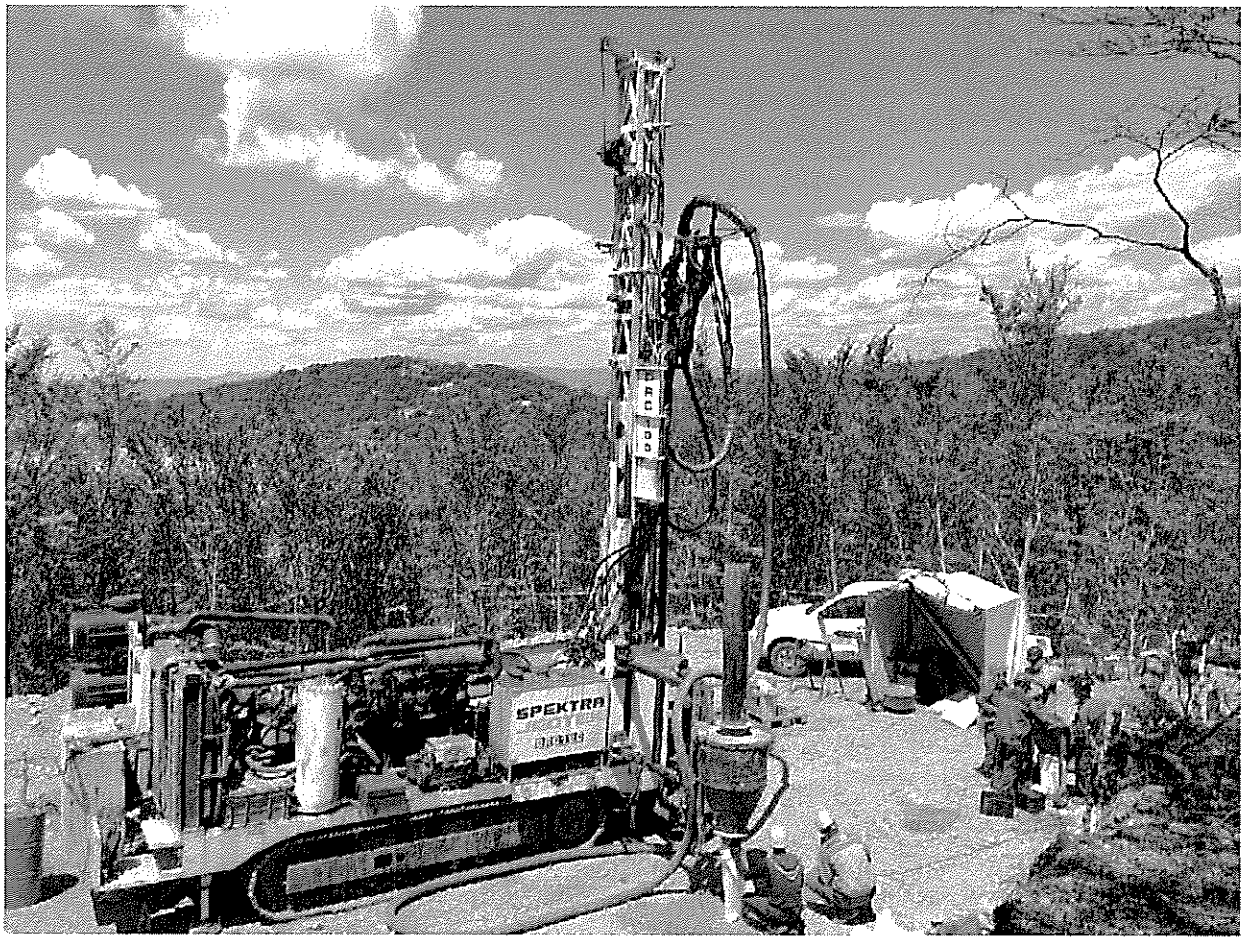
GENESIS RESOURCES LTD

GENESIS RESOURCES LIMITED
ACN 114 787 469



ANNUAL REPORT
30 JUNE 2016

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CORPORATE DIRECTORY

GENESIS RESOURCES LIMITED
ACN 114 787 469

DIRECTORS	Mr Eddie Lung Yiu Pang Mr Kim Heng Lim Mr Chin Niap Mah Ms Alyn Tai Mr Derle Kok Bin Wee	Managing Director & Executive Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
COMPANY SECRETARY	Ms Sophie Karzis	
CHIEF FINANCIAL OFFICER	Ms Patricia Wong	
REGISTERED OFFICE	Level 1, 61 Spring Street Melbourne, Victoria 3000	T + 61 (0) 3 9286 7500 F + 61 (0) 3 9662 1472
SHARE REGISTER	Computershare Yarra Falls, 452 Johnston Street Abbotsford, Victoria 3067	Local call 1300 850 505 International call + 61 (0) 3 9415 4000
AUDITOR	RSM Australia Partners Level 21 55 Collins Street Melbourne Victoria 3000	T + 61 (0) 3 9286 8000 F + 61 (0) 3 9286 8199
WEBSITE ADDRESS	www.genesisresourcesltd.com.au	

Genesis Resources Limited is a public company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. (ASX: GES).

Letter from the Chairman

Dear Shareholders

The Year in Review

On behalf of the Board I am pleased to present Genesis Resources Limited's Annual Report for the year ended 30 June 2016. It has been a significant year of progress for the Company, particularly in relation to the Plavica Project in Macedonia, which again has formed Genesis' main exploration focus during the year.

Following the granting of the 30-year Exploitation Licence at Plavica in May 2015 to Silgen Resources International Ltd, Kratovo, an incorporated joint venture entity owned by Genesis and its Macedonian-based joint venture partner RIK Sileks AD Kratovo in 62% and 38% proportions respectively (**Silgen**), drilling on the Licence area has focussed on extending and better understanding the previously known mineralisation at both the Plavica and Maricanski Rid prospects. The focus for the Exploration team has been on the oxide gold potential.

Genesis commenced an extensive drilling program at Plavica during the year. A total of 59 core holes were drilled for 12,638.76m and 23 RC holes were drilled for 2,673m. A number of broad continuous oxide gold zones were intercepted with the highlight being a hole in the centre of the Maricanski Rid prospect that returned 53m @ 4.07 g/t Au from surface.

The financial year ended 30 June 2016 brought about a number of changes to Genesis' Board. On 9 October 2015, Mr Zilong Dai ceased his role as Director of Genesis; and on 26 November 2015 and Messrs John Zee and Kin Po Yu ceased their roles as Directors of Genesis. Ms Alyn Tai was appointed as a Non-Executive Director of Genesis on 26 November 2015; and Messrs Kim Lim and Chin Niap (Eric) Mah were appointed as Non-Executive Directors on 31 May 2016.

I take this opportunity to express my appreciation for the contribution made by our former directors during their respective tenures, and welcome the changes made to the Board and management team which I am confident will drive the Company's resource assets to the next level, in particular at the Plavica Project. Our strengthened team will endeavour to increase the value of the assets of Genesis for the benefit of all shareholders and investors.

Despite the 2016 financial year proving to be a challenging climate for capital raising generally, Genesis continued to be successful in securing the funding it required for working capital and to achieve its business objectives; during the year the Company raised a total of US$796,414.31 (being approximately AU$1,085,581.64 at the exchange rate on the date of the share issue) through the issue of shares.

On behalf of Genesis' Board and management, I extend my gratitude to shareholders for their continued support for Genesis, and look forward to providing updates to shareholders in the year ahead.



Mr Eddie Pang
Executive Chairman
29 September 2016

DIRECTORS' REPORT

The Directors of Genesis Resources Limited are pleased to present the annual report of the Company for the financial year ended 30 June 2016. In accordance with the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The Directors in office at any time during or since the end of the year to the date of this report are:

Current Directors

EDDIE LUNG YIU PANG	Managing Director, 28 September 2015 – present Executive Chairman, 26 November 2015 – present Non-Executive Chairman, 28 September 2015 – 25 November 2015 Executive Chairman, 1 December 2013 – 27 September 2015 Non-Executive Chairman, 6 March 2009 – 30 November 2013
KIM HENG LIM	Non-Executive Director, 31 May 2016 – present
CHIN NIAP MAH	Non-Executive Director, 31 May 2016 – present
ALYN TAI	Non-Executive Director, 26 November 2015 – present
DERIC KOK BIN WEE	Non-Executive Director, 11 December 2009 – 26 November 2012, and 16 January 2013 – present

Former Directors

KIN PO YU	Non-Executive Director, 26 June 2015 – 26 November 2015
ZILONG DAI	Non-Executive Director, 26 June 2015 – 27 September 2015 Executive Director, 28 September 2015 - 9 October 2015
JOHN YONG TEAK ZEE	Non-Executive Director, 11 May 2012 – 26 November 2012, 16 January 2013 – 31 October 2014, and 26 June 2015 to 26 November 2015

EDDIE PANG, Managing Director & Executive Chairman

Eddie Pang was appointed to the Board in March 2009. He operates a trading business based in Shanghai which has a focus on supplying the Chinese market with products such as Australian wool and wine, Chilean iron ore, cathode copper and timber; marketing of Chinese building materials to Lebanon, Iraq Vietnam and the United Arab Emirates; and supplying Chinese chemicals to pharmaceutical facilities in Canada and the United Arab Emirates.

In addition, Mr Pang 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 China, and supplies products to major dairy processors and beverage producers.

Mr Pang 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 China and the Middle East.

Mr Pang is presently a director of ASX listed company Lincoln Minerals Ltd (ASX: LML) and he was appointed to this role on 1 December 2013.

He currently has a relevant interest in 3,210,000 fully paid ordinary shares in the Company.

KIM HENG LIM, Non-Executive Director

Mr Lim has an MBA from Southern California University and is the founder and managing director of Senheng Electric (KL) Sdn Bhd (Senheng Electric), a large retail outlet chain in Malaysia, which was established in 1989 and has more than 130 stores retailing electronics. Mr Lim has won several awards, including Franchise of the Year, Entrepreneur of the Year, and Best Employer of Choice.

Mr Lim has not held any directorships of other ASX listed companies in the last three years.

He currently has a relevant interest in 22,117,930 fully paid ordinary shares in the Company.

CHIN NIAP MAH, Non-Executive Director

Mr Mah obtained the Chartered Certified Accountant qualification from the Association of Chartered Certified Accountants (ACCA) in 2004 and is currently a Fellow member of ACCA and the Malaysian Institute of Accountants. Mr Mah possesses more than 25 years of finance and accounting experience, having held positions in various companies from a diverse range of industries. He also holds an MBA from Golden State University. Mr Mah has served as the Chief Financial Officer of Senheng Electric since September 2008.

Mr Mah has not held any directorships of other ASX listed companies in the last three years.

He currently has a relevant interest in 16,764,706 fully paid ordinary shares in the Company.

ALYN TAI, Non-Executive Director

Ms Tai is a practising lawyer who specialises in the areas of corporate and commercial law, and the provision of company secretarial and legal counsel services to ASX-listed entities.

Ms Tai was a Director of Quantum Resources Limited (ASX:QUR) from December 2015 to April 2016.

She currently has no relevant interests in the Company's securities.

DERIC WEE, Non-Executive Director

Prior to joining the Board in December 2009, Mr Wee had been involved in the financial services industry since 1989 as a stockbroker and investment banker. Mr Wee worked within well-established financial services companies which are part of financial and banking conglomerates in Malaysia.

Mr 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 initial public offerings, mergers and acquisitions, restructurings, placements and advisory services relating to securities listed on Bursa Malaysia and the ASX. Mr Wee has not held any directorships of other ASX listed companies in the last three years.

Mr Wee currently has a relevant interest in 1,860,000 fully paid ordinary shares in the Company.

Senior Management

SOPHIE KARZIS, Company Secretary

Sophie Karzis is a practising lawyer with over 15 years' experience as a corporate and commercial lawyer, and company secretary and general counsel for a number of private and public companies. Ms Karzis 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. Ms Karzis 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.

PATRICIA WONG, Chief Financial Officer

Ms Wong is a Certified Practising Accountant of CPA Australia Limited and a Fellow of the Institute of Public Accountants, Australia. Ms Wong 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 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, Newmont, Oxiana and MMG. 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 (AIG).

Operating and Financial Review

Nature of Operations and Principal Activities

The principal activities of the entity during the period were exploration for and evaluation of gold, manganese and base metals. There was no significant change in the nature of the Company's activities during the year.

Exploration Activities - Overview

During the financial year, the Company undertook various exploration programs in relation to its Macedonian Project. In particular, the Board is pleased to announce the following exploration highlights in relation to the 2016 financial year:

Plavica Project (Macedonia)

- Following the granting of the 30-year Exploitation Licence at Plavica, drilling has continued to extend the known mineralization and complete Resource Estimations at both Plavica and Maricanski Rid. A total of 59 core holes were drilled for 12,638.76m and 23 RC holes were drilled for 2,673m. A number of broad continuous oxide gold zones were intercepted. Highlights include:
    - MRDD019: 53m @ 4.07 g/t Au from 0m from Maricanski Rid.
    - PNDD073: 36m @ 2.12 g/t Au from 11m from Plavica.
- Drilling is ongoing with one core rig and one RC currently operating. Genesis aims to complete a JORC compliant 'Indicated' Resource based on this drilling. Genesis then expects to complete a feasibility study before October 2017, and has agreed to commit up to US$7.5m for such activities.

Pioneer Project

- Reconnaissance work complete and drill targets defined.

Alice Springs Project

- Geological mapping was completed and targets finalized for drilling.

Arltunga Project

- Geological mapping and reconnaissance of geophysical anomalies completed.
- A program of drilling has been planned.

Exploration Activities - Macedonia

PLAVICA PROJECT (62% interest)

Gold, Silver, Copper

The Plavica Project is administered through a joint venture Company, Silgen Resources International Ltd, Kratovo, which is 62% owned by Genesis and 38% owned by Sileks' nominee. Following the parties' incorporation of the JV Company, Sileks transferred the ownership of all assets it held in respect of the Plavica tenement (including the concession licence, all exploration results, associated data and the Government-mandated final feasibility study reports) to the JV Company. The Directors confirm that the Government has granted a 30-year Exploitation Licence to Silgen Resources. As a result of the developments described above, Genesis now has a direct 62% ownership of the JV Company (subject to the encumbrance described below) which in turn owns all assets in respect of the Plavica tenement, including the granted Licence. 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. Figures 1 shows the location of Plavica Gold-Copper-Silver Project in the Republic of Macedonia.

The project was the site of mining in Roman and Ottoman times and then again during the 1930s, reputedly of high grade gold. Over eighty, mostly vertical diamond drill-holes by the Yugoslav Government searching for porphyry copper mineralisation, and 10 angled diamond drill-holes by Rio Tinto and European Minerals searching for gold mineralisation, were drilled prior to Genesis entering into the Joint Venture Agreement. Significant gold-copper-silver intersections were delineated by this drilling.

Following the granting of the Exploitation Licence at Plavica, drilling commenced to extend the known mineralisation, and complete Resource Estimations at both Plavica and Maricanski Rid. A total of 59 core holes were drilled for 12,638.76m and 23 RC holes were drilled for 2,673m. A number of broad continuous oxide gold zones were intercepted.

Highlights from the Maricanski Rid Prospect include:

- MRDD010: 69.6m @ 1.01 g/t Au from 4.4m
- MRDD015: 18m @ 3.73 g/t Au from 32m
- MRDD019: 53m @ 4.07 g/t Au from 0m.
- MRDD021: 25m @ 1.39 g/t Au from 0m.
- MRDD023: 43m @ 1.00 g/t Au from 73m.

Highlights from the Plavica Prospect include:

- PNDD046: 12m @ 5.97 % Cu, 0.42 g/t Au, 390 g/t Ag from 100m
- PNDD062: 49m @ 1.05 g/t Au from 106m
- PNDD065: 27m @ 0.91 % Cu, 0.25 g/t Au & 26 ppm Ag from 211m
- PNDD071: 46m @ 1.10 g/t Au & 38.8 g/t Ag from 17m.
- PNDD073: 36m @ 2.12 g/t Au from 11m.

Collar locations are shown in Tables 1, 2 and 3 and Figure 2. Significant gold assays are shown in Tables 4 and 5 whilst significant copper assays are shown in Table 6. Figure 3 shows a section through the eastern part of Plavica whilst figures 4 and 5 show sections through the main part of Maricanski Rid.

Although results over the Western part of Plavica were disappointing, the follow up drilling over the Eastern part of Plavica has increased the size of the prospect in that direction. The drilling at Maricanski Rid has been successful in delineating a sizeable body of shallow oxide gold mineralization with a high grade portion in the centre of this.

Drilling is ongoing with one core rig and one RC rig currently operating. Genesis aims to complete a JORC compliant 'Indicated' Resource based on this drilling. Genesis then expects to complete a feasibility study before October 2017, and has agreed to commit up to US$7.5m for such activities.

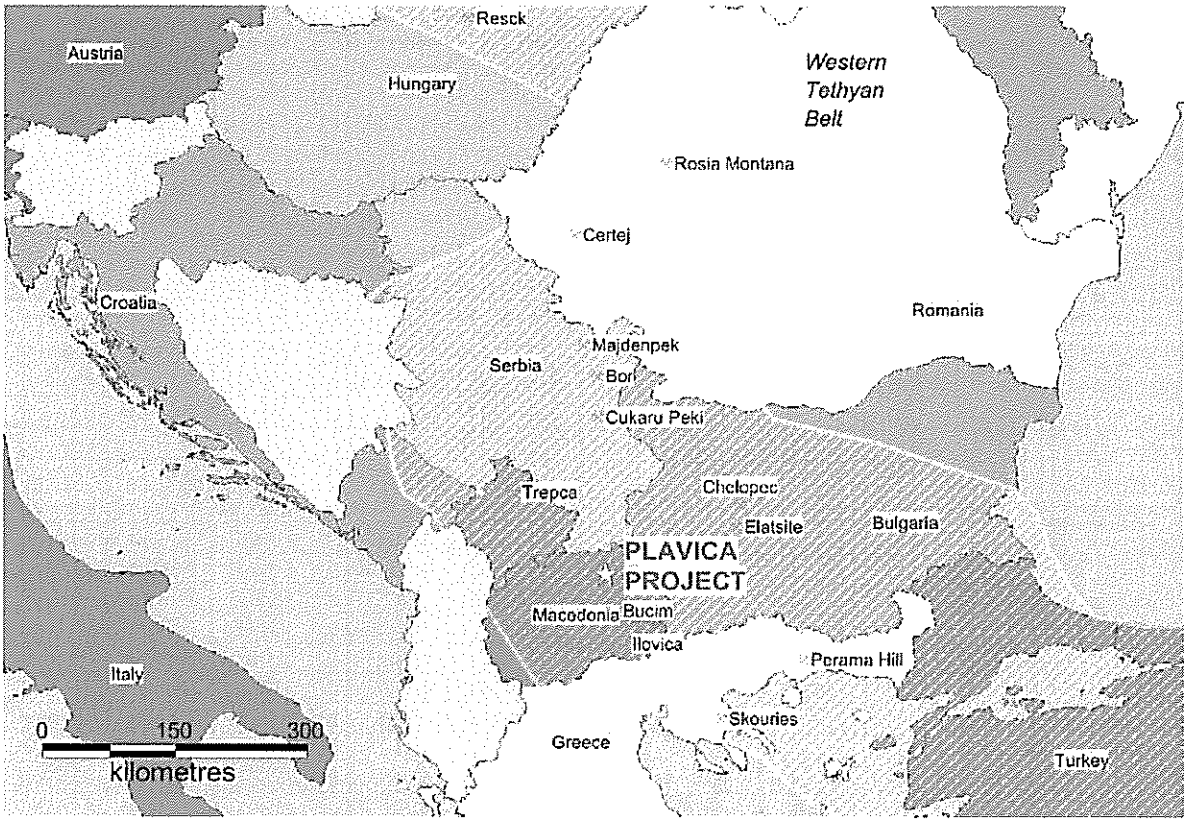


Figure 1: Location of Plavica Gold-Copper-Silver Project, Republic of Macedonia

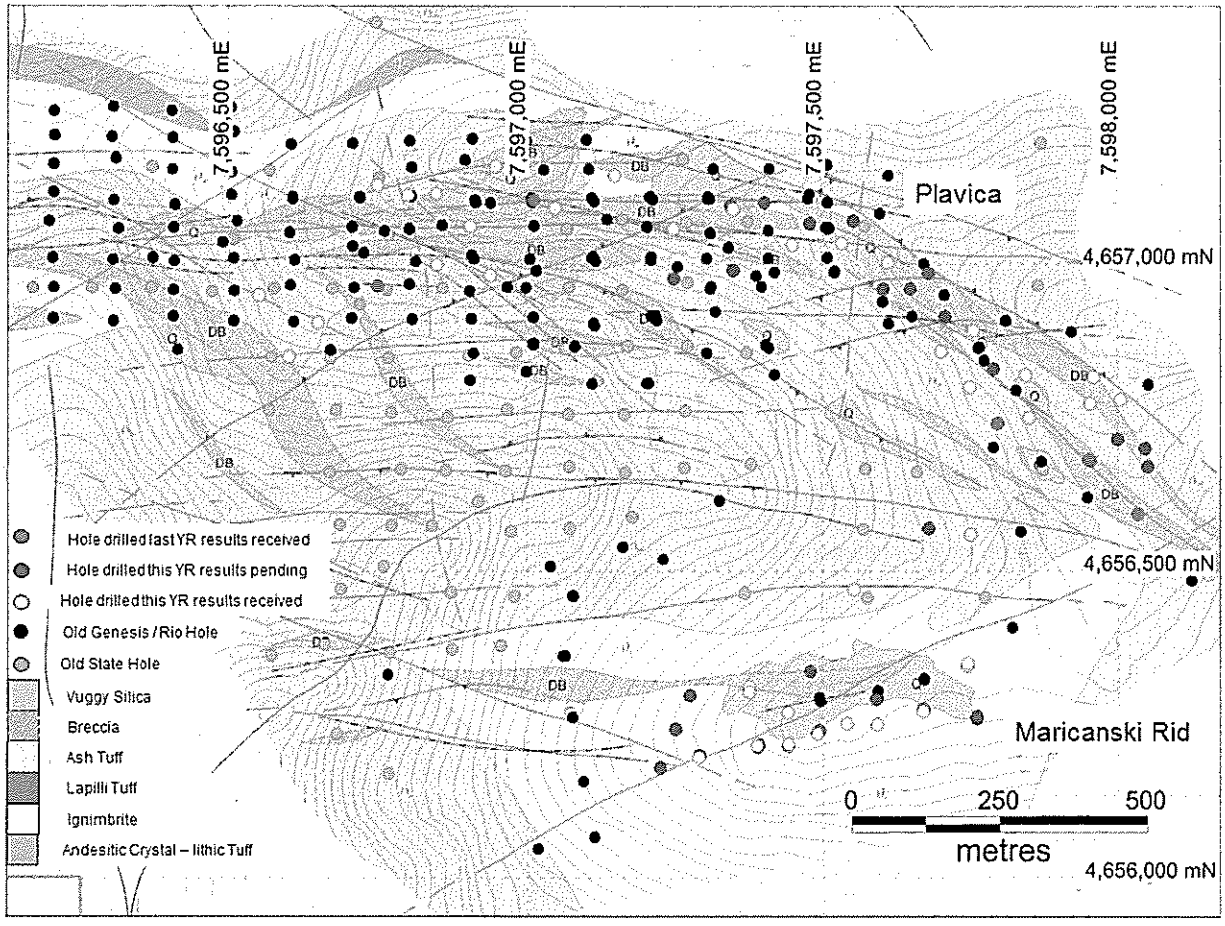


Figure 2: Location of Drill Collars, July 2015-June 2016, Plavica Gold-Copper-Silver Project. Co-ordinates in Gauss KrugerProjection

Prospect	Hole ID	Type	Final Depth	Dip	Azi Mag	East_GK	North_GK	RL m	Comments
Maricanski Rid	MRDD010	DD	103.10	-60	360	7597374.71	4656312.05	1175.14	Results Received
Maricanski Rid	MRDD011	DD	179.00	-50	180	7597374.62	4656303.96	1175.50	Results Received
Maricanski Rid	MRDD012	DD	145.30	-50	360	7597289.25	4656197.57	1169.60	Results Received
Maricanski Rid	MRDD013	DD	137.50	-50	180	7597387.18	4656215.25	1197.40	Results Received
Maricanski Rid	MRDD014	DD	38.80	-55	180	7597490.16	4656236.76	1218.81	Results Received
Maricanski Rid	MRDD015	DD	176.90	-55	180	7597591.82	4656250.40	1202.42	Results Received
Maricanski Rid	MRDD016	DD	187.20	-45	180	7597668.84	4656272.03	1200.35	Results Received
Maricanski Rid	MRDD017	DD	185.05	-50	360	7597743.93	4656345.51	1204.06	Results Received
Maricanski Rid	MRDD018	DD	203.75	-50	180	7597744.05	4656349.94	1204.26	Results Received
Maricanski Rid	MRDD019	DD	172.00	-55	184	7597490.0	4656235.0	1218.8	Results Received
Maricanski Rid	MRDD020	DD	150.10	-55	4	7597540.0	4656252.0	1211.6	Results Received
Maricanski Rid	MRDD021	DD	161.40	-55	184	7597540.0	4656252.0	1211.6	Results Received
Maricanski Rid	MRDD022	DD	134.30	-55	4	7597440.0	4656215.0	1211.0	Results Received
Maricanski Rid	MRDD023	DD	154.75	-55	184	7597440.0	4656218.0	1211.0	Results Received
Maricanski Rid	MRDD024	DD	155.50	-55	184	7597440.0	4656270.0	1199.0	Results Received
Plavica	PNDD050	DD	349.60	-60	360	7597750.0	4656560.0	1189.0	Results Received
Plavica	PNDD051	DD	163.20	-45	360	7597613.0	4657003.0	1236.0	Results Received
Plavica	PNDD052	DD	321.00	-60	360	7596600.0	4656850.0	1083.0	Results Received
Plavica	PNDD053	DD	209.10	-45	360	7596550.0	4656950.0	1100.0	Results Received
Plavica	PNDD054	DD	305.10	-45	360	7596907.0	4657062.0	1176.0	Results Received
Plavica	PNDD055	DD	272.00	-55	360	7596802.0	4657113.0	1182.0	Results Received
Plavica	PNDD056	DD	246.00	-55	360	7597050.0	4657092.0	1178.0	Results Received
Plavica	PNDD057	DD	175.30	-70	360	7597350.0	4657090.0	1190.0	Results Received
Plavica	PNDD058	DD	224.00	-50	360	7597450.0	4657032.0	1197.0	Results Received
Plavica	PNDD059	DD	396.10	-55	360	7597553.0	4656470.0	1159.0	Results Received
Plavica	PNDD060	DD	289.40	-60	360	7597750.0	4656800.0	1230.0	Results Received
Plavica	PNDD061	DD	215.00	-60	360	7597702.0	4656858.0	1221.0	Results Received
Plavica	PNDD062	DD	180.20	-50	360	7597534.0	4657034.0	1212.0	Results Received
Plavica	PNDD063	DD	191.10	-55	360	7597150.0	4657145.0	1178.0	Results Received
Plavica	PNDD064	DD	281.30	-45	360	7596940.0	4656982.0	1140.0	Results Received
Plavica	PNDD065	DD	391.40	-45	360	7596850.0	4657000.0	1147.0	Results Received
Plavica	PNDD066	DD	210.40	-50	360	7596750.0	4657130.0	1170.0	Results Received
Plavica	PNDD067	DD	227.20	-45	360	7596850.0	4657115.0	1187.0	Results Received
Plavica	PNDD068	DD	216.70	-50	360	7596950.0	4657160.0	1200.0	Results Received
Plavica	PNDD069	DD	171.20	-55	180	7596950.0	4657160.0	1200.0	Results Received
Plavica	PNDD070	DD	271.50	-50	360	7597953.2	4656773.6	1270.4	Results Received
Plavica	PNDD071	DD	209.60	-50	360	7597959.3	4656816.7	1280.0	Results Received
Plavica	PNDD072	DD	236.10	-60	4	7597250.0	4657058.0	1178.0	Results Received
Plavica	PNDD073	DD	185.10	-50	4	7597756.0	4656892.0	1239.0	Results Received
Plavica	PNDD074	DD	201.55	-50	4	7597845.0	4656820.0	1265.0	Results Received
Plavica	PNDD075	DD	294.55	-50	4	7596650.0	4656905.0	1105.0	Results Received
Plavica	PNDD076	DD	353.95	-60	4	7597850.0	4656750.0	1240.0	Results Received
Plavica	PNDD077	DD	289.80	-50	4	7598005.0	4656780.0	1279.0	Results Received

Table 1: Drill Collar Details for Holes drilled within the period Jul 2015- Jun 2016 and with Results Received, Plavica Gold-Copper-Silver Project.

Prospect	Hole ID	Type	Final Depth	Dip	Azi Mag	East_GK	North_GK	RL m	Comments
Maricanski Rid	MRDD025	DD	141.35	-55	4	7597440.00	4656270.00	1199.00	Results Pending
Maricanski Rid	MRDD026	DD	123.30	-55	184	7597290.00	4656200.00	1169.60	Results Pending
Maricanski Rid	MRDD027	DD	167.15	-60	184	7597590.00	4656292.00	1207.80	Results Pending
Maricanski Rid	MRDD028	DD	163.40	-55	4	7597224.00	4656180.00	1131.00	Results Pending
Maricanski Rid	MRDD029	DD	130.15	-55	184	7597224.00	4656180.00	1131.00	Results Pending
Maricanski Rid	MRDD030	DD	178.40	-55	4	7597274.40	4656298.30	1153.00	Results Pending
Maricanski Rid	MRDD031	DD	105.00	-55	184	7597274.40	4656298.30	1153.00	Results Pending
Maricanski Rid	MRDD032	DD	180.80	-45	325	7597250.00	4656243.00	1154.00	Results Pending
Maricanski Rid	MRDD033	DD	163.60	-55	4	7597478.00	4656337.00	1187.00	Results Pending
Maricanski Rid	MRRC001	RC	76.00	-90	0	7597490.0	4656235.0	1218.8	Results Pending
Maricanski Rid	MRRC002	RC	90.00	-90	0	7597540.0	4656252.0	1211.6	Results Pending
Maricanski Rid	MRRC003	RC	90.00	-90	0	7597440.0	4656215.0	1211.0	Results Pending
Maricanski Rid	MRRC004	RC	72.00	-90	0	7597440.0	4656270.0	1199.0	Results Pending
Maricanski Rid	MRRC005	RC	156.00	-55	4	7597760.0	4656260.0	1193.5	Results Pending
Maricanski Rid	MRRC006	RC	150.00	-50	184	7597760.0	4656263.0	1193.5	Results Pending
Maricanski Rid	MRRC007	RC	90.00	-90	0	7597274.4	4656298.3	1153.0	Results Pending
Maricanski Rid	MRRC008	RC	95.00	-90	0	7597374.7	4656308.0	1175.1	Results Pending
Maricanski Rid	MRRC009	RC	90.00	-90	0	7597478.0	4656337.0	1187.0	Results Pending
Maricanski Rid	MRRC010	RC	100.00	-90	0	7597289.3	4656197.6	1169.6	Results Pending
Maricanski Rid	MRRC011	RC	59.00	-90	0	7597387.6	4656214.0	1197.4	Results Pending
Maricanski Rid	MRRC011A	RC	100.00	-90	0	7597387.6	4656214.0	1197.4	Results Pending
Plavica	PNDD078	DD	328.70	-50	4	7597680.0	4656570.0	1176.0	Results Pending
Plavica	PNDD079	DD	157.00	-50	4	7597554.0	4657071.0	1219.0	Results Pending
Plavica	PNDD080	DD	205.31	-50	4	7597350.0	4656990.0	1169.0	Results Pending
Plavica	PNDD081	DD	247.10	-50	4	7597250.0	4656977.0	1157.0	Results Pending
Plavica	PNDD082	DD	336.95	-50	4	7598000.0	4656715.0	1266.0	Results Pending
Plavica	PNDD083	DD	302.25	-45	4	7598046.0	4656700.0	1265.0	Results Pending
Plavica	PNDD084	DD	346.20	-52	4	7598050.0	4656670.0	1255.0	Results Pending
Plavica	PNRC097	RC	168.00	-50	4	7597346.0	4657096.0	1192.0	Results Pending
Plavica	PNRC098	RC	96.00	-60	360	7597403.0	4657100.8	1198.0	Results Pending
Plavica	PNRC099	RC	160.00	-50	360	7597534.0	4657034.0	1212.0	Results Pending
Plavica	PNRC100	RC	150.00	-60	360	7597604.0	4656960.0	1223.0	Results Pending
Plavica	PNRC101	RC	132.00	-60	360	7597709.0	4656914.0	1237.0	Results Pending
Plavica	PNRC102	RC	108.00	-60	4	7597681.0	4656986.0	1248.0	Results Pending
Plavica	PNRC103	RC	150.00	-55	4	7597650.0	4656960.0	1235.0	Results Pending
Plavica	PNRC105	RC	129.00	-55	340	7597480.0	4657067.0	1200.0	Results Pending
Plavica	PNRC106	RC	100.00	-55	4	7597790.0	4656830.0	1240.0	Results Pending
Plavica	PNRC107	RC	162.00	-50	4	7598390.0	4657040.0	1282.0	Results Pending
Plavica	PNRC108	RC	150.00	-50	184	7598390.0	4657040.0	1282.0	Results Pending

Table 2: Drill Collar Details for Holes drilled within the period Jul 2015- Jun 2016 and with Results Pending, Plavica Gold-Copper-Silver Project.

Prospect	Hole ID	Type	Final Depth	Dip	Azi Mag	East_GK	North_GK	RL m	Comments
Maricanski Rid	MRDD006	DD	219.00	-60	360	7597494.00	4656240.00	1208.00	Results Received
Maricanski Rid	MRDD007	DD	202.00	-60	360	7597592.00	4656250.00	1202.00	Results Received
Maricanski Rid	MRDD008	DD	343.30	-65	360	7597670.00	4656275.00	1201.00	Results Received
Maricanski Rid	MRDD009	DD	350.70	-60	350	7597390.30	4656217.20	1190.00	Results Received
Plavica	PNDD044	DD	350.00	-60	360	7598033.00	4656593.00	1244.00	Results Received
Plavica	PNDD045	DD	203.00	-60	360	7597953.00	4656680.00	1245.00	Results Received
Plavica	PNDD046	DD	410.00	-45	360	7597950.00	4656682.00	1245.00	Results Received
Plavica	PNDD047	DD	267.20	-45	360	7597797.00	4656741.00	1226.00	Results Received
Plavica	PNDD048	DD	200.00	-45	360	7597013.00	4657105.00	1190.70	Results Received
Plavica	PNDD049	DD	300.00	-50	360	7596750.0	4656965.0	1130.0	Results Received

Table 3: Drill Collar Details for Holes drilled within the period Jul 2014- Jun 2015 and with Results Received within 2015-2016, Plavica Gold-Copper-Silver Project.

Prospect	Hole	From	To	Interval	Au g/t	Ag g/t
Plavica	PNDD044	82	85	3	2.62	16.00
Plavica	PNDD045	87	92	5	0.65	32.80
Plavica	PNDD045	101	106	5	0.66	
Plavica	PNDD045	121	132	11	1.17	
Plavica	PNDD045	139	172	33	0.63	
Plavica	PNDD046	21	26	5	0.80	
Plavica	PNDD046	106	110	4	0.83	740.00
Plavica	PNDD046	122	131	9	1.48	211.22
Plavica	PNDD046	140	147	7	2.04	55.00
Plavica	PNDD046	173	177	4	0.47	
Plavica	PNDD046	186	192	6	0.46	
Plavica	PNDD046	211	214	3	0.48	
Plavica	PNDD046	253	258	5	0.94	
Plavica	PNDD046	288	294	6	0.59	41.17
Plavica	PNDD047	110	113	3	0.79	
Plavica	PNDD047	187	197	10	0.61	
Plavica	PNDD047	245	252	7	1.66	23.71
Plavica	PNDD048	11	19	8	1.32	25.00
Plavica	PNDD048	136	139	3	2.39	34.67
Plavica	PNDD049	0	10	10	0.97	25.90
Plavica	PNDD049	44	59	15	0.47	29.40
Plavica	PNDD049	63	78	15	0.63	49.53
Plavica	PNDD049	85	98	13	0.80	
Plavica	PNDD050	7	12	5	0.56	
Plavica	PNDD050	44	49	5	0.79	
Plavica	PNDD050	59	64	5	0.87	
Plavica	PNDD050	79	82	3	0.43	
Plavica	PNDD050	170	173	3	0.90	
Plavica	PNDD050	256	276	20	0.56	
Plavica	PNDD050	289	335	46	0.78	
Plavica	PNDD051	24	43	19	1.72	
Plavica	PNDD051	100	112	12	1.52	
Plavica	PNDD052	69	73	4	1.07	
Plavica	PNDD052	152	159	7	0.96	
Plavica	PNDD052	170	183	13	0.82	
Plavica	PNDD054	226	236	10	0.72	13.80
Plavica	PNDD055	163	166	3	0.62	61.67
Plavica	PNDD055	196	199	3	0.96	66.00
Plavica	PNDD055	217	221	4	0.76	
Plavica	PNDD058	10	13	3	0.44	
Plavica	PNDD058	35	39	4	0.59	
Plavica	PNDD058	51	54	3	0.80	
Plavica	PNDD058	63	68	5	0.97	
Plavica	PNDD058	109	122	13	1.81	
Plavica	PNDD058	133	167	34	1.10	
Plavica	PNDD058	183	194	11	1.04	54.43
Plavica	PNDD059	3	37	34	0.61	

Prospect	Hole	From	To	Interval	Au g/t	Ag g/t
Plavica	PNDD059	113	117	4	0.81	
Plavica	PNDD059	230	236	6	0.63	
Plavica	PNDD060	10	23	13	1.03	
Plavica	PNDD060	29	35	6	0.66	
Plavica	PNDD060	99	109	10	0.78	17.70
Plavica	PNDD061	94	102	8	0.77	67.75
Plavica	PNDD062	0	18	18	1.15	
Plavica	PNDD062	32	71	39	0.99	
Plavica	PNDD062	106	155	49	1.05	
Plavica	PNDD064	45	56	11	0.60	
Plavica	PNDD064	63	68	5	0.50	11.40
Plavica	PNDD064	164	168	4	1.39	79.75
Plavica	PNDD065	47	52	5	0.62	
Plavica	PNDD065	111	114	3	0.54	
Plavica	PNDD065	213	217	4	0.78	118.75
Plavica	PNDD066	120	123	3	0.44	
Plavica	PNDD067	168	171	3	1.26	38.67
Plavica	PNDD067	186	190	4	1.31	58.75
Plavica	PNDD067	205	212	7	0.43	12.57
Plavica	PNDD069	165	171	6	0.43	
Plavica	PNDD070	28	47	19	1.06	87.70
Plavica	PNDD070	88	92	4	1.15	73.00
Plavica	PNDD070	99	107	8	1.28	42.30
Plavica	PNDD070	114	125	11	0.69	27.60
Plavica	PNDD070	198	207	9	0.67	
Plavica	PNDD070	222	229	7	0.93	10.30
Plavica	PNDD071	0	13	13	0.97	43.90
Plavica	PNDD071	17	63	46	1.10	38.80
Plavica	PNDD071	167	174	7	0.91	11.30
Plavica	PNDD073	11	47	36	2.12	
Plavica	PNDD074	41	45	4	0.66	
Plavica	PNDD074	98	101	3	0.50	
Plavica	PNDD074	106	126	20	0.82	12.40
Plavica	PNDD076	3	26	23	0.74	
Plavica	PNDD076	190	193	3	0.64	
Plavica	PNDD076	262	269	7	0.66	
Plavica	PNDD077	44	49	5	0.56	
Plavica	PNDD077	57	60	3	1.08	
Plavica	PNDD077	95	99	4	0.83	
Plavica	PNDD077	111	115	4	0.80	60.30
Plavica	PNDD077	130	136	6	1.42	27.60
Plavica	PNDD077	163	169	6	0.71	23.30
Plavica	PNDD077	183	186	3	0.56	
Plavica	PNDD077	194	199	5	0.54	
Plavica	PNDD077	239	244	5	0.97	
Plavica	PNDD077	275	278	3	1.01	
Plavica	PNDD077	282	286	4	0.52	

Table 4: *Significant Drilling Gold Results received, 2015 - 2016, Plavica Prospect Area. 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 Ankara, Turkey. 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 (QAQC). Intercept widths are not necessarily true widths.*

Prospect	Hole	From	To	Interval	Au g/t	Ag g/t
M. Rid	MRDD010	4.4	74	69.6	1.01	
M. Rid	MRDD011	3	14	11	0.50	
M. Rid	MRDD011	35	40	5	0.44	
M. Rid	MRDD011	43	50	7	0.41	
M. Rid	MRDD011	55	58	3	0.50	
M. Rid	MRDD011	61	64	3	0.47	
M. Rid	MRDD011	74	77	3	0.66	
M. Rid	MRDD011	87	90	3	0.52	
M. Rid	MRDD011	94	109	15	0.44	
M. Rid	MRDD012	8	12	4	0.60	
M. Rid	MRDD012	19	63	44	0.83	
M. Rid	MRDD012	67	80	13	0.63	
M. Rid	MRDD012	85	98	13	0.44	
M. Rid	MRDD012	132	139	7	0.64	
M. Rid	MRDD013	25	36	11	0.66	
M. Rid	MRDD013	40	48	8	1.00	
M. Rid	MRDD013	58	89	31	0.85	
M. Rid	MRDD013	94	105	11	0.51	
M. Rid	MRDD013	114	117	3	0.57	
M. Rid	MRDD014	0	38.8	38.8	5.71	22.86
M. Rid	MRDD015	3	7	4	0.77	
M. Rid	MRDD015	32	50	18	3.73	11.22
M. Rid	MRDD015	108	114	6	1.06	
M. Rid	MRDD015	143	147	4	0.79	
M. Rid	MRDD016	3	10	7	1.31	
M. Rid	MRDD016	144	149	5	0.80	
M. Rid	MRDD017	132	135	3	4.17	
M. Rid	MRDD017	148	151	3	0.58	
M. Rid	MRDD017	179	185.05	6.05	0.58	
M. Rid	MRDD018	81	99	18	0.61	
M. Rid	MRDD018	119	126	7	0.69	
M. Rid	MRDD018	132	163	31	0.76	

Prospect	Hole	From	To	Interval	Au g/t	Ag g/t
M. Rid	MRDD018	196	203.75	7.75	1.13	
M. Rid	MRDD019	0	53	53	4.07	
M. Rid	MRDD019	68	86	18	0.48	
M. Rid	MRDD019	135	138	3	1.02	
M. Rid	MRDD019	155	160	5	0.55	
M. Rid	MRDD020	0	24	24	1.10	
M. Rid	MRDD020	29	33	4	2.42	
M. Rid	MRDD020	50	70	20	0.79	
M. Rid	MRDD020	99	104	5	0.56	
M. Rid	MRDD020	144	149	5	0.59	
M. Rid	MRDD021	0	25	25	1.39	
M. Rid	MRDD021	61	64	3	0.54	
M. Rid	MRDD021	106	109	3	0.62	
M. Rid	MRDD021	126	133	7	0.49	
M. Rid	MRDD021	154	159	5	0.64	
M. Rid	MRDD022	0	8	8	0.71	
M. Rid	MRDD022	17	20	3	0.61	
M. Rid	MRDD022	33	60	27	0.74	
M. Rid	MRDD022	88	93	5	0.72	
M. Rid	MRDD022	105	126	21	0.55	
M. Rid	MRDD023	0	13	13	1.18	
M. Rid	MRDD023	23	39	16	0.49	
M. Rid	MRDD023	53	59	6	0.57	
M. Rid	MRDD023	73	116	43	1.00	
M. Rid	MRDD023	120	142	22	0.78	
M. Rid	MRDD023	146	151	5	0.92	
M. Rid	MRDD024	0	28	28	0.69	
M. Rid	MRDD024	34	39	5	0.43	
M. Rid	MRDD024	49	64	15	0.52	
M. Rid	MRDD024	91	94	3	0.74	
M. Rid	MRDD024	104	116	12	0.53	

Table 5: *Significant Drilling Gold Results received, 2015 - 2016, Maricanski Rid Prospect Area. 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 Ankara, Turkey. 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 (QAQC). Intercept widths are not necessarily true widths.*

Prospect	Hole_ID	From	To	Interval	Cu %	Au g/t	Ag g/t
M. Rid	MRDD008	272	275	3	0.36	0.38	
M. Rid	MRDD008	325	328	3	0.31	0.28	
M. Rid	MRDD019	137	155	18	0.57	0.25	
Plavica	PNDD045	140	149	9	0.57	1.06	
Plavica	PNDD045	167	172	5	0.34	0.56	11.20
Plavica	PNDD046	88	96	8	1.09	0.21	28.88
Plavica	PNDD046	100	112	12	5.97	0.42	390.33
Plavica	PNDD046	124	138	14	1.61	1.07	140.57
Plavica	PNDD046	209	226	17	1.37	0.50	
Plavica	PNDD046	236	240	4	0.96	0.36	
Plavica	PNDD046	247	251	4	0.45	0.19	
Plavica	PNDD046	274	279	5	0.48	0.32	
Plavica	PNDD047	68	77	9	0.49	0.07	
Plavica	PNDD047	186	190	4	0.82	0.36	
Plavica	PNDD048	61	64	3	0.39	0.02	
Plavica	PNDD048	92	95	3	0.42	0.02	
Plavica	PNDD048	150	155	5	0.35	0.12	
Plavica	PNDD049	33	40	7	0.32	0.18	
Plavica	PNDD049	43	54	11	0.88	0.43	35.64
Plavica	PNDD049	62	78	16	0.50	0.62	49.25
Plavica	PNDD049	179	182	3	0.60	0.52	50.67
Plavica	PNDD050	191	197	6	0.39	0.22	
Plavica	PNDD050	320	324	4	0.80	0.65	
Plavica	PNDD050	333	336	3	0.43	0.29	
Plavica	PNDD050	345	348	3	0.44	0.20	
Plavica	PNDD052	64	67	3	0.36	0.05	
Plavica	PNDD052	69	74	5	0.44	0.87	
Plavica	PNDD052	84	100	16	0.61	0.09	
Plavica	PNDD052	104	119	15	0.43	0.17	
Plavica	PNDD052	150	159	9	0.53	0.79	
Plavica	PNDD052	170	179	9	0.67	1.02	

Prospect	Hole_ID	From	To	Interval	Cu %	Au g/t	Ag g/t
Plavica	PNDD052	196	205	9	0.38	0.27	10.00
Plavica	PNDD053	121	126	5	0.52	0.29	19.60
Plavica	PNDD054	221	229	8	0.72	0.46	13.13
Plavica	PNDD056	175	178	3	0.53	0.02	
Plavica	PNDD059	183	188	5	0.31	0.24	
Plavica	PNDD059	211	216	5	0.31	0.08	
Plavica	PNDD059	231	235	4	0.45	0.49	
Plavica	PNDD060	98	109	11	0.41	0.73	16.18
Plavica	PNDD060	166	185	19	0.64	0.17	16.79
Plavica	PNDD061	159	163	4	0.64	0.27	33.25
Plavica	PNDD061	175	187	12	0.59	0.14	
Plavica	PNDD064	163	168	5	1.65	1.13	77.20
Plavica	PNDD064	181	185	4	0.58	0.09	
Plavica	PNDD065	120	123	3	0.98	0.40	
Plavica	PNDD065	187	194	7	0.63	0.20	8.29
Plavica	PNDD065	211	238	27	0.91	0.25	26.33
Plavica	PNDD066	110	116	6	1.54	0.21	
Plavica	PNDD066	120	126	6	0.42	0.41	
Plavica	PNDD067	89	92	3	0.34	0.16	26.67
Plavica	PNDD067	165	170	5	0.83	0.76	23.20
Plavica	PNDD067	184	189	5	2.72	1.05	48.00
Plavica	PNDD069	73	78	5	0.53	0.02	
Plavica	PNDD070	69	72	3	0.67	0.05	19.00
Plavica	PNDD070	88	93	5	0.97	1.00	89.40
Plavica	PNDD074	80	89	9	0.42	0.15	22.10
Plavica	PNDD074	127	131	4	0.37	0.12	
Plavica	PNDD075	44	54	10	0.52	0.12	
Plavica	PNDD075	106	109	3	0.99	0.20	
Plavica	PNDD076	36	39	3	0.56	0.13	39.00
Plavica	PNDD076	279	282	3	0.72	0.38	
Plavica	PNDD077	115	118	3	0.32	0.08	24.30

Table 6: *Significant Drilling Copper Results received, 2015 - 2016, Plavica and Maricanski Rid Prospect Areas. Compositing done with a 0.3 % Cu 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 Ankara, Turkey. 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 (QAQC). Intercept widths are not necessarily true widths.*

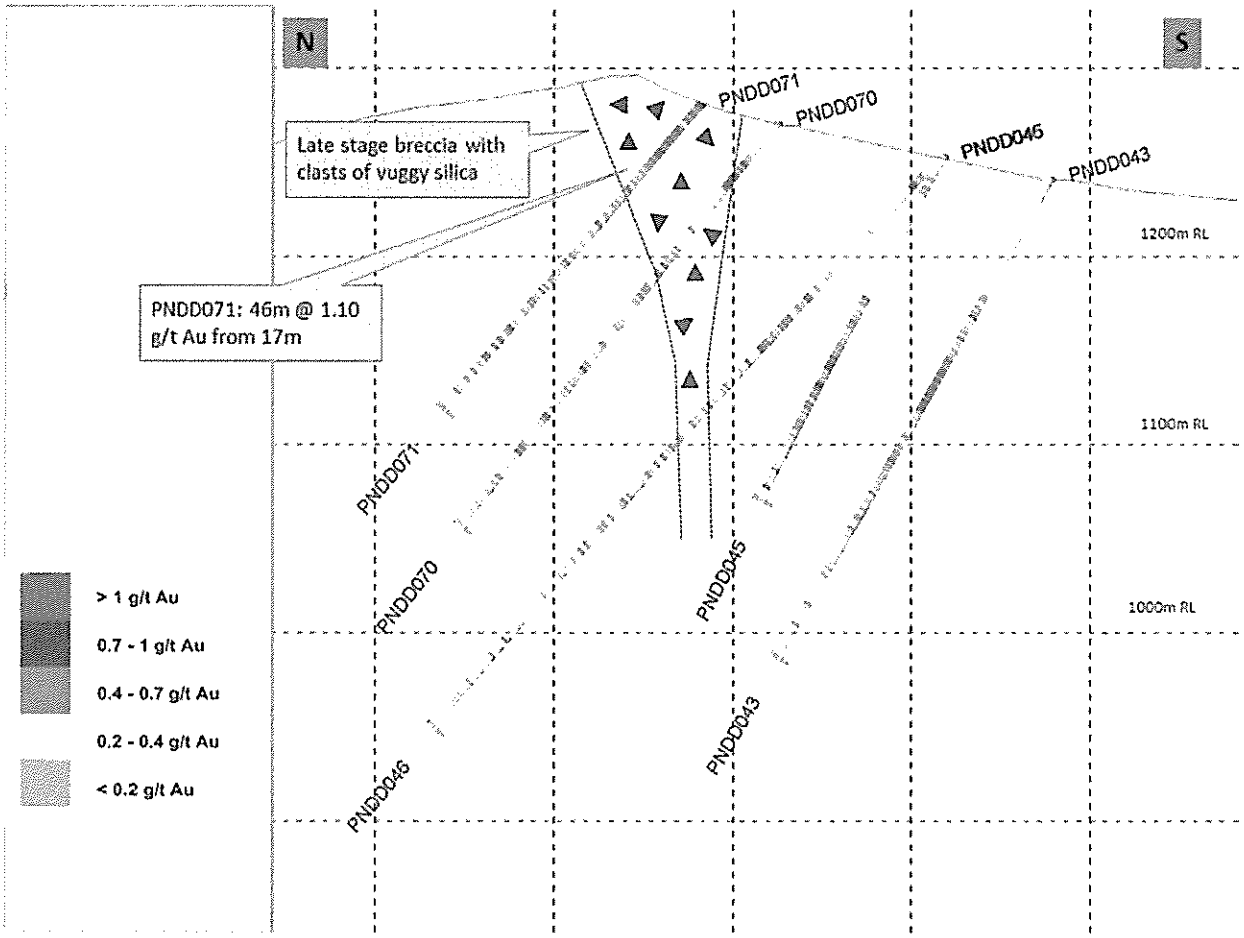


Figure 3 Plavica Section 7597950E Gauss Kruger, looking East.

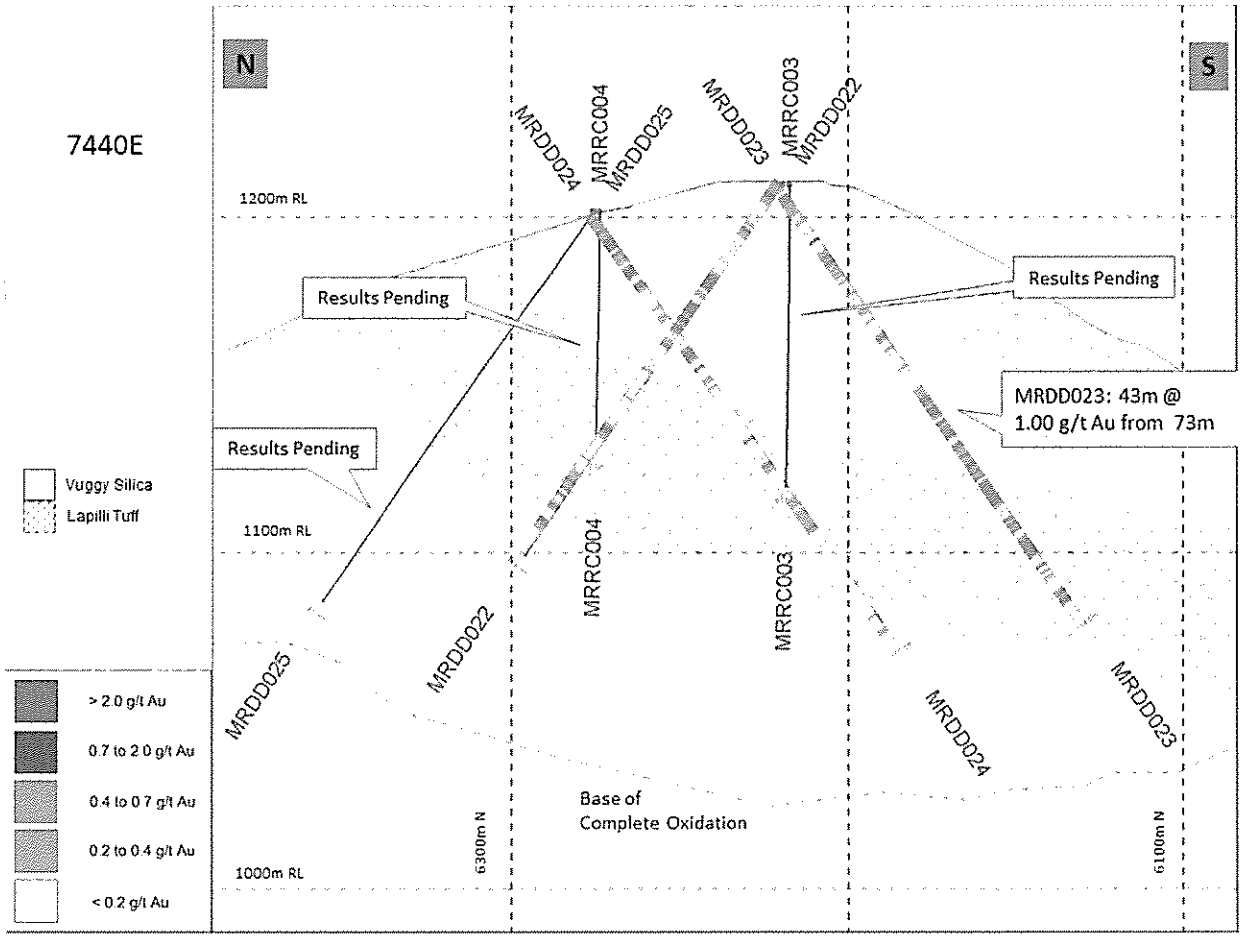


Figure 4 Maricanski Rid Section 7597440E Gauss Kruger, looking East.

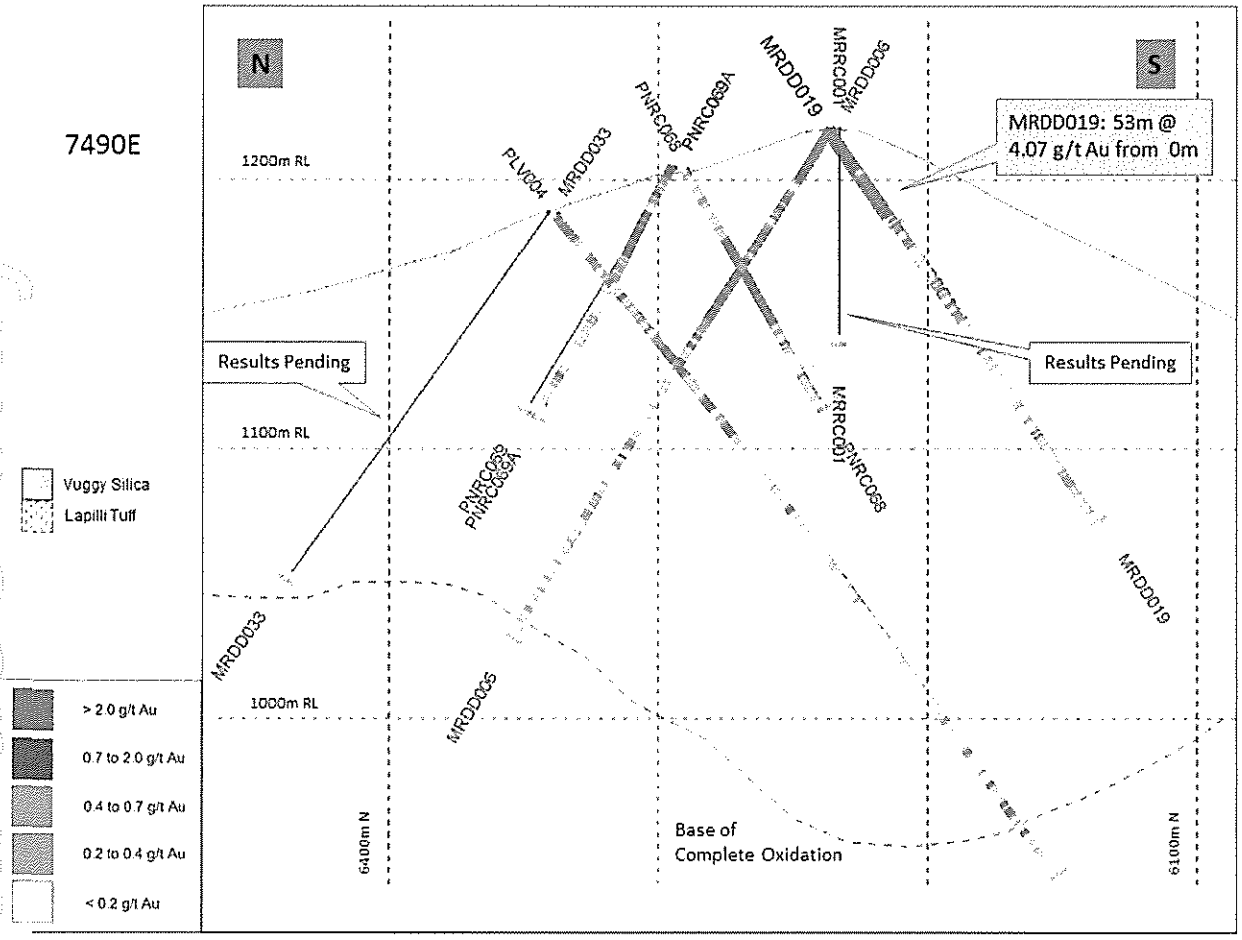


Figure 5 Maricanski Rid Section 7597490E Gauss Kruger, looking East.

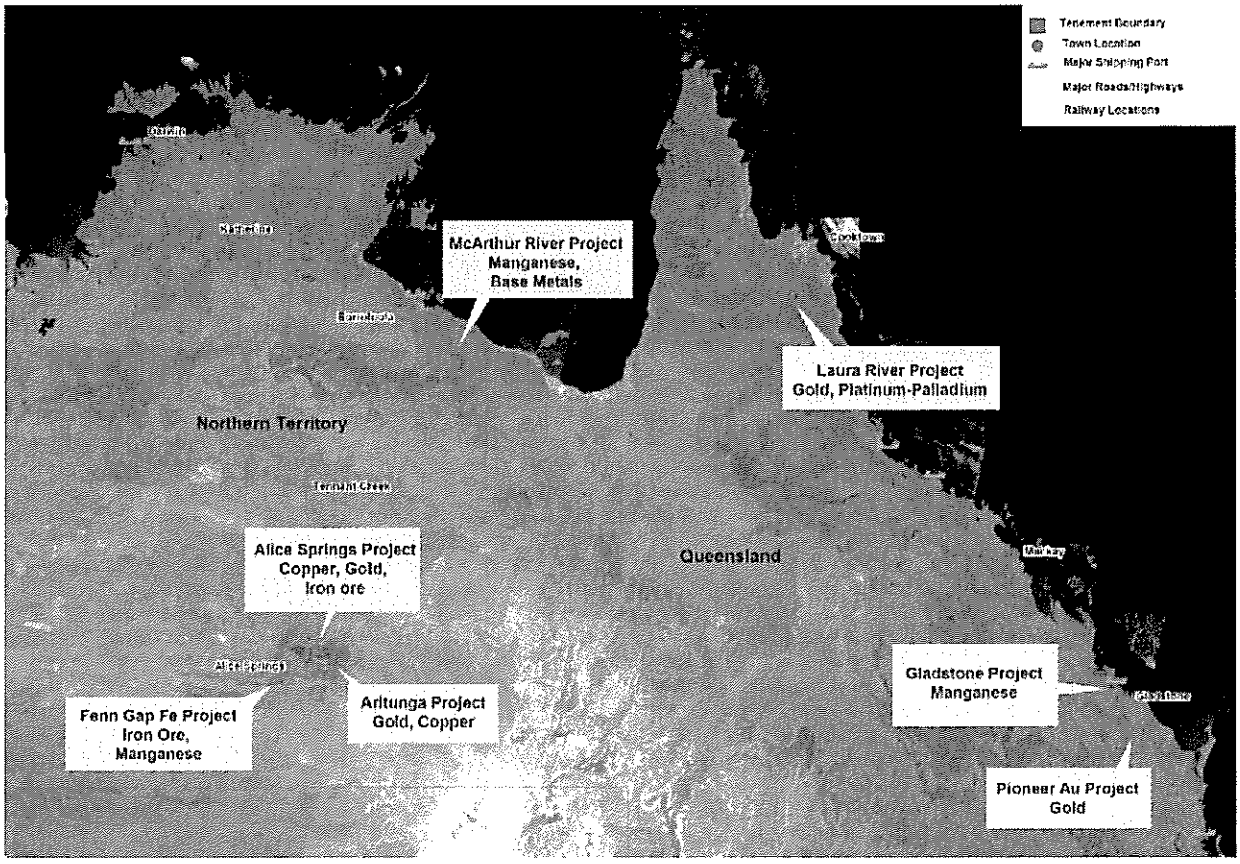


Figure 6: Location of Australian Projects.

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

The Arltunga Gold Project consists of Exploration Licence EL25238 covering 95.2 square kilometres, is located approximately 110 kilometres 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.

The 9th Annual Technical Report was submitted on 9 November 2015 and was accepted as satisfactory by the DME on the 19 November 2015. An updated Mining Management Plan (MMP) was lodged on the 8 March 2016.

Geological mapping and reconnaissance of geophysical anomalies was completed and drilling is planned for the next financial year.

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

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

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.

Reconnaissance mapping was completed and drill targets are due to be tested in the following reporting period.

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 kilometres 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% MnO2.

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 9th Annual Technical Report was lodged on 20 June 2016. A Partial Surrender of an Environmental Authority was lodged on the 27 June 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 2017.

PIONEER PROJECT: Gold (GES 100%)

The Pioneer Project consists of one granted Exploration Permit Mineral (EPM15619) covering 6.23 square kilometres approximately 70 kilometres 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 licence currently expires on the 2 August 2016. This application is pending. The 10th Annual Technical Report was lodged on the 8 August 2016.

As per the conditions of the exploration permit Genesis were required to relinquish 2 sub blocks from EPM 15619. Pursuant to section 793 of the *Mineral Resources Act 1989 (MRA*), the relinquishment was accepted by the Department of Natural Resources and Mines Queensland on 22 August 2013. The tenement area has been reduced from 12.67 sq. km to 6.23 sq. km.

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 2017.

McARTHUR RIVER PROJECT: Manganese (GES 100%)

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

The project area contains the Masterton No2 manganese occurrence.

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 8th Annual Technical Report was lodged on the 24 August 2015. A Licence Renewal Application was lodged on the 19 May 2016 requesting another 2-year term. The tenement currently expires on the 23 August 2016. This application is pending.

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 and 25 of the 50 sub blocks were relinquished, with 25 sub-blocks being retained. EPM15242 now covers 82.67sq km. A Partial Surrender of an Environmental Authority was lodged on the 22 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 square kilometres, is located approximately 25 kilometres south west of Alice Springs in the Northern Territory (Figure 6). The project is 25 kilometres 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 current expiry date was 5 May 2016. This 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

TENEMENTS AS AT 30 JUNE 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 Ltd Kratovo	Macedonia

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

Directors' Meetings

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director while they were a Director.

Directors' Meetings		
Directors	**No of meetings eligible to attend**	**Attended**
E. Pang	5	5
D. Wee	5	5
A. Tai	3	3
K. Lim	0	0
C. Mah	0	0
Z. Dai	2	2
K. Yu	2	1
J. Zee	2	2

The Board has not established formal audit, nomination or remuneration committees, having regard to the size of the Company. The Board acknowledges that when the size and nature of the Company warrants the necessity of such formal committees, they will operate under various committee charters which have been approved by the Board. Presently, the Board as a whole, excluding any relevant affected director, serves as an audit, nomination and remuneration committee to the Company and accordingly operates under the relevant committee charters.

Directors' Security Holdings

The following table sets out the relevant interests in shares and options over unissued shares in the Company which were held by each Director over the year. This information is current at the date of this report or, in the case of former directors, as at the date of resignation.

Directors	Fully Paid Ordinary Shares	Options
E. Pang	3,210,000	0
K. Lim	22,117,930	0
C. Mah	16,764,706	0
A. Tai	0	0
D. Wee	1,860,000	0

Former Directors		
Z. Dai	0	0
K. Yu	36,000,000	0
J. Zee	0	0

Remuneration of Directors and Key Management Personnel

Information about the remuneration of directors and key management personnel is set out in the Remuneration Report of this Directors' Report.

Share based payments to Directors and Senior Management

No share based payments were granted to Directors and/ or senior management during the financial year.

Securities on Issue

As at the end of the financial year on 30 June 2016, the only securities on issue in Genesis were 384,885,386 fully paid ordinary shares. No options were on issue during the year. There are no other classes of equity securities on issue.

Financial Results

The loss after tax of the Company for the financial year attributable to the members of Genesis Resources Limited was $2,343,013. The loss was mainly due to professional, consultancy and administrative fees incurred during the year.

Losses per share has decreased from ($1.43) cents to ($0.72) cents as at 30 June 2016. The decrease is attributable to the increase in the number of shares issued during the year.

The total assets of the entity have increased by $1,342,231 during the financial year from $16,074,666 as at 30 June 2015 to $17,416,897 at 30 June 2016, mainly as a result of capitalised exploration expenditure on the Plavica Project.

State of Affairs

Director resignations and appointments during the year

Mr Zilong Dai resigned as Director on 9 October 2015. Messrs John Zee and Kin Po Yu resigned as Directors on 26 November 2015. Ms Alyn Tai was appointed as Director on 26 November 2015. Messrs Kim Heng Lim and Chin Niap Mah were appointed as Directors on 31 May 2016.

Approval of exploitation (mining) licence for Plavica tenement

On 12 March 2015, Genesis announced that it had received advice that the Government of Macedonia made an in-principle decision to approve the application made by Silgen Resources International Ltd, Kratovo (**Silgen**), the joint venture company owned by the Company and its joint venture partner RIK Sileks AD Kratovo in 62% and 38% proportions respectively, for a 30 years exploitation (mining) licence for the Plavica tenement (**Licence**). In accordance with Macedonian legislation, the Government of Macedonia published in an official governmental gazette its decision to grant the exploitation licence to Silgen.

Formal grant of the exploitation licence later took effect upon the signing of a concession agreement between Silgen and the Government of Macedonia (**Agreement**) which Genesis announced on 12 May 2015. Pursuant to the execution of the Agreement, Silgen has been formally granted the Licence for a term of 30 years. The area covered by the Licence totals 16.85 km^2.

Through its 62% ownership of the Silgen, Genesis now has a direct interest in the Licence. Silgen currently owns all assets in respect of the Plavica tenement.

As the joint venture party responsible for managing the Plavica Project, Genesis has commenced implementing its strategic objectives at the Licence area. This includes drilling completing Resource estimations at both Plavica and Maricanski Rid and completing a Feasibility study by October 2017.

Share issues

The following share issues took place during the year ended 30 June 2016:

- On 26 February 2016, Genesis issued 57,002,640 fully paid ordinary shares in retirement of debt (total principal amount of $2,600,000 plus accrued interest) under a loan, at a deemed issue price of $0.055 per share.
- On 6 May 2016, $1,085,582 was raised through a capital raising placement of 27,139,541 ordinary shares.

No changes in state of affairs of the Company

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report or the accompanying financial report.

Key Business Strategies for FY2016

In the 2017 financial year, the Company intends to continue its strategy of exploring its tenements in Macedonia and Australia, assessing the resource potential of any significant mineralisation and undertaking feasibility studies to evaluate the development potential of key projects, with a continued focus on its Plavica Project in Macedonia.

Strategies for Plavica Project

Genesis intends to focus its resources during the 2017 financial year and beyond on completing a feasibility study in respect of the Exploitation Licence area (as required to obtain funding for mine development). Genesis will aim, with infill drilling, to deliver a resource in the 'indicated' category, over Plavica, and Maricanski Rid located 800m south of Plavica. These objectives are consistent with Genesis' obligations under its joint venture agreement with Sileks, and once achieved, will enable Genesis and its joint venture partner to assess viability to develop a mine site at Plavica. Genesis expects to complete the proposed infill and extensional drilling and the feasibility study within 2.5 years of the granting of the Exploitation Licence (May 2015), and has agreed to commit up to US$7.5m for such activities.

Strategies for Australian Projects

With respect to its Australian projects, the Company intends to refine targets for drilling over a number of tenement areas and drill these during the 2017 field season.

Key Business Risks

A number of specific risk factors that may impact the business strategies, future performance and financial position of Genesis and its controlled entities are described below. It is not possible to identify every risk that could affect Genesis' business, and whilst Genesis implements risk mitigation measures to the extent possible, actions taken by Genesis to mitigate the risks described below cannot provide absolute assurance that a risk will not materialise.

(a) **Capital/going concern** – The Company will require further financing, in particular to advance the Plavica Project, further explore the Company's Australian projects, obtain a feasibility study for the Plavica tenement and repay loans. In particular, now that the 30-year exploitation (mining) licence for the Plavica tenement has been granted to the JV Company, the Company will need to obtain further funding to meet its obligations under its joint venture agreement with Sileks to undertake infill and extensional drilling and complete a feasibility study in respect of the exploitation licence area (as required to obtain funding for mine development). Genesis expects to complete the proposed infill and extensional drilling and the feasibility study within 2.5 years of the JV Company being granted the exploitation licence (May 2015), 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 only be discharged when Genesis completes and pays for the proposed infill and extensional drilling and feasibility study. If the Company is unable to obtain additional financing as needed and is consequently unable to complete the drilling required and a feasibility study for the Plavica tenement, the Company's joint venture partner Sileks may exercise its right to obtain a transfer of Genesis' shares in the JV Company to Sileks. In the event that this occurs, Genesis will lose its interest in the Plavica tenement and the exploitation licence over it. Whilst the current climate for capital raising is challenging, the Company has previously been successful in raising both equity and debt capital to fund its activities. The Directors continue to be confident in the Company's ability to raise funds as and when the need arises. However, the existence of these material uncertainties do give rise to significant doubt as to whether the Company can continue as a going concern (see Note 1(b) to the financial statements).

(b) **Title risks and Native Title** – The Company's key project, Plavica Project, is located in Macedonia. Interests in tenements in Macedonia are governed by legislation and are evidenced by the granting of concession licences. Genesis also has an interest in several Australian exploration tenements. These 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 insufficient funds are 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. The Directors will closely monitor the potential effect of native title claims involving tenements in which Genesis has or may have an interest.

(c) **Sovereign risk** – Genesis' exploration activities are carried out in Australia and Macedonia. As a result, 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.

(d) **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).

(e) **Resource and Reserve estimates** – There is a risk that the 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 those estimates are materially in excess of the recoverable mineral content of the tenements, the production and financial performance of Genesis would be adversely affected.

(f) **Discovery risk** – Any discovery by Genesis may not be commercially viable or recoverable: that is no resources within the meaning of the JORC Code may be able to be established and it may be that consequently no reserves can be established.

(g) **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 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.

Events Subsequent to Balance Date

On 12 August 2016 the Company announced a pro-rata non-renounceable rights issue to raise up to approximately $3,848,853.87 (**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. The Rights Issue was partially underwritten up to an amount of $2,000,000, and settlement of the underwritten amount is expected to complete shortly after lodgement of this Annual Report. The underwriter of the Rights Issue is S Active Holding Sdn Bhd, an entity associated with the Director Mr Lim.

No Other Events

Other than as otherwise disclosed, in the interval between the end of the financial year and the date of this report, no item, transaction or event of a material and unusual nature has arisen that is likely, in the opinion of the Directors, to affect significantly, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Environmental Regulation and Performance

The Company's operations are subject to significant environmental regulations under Commonwealth or State legislation. However, the Directors believe that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Dividends

No dividends have been declared by the Directors for this financial year.

Indemnification and Insurance of Officers

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and all executive officers of the Company and of any related body corporate against a liability incurred as a Director, Secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as an officer or auditor.

The insurance premiums relate to:

- Cost and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Auditor Independence and Non-Audit Services

The auditor's independence declaration is included on page 31 of this Annual Report.

Non-Audit Services

There were no non-audit services provided during the financial year by the auditor.

Proceedings on Behalf of the Company

No person has applied for leave of a Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Remuneration Committee

The Board has not established a formal remuneration committee, having regard to the size of the Company and its operations. The Board acknowledges that when the size and nature of the Company warrants the necessity of a formal remuneration committee, such a committee will operate under the remuneration committee charter which has been approved by the Board. The remuneration committee charter may be viewed on the Company's website.

Presently, the Board as a whole, excluding any relevant affected director, serves as a nomination committee to the Company and accordingly operates under the remuneration committee charter.

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.

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Genesis Resources Limited's directors and its key management personnel for the financial year ended 30 June 2016. The prescribed details for each person covered by this report are detailed below under the following headings:

- director and key management personnel details
- remuneration policy
- relationship between the remuneration policy and company performance
- remuneration of directors and senior management
- key terms of employment contracts.

Director Details

The Directors in office at any time during or since the end of the year to the date of this report are:

Current Directors

EDDIE LUNG YIU PANG	Managing Director, 28 September 2015 – present Executive Chairman, 26 November 2015 – present Non-Executive Chairman, 28 September 2015 – 25 November 2015 Executive Chairman, 1 December 2013 – 27 September 2015 Non-Executive Chairman, 6 March 2009 – 30 November 2013
KIM HENG LIM	Non-Executive Director, 31 May 2016 – present
CHIN NIAP MAH	Non-Executive Director, 31 May 2016 – present
ALYN TAI	Non-Executive Director, 26 November 2015 – present
DERIC KOK BIN WEE	Non-Executive Director, 11 December 2009 – 26 November 2012, and 16 January 2013 – present

Former Directors

KIN PO YU	Non-Executive Director, 26 June 2015 – 26 November 2015
ZILONG DAI	Non-Executive Director, 26 June 2015 – 27 September 2015 Executive Director, 28 September 2015 - 9 October 2015
JOHN YONG TEAK ZEE	Non-Executive Director, 11 May 2012 – 26 November 2012, 16 January 2013 – 31 October 2014, and 26 June 2015 to 26 November 2015

Remuneration Policy

The Company's remuneration policy is based on the following principles:

- Providing competitive rewards to attract high quality executives;
- Providing where applicable an equity incentive for senior executives that will provide an incentive to executives to align their interests with those of the Company and its shareholders; and
- Ensure that rewards are referenced to relevant employment market conditions.

Remuneration packages contain the following key elements:

- Primary benefits – salary/fees;
- Benefits, including the provision of motor vehicles and superannuation; and
- Incentive schemes.

In accordance with best practice corporate governance, the structure of Non-Executive Directors and key management personnel remuneration is separate and distinct.

The Board's approach to executive remuneration has always been to balance fair remuneration for skills and expertise with a risk and reward framework that supports long-term growth of Genesis. The Board seeks to set remuneration at a level which provides the Company with the ability to attract and retain directors of relevant experience and skill, whilst incurring costs which are acceptable to shareholders, particularly with regard to Genesis' financial position.

The Directors consider Genesis' remuneration practices during FY2016 to be conservative and appropriate, particularly given the broad range of responsibilities undertaken by all directors (in addition to their standard scope of duties) in the absence of a large management team.

Remuneration of Non-Executive Directors

The Company's Constitution provides that Non-Executive Directors may collectively be paid from an aggregate maximum sum out of the funds of Genesis Resources Limited as remuneration for their services as Directors to be fixed by way of an ordinary resolution of shareholders. This maximum sum is currently fixed at $300,000. The Company's Constitution and the Australian Securities Exchange Listing Rules specify that the aggregate remuneration amount can only be increased by the passing of an ordinary resolution of shareholders.

Each Non-Executive Director receives a fee for being a Director of the Company and does not participate in performance based remuneration. Non-Executive Directors are encouraged to hold shares in the Company (purchased by the Director on-market). It is considered good governance for Directors to have a stake in the Company.

Retirement Benefits

Consistent with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations which state that non-executive directors should not be provided with retirement benefits other than statutory superannuation, the Company does not provide retirement benefits to its Non-Executive Directors.

Relationship between the Remuneration Policy and Company Performances

The tables below set out summary information about the entity's earnings and movements in shareholder wealth for the five years to June 2016:

Financial Year Ending 30 June	2016	2015	2014	2013	2012
Other income ($)	4,044	1,002	2,726	276	447,313
NPAT ($)	(2,343,013)	(2,999,967)	(2,617,270)	(1,795,065)	(935,312)
Share price at end of year	0.04	0.06	0.08	0.09	0.06
Basic EPS (cents per share)	(0.72)	(1.44)	(1.65)	(1.49)	(1.64)

Remuneration of Directors and Key Management Personnel

The following table discloses the remuneration of the current and former Directors and key management personnel of the Company:

	Short Term Benefits	Post Employment		Total
2016 Directors	Salary & Fees ($)	Superannuation ($)	Termination Benefit ($)	($)
Executive Directors during FY16				
E. Pang (Executive Chairman)	180,000	17,100	-	197,100
Non-Executive Directors during FY16				
D. Wee	40,000	-	-	40,000
A. Tai	23,888	-	-	23,888
K Lim	1	-	-	1
N Mah	1	-	-	1
Former Directors and Executives				
Z. Dai	10,999	-	-	10,999
K. Yu	16,111	-	-	16,111
J. Zee	16,111	-	-	16,111
Total	**287,111**	**17,100**	**-**	**304,211**

2015 Directors	Short Term Benefits Salary & Fees ($)	Post Employment Superannuation ($)	Termination Benefit ($)	Total ($)
Executive Directors during FY15				
E. Pang (Executive Chairman)	180,000	17,100	-	197,100
Non-Executive Directors during FY15				
Z. Dai	556	-	-	556
D. Wee	40,000	-	-	40,000
K. Yu	556	-	-	556
J. Zee	13,888	-	-	13,888
Former Directors and Executives				
A. Lim	39,556	-	-	39,556
Total	**274,556**	**17,100**	**-**	**291,656**

a) **Equity instrument disclosures relating to key management personnel**

Share holdings

The number of shares in the company held during the financial year by each director of Genesis and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

Fully paid ordinary shares 2016	Balance at 1 July 2015	Shares Acquired/ Other	Shares Disposed/ Other	Options Exercised	Net Change	Balance at 30 June 2016
Directors of Genesis Resources Limited						
E. Pang	3,210,000	-	-	-	-	3,210,000
D. Wee	1,860,000	-	-	-	-	1,860,000
Z. Dai*	-	-	-	-	-	-
K. Yu*	36,000,000	-	-	-	-	36,000,000
J. Zee*	-	-	-	-	-	-
A. Tai	-	-	-	-	-	-
K. Lim**	22,117,930	-	-	-	-	22,117,930
C. Mah**	16,764,706	-	-	-	-	16,764,706
Total	79,952,636	-	-	-	-	79,952,636

*Director resigned during the period.
** Was not a Director at 1 July 2015

Fully paid ordinary shares 2015	Balance at 1 July 2014	Shares Acquired	Shares Disposed/ Other	Options Exercised	Net Change	Balance at 30 June 2015 or date of resignation
Directors of Genesis Resources Limited						
E. Pang	3,210,000	-	-	-	-	3,210,000
D. Wee	1,860,000	-	-	-	-	1,860,000
Z. Dai	-	-	-	-	-	-
K. Yu	-	36,000,000	-	-	-	36,000,000
J. Zee	-	-	-	-	-	-
A. Lim*	1,100,000	-	-	-	-	1,100,000
Total	31,968,902	-	-	-	-	31,968,902

*Director resigned during the period and final balance.

Options

There were no options on issue in the Company during the last financial year.

b) Loans to and from key management personnel

No loans were made to the directors of Genesis and other key management personnel of the Company, including their personally related parties. During the year, S Active Holding Sdn Bhd, an entity associated with the Director Mr Lim, advanced a loan to the Company. Further disclosure on the loan is provided in Note 27.

c) Other transactions with key management personnel

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

A number of these entities transacted with the Company in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entity on an arm's-length basis.

The transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence in respect of the year ended 30 June 2016 are set out in Note 25.

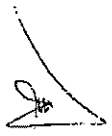
Auditor

RSM Australia Partners was appointed as the Company's auditor on 28 February 2014 and continues in office in accordance with section 327 of the *Corporations Act* 2001 (Cth).

Directors' Resolution

This Directors' Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Eddie Pang
Executive Chairman
29 September 2016

CORPORATE GOVERNANCE STATEMENT

The Company's Directors and management are committed to conducting the business of Genesis Resources Limited and its controlled entities (the **Group**) in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and has substantially complied with the *ASX Corporate Governance Principles and Recommendations (Third Edition)* (**Recommendations**) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations (**Corporate Governance Statement**).

n accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement will be available for review on Genesis Resources Limited's website (www.genesisresourcesltd.com.au) (the **Website**), and will be lodged together with an Appendix 4G with ASX at the same time that this Annual Report is lodged with ASX.

The Appendix 4G will identify each Recommendation that needs to be reported against by Genesis Resources Limited, and will provide shareholders with information as to where relevant governance disclosures can be found.

The Company's corporate governance policies and charters and policies are all available on the Website.

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Genesis Resources Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Melbourne, Victoria
Dated: 29 September 2016

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2016

	Note	2016 $	2015 $
Other Income	5	**4,044**	1,002
Professional fees	6	**(218,796)**	(295,793)
Administrative and other expenses	7	**(567,355)**	(790,184)
Employee benefit expenses	8	**(1,197,059)**	(998,485)
Finance cost	9	**(371,665)**	(412,460)
Foreign exchange gain /(loss)	10	**6,966**	(504,940)
Results from operating activities		**(2,343,865)**	(3,000,860)
Interest income		**852**	893
Net finance income		**852**	893
Loss before tax		**(2,343,013)**	(2,999,967)
Income tax expense	12	**-**	-
Loss for the year		**(2,343,013)**	(2,999,967)
Attributable to non-controlling interests		**(323)**	-
Attributable to owners of the Genesis Group		**(2,342,690)**	-
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign exchange gain/(loss)	22	**(76,886)**	80,831
Other comprehensive loss for the year, net of tax		**(76,886)**	(80,831)
Total comprehensive loss for the year		**(2,419,899)**	(2,919,136)
Attributable to non-controlling interests	24	**(323)**	-
Attributable to owners of the Genesis Group		**(2,419,576)**	(2,919,136)
Earnings per share			
Basic Loss per share (cents per share)	29	**(0.72)**	(1.43)
Diluted Loss per share (cents per share)	29	**(0.72)**	(1.43)

The above consolidated comprehensive statement of profit or loss and comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Note	2016 $	2015 $
Assets			
Current assets			
Cash and cash equivalents	13	**504,034**	2,034,950
Prepayments and other receivables	14	**35,832**	50,301
Other financial assets	15	**370**	370
Total current assets		**540,236**	2,085,621
Non-current assets			
Other financial assets	15	**98,695**	98,684
Property, plant and equipment	16	**47,808**	95,151
Exploration and evaluation assets	17	**16,730,158**	13,795,210
Total non-current assets		**16,876,661**	13,989,045
Total assets		**17,416,897**	16,074,666
Current liabilities			
Trade and other payables	19	**1,241,264**	997,262
Borrowings	20	**2,269,003**	2,974,438
Total current liabilities		**3,510,267**	3,971,700
Total liabilities		**3,510,267**	3,971,700
Net assets		**13,906,630**	12,102,966
Equity			
Share capital	21	**25,749,425**	21,528,698
Reserves	22	**(209,908)**	(133,022)
Accumulated losses	23	**(11,635,400)**	(9,292,710)
Total equity attributable to members of Genesis Group		**13,904,117**	12,102,966
Non-controlling interests	24	**2,513**	-
Total equity		**13,906,630**	12,102,966

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2016

		Attributable to owners of Genesis Group				
	Note	Share capital $	Accumulated losses $	Reserves $	Non-controlling interests $	Total equity $
Balance at 1 July 2014		**13,738,468**	(6,292,741)	(213,853)	**-**	**7,231,874**
Loss for the year	23	-	(2,999,969)	-	-	(2,999,969)
Other comprehensive income/(loss) for the year		-	-	-	-	-
Foreign currency translation reserve	22	-	-	80,831	-	80,831
Total comprehensive (loss)/income for the year		13,738,468	(9,292,710)	(133,022)	-	**4,312,736**
Transaction with owners in their capacity as owners						
Issue of ordinary shares	21	7,790,230	-	-	-	7,790,230
Total transactions with owners		7,790,230	-	-	-	7,790,230
Balance at 30 June 2015		**21,528,698**	(9,292,710)	(133,022)	**-**	**12,102,966**
Loss for the year	23	-	(2,342,690)	-	(323)	(2,343,013)
Other comprehensive loss for the year		-	-	-	-	-
Foreign currency translation reserve	22	-	-	(76,886)	-	(76,886)
Total comprehensive loss for the year		-	(2,342,690)	(76,886)	(323)	(2,419,899)
Transaction with owners in their capacity as owners						
Issue of ordinary shares	21	4,220,727	-	-	2,836	4,223,563
Total transactions with owners		4,220,727	-	-	2,836	4,223,563
Balance at 30 June 2016		**25,749,425**	(11,635,400)	(209,908)	**2,513**	**13,906,630**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		4,039	434
Payments to suppliers and employees		(2,346,481)	(2,357,368)
Interest received		857	1,713
Net cash used in operating activities	13	(2,341,585)	(2,355,221)
Cash flows from investing activities			
Payments for exploration and evaluation expenditures		(2,208,201)	(670,180)
Payments for fixed assets		(11,864)	630
Proceeds from sale of property, plant and equipment		-	24,602
Payment for bank guarantee		-	(19,949)
Net cash used in investing activities		(2,220,065)	(664,897)
Cash flows from financing activities			
Proceeds from issue of shares		1,085,582	4,179,117
Payment for share issue costs		-	(116,561)
Proceeds from borrowing		2,336,600	384,000
Repayment of loan		(442,035)	-
Contributions from non-controlling interests		2,836	-
Net cash provided by financing activities		**2,982,983**	**4,446,556**
Net (decrease)/ increase in cash and cash equivalents		**(1,578,667)**	**1,426,438**
Cash and cash equivalents at 1 July		2,034,950	543,206
Net foreign exchange difference		47,751	65,306
Cash and cash equivalents at 30 June	13	**504,034**	**2,034,950**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the entity Genesis Resources Limited ("Genesis" or "the Company") domiciled in Australia. The address of the Company's registered office is Level 1, 61 Spring Street, Melbourne, VIC 3000. The Company is primarily involved in gold, manganese and base metal exploration and development activities. The Company is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue by the directors on 29 September 2016.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

Statement of compliance

The financial statements of Genesis Resources Limited also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Certain comparative amounts have been reclassified to conform with the current year's presentation.

Adoption of new and amended accounting standards

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

Critical accounting estimates

The directors evaluate estimates and judgments incorporated into the financial statement based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The areas involving a higher level of judgement or complexity, or areas where assumptions and estimates are made which are significant to the financial statements are set out in Note 3.

(b) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of $2,343,013, and the consolidated entity had net cash outflows from operating activities of $2,341,585 and from investing activities of $2,220,065 for year ended 30 June 2016. As at that date the consolidated entity had net current liabilities of $2,970,031.

These factors indicate a material uncertainty which may cast significant doubt over the ability of the consolidated entity to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- The consolidated entity's ability to delay or fast track spending on exploration and evaluation activities dependent upon cash flow holdings and financial options at any given time.
- The continued support of the company's major financier, Axle Capital Sdn. Bhd ("Axle"). The consolidated entity has a loan facility of $7.0 million with Axleto draw down.
- The consolidated entity is seeking to raise share capital of $3.8 million via a rights issue offer. $2.0 million of the rights issue offer is underwritten.

The directors believe that the consolidated entity will be successful in obtaining the required funding to meet the expenditure obligations

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker during the year, who was responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman during the year.

(d) Functional and Presentation Currency

Foreign currency translation

Items included in the financial statements of each of the Company are measured using the currency of the primary economic environment in which it operates ('the functional currency'). The financial statements are presented in Australian dollars, which is Genesis' functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of financial position date, within finance costs. All other foreign exchange gains and losses are presented in the statement of financial position date on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(e) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(f) Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.

The income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period.

Deferred tax assets and liabilities are recognised using the liability method for temporary differences arising between the tax bases of the assets and liabilities and their carrying amount in the financial statements at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

(g) Impairment of tangible and intangible assets

At the end of each reporting period the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments

of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation on plant & equipment assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Class of Fixed Assets	Depreciable Life
Office equipment	3 – 5 years
Plant and equipment	3 – 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss.

(i) Exploration and evaluation assets

Exploration and evaluation costs, including the costs of acquiring licenses, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in profit or loss.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development or sale of the area of interest; or

(ii) activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or other of economically recoverable reserves and active and significant operations in, or relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the resulting impairment loss is measured and disclosed in accordance with the impairment loss policy noted in accounting policy 1 (g).

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation assets to mining property and development assets within property, plant and equipment.

(j) Employee Benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

(l) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision are determined by discounting the expected future cash flows at pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Site restoration

Provisions are made for estimated costs relating to the remediation of soil, groundwater and untreated waste as soon as the need is identified.

(m) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables and payables in the statement of financial position.

Cash flows are presented in the statement of cash flow on a gross basis except for the GST component of investing and financing activities which are disclosed as operating cash flows.

(o) Investments and other financial assets

Classification

The Company classifies its financials assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long-term.

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings per share ("EPS")

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financial costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2016. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments – this standard is applicable to annual reporting periods beginning on or after 1 January 2018. The consolidated entity does not expect the impact of this new standard to have a material impact on the accounts.

AASB 15 Revenue from Contracts with Customers - this standard is applicable to annual reporting periods beginning on or after 1 January 2018. As the consolidated entity does not generate any revenue from customers, at this point in time, the consolidated entity does not expect the impact this new standard to have a material impact on the accounts.

AASB 16 Leases - this standard is applicable to annual reporting periods beginning on or after 1 January 2019. The consolidated entity does not expect the impact of this new standard to have a material impact on the accounts.

NOTE 2: FINANCIAL RISK MANAGEMENT

(a) Overview

The Company has exposure to the following risks from their use of financial instruments:

- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Company does not use any form of derivatives as it is not at a level of exposure that required the use of derivatives to hedge its exposure. Exposure limits are reviewed on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instrumentals, for speculative purposes.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board monitors and manages the financial risks relating to the operations of the Company through regular review of the risks.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows. The entity does not have any external borrowings.

The Company has total trade and other payables and borrowings of $3,510,267 (2015: $3,971,700) all due in less than 6 to 12 months.

(c) Market Risk

The company is exposed to currency risk on exploration expenditures in relation to overseas projects that are denominated in a currency other than the respective functional currencies of the Company, the Australian dollar ("AUD"). The currency in which these transactions primarily are denominated is Euros ("EUR"). The Company does not hedge foreign currency exposures.

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	2016	2016	2016	2015	2015	2015
Expressed in AUD	USD	MKD	MYR	USD	MKD	MYR
Trade and other payables	**558,667**	-	-	359,136	-	-
Other receivables- Bank Guarantee	-	**11,339**	-	-	78,977	-
Borrowings	-	-	**269,003**	390,625	-	-

Based on the financial instruments held at 30 June 2016, had the Australian dollar weakened/strengthened by +/-5% there would have been a decrease / increase of $41,950 (30 June 2015: decrease / increase of $41,437) on the consolidated entity's profit before tax for the year ended 30 June 2016.

(i) Interest rate risk

The Company is exposed to interest rate risk on its cash and cash equivalents, which is the risk that a financial instrument's value will fluctuate with the market interest rates on interest-bearing financial instruments. The Company does not use derivatives to mitigate these exposures
The Company adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short term deposits at interest rates maturing over 30 – 180 day rolling periods.
As at the end of the reporting period, if the interest rate had increased/(decreased) by +/-2%, there would be a decrease / increase of $45,380 (30 June 2015: decrease / increase of $59,489) on the consolidated entity's profit before tax for the year ended 30 June 2016.

(d) Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurement by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

(ii) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2),

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets (such as publically traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

As at 30 June 2016 no material assets or liabilities measured at fair value were held by the Company.

NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Recoverability of deferred exploration and evaluation expenditure

The Company assesses the recoverability of the carrying value of deferred exploration and evaluation expenditure at each reporting date, or at closer intervals should the need arise. The assessment includes a review of the Company's exploration and development plans for each area of interest, the success or otherwise of activities undertaken in those areas in recent times, the likely success of future planned exploration activities and/or any potential plans for divestment of those areas. The carrying value of the deferred exploration and evaluation expenditure is then adjusted, if necessary.

In considering the carrying value of the Plavica Project of $11,812,047 (2015: $9,061,255), management has assumed that sufficient funds will be raised, and a feasibility study completed before October 2017. 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.

NOTE 4: PARENT ENTITY INFORMATION

	2016	2015
	$	$
Current assets	**6,138,003**	6,586,161
Non-current assets	**14,223,307**	11,418,320
Total assets	**20,361,310**	18,004,481
Current liabilities	**3,355,329**	3,820,349
Total liabilities	**3,355,329**	3,820,349
Contributed equity	**25,749,426**	21,528,698
Reserves	**-**	-
Accumulated losses	**(8,743,445)**	(7,344,567)
Total equity	**17,005,981**	14,184,131
Loss for the year	**(1,398,878)**	(2,078,152)
Other comprehensive income for the year	**-**	-
Total comprehensive loss for the year	**(1,398,878)**	(2,078,152)

NOTE 5: OTHER INCOME

	2016	2015
	$	$
Other income	4,044	1,002
	4,044	1,002

NOTE 6: PROFESSIONAL FEES

	2016	2015
	$	$
Legal, accounting and other professional fees	(183,814)	(247,927)
Corporate secretarial fees	(34,982)	(47,866)
	(218,796)	(295,793)

NOTE 7: ADMINISTRATIVE AND OTHER EXPENSES

	2016	2015
	$	$
Travel expenses	(145,894)	(319,534)
Insurance expense	(77,646)	(60,213)
Other expenses	(106,566)	(173,484)
Rent expense	(54,596)	(39,112)
ASX listing fees	(64,535)	(72,650)
Office administrative expense	(52,327)	(66,876)
Licensing expenses	(65,791)	(56,056)
Loss from disposal of fixed assets	-	(2,261)
	(567,355)	(790,186)

NOTE 8: EMPLOYEE BENEFIT EXPENSES

	2016	2015
	$	$
Director fees	(287,111)	(274,555)
Wages and salaries	(816,636)	(673,656)
Employment termination payment	(64,495)	(31,065)
Superannuation contributions	(28,817)	(19,209)
	(1,197,059)	(998,485)

NOTE 9: FINANCE COSTS

	2016	2015
	$	$
Interest charges paid/payable to non-financial institutions	(371,665)	(412,460)
Finance costs expensed	(371,665)	(412,460)

NOTE 10: FOREIGN EXCHANGE GAIN/(LOSS)

	2016 $	2015 $
Foreign exchange loss - USD currency	**15,018**	(487,403)
Foreign exchange loss – Other fx currency	**(8,052)**	(17,537)
	6,966	(504,940)

NOTE 11: AUDITOR'S REMUNERATION

	2016 $	2015 $
Audit fees		
RSM Australia Partners	(44,959)	(40,418)
	(44,959)	(40,418)

The auditor of Genesis Resources Limited for the year ended 30 June 2016 is RSM Australia Partners (2015: RSM Australia Partners).

NOTE 12: INCOME TAX EXPENSE

Income tax expense

	2016 $	2015 $
Current tax	**-**	-
Deferred tax	**914,180**	649,492
Deferred tax not brought to account	**(914,180)**	(649,492)
	-	-

Numerical reconciliation between tax expense and pre-tax accounting profit

	2016 $	2015 $
Loss before tax	**(2,343,013)**	(2,999,967)
Income tax credit using the Company's domestic tax rate of 30% (2015: 30%)	**(702,904)**	(899,990)
Non-deductible expenses	**283,450**	289,380
Current year losses for which no deferred tax asset was recognised	**419,454**	610,611
Total income tax expense	**-**	-

NOTE 13: CASH & CASH EQUIVALENTS

	2016 $	2015 $
Cash at bank	**504,034**	2,034,950
Cash and cash equivalents in the statement of cash flows	**504,034**	2,034,950

Reconciliation of cash flows from operating activities:

	2016 $	2015 $
Cash flows from operating activities		
Loss for the year	**(2,343,013)**	(2,999,967)
Adjustments for:		
Non-cash items		
Foreign exchange loss on translation	**(149,671)**	-
Loss from disposal of fixed assets	**-**	(2,261)
Depreciation and amortisation	**59,207**	49,299
	(2,433,477)	(2,952,929)
Change in prepayments and other receivables	**25,573**	(3,307)
Change in trade and other payables	**66,319**	601,015
Net cash used in operating activities	**(2,341,585)**	(2,355,221)

NOTE 14: PREPAYMENTS AND OTHER RECEIVABLES

	2016 $	2015 $
Current		
Prepayments	**14,054**	**18,977**
Other receivables	**21,778**	**31,324**
	35,832	**50,301**

NOTE 15: OTHER FINANCIAL ASSETS

	2016 $	2015 $
Current		
Shares in Thor Mining Plc (370,266 shares)	**370**	370
	370	370
Non-current		
Bank Guarantee (i)	**98,695**	98,684
	98,695	98,684

(i) On March 2015, Company deposited $19,949 with the Department of Mines and Energy as security for Alice Spring project.
(ii) On 29 March 2012, the Company deposited $11,072 with the Department of Mines and Energy as security for Arltunga project.
(iii) On 29 April 2010, the Company deposited 3,202,000 MKD into Central Cooperative Bank AD Skopje, on request from the Macedonian Government as a guarantee over the Company's planned expenditure on the Plavica tenements.

NOTE 16: NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment $	Office equipment $	Total $
At 30 June 2015			
Cost	124,376	116,490	240,866
Accumulated depreciation/amortisation	(73,700)	(72,015)	(145,715)
Net book amount	50,676	44,475	95,151
Year ended 30 June 2016			
Opening net book value	50,676	44,475	95,151
Additions	-	-	-
Disposals	-	-	-
Depreciation/amortisation expense	-	-	-
Closing net book amount	50,675	44,476	95,151
At 30 June 2016			
Cost	131,023	121,707	252,730
Accumulated depreciation/amortisation	(107,224)	(97,698)	(204,922)
Net book amount	23,799	24,009	47,808

NOTE 17: EXPLORATION AND EVALUATION ASSETS

	2016 $	2015 $
Opening balance	**13,795,210**	13,310,315
Capitalised expenditures during the year	**2,934,948**	484,895
Less: Amount written off during the year	**-**	-
Closing balance	**16,730,158**	13,795,210

Mt Millar mining application has been submitted and is awaiting confirmation from the mining registrar from Queensland. Specific conditions attached to the licences, e.g. expenditure commitments and programs of work, is subject to variation upon renewal.

The recoverability of carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploration or sale of the respective area of interest. This is assessed half yearly at the statement of financial position date.

NOTE 18: DEFERRED TAX ASSETS AND LIABILTIIES

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	2016 $	2015 $
Tax losses	**7,584,957**	6,319,880
Temporary differences (net)	**(4,314,959)**	(3,773,206)
	3,269,998	2,546,675

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

NOTE 19: TRADE AND OTHER PAYABLES

	2016 $	2015 $
Trade and other payables	1,241,264	997,262
	1,241,264	997,262

NOTE 20: BORROWINGS

	2016 $	2015 $
Loan from third party	2,269,003	2,974,438
Total unsecured current borrowings	2,269,003	2,974,438

(i) On 9 May 2016, the Company secured a $1,000,000 loan which was drawn down in May 2016. The repayment date is 5 business days after the Company has received cleared funds from the capital raising exercise currently being undertaken. The interest rate is 10% per annum.

(iii)On 28 January 2016, the Company secured a $269,003 (MYR800,000) loan which was drawn down in January 2016. The repayment date is 12 months from the drawn down date. The interest rate is 10% per annum.

(iii)On 19 October 2015, the Company secured a $1,000,000 loan which was drawn down in October 2015. The repayment date is 12 months from the drawn down date. The interest rate is 16% per annum.

(iv)On 19 September 2013, the Company secured a $3 million loan facility which provides the Company with immediate access to funds upon draw down as and when required. On 28 April 2014, Genesis entered into a deed of variation with its lender to vary the terms of the parties' existing loan facility agreement. Pursuant to the varied agreement, the lender increased the limit under the existing loan facility provided to Genesis from $3 million to $7 million. Total funds of $7million remain available for drawdown by Genesis under the First Loan facility.

NOTE 21: SHARE CAPITAL

	2016		2015	
	Number	$	Number	$
Fully paid ordinary shares				
Balance at beginning of the financial year	300,743,205	21,528,698	165,762,564	13,738,468
Shares issued during the year	84,142,181	4,220,727	134,980,641	8,014,704
Rights issued	-	-	-	-
Share transaction costs	-	-	-	(224,474)
Balance at end of the financial year	384,885,386	25,749,425	300,743,205	21,528,698

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Shares issued during the year are as follows:

- On 6 May 2016, Genesis issued 27,139,541 fully paid ordinary shares to a professional and sophisticated investor under a capital raising placement at $0.04 per share.
- On 26 February 2016, Genesis issued 57,002,640 fully paid ordinary shares in retirement of debt (total principal amount of $2,600,000 plus accrued interest) under a loan, at a deemed issue price of $0.055 per share

NOTE 22: RESERVES- FOREIGN CURRENCY

	2016 $	2015 $
Balance 1 July	133,022	213,853
Foreign exchange translation	76,886	(80,831)
Balance 30 June	209,908	133,022

The reserve is used to recognize exchange differences arising from the translation of the financial statements of foreign operation to Australian dollars.

NOTE 23: ACCUMULATED LOSSES

	2016 $	2015 $
Balance 1 July	(9,292,710)	(6,292,741)
Net loss for the year attributable to owners of Genesis Group	(2,342,690)	(2,999,969)
Balance 30 June	11,635,400	9,292,710

NOTE 24: EQUITY – NON CONTROLLING INTEREST

	2016 $	2015 $
Issued Capital	2,836	-
Reserves	-	-
Accumulated Loss	(323)	-
TOTAL	2,513	-

The non-controlling interest has a 38% (2015: 38%) equity holding in Silgen Resources International Ltd.

NOTE 25: KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel consists of the directors of the Company, as disclosed in the Director's Report on pages 5 to 25.

d) Key management personnel compensation

	2016 $	2015 $
Short term employment benefits	287,111	274,556
Post-employment benefits	17,100	17,100
	304,211	291,656

Detailed remuneration disclosures are provided in the Remuneration Report on pages 26 to 29.

NOTE 26: DIVIDENDS

No dividends were declared during the relevant period.

NOTE 27: RELATED PARTY TRANSACTIONS

Transactions with key management personnel and director-related parties

Related parties of the consolidated entity consist of the Key Management Personnel disclosed in Note 25.

Further, from 31 May 2016, Mr. KH Lim, a non-executive director, holds a director position in another entity that results in him having control or significant influence over the financial or operating policies of this entity.

This entity transacted with Genesis Resources during the year. The terms and conditions of the transactions with this entity was no more favourable than those available, or which might reasonably be expected to be available.

	Consolidated	
	2016	2015
	$	$
Loans to/from related parties*	2,000,000	375,000
	2,000,000	375,,000

*The terms and conditions of the loans as at 30 June 2016 are as follows:
(i) $1,000,000 at 16% interest per annum, payable 12 months from the draw down date, or such later as agreed between the parties
(ii) $1,000,000 at 10% interest per annum, payable 5 business days after the date that Genesis Resources Ltd has received cleared funds from a capital raising exercise.

Interest charged for the year ended 30 June 2016 was $140,132 (2015: $38,004).

NOTE 28: SEGMENT REPORTING

The Company has reportable segments, as described below, which are the Company's business units. The two business units, are Australia and Macedonia, are managed separately because they are regulated under different authorities. For each of the business units, the Company's CEO (or equivalent) reviews internal reports on at least a quarterly basis. The following summary describes the operations in each of the Company's reportable segments:

- Australia – Includes copper, iron, gold, manganese and other base metal exploration projects in the Northern Territory and Queensland.
- Macedonia – Includes a base metal and gold exploration project.
- Head office – Includes the central administration of Australia and Macedonia.

The accounting policies of the reportable segments are the same as described in Note 1.

Information regarding the results of each reportable segment is included below. As both segments are in the early stages of exploration, there is no associated segment profit, as expenditure is capitalised. Comparative segment information has been represented in conformity with the requirements of AASB 8 Operating Segments.

	Australia		Macedonia		Head Office		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	$	$	$	$		$	$	$
Other income	-	-	4,044	1,002	-	-	4,044	1,002
Operating expenses	-	-	(948,185)	(922,820)	(1,399,724)	(2,079,042)	(2,347,909)	(3,001,862)
Results from operating activities	-	-	(944,141)	(921,818)	(1,399,724)	(2,079,042)	(2,343,865)	(3,000,860)
Exploration and evaluation assets	2,238,995	2,234,886	14,491,163	11,560,324	-	-	16,730,158	13,795,210
Total segment assets	2,238,995	2,234,886	14,533,201	11,694,350	644,701	2,145,430	17,416,897	16,074,666
Total segment liabilities	727,632	362,373	154,937	151,351	2,627,698	3,457,974	3,510,267	3,971,698

NOTE 29: EARNINGS PER SHARE

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share at 30 June 2016 was based on the loss attributable to ordinary shareholders of $2,343,013 (2015: $2,999,967) and a weighted average number of ordinary shares outstanding of 324,354,177 (2015: 209,067,324), calculated as follows:

	2016 $	2015 $
Loss for the year	(2,343,013)	(2,999,967)
Loss attributable to ordinary shareholders	(2,343,013)	(2,999,967)
Weighted average number of ordinary shares at 30 June	324,354,177	209,067,324
Basic Loss per share (cents per share)	(0.72)	(1.43)
Diluted Loss per share (cents per share)	(0.72)	(1.43)

NOTE 30: SUBSEQUENT EVENTS

On 12 August 2016 the Company announced a pro-rata non-renounceable rights issue to raise up to approximately $3,848,853.87 (**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. The Rights Issue was partially underwritten up to an amount of $2,000,000, and settlement of the underwritten amount is expected to complete shortly after lodgement of this Annual Report. The underwriter of the Rights Issue is S Active Holding Sdn Bhd, an entity associated with the Director Mr Lim.

NOTE 31: COMMITMENTS

a) Exploration permits - Expenditure requirements

In order to maintain current rights of tenure to exploration permits, the Company is required to perform minimum exploration work to meet minimum expenditure requirements. These obligations may vary over time, depending on the Company's exploration and priorities.

These obligations are not provided for in the financial report and are payable as follows:

	2016 $	2015 $
Contracted but not provided for and payable:		
Within one year	**692,664**	648,000
One year or later and no later than five years	**105,000**	64,894
Later than five years	**-**	-
Total	**797,664**	712,894

The Mt Millar Mining Lease application has been submitted, we are awaiting confirmation from the mining registrar from Queensland. The renewal application for Laura River has been approved by the mining registrar from Queensland.
The Alice Springs, McArthur River and Fenn Gap renewal applications have all been approved by the mining registrar from the Northern Territory.

b) Commitments - Plavica Project

The Company will need to obtain further funding to meet its obligations under its joint venture agreement with Sileks to undertake infill and extensional drilling and complete a feasibility study in respect of the exploitation licence area (as required to obtain funding for mine development).

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.

Following the granting of the 30-year Exploitation Licence at Plavica, drilling has commenced to extend the known mineralisation. Ten holes were drilled for 2,732.7m of HQ drill core. A number of interesting zones were intersected. Results are pending.

Drilling is ongoing with one core rig currently operating and a second rig planned to start later in the year. Genesis aims to complete a JORC compliant 'Indicated' Resource based on this drilling. Genesis then expects to complete a feasibility study before October 2017, and has agreed to commit up to US$7.5m for such activities.

NOTE 32: CONTROLLED ENTITIES

The parent entity is Genesis Resources Limited. The consolidated financial statements include the financial statements of Genesis Resources Limited and the subsidiaries listed in the following table:

Name	Country of Incorporation	Ownership interest 2016 %	Ownership interest 2015 %
GENESIS RESOURCES INTERNATIONAL DOOEL SKOPJE	Macedonia	100	100
SILGEN RESOURCES INTERNATIONAL LTD, KRATOVO	Macedonia	62	62

NOTE 33: CONTINGENCIES

The directors are not aware of any contingent liabilities to which the Company may be exposed to as at 30 June 2016 (2015: Nil) and into the foreseeable future, which have not been noted with these financial statements.

NOTE 34: COMPANY DETAILS

The registered office of the Company is:

Genesis Resources Limited
Level 1, 61 Spring Street
Melbourne, Victoria 3000

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 32 to 53 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  (ii) giving a true and fair view of the group's financial position as at 30 June 2016 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the nternational Accounting Standards Board.

The directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the directors.



Mr Eddie Pang
Executive Chairman
29 September 2016

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

GENESIS RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Genesis Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2016, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Genesis Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Genesis Resources Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(a).

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(b) in the financial report, which indicates that the consolidated entity incurred losses of $2,343,013, and had net cash outflows from operating activities of $2,341,585 and investing activities of $2,220,065, respectively, for the year ended 30 June 2016. As at that date the consolidated entity had net current liabilities of $2,970,031. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Genesis Resources Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

RSM AUSTRALIA PARTNERS

J S CROALL
Partner

Melbourne, Victoria
Dated: 29 September 2016

ADDITIONAL SECURITIES EXCHANGE INFORMATION

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report. The information provided is current as at 27 September 2016 (**Reporting Date**).

Number of Holdings of Equity Securities as at Reporting Date

The fully paid issued capital of the Company consisted of 395,659,965 ordinary fully paid shares held by 286 shareholders. Each share entitles the holder to one vote.

There are no unquoted equity securities on issue in the Company.

Distribution of Holders of Equity Securities as at Reporting Date

Range	Total holders	Units	% Issued capital
1 – 1,000	7	583	0.00
1,001 – 5,000	3	10,600	0.00
5,001 – 10,000	46	445,500	0.11
10,001 – 100,000	146	5,125,180	1.30
100,001 – 9,999,999,999	84	390,078,102	98.59
Rounding			0.00
Total	**286**	**395,659,965**	**100.00**

Unmarketable Parcels as at Reporting Date

Unmarketable Parcels	Minimum parcel size	Holders	Units
Minimum $ 500.00 parcel at $0.03 per unit	16,667	93	998,634

Substantial Shareholders as at Reporting Date

Rank	Shareholder	No.	%
1.	Citicorp Nominees Pty Limited	79,424,161	20.07
2.	Kin Po Yu and Huahui Holdings Group Pty Ltd	36,000,000	9.10
3.	Spektra Jeotek Sanayi ve Ticaret A.S.	34,174,444	8.64
4.	Blumont Group Ltd	33,002,561	8.34
5.	Chun Men Leo Yu	27,139,541	6.86
6.	Kar Ghee Ong	24,864,384	6.28
7.	S Active Holding Sdn Bhd	22,117,930	5.59
8.	Ming Teck Yau	20,002,640	5.06

Twenty Largest Holders of Quoted Equity Securities as at Reporting Date

Rank	Shareholder	Units	% of issued capital
1.	CITICORP NOMINEES PTY LIMITED	79,424,161	20.07
2.	HUAHUI HOLDINGS GROUP PTY LTD	36,000,000	9.10
3.	SPEKTRA JEOTEK SANAYI VE	34,174,444	8.64
4.	BLUMONT GROUP LTD	33,002,561	8.34
5.	MR CHUN MEN LEO YU	27,139,541	6.86
6.	MR KAR GHEE ONG	24,864,384	6.28
7.	S ACTIVE HOLDING SDN BHD	22,117,930	5.59
8.	MR MING TECK YAU	20,002,640	5.06
9.	CHIN NIAP MAH	16,764,706	4.24
10.	RHB SECURITIES SINGAPORE PTE LTD <CLIENTS A/C>	10,629,356	2.69
11.	BNP PARIBAS NOMS PTY LTD <DRP>	9,020,000	2.28
12.	WOW DIGITAL DEVELOPMENT LTD	6,261,222	1.58
13.	PERSHING AUSTRALIA NOMINEES PTY LTD <Q ACCOUNT>	6,085,333	1.54
14.	POLARITY B PTY LTD	5,794,681	1.46
15.	CHE HOE WONG	5,000,000	1.26
16.	MR HOCK GUAN NG	4,164,383	1.05
17.	MS SIEW BEE TAN	4,000,000	1.01
18.	MS SIEW BEE TAN	4,000,000	1.01
19.	MR HOCK GUAN NG	3,375,000	0.85
20.	BERNE NO 132 NOMINEES PTY LTD <600835 A/C>	3,042,667	0.77
Top 20 Holders of Ordinary Fully Paid Shares as at Reporting Date		**354,863,009**	**89.69**
Remaining Holders Balance		**40,796,959**	**10.31**

Voting Rights

At a general meeting of Genesis, every holder of ordinary shares present in person or by proxy, attorney or representative has one vote on a show of hands and on a poll, one vote for each ordinary share held. On a poll, every member (or his or her proxy, attorney or representative) is entitled to vote for each fully paid share held and in respect of each partly paid share, is entitled to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) on that partly paid share bears to the total amounts paid and payable (excluding amounts credited) on that share. Amounts paid in advance of a call are ignored when calculating the proportion.

Voluntary Escrow

There are no securities on issue in the Company that are subject to voluntary escrow

On-Market Buyback

The Company is not currently conducting an on-market buy-back.

Item 7 Issues of Securities

There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed.

On-Market Purchase of Securities under Employee Incentive Scheme

No securities were purchased on-market during the reporting period under or for the purposes of an employee incentive scheme; or to satisfy the entitlements of the holder of options or other rights to acquire securities granted under an employee incentive scheme.

Company Secretary

The Company's secretary is Ms Sophie Karzis.

Registered Office

The address and telephone number of the Company's registered office are:

Level 1, 61 Spring Street
Melbourne, VIC 3000

Telephone: +61 (0)3 9286 7500

Share Registry

The address and telephone number of the Company's share registry, Computershare Registry Services, are:

Street Address:
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

Postal Address:
GPO Box 242
Melbourne Victoria 3001

Telephone: 1300 137 328