Genesis Minerals Limited and controlled entities

ABN 72 124 772 041

Annual Financial Report and Directors' Report

for the year ended 30 June 2021

Corporate Directory

ABN 72 124 772 041

Directors
Tommy McKeith (Non-Executive Chairman)
Michael Fowler (Managing Director)
Craig Bradshaw (Non-Executive Director)
Gerry Kaczmarek (Non-Executive Director)
Nic Earner (Non-Executive Director)

Company Secretary
Geoff James

Registered Office and Principal Place of Business
Unit 6, 1 Clive Street
WEST PERTH WA 6005
Telephone: +61 8 9322 6178

Postal Address
PO Box 937
WEST PERTH WA 6872

Share Register
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
PERTH WA 6000

Auditors
Hall Chadwick WA Audit Pty Ltd (formerly Bentleys Audit & Corporate (WA) Pty Ltd)
238 Rokeby Road
SUBIACO WA 6008

Internet Address
www.genesisminerals.com.au

Email Address
info@genesisminerals.com.au

Securities Exchange Listing
Genesis Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: GMD).

Contents

Chairman's Report

Dear Shareholders,

It is my pleasure to introduce Genesis Minerals' 2021 Annual Report and to update you on what has been a very positive, rewarding and ultimately transformational year for the Company as we made further substantial progress towards our goal of becoming a new mid-tier Australian gold producer based on our expanded Ulysses Gold Project in Western Australia.

During the 2021 financial year, we were able to build quickly on the strong foundations established by the acquisition of the adjoining Kookynie Gold Project. This deal has proven to be a game-changer for Genesis, allowing us to embark on a major drilling effort aimed at upgrading both the quality and scale of our resources and making new discoveries that will allow us to achieve a step-change in our growth trajectory.

As a result of the Kookynie acquisition, our Mineral Resource inventory almost doubled to 1.28 million ounces. The acquisition also consolidated Genesis' ownership of the southern extension of the highly-endowed Leonora Gold Corridor. Our strategic 650 square kilometre footprint in this prolific gold province includes a 15km strike length of the extremely prospective but under-explored Ulysses-Orient Well trend.

In light of the significant increase in the size and scope of the Ulysses Project, Genesis immediately broadened the ongoing Feasibility Study to consider the development of a standalone mining and processing operation, rather than pursuing the toll-treatment and partnership options we had initially envisaged.

We also commenced a major drilling program aimed at expanding and upgrading our Mineral Resource inventory with up to 35,000m of Reverse Circulation (RC) and diamond drilling initially planned across the Admiral, Clark, Butterfly and Orient Well areas. This work was highly successful, delivering outstanding results from within the known resources and prompting us to extend the program in key areas.

This first phase of work culminated in the announcement of an updated Mineral Resource of 27.3Mt at 1.8g/t for 1.608 million ounces in March – an increase of 26% or 327,000 ounces. Importantly, the higher-confidence Measured and Indicated component increased by 32% or 237,000 ounces to 984,000 ounces. All of these ounces are located in the heart of one of the world's premier mining districts, the Leonora-Laverton region of Western Australia's Eastern Goldfields, putting us in an outstanding position to unlock the value of this high-quality asset base for our shareholders.

This resource update paved the way for us to complete an $11 million capital raising via an institutional placement and $1 million Share Purchase Plan, giving us the ability to maintain significant drilling momentum into the second half of the year with an aggressive exploration push targeting the next leg of resource growth and discovery at Ulysses.

The focus of ongoing drilling has been to confirm and upgrade existing resources while also beginning the process of systematically testing for extensions of the known deposits at depth and along strike and searching for completely new discoveries.

I am pleased to say that we have been successful on all counts, with a steady flow of impressive results generated over the course of the year. These included an exciting new discovery in the Puzzle North area, where we have intersected a large zone of shallow gold mineralisation, and outstanding high-grade results from extensional and step-out drilling at the Admiral Deposit.

The Company has budgeted to completed at least a further 40,000m of RC and diamond drilling in the second half of calendar year 2021, in conjunction with over 20,000m of air-core drilling across the 15km long Ulysses-Orient Well corridor and 6km strike length of the Puzzle granite-greenstone contact. This work will feed into a further major Mineral Resource update to be delivered towards the end of 2021.

Despite interruptions and delays due to the highly competitive market for services, people and equipment in WA (largely due to the flow-on impacts of the COVID-19 pandemic), we were able to make substantial progress with the Feasibility Study on a standalone open pit and underground mining operation at the expanded Ulysses Project during the year.

While this work is well advanced, the success we have been enjoying with the drill rig (as well as the lengthy turnaround times being experienced at assay laboratories due to the upsurge in exploration activity) has prompted us to reconsider the timing of its completion. With another major resource uplift pending by year-end, we are now reassessing the Feasibility Study on the basis of a larger project with the potential for an enhanced production profile, improved economics and stronger financial returns.

Subsequent to the end of the financial year, Genesis unveiled a landmark strategic $20.8 million funding package and board restructure led by highly-regarded gold mining executive Raleigh Finlayson, the former Managing Director of Saracen Mineral Holdings and Northern Star Resources (as announced on 22 September 2021).

Chairman's Report

Under this proposal (which is subject to shareholder approval), Genesis will raise $16 million via a share Placement at 6c per share with Mr Finlayson subscribing for $7 million of shares and Northern Star subscribing for $3 million of shares. Existing Genesis shareholders will have the opportunity to participate in a 1-for-30 non renounceable Entitlement Offer, also at 6c per share, with both the Placement shares and the Entitlement Offer coming with a free one-for-two attaching unlisted option exercisable at 10c.

The plan will see Mr Finlayson appointed as Managing Director of Genesis by no later than 31 March 2022 as part of a wide-ranging board restructure that will also see former FMG Managing Director and CEO Neville Power and highly-experienced corporate lawyer Michael Bowen invited to join the Board as Non-Executive Directors.

Under the transition plan, Michael Fowler will remain Genesis Managing Director until Mr Finlayson's appointment becomes effective, at which time he will retire from the Board. Current non-executive Directors Craig Bradshaw and Nic Earner will retire from the Board at the upcoming Genesis AGM, assuming all necessary shareholder approvals for the Placement and Board restructure are obtained. I will remain as non-executive Chairman.

This landmark announcement was very well received by the market, sparking a sharp increase in the Company's market capitalisation and providing an exceptional platform for Genesis to take the next important steps as an emerging mid-tier gold player, marking the culmination of what has been an incredibly successful few years for the Company.

As a result of the strategic restructure unveiled in September and the new leadership group coming into the Company, I have no doubt that we will be able to elevate Genesis quite rapidly into the ranks of Australia's mid-tier gold producers.

In conclusion, I would like to take this opportunity to extend my sincere thanks to the small but hard-working team at Genesis, led by our Managing Director, Michael Fowler. The fact that we have been able to achieve so much over the past two years and grow our resource base to the point where we have been able to attract one of the most successful management teams in the Australian gold sector to our Company is testament to their experience, expertise and resilience.

Finally, I would like to again thank you – our shareholders – for your support over the course of the year. I am confident that all of the hard work the Genesis team has put in over the past few years will be richly rewarded in 2022 and beyond.

Tommy McKeith
Chairman

Directors' Report

Directors' Report

Your directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of Genesis Minerals Limited and the entities it controlled at the end of, or during, the year ended 30 June 2021.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Information on Directors

Tommy McKeith	Non-Executive Chairman (Appointed 29 November 2018)
Qualifications	BSc (Hons), GradDip Eng (Mining), MBA
Experience	Mr McKeith is a geologist with 30 years' experience in various mine geology, exploration and business development roles. He was formerly Executive Vice President (Growth and International Projects) for Gold Fields Limited, where he was responsible for global greenfields exploration and project development. Mr McKeith was also Chief Executive Officer of Troy Resources Limited and has held Non-Executive Director roles at Sino Gold Limited and Avoca Resources Limited.
Interest in shares and options	9,333,908 fully paid ordinary shares 966,666 options expiring 10 December 2022, exercisable at $0.106 966,667 options expiring 10 December 2023, exercisable at $0.114 966,667 options expiring 10 December 2024, exercisable at $0.122
Other directorships in listed entities held in the previous three years	Mr McKeith is a non-executive director of Evolution Mining Limited and Arrow Minerals Limited and is formerly non-executive Chairman of Prodigy Gold NL.
Michael Fowler	Managing Director (Appointed 16 April 2007)
Qualifications	BSc, MSc, MAusIMM
Experience	Mr Fowler is a geologist and holds a Bachelor of Applied Science degree majoring in geology from Curtin University and a Master of Science degree majoring in Ore Deposit Geology from the University of Western Australia. Mr Fowler brings to the Board 30 years' experience as an exploration and mining professional with extensive corporate and operational management skills in the minerals industry.
Interest in shares, options and performance rights	15,461,017 fully paid ordinary shares 3,600,000 options expiring 13 December 2021, exercisable at $0.045 4,500,000 performance rights expiring 31 December 2021
Other directorships in listed entities held in the previous three years	Mr Fowler resigned as a director of PolarX Limited (formerly Coventry Resources Limited) on 1 December 2017.
Craig Bradshaw	Non-Executive Director (Appointed 7 September 2017)
Qualifications	B.Eng. (Mining)
Experience	Mr Bradshaw is a mining engineer with 25 years' experience in the Australian and international mining industry. During his career, he has held numerous senior operational and executive roles with a range of companies and spanning several different commodities. He was formerly CEO of Adaman Resources, a privately owned resource investment company. He was Chief Operating Officer for Saracen Mineral Holdings from 2013 to 2017, a leading mid-tier gold producer. He was Chief Operating Officer for Inter Mining and Navigator Resources, Operations Manager at St Ives Gold Mines for Gold Fields Australia, Mining Manager for Albidon at the Munali Nickel Project in Zambia and Chief Operating Officer for Fox Resources. He also worked for WMC Limited at the Perseverance Nickel Mine and Leinster Nickel Operations.
Interest in shares and options	2,000,000 fully paid ordinary shares 583,333 options expiring 10 December 2022, exercisable at $0.106 583,333 options expiring 10 December 2023, exercisable at $0.114 583,334 options expiring 10 December 2024, exercisable at $0.122
Other directorships in listed entities held in the previous three years	None

Directors' Report

Gerry Kaczmarek	Non-Executive Director (Appointed 20 March 2018)
Qualifications	B.Ec (Acc), CPA, MAICD
Experience	Mr Kaczmarek has over 40 years' experience working predominantly in the resource sector and specialising in accounting and finance and company management with several emerging and leading mid-tier Australian gold companies. He was Chief Financial Officer and Company Secretary for Saracen Mineral Holdings from 2012 to 2016. He served as Chief Financial Officer and Company Secretary at Troy Resources from 1998 to 2008 and from 2017 to 2019. Earlier in his career, he held a range of positions with the CRA/Rio Tinto group and was Chief Financial Officer for a number of other Mid-Tier and Junior Mining Companies.
Interest in shares and options	1,180,925 fully paid ordinary shares 800,000 options expiring 29 November 2021, exercisable at $0.053 1,200,000 options expiring 29 November 2022, exercisable at $0.056 583,333 options expiring 10 December 2022, exercisable at $0.106 583,333 options expiring 10 December 2023, exercisable at $0.114 583,334 options expiring 10 December 2024, exercisable at $0.122
Other directorships in listed entities held in the previous three years	None
Nic Earner	Non-Executive Director (Appointed 24 October 2019)
Qualifications	B.Eng. (Hons)
Experience	Mr Earner is a chemical engineer with over 25 years' experience in technical and operational optimisation and management, and has held a number of executive roles in mining and processing. He is currently the Managing Director of Alkane Resources Limited and is Non-Executive director of Australian Strategic Materials Limited. Mr Earner is the appointed representative of Alkane Resources Limited under the ongoing strategic relationship between the companies.
Interest in shares and options	None
Other directorships in listed entities held in the previous three years	Mr Earner is managing director of Alkane Resources Limited and is non-executive director of Australian Strategic Materials Limited.

COMPANY SECRETARY

Geoff James	Appointed 20 October 2015
Qualifications	B Bus, CA, AGIA, ACG
Experience	Mr James is a Chartered Accountant and a Chartered Secretary. He is an experienced finance professional with over 20 years' experience in senior management roles.

DIRECTORS' MEETINGS

Attendances by each director during the year were as follows:

	Directors Meetings	
	A	**B**
Tommy McKeith	5	5
Michael Fowler	5	5
Craig Bradshaw	5	5
Gerry Kaczmarek	5	5
Nic Earner	3	5

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the year.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were the exploration and development of gold deposits in Western Australia.

DIVIDENDS

No dividend was declared or paid during the current or previous year.

Directors' Report

OPERATING REVIEW

Ulysses Gold Project, WA (Genesis: 100%)

The Ulysses Gold Project is located in Western Australia, approximately 30km south of Leonora and 200km north of the regional mining centre of Kalgoorlie (Figure 1). During the year the Company's activities were mainly focused on the Ulysses Gold Project where the Company undertook a major drilling program, announced a major resource upgrade and advanced work on an expanded Feasibility Study on the construction of a standalone treatment facility at Ulysses following the acquisition of the Kookynie tenements.

Drilling Results

Following the announcement of the acquisition of the Kookynie tenements in late June 2020, the Company commenced a +35,000m Reverse Circulation (RC) and diamond drilling program aimed at expanding and upgrading the 1.28Moz Resource as the foundation for the expanded Feasibility Study for the Greater Ulysses Project.

The RC and diamond drilling program delivered highly encouraging results[1] at the Admiral, Butterfly, Clark and Orient Well deposits (Figures 3 and 4), located on the recently acquired Kookynie tenements and now part of the expanded 100%-owned Ulysses Gold Project.

The results have confirmed the presence of significant shallow gold mineralisation at all deposits which are open at depth and along strike.

The Admiral, Butterfly, Clark and Orient Well deposits are within the Ulysses-to-Orient Well structural corridor that are continuing to be targeted by systematic resource drilling.

The ongoing drilling program successfully expanded and upgraded the existing Mineral Resources.

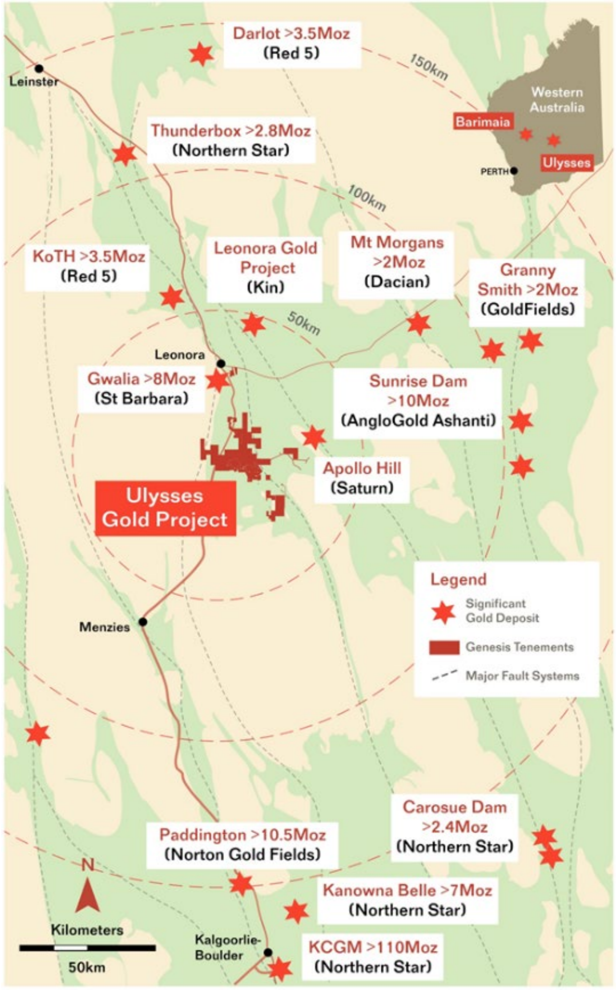

Figure 1. Project location

Figure 2. Genesis exploration team reviewing Admiral core

[1] Refer to GMD's ASX announcements dated 31 August, 15 September, 29 September, 21 October, 9 November, 9 December 2020, 13 January, 8 February, 15 February, 17 February, 23 March, 9 April, 12 May, 15 June, 1 July and 24 August 2021 for full details of the exploration results contained in this report.

Directors' Report

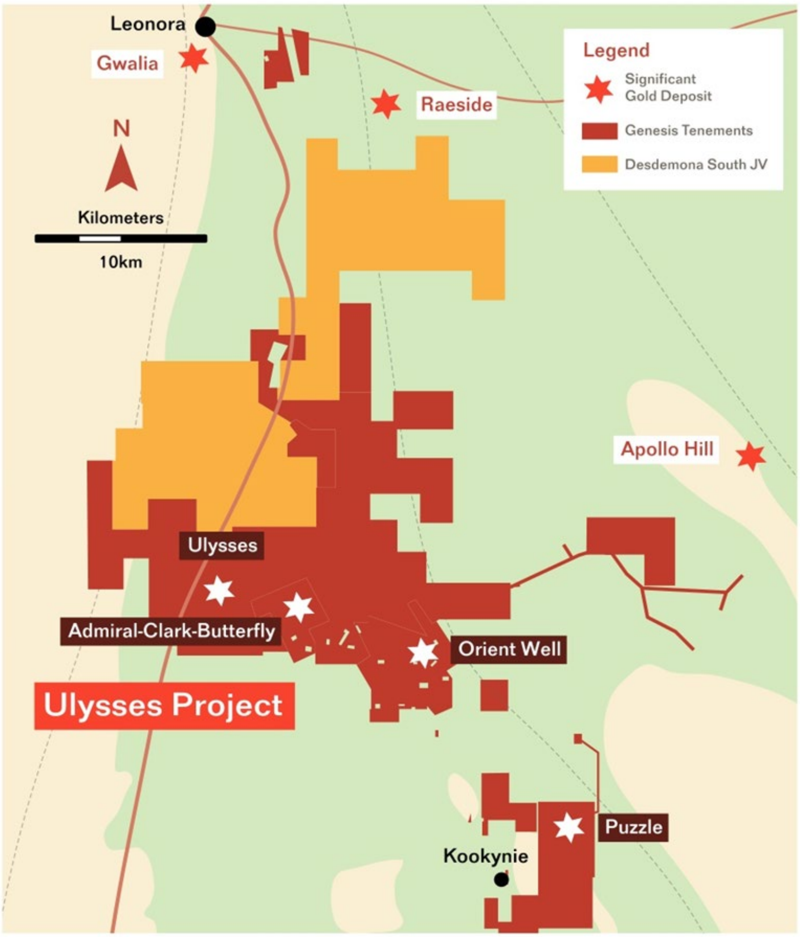

Figure 3. Deposit locations

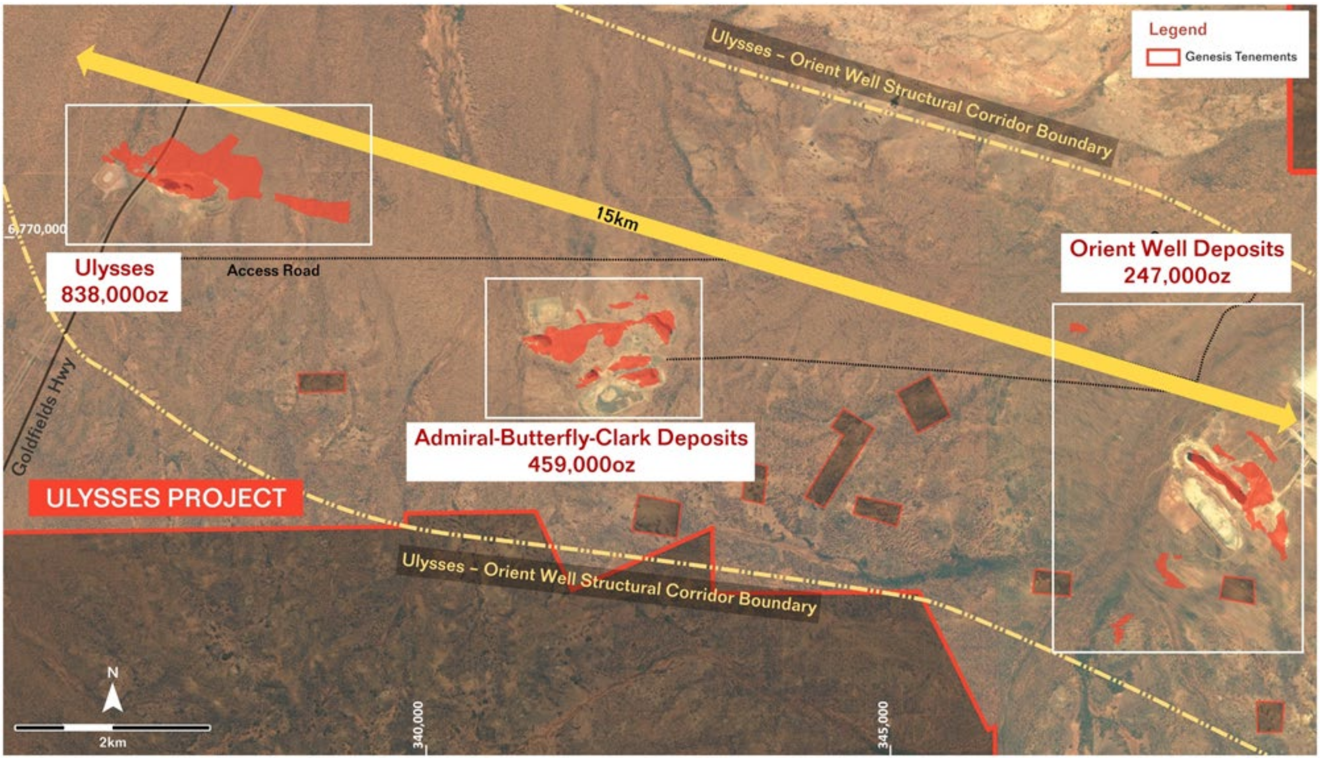

Figure 4. Ulysses-to-Orient Well structural corridor with current gold resources highlighted

Directors' Report

Updated Mineral Resource Estimate

The highly successful drilling programs completed at the Ulysses Project over the second half of 2020 allowed Genesis to update the Mineral Resource in late March 2021 at which time Genesis reported a Mineral Resource Estimate of **1,608,000oz** of gold, a **26 per cent increase** in contained ounces from the June 2020 Mineral Resource.

The updated Measured, Indicated and Inferred Mineral Resource now totals **27.3Mt @ 1.8g/t gold for 1,608,000 ounces of contained gold** (refer to Table 1 for full details), which represents an increase of 327,000 ounces over the previous June 2020 Mineral Resource. Importantly, the higher-confidence Measured and Indicated component has increased by **237,000 ounces (32%)** to **984,000 ounces**, with this component of the Resource available for conversion to Ore Reserves following the completion of mining studies.

Refer to the ASX announcement dated 29 March 2021 for full details of the updated Mineral Resource Estimate.

- *Admiral-Butterfly-Clark Group*

The total combined Mineral Resource for the Admiral-Butterfly-Clark ("ABC") Group deposits (see Figure 4) has increased by **87%** (**213,000 ounces**) to **10.3Mt @ 1.4g/t Au for 459,000 ounces.** Details of the individual Resources are tabulated in Table 1 and shown in plan view in Figure 5.

The 2020 drill program was successful in confirming historical drilling data and the continuity of mineralisation, as well as upgrading parts of the Inferred Resources for the Admiral, Butterfly and Clark deposits. Drilling also extended the limits of those deposits.

The combined Admiral, Butterfly and Clark Resource has increased from 245,000 to 339,000 ounces, a 39% increase in contained ounces. Importantly the Measured and Indicated categories have increased by 59,000 ounces from 137,000 ounces to 196,000 ounces for these three deposits, with the grade remaining steady.

Initial Resources were estimated for the King, Danluce and Butterfly North deposits (see Figure 5 and Table 1) and have been included in the combined shallow Resource. The inclusion of the King, Danluce and Butterfly North Resources has added 121,000 ounces to the total Mineral Resource.

All Resources remain open, and drilling programs will continue throughout 2021 targeting extensions to all Resources as well as new near-mine discoveries.

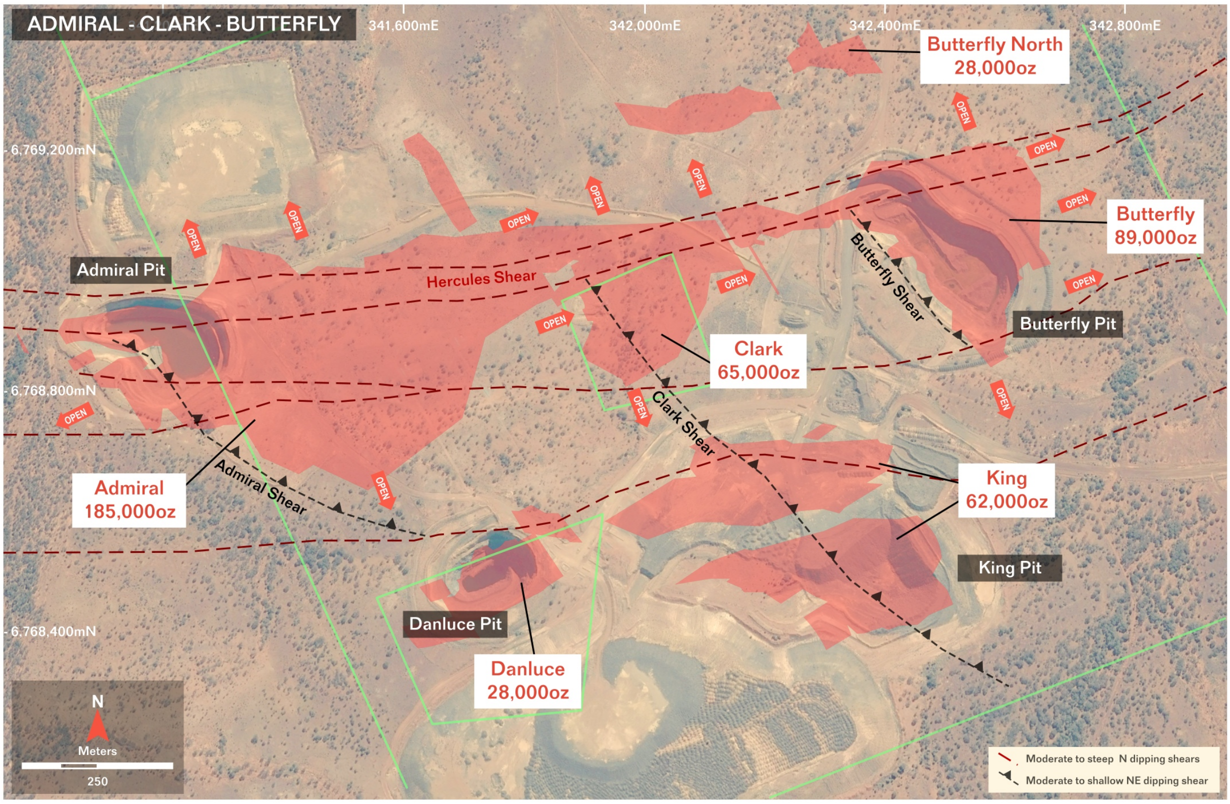

Figure 5. ABC Group Resource locations

Directors' Report

- *Orient Well Group*

The combined Mineral Resource for the Orient Well Group of deposits (see Figure 4) has increased by **305% (186,000 ounces)** to **7.3Mt @ 1.1g/t Au for 247,000 ounces**. Details of the individual Resources are tabulated in Table 1.

The Orient Well Resource has increased by **210% (128,000 ounces)** to **5.43Mt @ 1.1g/t Au for 189,000 ounces**.

The 2020 drill program was successful in confirming historical drilling data at Orient Well, confirming the continuity of mineralisation and upgrading parts of the Inferred Resources for the Orient Well deposit. Drilling also significantly extended the limits of the Orient Well deposit.

Initial Resource estimates were completed for the Orient Well East and Orient Well NW deposits. The inclusion of the Orient Well East and NW deposits has added an additional 42,000 ounces to the total Mineral Resource.

The Orient Well, Orient Well East and Orient Well NW deposits remain open and extensions to all of these Resources will continue to be targeted in 2021.

- *Ulysses*

The Ulysses Mineral Resource was reduced by 29,000 ounces to 838,000 ounces as a result of adjusting the portion of the Resource model that is above 0.5g/t Au and constraining the model to a depth of <~130m below surface (previously ~200mbs) to reflect potential development by open pit mining. The Ulysses Resource now stands at **7.74Mt @ 3.4g/t Au for 838,000 ounces.**

Drilling in 2020 to upgrade part of the high-grade portion of the Mineral Resource and to define the margins of the Ulysses West shoot, reported at a cut off of 2g/t gold, resulted in a slight increase in the Mineral Resource from 695,000 ounces to 705,000 ounces (refer to Table 1 for details) which will form part of the mining evaluation for the Feasibility Study.

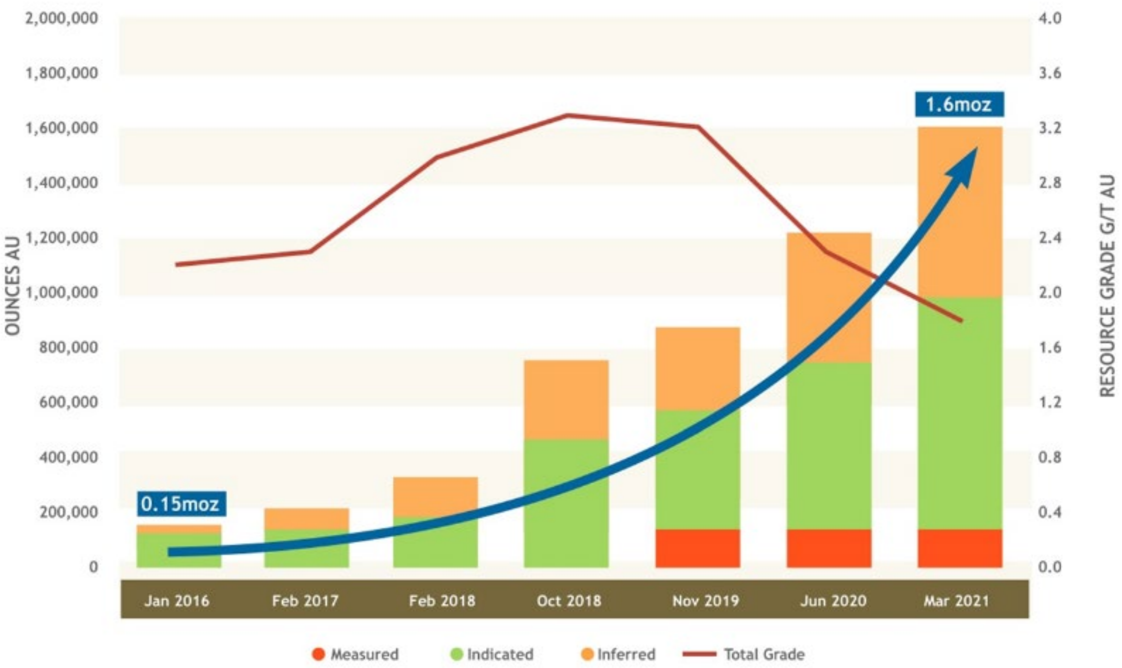

Figure 6. Ulysses Project resource growth

The overall Mineral Resource for the Ulysses Project has increased by +900% in contained ounces over the past 5-years. The combined acquisition and discovery cost is approximately A$26/oz with 61% of the total contained ounces for the Ulysses Project in the Measured and Indicated categories.

Directors' Report

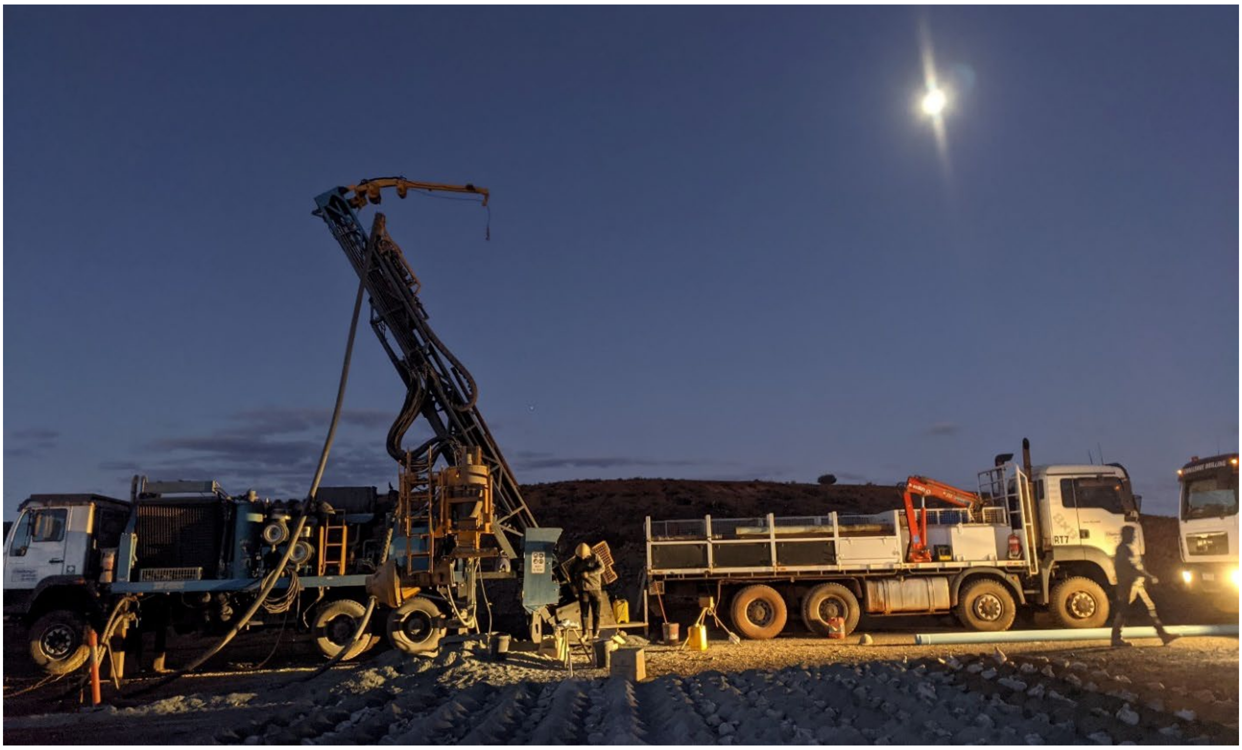

Figure 7. Drilling at the Puzzle pit during the year

Resource Growth and New Discovery Drilling

During the year Genesis has been successful in identifying significant mineralisation at Admiral where drilling intersected a high-grade zone with a 5m composite sample from **21USRC892** of **5m @ 60.7g/t Au from 265m**. Coarse visible gold was observed between from 265m to 266m. This hole was part of a program of five holes with further results pending from a diamond drilling program.

High-grade mineralisation was intersected at Admiral West with **2m @ 10.55g/t Au from 103m returned from 21USRC925** targeting Ulysses style high-grade gold mineralisation. Drilling will continue to follow up this high-grade mineralisation targeting the intersection of either the Hercules shear or shallow-dipping shears in the footwall of the Admiral shear and the Butterfly dolerite as the dolerite changes orientation to the north-west from east to west.

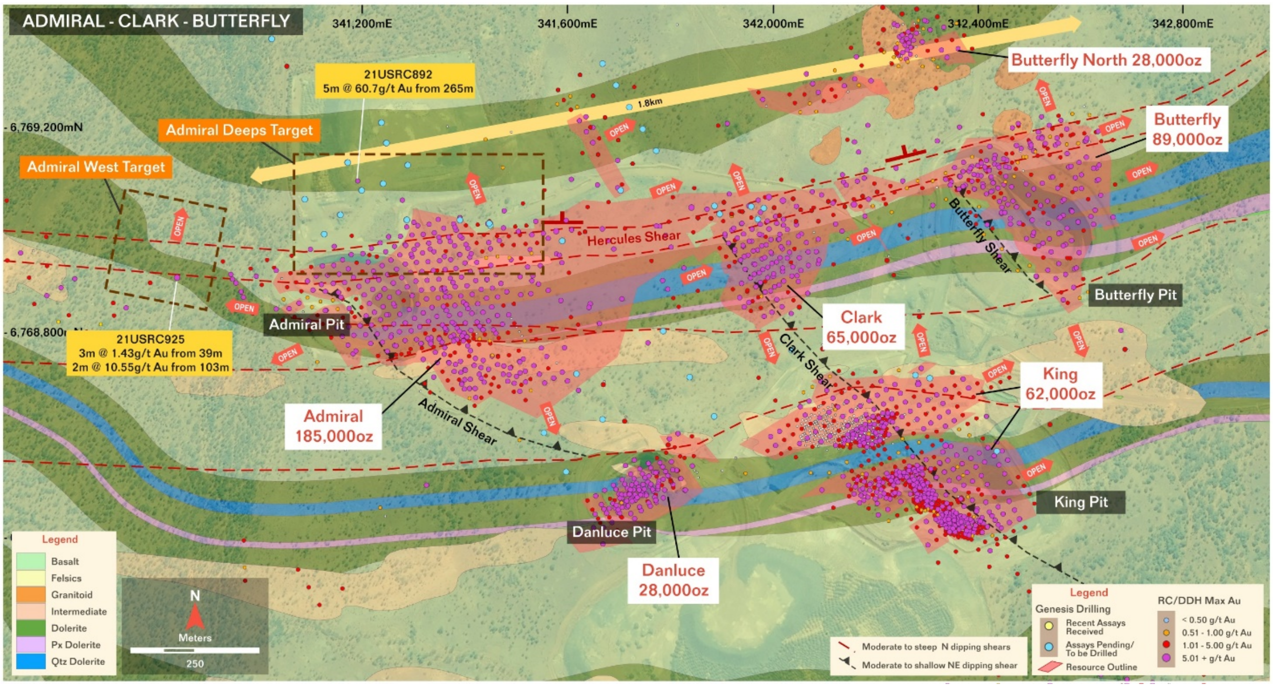

Figure 8. Location of target zones at Admiral-Clark-Butterfly

Directors' Report

A new discovery is emerging at Puzzle North which is developing into a significant zone of shallow gold mineralisation (see Figures 3 and 9). The Puzzle North discovery is located 700m north of the shallow 59,000oz Puzzle Mineral Resource.

Significant mineralisation defined at Puzzle North included:

- **106m @ 0.71g/t Au from 10m** **21USRC853**
  - ***Including 16m @ 1.54g/t Au from 37m***
- **41m @ 1.20g/t Au from 38m** **21USRC855**
  - ***Including 10m @ 2.77g/t Au from 62m***
- **14m @ 2.44g/t Au from 106m to end of hole** **21USRC855**
- **40m @ 2.52g/t Au from 44m** **21USRC911**
- **84m @ 1.98g/t Au from 84m** **21USRC912**
  - ***Including 10m @ 6.31g/t Au from 116m***
  - ***Including 8m @ 5.94g/t Au from 157m***
- **11m @ 4.23g/t Au from 89m** **21USRC916**
- **18m @ 0.69g/t Au from 61m** **21USRC917**
- **34m @ 1.16g/t Au from 101m** **21USRC852 (extension)**
- **3m @ 3.40g/t Au from 148m** **21USRC852 (extension)**
- **60m @ 3.03g/t Au from 106m** **21USRC855 (extension)**
  - ***Including* 8m @ 12.9g/t Au from 126m**
- **69m @ 2.59g/t Au from 21m** **21USRC919**
  - ***Including 8m @ 11.70g/t Au from 78m***

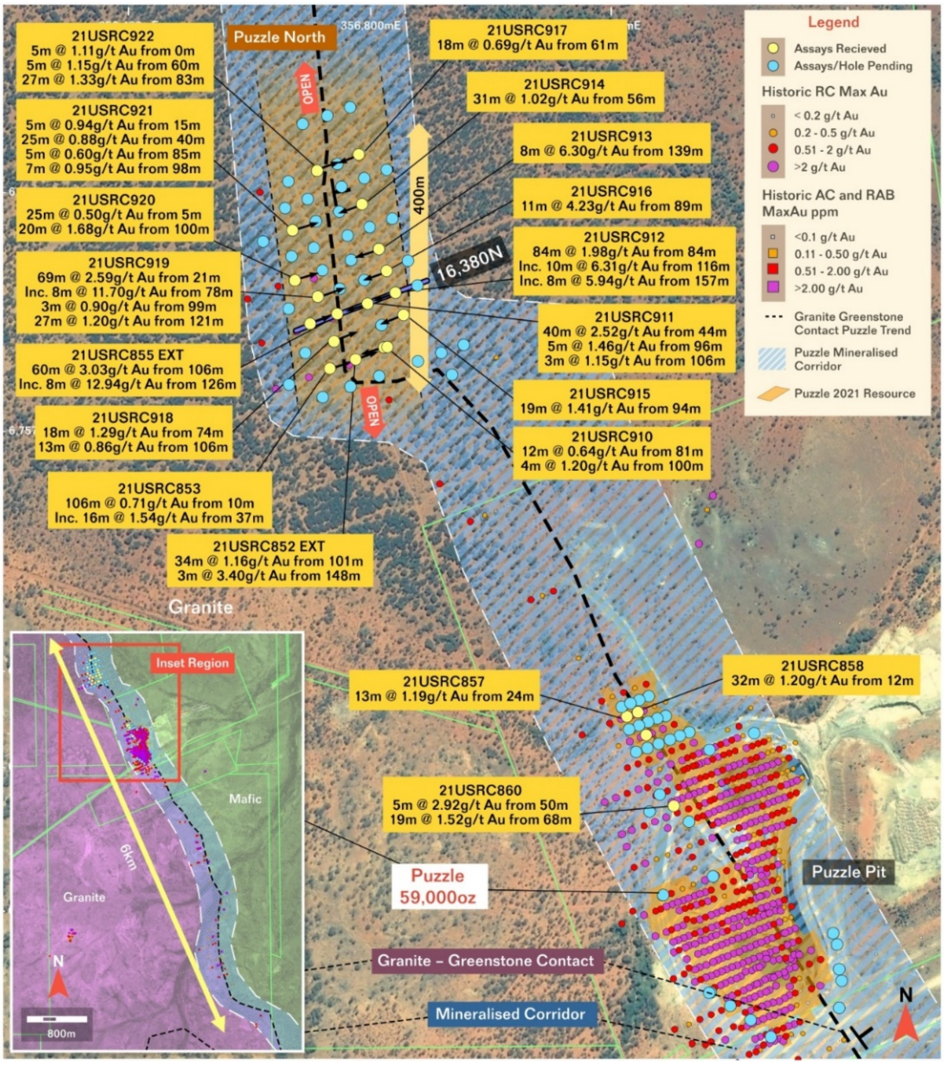

Figure 9. Puzzle and Puzzle North hole locations and results.

Directors' Report

Gold mineralisation is constrained to the granite immediately adjacent to the moderately east-dipping granite-greenstone contact. Mineralisation is drill defined over ~400m and is interpreted to be best developed within a zone up to 40 to 80m wide, with a north-south orientation and dipping parallel to the granite-greenstone contact.

Gold mineralisation is associated with increased pyrite content (0.5 to 3%) and quartz veining within the hematite-sericite altered granite.

Due to the success of the results to date, a major 8,300m RC and diamond program was completed at Puzzle North and Puzzle in July and August targeting extensions at depth and to the north and south of the Puzzle North prospect. Results are pending. In-fill drilling will also be undertaken to allow a Mineral Resource Estimate to be completed as soon as possible and to better understand the controls on the gold mineralisation.

The granite-greenstone contact (Figure 10) that controls the location of the new Puzzle North discovery and the Puzzle deposit is interpreted to extend over 6km of strike. No significant drilling has been completed along this corridor for nearly 20 years.

This extensive mineralised corridor represents a very large target for the discovery of new gold deposits. Exploration in 2021 along this corridor outside of the Puzzle and Puzzle North areas will include geological mapping, geophysical surveying and air-core drilling which will be followed up by RC drilling as required.

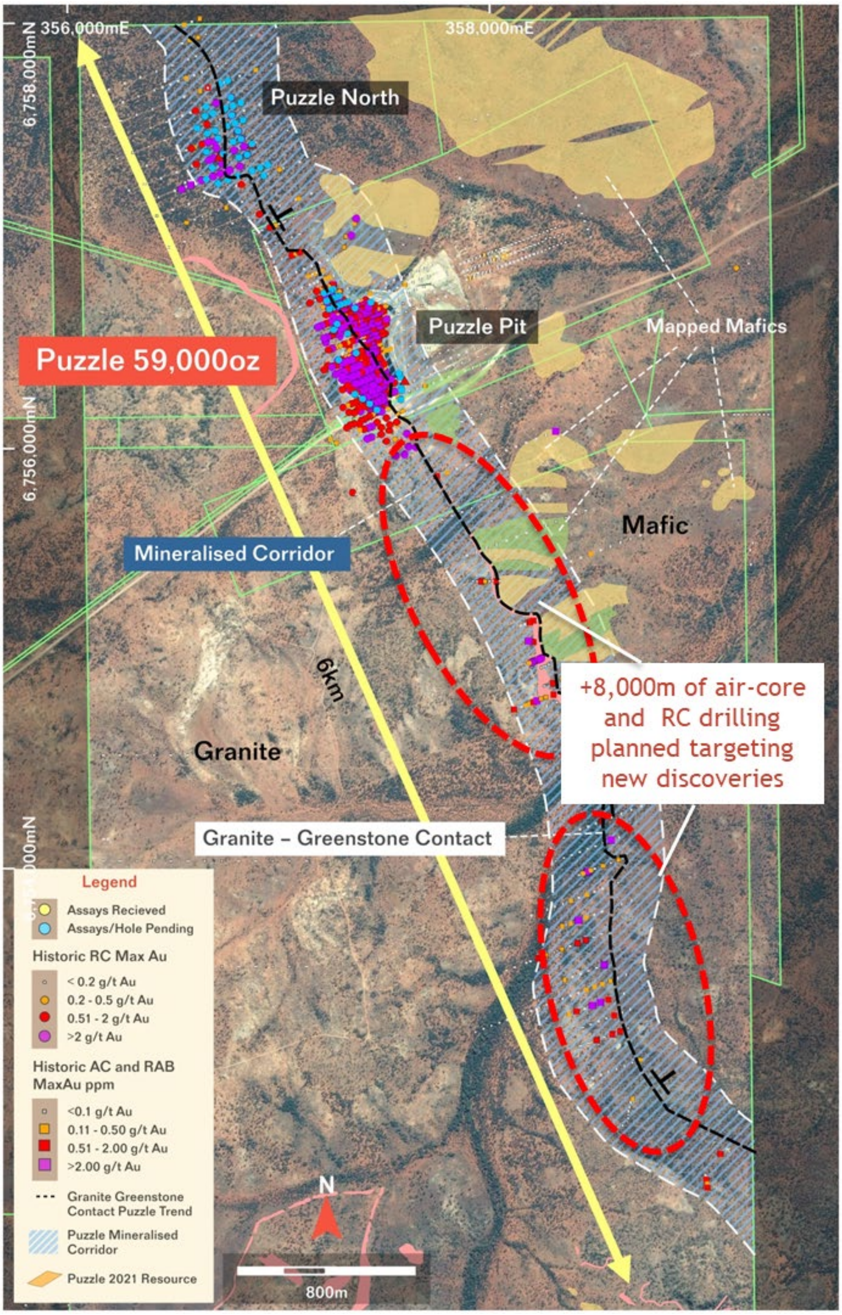

Figure 10. Puzzle Mineralised Corridor

Directors' Report

During 2021 a regional mapping and 3D geological interpretation program was completed that identified a number of target zones outside of the known resource areas within the Ulysses to Orient Well mine corridor that will be tested during the 2022 FY (see Figure 11).

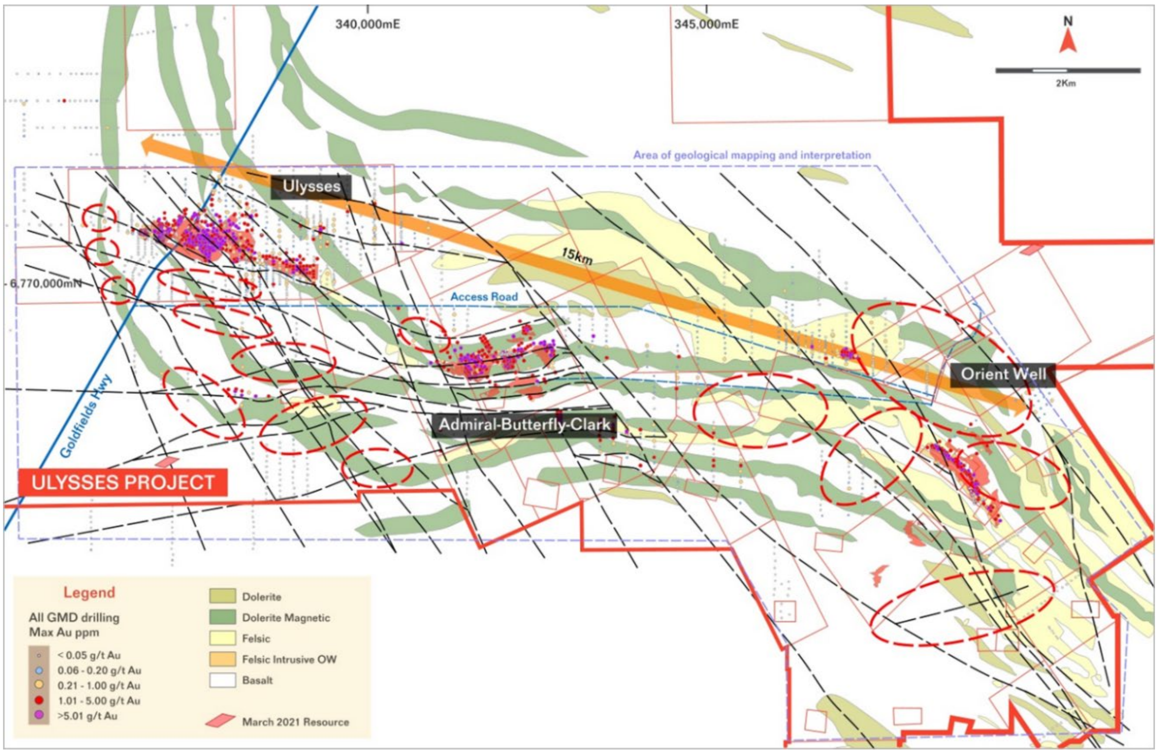

Figure 11. Exploration targets FY 2022 highlighted by red polygons

Feasibility Study

Genesis progressed work on a Feasibility Study that allows for the construction of a standalone treatment facility at Ulysses. The Feasibility Study will consider that mineralisation will be sourced from both the Ulysses deposit and a focus on the Admiral-Clark-Butterfly area and Orient Well for initial sources of open pit mineralisation.

A number of study work packages were advanced during the year including:

- Significant advancement towards completion of the Metallurgical test work program except for Puzzle;
- Open Pit Geotechnical wall stability analysis;
- Process plant and NPI design finalisation;
- Detailed hydrological and hydrogeological work packages;
- Advancement of Open Pit and Underground optimisations and mine design;
- Operating and Capital cost estimation;
- Completion and submission of the Works Approval submission;
- Advancement of Mining Proposal and Mine Closure Plan submissions;
- Finalisation of the licences to take and use water across the project; and
- Ongoing negotiations to secure the Miscellaneous Licences supporting the mining proposal.

As announced to the ASX on 22 September 2021, the Feasibility Study is being reassessed on the basis of a larger project with the potential for an enhanced production profile, improved economics and stronger financial returns.

Desdemona South JV Gold Project, WA (Genesis: RTE 80%)

Desdemona South comprises a strategically located (Figure 3) tenement package covering a total area of ~156km^2 immediately north of and contiguous with Genesis' 100%-owned 1.6Moz Ulysses Gold Project, and includes a range of exploration targets which will strengthen and expand the Company's growth pipeline in the Leonora region.

The Joint Venture provides Genesis with over 10km of strike of mafic stratigraphy (similar to Ulysses) to explore within the same regional structural corridor that controls gold mineralisation in the district.

The initial Farm-In terms for the Desdemona South Project are as follows:

- **Stage 1 Expenditure**: Genesis must incur expenditure of not less than $250,000 (Minimum Expenditure) on the JV Area within 18 months of commencement. Genesis has met this requirement.
- **Stage 2 Expenditure**: Genesis may earn a 60% interest in the JV Area by incurring additional expenditure of $750,000 expenditure (total spend of $1,000,000) on the JV Area within 36 months of commencement.

Directors' Report

Once Genesis earns a 60% interest, Kin may elect to form a Joint Venture with participating interests of 60% Genesis and 40% Kin or grant Genesis the right to elect to sole contribute or form a JV. Once Genesis earns a 70% interest (if Kin does not elect to from a JV at 60%), Kin may elect to form a Joint Venture with participating interests of 70% Genesis and 30% Kin or grant Genesis the right to elect to sole contribute or form a JV to move to 80%. Genesis would need to spend $2.6 million in total to earn an 80% interest in the JV.

A 5,000m aircore drilling program was completed in July 2021. Assay results are pending for this program.

Barimaia JV Gold Project, WA (Genesis: 65%)

The Barimaia Gold Project is located in the Murchison District of Western Australia, 10km south-east of the 6Moz[2] Mt Magnet Gold Mine, operated by ASX-listed Ramelius Resources Limited. No exploration activities were completed during the 2021 FY however a small aircore program was completed in August and September of 2021.

TABLE 1: MINERAL RESOURCE ESTIMATE – ULYSSES GOLD PROJECT

March 2021 Resource Estimate 0.5g/t Cut off above 280mRL 2g/t Below 280mRL

Deposit	COG g/t	Measured			Indicated			Inferred			Total		
		Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces
Ulysses													
High Grade	2.0	658,000	6.1	129,000	908,000	6.3	184,000	188,000	8.2	50,000	**1,754,000**	**6.4**	**363,000**
Shear		137,000	1.3	6,000	2,911,000	2.4	221,000	1,765,000	3.2	183,000	**4,813,000**	**2.6**	**410,000**
Ulysses East					522,000	1.8	29,000	653,000	1.7	36,000	**1,175,000**	**1.7**	**65,000**
Sub Total		**795,000**	**5.3**	**135,000**	**4,341,000**	**3.1**	**434,000**	**2,607,000**	**3.2**	**269,000**	**7,743,000**	**3.4**	**838,000**
ABC													
Admiral	0.5				1,783,000	2.0	112,000	1,671,000	1.4	73,000	**3,453,000**	**1.7**	**185,000**
Clark	0.5				757,000	1.2	30,000	946,000	1.2	35,000	**1,703,000**	**1.2**	**65,000**
Butterfly	0.5				857,000	2.0	55,000	779,000	1.4	35,000	**1,636,000**	**1.7**	**89,000**
Butterfly North	0.5							623,000	1.4	28,000	**623,000**	**1.4**	**28,000**
King	0.5				1,305,000	1.0	42,000	591,000	1.0	20,000	**1,896,000**	**1.0**	**62,000**
Danluce	0.5							958,000	0.9	28,000	**958,000**	**0.9**	**28,000**
Historic Stockpiles								80,000	1.1	3,000	**80,000**	**1.1**	**3,000**
Sub Total					**4,702,000**	**1.6**	**238,000**	**5,649,000**	**1.2**	**221,000**	**10,351,000**	**1.4**	**459,000**
Orient Well													
Orient Well	0.5				3,605,000	1.1	123,000	1,833,000	1.1	66,000	**5,438,000**	**1.1**	**189,000**
OW Laterites	0.3				142,000	0.6	3,000	177,000	0.7	4,000	**319,000**	**0.7**	**7,000**
Orient Well East	0.5							457,000	1.3	19,000	**457,000**	**1.3**	**19,000**
Orient Well NW	0.5							603,000	1.2	23,000	**603,000**	**1.2**	**23,000**
Double J	0.3				434,000	0.7	10,000	25,000	0.5	400	**459,000**	**0.7**	**10,000**
Sub Total					**4,180,000**	**1.0**	**136,000**	**3,094,000**	**1.1**	**112,000**	**7,274,000**	**1.1**	**247,000**
Kookynie													
Puzzle	0.5				1,002,000	1.1	36,000	725,000	1.0	23,000	**1,727,000**	**1.1**	**59,000**
Historic Stockpile					175,000	0.7	4,000				**175,000**	**0.7**	**4,000**
Sub Total					**1,177,000**	**1.1**	**40,000**	**725,000**	**1.0**	**23,000**	**1,902,000**	**1.0**	**63,000**
Project Total		**795,000**	**5.3**	**135,000**	**14,400,000**	**1.8**	**849,000**	**12,075,000**	**1.6**	**625,000**	**27,270,000**	**1.8**	**1,608,000**

NB. Rounding discrepancies may occur

[2] Refer Ramelius Resources' ASX Announcement dated 22 February 2017.

Directors' Report

Full details of the Ulysses Mineral Resource estimate are provided in the Company's ASX announcement dated 29 March 2021 titled *"Ulysses Mineral Resource Increases to 1.6 Million Ounces Following Continued Drilling Success"*.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements dated 29 March 2021 and the Company confirms that all material assumptions and technical parameters underpinning the mineral resource estimates in the market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from the original market announcements.

COMPETENT PERSONS STATEMENTS

The information in this report that relates to Exploration Results is based on information compiled by Mr Michael Fowler who is a full-time employee of the Company, a shareholder of Genesis Minerals Limited and is a member of the Australasian Institute of Mining and Metallurgy. Mr Fowler has sufficient experience which 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'. Mr Fowler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services and is a shareholder of Genesis Minerals Limited. Mr Payne 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". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Directors' Report

FINANCE REVIEW

The Group recorded an operating loss after income tax for the year ended 30 June 2021 of $16,349,740 (2020: $5,851,124). The operating loss for the year arose from expenditure on exploration activities as part of its strategy to develop a long-life, standalone mining operation at the Ulysses Gold Project.

At 30 June 2021 cash assets available totalled $10,966,166 (2020: $11,145,421).

The net assets of the consolidated entity increased from $15,104,943 to $23,908,787 at June 2021. This increase is largely attributable to the issues of equity during the year of $24,804,351 (net of costs) offset by the operating loss recorded for the year.

Operating Results for the Year

Summarised operating results are as follows:

	2021		2020	
	Revenues $	Results $	Revenues $	Results $
Group revenues and loss from ordinary activities before income tax expense	**79,981**	**(16,349,740)**	**71,385**	**(5,851,124)**

Shareholder Returns

	2021	2020
Basic and diluted loss per share (cents)	**(0.85)**	**(0.45)**

Factors and Business Risks Affecting Future Business Performance

The following factors and business risks could have a material impact on the Group's success in delivering its strategy:

Access to Funding

The Group's ability to successfully develop projects is contingent on the ability to fund those projects from operating cash flows or through affordable debt and equity raisings.

Exploration and Development

The business of exploration, project development and ultimately production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continued success of these activities is dependent on many factors such as:

- discovery of economically recoverable ore reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining necessary consents and approvals;
- access to competent operational management and appropriately skilled personnel;
- mining risks;
- operating risks;
- environmental risks; and
- financial risks.

Commodity Prices and Exchange Rates

Commodity prices fluctuate according to changes in demand and supply. The Group is exposed to changes in commodity prices, which could affect the profitability of the Group's projects. Significant adverse movements in commodity prices could also affect the ability to raise debt and equity to fund exploration and development of projects. The Group will be exposed to changes in the US Dollar. Gold sales are denominated in US Dollars.

SHARES UNDER OPTION

At the date of this report there are 13,200,000 unissued ordinary shares in respect of which options are outstanding.

Directors' Report

	Number of options
Balance at the beginning of the year	25,800,000
Movements of share options during the year	
Exercise of options:	
Exercised at 4.2 cents	(4,000,000)
Exercised at 4.5 cents	(1,200,000)
Exercised at 4.8 cents	(10,000,000)
Exercised at 4.9 cents	(800,000)
Issue of options:	
Exercisable at 10.6 cents	2,133,332
Exercisable at 11.4 cents	2,133,333
Exercisable at 12.2 cents	2,133,335
Total number of options outstanding as at 30 June 2021	**13,200,000**
Exercise of options:	
Exercised at 5.3 cents	(1,500,000)
Exercised at 5.6 cents	(1,500,000)
Total number of options outstanding at the date of this report	**13,200,000**

The balance is comprised of the following:

Expiry date	Exercise price (cents)	Number of options
29 November 2021	5.3	800,000
13 December 2021	4.5	4,800,000
29 November 2022	5.6	1,200,000
10 December 2022	10.6	2,133,332
10 December 2023	11.4	2,133,333
10 December 2024	12.2	2,133,335
Total		**13,200,000**

No person entitled to exercise any option referred to above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.

At the date of this report there are 12,050,000 unissued ordinary shares in respect of which performance rights are outstanding.

	Number of performance rights
Balance at the beginning of the year	-
Movement of performance rights during the year	
Issued 15 September 2020, expiring 31 December 2021	13,500,000
Total number of performance rights outstanding as at 30 June 2021	**13,500,000**
Exercise of vested performance rights	(1,450,000)
Total number of performance rights outstanding at the date of this report	**12,050,000**

The balance is comprised of the following:

Expiry date	Number of performance rights
31 December 2021	12,050,000
Total	**12,050,000**

No person entitled to exercise any performance right referred to above has or had, by virtue of the performance right, a right to participate in any share issue of any other body corporate.

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the company has paid premiums insuring all the directors of Genesis Minerals Limited against costs incurred in defending proceedings for conduct involving:
(a) a wilful breach of duty; or
(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,
as permitted by section 199B of the *Corporations Act 2001*.

The contract of insurance prohibits disclosure of the amount of the premium paid.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Hall Chadwick (formerly Bentleys), or associated entities.

Directors' Report

RISK MANAGEMENT

The board is responsible for ensuring that risks and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Group believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Group raised $24,900,121 (before costs) through the issue of 514,288,416 ordinary shares to institutional and sophisticated investors during the year. The group issued 16,000,000 ordinary shares pursuant to the exercise of options raising $741,200.

AFTER BALANCE DATE EVENTS

On 22 September 2021, Genesis announced a strategic funding and Board restructure initiative led by Raleigh Finlayson, which will see him appointed as Managing Director and become a significant shareholder. Mr Finlayson is the former Managing Director of Saracen Mineral Holdings (ASX: SAR) and Northern Star Resources (ASX: NST).

Under the proposal, which is subject to shareholder approval, Genesis will raise $16 million via a share Placement at 6c a share. Mr Finlayson will subscribe for $7 million of shares in the Placement and Northern Star will subscribe for $3 million of shares. The remainder of the Placement will be offered to existing and new institutional and sophisticated investors, including current and proposed Directors.

Existing Genesis shareholders will have the opportunity to participate in a 1-for-30 non renounceable Entitlement Offer at 6c per share raising up to an additional $4.8 million. Placement shares will qualify for the Entitlement Offer. Shares acquired via the Placement and the Entitlement Offer will come with a free one-for-two attaching two-year unlisted option exercisable at 10c. Placement options will not be able to be exercised to participate in the Entitlement Offer.

Mr Finlayson has entered into a part-time consulting agreement with Genesis and he has the right to be issued 245 million unlisted options with a 10.5c strike price.

Mr Finlayson will be appointed Managing Director of Genesis by no later than 31 March 2022. Mr Finlayson has the right (subject to shareholder approval), upon appointment as Managing Director, to be issued 30 million performance rights under the Genesis Incentive Performance Rights Plan, which will have vesting hurdles tied to a 2.5Moz JORC Resource, a 1.0Moz JORC Reserve and Genesis becoming a gold producer (Performance Rights).

Former FMG Managing Director and CEO Neville Power and highly experienced corporate lawyer Michael Bowen will be invited to join the Board as Non-Executive Directors following conclusion of the Placement. Each will be issued with 15 million options at an exercise price of 10.5c with a four-year expiry (Director Options). Tommy McKeith will continue as Non-Executive Chairman and Gerry Kaczmarek will continue as Non-Executive Director.

Under the transition plan, Michael Fowler will remain Genesis Managing Director until Mr Finlayson's appointment becomes effective. At that time, Mr Fowler will retire from the Board. Current Non-Executive Director Craig Bradshaw will retire from the Genesis Board at the upcoming Genesis AGM.

Non-Executive Director and Alkane Resources Limited ("Alkane") representative Nic Earner will retire from the Board at the upcoming Genesis AGM, assuming all necessary shareholder approvals for the Placement and Board restructure are obtained. Alkane has also agreed to subscribe for any shortfall under the Entitlement Offer subject to scale back to ensure Alkane's voting power in Genesis does not exceed 20%. In addition, the 2019 Subscription Agreement between Alkane and Genesis, under which Alkane was provided with Board representation and certain other rights, will be terminated with effect from completion of the Entitlement Offer.

Shareholder approvals for the Placement, Alkane Subscription, Consultant Options, Performance Rights, Board appointments and Director Options will be sought at the forthcoming AGM.

Refer to the ASX announcement dated 22 September 2021 for full details of the strategic funding and Board restructure. Subsequent to the end of the financial year 1,450,000 performance rights vested on 4 September 2021 following satisfaction of performance hurdles.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Report

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

All information regarding likely developments and expected results is contained in the "Operating and Financial Review" section in this report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation in respect to its exploration activities.

The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Group for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 26.

CORPORATE GOVERNANCE

A copy of Genesis' 2021 Corporate Governance Statement, which provides detailed information about governance, and a copy of Genesis' Appendix 4G which sets out the Company's compliance with the recommendations in the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations is available on the corporate governance section of the Company's website at http://www.genesisminerals.com.au/governance.php

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REMUNERATION REPORT (AUDITED)

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

REMUNERATION POLICY

The remuneration policy of Genesis Minerals Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board of Genesis Minerals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the Group is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses, options and performance rights. The policy is designed to attract the highest calibre of executives and reward them for results in long-term growth in shareholder wealth.

Executives are also entitled to participate in employee incentive schemes.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which for the year ended 30 June 2021 was 9.5% (unless otherwise stated), and do not receive any other retirement benefits. The superannuation guarantee contribution increased to 10% effective 1 July 2021.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology. Performance rights are valued by using the Company's 5 day volume weighted average share

Directors' Report

price prior to the grant date. For each performance hurdle a probability factor is assigned based on the Company's estimate of the performance hurdle being met. For the performance hurdles that have a market-based performance hurdle, the probability factor is determined by using a Monte Carlo Simulation technique.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $500,000). Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Group and are able to participate in employee incentive schemes.

PERFORMANCE BASED REMUNERATION

Executive directors and executives have been issued with performance rights under the Group's Performance Rights Plan. The performance rights will only vest into fully paid ordinary shares if performance hurdles are met. Performance hurdles set include milestones for remaining employed with the Group, growth in Mineral Resources, project development and increases in the Company's share price.

GROUP PERFORMANCE, SHAREHOLDER WEALTH AND DIRECTORS' AND EXECUTIVES' REMUNERATION

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors and executive's performance. The Group facilitates this process by executive directors and executives participating in incentive scheme issues to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth.

Over the past 5 years, the Group's activities have primarily been involved with mineral exploration and pre-development activities, with a small-scale mining campaign completed during the 2017 financial year. Shareholder wealth is dependent upon exploration success and has fluctuated accordingly in addition to being influenced by broader market factors.

The table below sets out the performance of the Group and the movement in the share price:

	2021 $	2020 $	2019 $	2018 $	2017 $
Net Loss	(16,349,740)	(5,851,124)	(7,036,589)	(5,573,467)	(718,341)
Share Price at Start of Year	$0.052	$0.023	$0.043	$0.016	$0.019
Share Price at End of Year	$0.068	$0.052	$0.023	$0.043	$0.016

USE OF REMUNERATION CONSULTANTS

The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2021.

VOTING AND COMMENT MADE ON THE GROUP'S 2020 ANNUAL GENERAL MEETING

The Company received 99.79% of "yes" votes on its remuneration report for the 2020 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

DETAILS OF REMUNERATION

Details of the remuneration of the directors and the key management personnel of the Group are set out in the following table. The key management personnel of the Group comprise the directors. Given the size and nature of operations of the Group, there are no other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

Key management personnel compensation

	2021 $	2020 $
Short-term benefits	433,309	402,702
Post-employment benefits	33,258	33,391
Share-based payments	194,326	49,753
	660,893	485,846

Directors' Report

Key management personnel of the Group

	Short-Term Salary & Fees	**Post Employment** Superannuation	**Share-Based Payments** Options and Performance Rights	**Total**	**Proportion of Remuneration Represented by Share-Based Payments**	**Proportion of Remuneration Performance Based**
	$	**$**	**$**	**$**	**%**	**%**
Directors						
Tommy McKeith						
2021	**54,342**	**5,162**	**50,050**	**109,554**	**45.69%**	**-%**
2020	50,228	4,772	20,372	75,372	27.03%	-%
Michael Fowler						
2021	**275,000[1]**	**25,000**	**85,833**	**385,833**	**22.25%**	**22.25%**
2020	268,435[1]	24,344	11,469	304,248	3.77%	-%
Craig Bradshaw						
2021	**35,688**	**-**	**27,292**	**62,980**	**43.33%**	**-%**
2020	31,425	1,425	3,823	36,673	10.42%	-%
Gerry Kaczmarek						
2021	**32,591**	**3,096**	**31,151**	**66,838**	**46.61%**	**-%**
2020	30,000	2,850	14,089	46,939	30.02%	-%
Nic Earner						
2021	**35,688[2]**	**-**	**-**	**35,688**	**-%**	**-%**
2020	22,614[2]	-	-	22,614	-%	-%
2021	**433,309**	**33,258**	**194,326**	**660,893**		
2020	402,702	33,391	49,753	485,846		

1. M Fowler - includes payment of unused leave entitlements of $nil (2020: $16,163).
2. N Earner – appointed as Director on 24 October 2019.

Service agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director. Effective from 7 August 2020, the Non-Executive Chairman receives a fee of $54,795 per annum, plus statutory superannuation, and Non-Executive Directors receive a fee of $32,877 per annum, plus statutory superannuation.

Mr Fowler has entered into an executive service agreement with the Company. He is engaged to provide services in the capacity of Managing Director and CEO.

Mr Fowler is entitled to a minimum notice period of six months from the Company and the Company is entitled to a minimum notice period of three months from Mr Fowler. In the event of a redundancy due to a successful takeover or merger of the Company, Mr Fowler is entitled to a payment equal to 12 months' salary.

Effective from 1 January 2020, Mr Fowler's salary was set at $275,000 per annum plus superannuation. From 1 July 2021, Mr Fowler receives $27,500 superannuation per annum.

Equity instrument disclosures relating to key management personnel

Options and performance rights provided as remuneration and shares issued on exercise/conversion of such options and performance rights

Options

6,400,000 options were issued during the year (2020: Nil), valued at $169,387 (2020: $nil). 5,200,000 options were exercised during the year (2020: 1,800,000), nil options lapsed during the year (2020: 800,000) and nil options expired (2020: 4,800,000).

Shareholder approval was received on 27 November 2020 for the issue of the options under ASX Listing Rule 10.14.

Details of the vesting profiles of the options granted as remuneration to key management personnel of the Group are detailed below:

Directors' Report

Directors	Number of Options Issued	Grant Date	Expiry Date	Exercise Price	Fair Value Per Option at Grant Date	Year in Which Grant Vests	% Vested During 2021	% Forfeited During 2021
Tommy McKeith								
- Tranche 2	1,500,000	29/11/2018	29/11/2021	$0.053	$0.0138	2020	-%	-%
- Tranche 3	1,500,000	29/11/2018	29/11/2022	$0.056	$0.0161	2021	100%	-%
- Tranche 1	966,666	10/12/2020	10/12/2022	$0.106	$0.0219	2021	100%	-%
- Tranche 2	966,667	10/12/2020	10/12/2023	$0.114	$0.0270	2022	-%	-%
- Tranche 3	966,667	10/12/2020	10/12/2024	$0.122	$0.0305	2023	-%	-%
Michael Fowler								
- Tranche 3	3,600,000	13/12/2017	13/12/2021	$0.045	$0.0152	2020	-%	-%
Craig Bradshaw								
- Tranche 1	583,333	10/12/2020	10/12/2022	$0.106	$0.0219	2021	100%	-%
- Tranche 2	583,333	10/12/2020	10/12/2023	$0.114	$0.0270	2022	-%	-%
- Tranche 3	583,334	10/12/2020	10/12/2024	$0.122	$0.0305	2023	-%	-%
Gerry Kaczmarek								
- Tranche 2	800,000	29/11/2018	29/11/2021	$0.053	$0.0138	2020	-%	-%
- Tranche 3	1,200,000	29/11/2018	29/11/2022	$0.056	$0.0161	2021	100%	-%
- Tranche 1	583,333	10/12/2020	10/12/2022	$0.106	$0.0219	2021	100%	-%
- Tranche 2	583,333	10/12/2020	10/12/2023	$0.114	$0.0270	2022	-%	-%
- Tranche 3	583,334	10/12/2020	10/12/2024	$0.122	$0.0305	2023	-%	-%

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Genesis Minerals Limited and other key management personnel of the Group, including their personally related parties, are set out below:

2021	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable
Directors of Genesis Minerals Limited						
Options						
Tommy McKeith	**3,000,000**	**2,900,000**	**-**	**-**	**5,900,000**	**3,966,666**
Michael Fowler	**6,000,000**	**-**	**(2,400,000)**	**-**	**3,600,000**	**3,600,000**
Craig Bradshaw	**2,000,000**	**1,750,000**	**(2,000,000)**	**-**	**1,750,000**	**583,333**
Gerry Kaczmarek	**2,800,000**	**1,750,000**	**(800,000)**	**-**	**3,750,000**	**2,583,333**
Nic Earner	**-**	**-**	**-**	**-**	**-**	**-**
	13,800,000	**6,400,000**	**(5,200,000)**	**-**	**15,000,000**	**10,733,332**

2020	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable
Directors of Genesis Minerals Limited						
Options						
Tommy McKeith	**4,800,000**	**-**	**(1,800,000)**	**-**	**3,000,000**	**1,500,000**
Michael Fowler	**8,400,000**	**-**	**-**	**(2,400,000)**	**6,000,000**	**6,000,000**
Craig Bradshaw	**2,800,000**	**-**	**-**	**(800,000)**	**2,000,000**	**2,000,000**
Gerry Kaczmarek	**2,800,000**	**-**	**-**	**-**	**2,800,000**	**1,600,000**
Nic Earner	**-**	**-**	**-**	**-**	**-**	**-**
	18,800,000	**-**	**(1,800,000)**	**(3,200,000)**	**13,800,000**	**11,100,000**

Performance Rights

5,000,000 performance rights were issued during the year (2020: $nil) to the Managing Director, Mr Michael Fowler. The amount expensed during the year to the Statement of Profit or Loss was $85,833 (2020: $nil).

Shareholder approval was received on 4 September 2020 for the issue of the performance rights under ASX Listing Rule 10.14.

The performance rights were issued on 15 September 2020 and they expire on 31 December 2021. The performance rights will only vest into fully paid ordinary shares if the following relevant performance hurdles are met prior to the expiry date:

Directors' Report

Performance Hurdle	Share Price for Performance Rights to Vest	Number of Performance Rights
These Performance Rights will vest and become exercisable upon the employee remaining employed in the same role 12 months after the shareholder meeting date of 4 September 2020.		500,000
At the discretion of the Board these Performance Rights will vest and become exercisable upon satisfactory meeting the following hurdles in the period to 31 December 2021:		
• 1) Release of first JORC 2012 combined Mineral Resource > 2.0Moz Au for the Greater Ulysses Project at a grade that supports reasonable prospects for eventual economic extraction.		1,000,000
• 2) Approval of final investment decision by Genesis' Board on the construction of a standalone mining and processing operation at Ulysses		1,000,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 10-day VWAP of 1.5 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.114	500,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 15-day VWAP of 1.75 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.133	750,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 20-day VWAP of 2.0 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.152	1,250,000
Total		**5,000,000**

No performance rights vested into fully paid ordinary shares during the year as the vesting conditions have yet to be met. No performance rights have been cancelled during the year.

Subsequent to the end of the financial year 500,000 performance rights vested following satisfaction of the performance hurdle to remain employed in the same role 12 months after the shareholder meeting date of 4 September 2020 . These performance rights were exercised and 500,000 shares were issued on 22 September 2021.

Performance rights holdings

2021	**Balance at start of the year**	**Granted as compensation**	**Exercised**	**Other changes**	**Balance at end of the year**	**Vested and exercisable**
Directors of Genesis Minerals Limited						
Performance Rights						
Michael Fowler	-	**5,000,000**	-	-	**5,000,000**	-
	-	**5,000,000**	-	-	**5,000,000**	-

Share based compensation

No shares were issued to directors in lieu of fees and salary during the year. 2020: (nil).

Directors' Report

Share holdings

The numbers of shares in the Company held during the financial year by each director of Genesis Minerals Limited and other key management personnel of the Group, including their personally related parties, are set out below.

2021	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Genesis Minerals Limited				
Ordinary Shares				
Tommy McKeith	**5,300,000**	**-**	**1,033,908**	**6,333,908**
Michael Fowler	**13,004,824**	**2,400,000**	**(443,807)**	**14,961,017**
Craig Bradshaw	**-**	**2,000,000**	**-**	**2,000,000**
Gerry Kaczmarek	**233,334**	**800,000**	**147,591**	**1,180,925**
Nic Earner	**-**	**-**	**-**	**-**
	18,538,158	**5,200,000**	**737,692**	**24,475,850**

2020	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Genesis Minerals Limited				
Ordinary Shares				
Tommy McKeith	**3,000,000**	**1,800,000**	**500,000**	**5,300,000**
Michael Fowler	**12,167,230**	**-**	**837,594**	**13,004,824**
Craig Bradshaw	**-**	**-**	**-**	**-**
Gerry Kaczmarek	**200,000**	**-**	**33,334**	**233,334**
Nic Earner	**-**	**-**	**-**	**-**
	15,367,230	**1,800,000**	**1,370,928**	**18,538,158**

Loans to key management personnel

There were no loans to key management personnel during the year. 2020: (nil).

Other key management personnel transactions with Directors and Director-related entities

There were no other transactions with key management personnel during the year. 2020: (nil).

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Michael Fowler
Managing Director

Perth, 28 September 2021

To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit partner for the audit of the financial statements Genesis Minerals Limited for the financial year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

HALL CHADWICK WA AUDIT PTY LTD

DOUG BELL CA
Partner

Dated this 28th day of September 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2021	Notes	2021 $	2020 $ (RESTATED)
REVENUE	3	**79,981**	**71,385**
EXPENDITURE			
Exploration expenses	2	**(14,352,399)**	**(4,575,934)***
Salaries and employee benefits expense		**(791,581)**	**(526,800)**
Corporate expenses		**(571,013)**	**(408,614)**
Administration costs		**(325,983)**	**(352,643)**
Depreciation expense		**(39,512)**	**(8,765)**
Share based payments expense	13	**(349,233)**	**(49,753)**
LOSS BEFORE INCOME TAX		**(16,349,740)**	**(5,851,124)**
INCOME TAX BENEFIT/(EXPENSE)	4	**-**	**-**
LOSS FOR THE YEAR		**(16,349,740)**	**(5,851,124)**
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX		**-**	**-**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF GENESIS MINERALS LIMITED		**(16,349,740)**	**(5,851,124)**
Basic and diluted loss per share (cents per share)	14	**(0.85)**	**(0.45)**

*Refer to Note 2: Change in Accounting Policy for details of the impact of the change in accounting policy relating to the treatment of exploration and evaluation expenditure.

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position

AT 30 JUNE 2021	Notes	2021 $	2020 $ (RESTATED)
CURRENT ASSETS			
Cash and cash equivalents	5	**10,966,166**	**11,145,421**
Trade and other receivables	6	**78,795**	**141,268**
Prepayments	7	**24,857**	**13,808**
TOTAL CURRENT ASSETS		**11,069,818**	**11,300,497**
NON-CURRENT ASSETS			
Plant and equipment	8	**245,193**	**17,597**
Exploration and evaluation assets	2, 9	**23,352,807**	**4,451,830***
TOTAL NON-CURRENT ASSETS		**23,598,000**	**4,469,427**
TOTAL ASSETS		**34,667,818**	**15,769,924**
CURRENT LIABILITIES			
Trade and other payables	10	**2,424,923**	**524,408**
Provisions	11	**233,549**	**140,573**
TOTAL CURRENT LIABILITIES		**2,658,472**	**664,981**
NON-CURRENT LIABILITIES			
Provisions	11	**8,100,559**	**-**
TOTAL NON-CURRENT LIABILITIES		**8,100,559**	**-**
TOTAL LIABILITIES		**10,759,031**	**664,981**
NET ASSETS		**23,908,787**	**15,104,943**
EQUITY			
Issued capital	12	**76,970,610**	**52,166,259**
Reserves	13	**2,058,066**	**1,708,833**
Accumulated losses		**(55,119,889)**	**(38,770,149)**
TOTAL EQUITY		**23,908,787**	**15,104,943**

*Refer to Note 2: Change in Accounting Policy for details of the impact of the change in accounting policy relating to the treatment of exploration and evaluation expenditure.

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

YEAR ENDED 30 JUNE 2021	Notes	Ordinary Share Capital $	Accumulated Losses $	Options Reserve $	Total $
BALANCE AT 1 JULY 2019		**33,820,100**	**(33,639,880)**	**1,659,080**	**1,839,300**
Impact of change in accounting policy	2	-	720,855	-	720,855
BALANCE AT 1 JULY 2019 (RESTATED)		**33,820,100**	**(32,919,025)**	**1,659,080**	**2,560,155**
Loss for the year		-	(5,851,124)	-	(5,851,124)*
TOTAL COMPREHENSIVE LOSS		**-**	**(5,851,124)**	**-**	**(5,851,124)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	12	19,210,532	-	-	19,210,532
Share issue transaction costs	12	(864,373)	-	-	(864,373)
Share based payments	24	-	-	49,753	49,753
Sub-total		**18,346,159**	**(5,851,124)**	**49,753**	**12,544,788**
BALANCE AT 30 JUNE 2020		**52,166,259**	**(38,770,149)**	**1,708,833**	**15,104,943**

BALANCE AT 1 JULY 2020		**52,166,259**	**(43,221,979)**	**1,708,833**	**10,653,113**
Impact of change in accounting policy	2	-	4,451,830	-	4,451,830
BALANCE AT 1 JULY 2020 (RESTATED)		**52,166,259**	**(38,770,149)**	**1,708,833**	**15,104,943**
Loss for the year		-	(16,349,740)	-	(16,349,740)
TOTAL COMPREHENSIVE LOSS		**-**	**(16,349,740)**	**-**	**(16,349,740)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	12	25,641,321	-	-	25,641,321
Share issue transaction costs	12	(836,970)	-	-	(836,970)
Share based payments	24	-	-	349,233	349,233
Sub-total		**24,804,351**	**(16,349,740)**	**349,233**	**8,803,844**
BALANCE AT 30 JUNE 2021		**76,970,610**	**(55,119,889)**	**2,058,066**	**23,908,787**

*Refer to Note 2: Change in Accounting Policy for details of the impact of the change in accounting policy relating to the treatment of exploration and evaluation expenditure.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Cash Flows

YEAR ENDED 30 JUNE 2021	Notes	2021 $	2020 $ (RESTATED)
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,588,517)	(1,197,925)
Payments for exploration expenditure		(12,472,037)	(3,550,031)*
Interest received		22,159	9,212
Cash flow boost		37,500	62,500
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	23	(14,000,895)	(4,676,244)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation assets		(10,640,989)	(3,730,975)*
Payments for plant and equipment		(267,108)	(20,239)
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES		(10,908,097)	(3,751,214)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares		25,641,321	17,163,834
Payments for share issue costs		(911,584)	(200,798)
NET CASH INFLOW FROM FINANCING ACTIVITIES		24,729,737	16,963,036
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(179,255)	8,535,578
Cash and cash equivalents at the beginning of the financial year		11,145,421	2,609,843
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	5	10,966,166	11,145,421

*Refer to Note 2: Change in Accounting Policy for details of the impact of the change in accounting policy relating to the treatment of exploration and evaluation expenditure.

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the 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 Group consisting of Genesis Minerals Limited and its subsidiaries ("the Group"). The financial statements are presented in Australian dollars. Genesis Minerals Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 28 September 2021. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Genesis Minerals Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

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

(ii) New and amended standards adopted by the Group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2020 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2020.

(iv) 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, which have been measured at fair value.

(b) Principles of consolidation

The financial statements incorporate the assets, liabilities and results of entities controlled by Genesis Minerals Limited at the end of the reporting period. A controlled entity is any entity over which Genesis Minerals Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

A list of controlled entities is contained in Note 21 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the financial statements as well as their results for the year then ended.

In preparing the financial statements, all inter-group balances and transactions between controlled entities in the Group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(c) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination, one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The consideration transferred for a business combination shall form the cost of the investment in the separate financial statements. Such consideration is measured at fair value at acquisition date and consists of the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the Statement of Profit or Loss and Other Comprehensive Income.

(d) 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, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Genesis Minerals Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:
- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

The financial results and position of foreign operations whose functional currency is different from Genesis Minerals Limited's presentation currency are translated as follows:
- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period where the average rate approximates the rate at the date of the transaction; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to Genesis Minerals Limited's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

(f) Revenue and other income

The Group recognises revenue as follows:

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Revenue from contract with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration with the transaction price, if any, reflects concessions provided to the customers such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of the variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probably that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

(ii) Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

(g) Income tax

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Current assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

(i) Financial instruments

(i) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

- those to be measured at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Financial assets measured at amortised cost

Debt instruments

Investments in debt instruments are measured at amortised cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. The measurement of credit impairment is based on the three-stage expected credit loss model described below in note (c) Impairment of financial assets.

(a) Financial assets measured at fair value through other comprehensive income

Equity instruments

Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Group in a business combination to which AASB 3 "Business Combination" applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

(b) Items at fair value through profit or loss comprise:

- items held for trading;
- items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

(c) Impairment of financial assets

The Group applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- debt instruments measured at amortised cost and fair value through other comprehensive income;
- loan commitments; and
- financial guarantee contracts.

No ECL is recognised on equity investments.

Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for doubtful debts for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

The Group assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors.

(d) Recognition and derecognition of financial instruments

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers.

Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

A financial liability is derecognised from the balance sheet when the Group has discharged its obligation or the contract is cancelled or expires.

(e) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(j) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(k) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

(i) Plant and equipment

Plant and equipment are measured at cost. Cost includes expenditure that is directly attributable to the asset.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Land is not depreciated.

(iii) Class of fixed asset useful life (years)

The estimated useful lives used for each class of depreciable assets are:

Plant and Equipment: 2 to 5 years

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

(l) Exploration and development expenditure

During the current reporting period the Group made a voluntary change to its accounting policy relating to the treatment of exploration and evaluation expenditure. Refer to Note 2 for details.

(m) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Rehabilitation provisions

The Group records the present value of estimated costs of legal and constructive obligations required to restore and rehabilitate operating locations in the period in which the obligation is incurred. The nature of the restoration activities includes restoring ground to its natural state and re-vegetating the disturbed area. When this provision gives access to future economic benefits, an asset is recognised and then subsequently depreciated in line with the life of the underlying asset, otherwise the costs are charged to the income statement.

The obligation arises when the ground/environment is disturbed or an asset is installed at the production location. The liability is initially recognised at the estimated costs, and where it is to be settled in more than 12 months it is discounted to present value. The periodic unwinding of the discount is recognised in the income statement as a finance cost.

(o) Employee benefit provisions

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(p) Equity-settled compensation

The Group operates equity-settled share-based payment share, performance right and option schemes. The fair value of the equity to which personnel become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account.

The fair value of shares is ascertained as the market bid price.

The fair value of options is determined by an internal valuation using a Black Scholes option pricing model. The valuation relies on the use of certain assumptions. If the assumptions were to change, there may by an impact on the amounts reported. For ordinary shares which are traded on the stock exchange, the fair value is determined by reference to the closing price of the security on the measurement date.

The fair value of performance rights, the fair value is measured using the Company’s 5 day volume weighted average share price prior to grant date. For each performance hurdle a probability factor is assigned based on the Company’s estimate of the performance hurdle being met. For performance hurdles that have a market-based performance hurdle, the probability factor is determined by using a Monte Carlo Simulation technique which relies on certain assumptions. If the assumptions were to change, there may by an impact on the amounts reported. The value of the performance rights is allocated to the Statement of Profit or Loss over the vesting period.

Non-market vesting conditions are taken into account when considering the number of performance rights and options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of performance rights or options which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

Notes to the Consolidated Financial Statements

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Earnings per share

Genesis Minerals Limited presents basic and diluted earnings per share information for its ordinary shares.

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing 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) Goods and services tax (GST)

Revenues and expenses are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

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

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial statements 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 Group.

(i) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(ii) Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value; and

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks.

When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

(iii) Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

(iv) Key estimate - share based payments

The Group measures the cost of equity settled transactions by reference to the fair value of the equity instrument at the date at which they are granted (for employees) or their measurement date (for other service providers).

For Options, the fair value is determined by an internal valuation using a Black Scholes option pricing model. The valuation relies on the use of certain assumptions. If the assumptions were to change, there may by an impact on the amounts reported. For ordinary shares which are traded on the stock exchange, the fair value is determined by reference to the closing price of the security on the measurement date.

For Performance Rights, the fair value is measured using the Company’s 5 day volume weighted average share price prior to grant date. For each performance hurdle a probability factor is assigned based on the Company’s estimate of the performance hurdle being met. For performance hurdles that have a market-based performance hurdle, the probability factor is determined by using a Monte Carlo Simulation technique which relies on certain assumptions. If the assumptions were to change, there may by an impact on the amounts reported. The value of the performance rights is allocated to the Statement of Profit or Loss over the vesting period.

(v) Key estimate – taxation

Balances disclosed in the consolidated financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors’ best estimate, pending an assessment by the Australian Taxation Office.

Notes to the Consolidated Financial Statements

30 JUNE 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(vi) Key estimate – rehabilitation provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Rehabilitation costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with the requirements of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology.

Rehabilitation costs are recognised in full at present value as a liability. Amounts that are payable within 12 months are recognised as a current liability. Amounts that are payable not within 12 months are recognised as a non-current liability. An equivalent amount is capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to its present location. The capitalised cost is amortised over the life of the project and the provision is accreted periodically as the discounting of the liability unwinds.

Any changes in the estimates for the costs or other assumptions against the cost of relevant assets are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

The Group assesses its mine rehabilitation provision annually. Significant judgement is required in determining the provision for mine rehabilitation and closure as there are many factors that will affect the ultimate liability payable to rehabilitate the mine sites, including future disturbances caused by further development, changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plans and changes in discount rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which the change becomes known.

(vii) Key judgement – environmental issues

Balances disclosed in the consolidated financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

(viii) Key judgement – comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Group applies an accounting policy retrospectively, it makes a retrospective restatement or reclassifies items in its consolidated financial statements. A consolidated statement of financial position as at the beginning of the earliest comparative period will be disclosed.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

New, revised or amending Accounting Standards and Interpretations adopted

The Group 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 during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. CHANGE IN ACCOUNTING POLICY

Exploration and Evaluation

During the current reporting period the Group has made a voluntary change to its accounting policy relating to the treatment of exploration and evaluation expenditure. Exploration and evaluation expenditure, including acquisition costs, was previously expensed as incurred. The Group has now elected to expense exploration and evaluation expenditure as incurred, with costs of acquiring mineral tenements to be recognised as an asset to the extent allowable under AASB 6 Exploration for and Evaluation of Mineral Resources.

Notes to the Consolidated Financial Statements

30 JUNE 2021

2. CHANGE IN ACCOUNTING POLICY (continued)

This change has been implemented as the Board of Directors are of the opinion that the change is both in line with Australian Accounting Standards and provides users with reliable and more relevant information about the effects of transactions, other events or conditions on the Group's financial position, financial performance or cash flows. The new policy is detailed below and has been applied retrospectively in accordance with the requirements of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

Exploration and evaluation costs, including feasibility study expenditure, are expensed in the year they are incurred apart from acquisition costs to acquire mineral tenements which are capitalised on an area of interest basis. Acquisition costs include the associated transaction costs and the estimated rehabilitation liability recognised upon the acquisition of mineral tenements.

Exploration and evaluation assets are only recognised if the right of tenure of the area of interest is current, and they are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale, or, where exploration and evaluation activities in the area of interest have not reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Once a development decision has been made all past exploration and evaluation expenditure in respect of an area of interest that has been capitalised is transferred to mine properties where it is amortised over the life of the area of interest to which it relates on a unit-of-production basis. No amortisation is charged during the exploration and evaluation phase.

Exploration and evaluation assets are assessed for impairment when an indicator of impairment exists, and capitalised assets are written off where required. Where an area of interest is abandoned, or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

The aggregate effect of the change in accounting policy on the financial statements for the year ending 30 June 2021 is as follows:

	Previous policy $	Effect of the change in the accounting policy for exploration and evaluation $	Revised policy $
Consolidated Statement of Profit or Loss and Other Comprehensive Income – year ending 30 June 2021			
Exploration and evaluation expenses	33,253,376	(18,900,977)	14,352,399
Loss before income tax	35,250,717	(18,900,977)	16,349,740
Income tax expense	-	-	-
Basic and diluted loss per share (cents)	1.83	(0.98)	0.85
Consolidated Statement of Financial Position – as at 30 June 2021			
Exploration and evaluation assets	-	23,352,807	23,352,807
Accumulated losses	78,472,696	(23,352,807)	55,119,889

	Previous policy $	Effect of the change in the accounting policy for exploration and evaluation $	Revised policy $
Consolidated Statement of Profit or Loss and Other Comprehensive Income – year ending 30 June 2020			
Exploration and evaluation expenses	8,306,909	(3,730,975)	4,575,934
Loss before income tax	9,582,099	(3,730,975)	5,851,124
Income tax expense	-	-	-
Basic and diluted loss per share (cents)	0.74	(0.29)	0.45
Consolidated Statement of Financial Position – as at 30 June 2020			
Exploration and evaluation assets	-	4,451,830	4,451,830
Accumulated losses	43,221,979	(4,451,830)	38,770,149

Notes to the Consolidated Financial Statements

30 JUNE 2021

3. REVENUE

	2021	2020
	$	$
Interest revenue	22,159	8,885
Cash flow boost	37,500	62,500
Fuel tax credit	20,322	-
	79,981	71,385

4. INCOME TAX EXPENSE

Statement of Profit or Loss and Other Comprehensive Income		
Current income tax	-	-
Deferred tax	-	-
	-	-

(a) The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2021	2020
	$	$
Loss from continuing operations before income tax expense	(16,349,740)	(5,851,124)
Australian tax rate	26%	27.5%
Prima facie tax benefit at the Australian tax rate	(4,250,932)	(1,609,059)
Add tax effect of:		
Share-based payments	90,801	13,682
Non-deductible exploration costs	-	944,947
Non-deductible other expenses	88,251	49,010
Non-assessable income	(9,750)	(17,188)
Movements in unrecognised temporary differences	222,742	(94,025)
	(3,858,889)	(712,633)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	3,858,889	712,633
Income tax expense	-	-

(b) Tax Losses

Unused tax losses for which no deferred tax asset has been recognised	29,426,837	25,567,948
Potential tax benefit @ 26% (2020: 27.5%)	7,650,978	7,031,186
Unused capital losses for which no deferred tax asset has been recognised	487,085	487,085
Potential tax benefit @ 26% (2020: 27.5%)	126,642	133,948

The benefit for tax losses will only be obtained if:

(a) The company and consolidated entity derive future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(b) The company and the consolidated entity continue to comply with the conditions for deductibility imposed by law; and

(c) No changes in tax legislation adversely affect the ability of the Company and consolidated entity to realise these benefits.

5. CASH AND CASH EQUIVALENTS

The following table details the components of cash and cash equivalents as reported in the statement of financial position.

	2021	2020
	$	$
Cash at bank and in hand	10,946,166	11,125,421
Short-term deposits	20,000	20,000
Cash and cash equivalents	10,966,166	11,145,421

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Notes to the Consolidated Financial Statements

30 JUNE 2021

6. TRADE AND OTHER RECEIVABLES

	2021	2020
	$	$
Trade debtors – GST and fuel tax credit receivable	78,795	141,268
	78,795	141,268

The Group expects the above trade and other receivables to be recovered within 12 months of 30 June 2021 and therefore considers the amounts shown above at cost to be a close approximation of fair value. Trade and other receivables expose Genesis Minerals Limited to credit risk as potential for financial loss arises should a debtor fail to repay their debt in a timely manner. Disclosure on credit risk can be found at Note 16(A).

7. PREPAYMENTS

	2021	2020
	$	$
Prepaid expenditure	24,857	13,808
	24,857	13,808

8. PLANT AND EQUIPMENT

	2021	2020
	$	$
Plant and equipment		
Cost	301,204	34,096
Accumulated depreciation	(56,011)	(16,499)
Net book amount	245,193	17,597
Plant and equipment		
Opening net book amount	17,597	6,123
Additions / (Disposals)	267,108	20,239
Depreciation charge	(39,512)	(8,765)
Closing net book amount	245,193	17,597

9. EXPLORATION AND EVALUATION ASSETS

Opening balance	4,451,830	720,855
Additions – acquisition of mineral tenements*	18,900,977	3,730,975
Closing balance	23,352,807	4,451,830

*On 24 June 2020, the Company announced that it had entered into a binding agreement to acquire 100% of the Kookynie tenements (Project), located immediately south-east of its 100%-owned Ulysses Gold Project. The Company had entered into an option agreement with A&C Mining Investment Pty Ltd (A&C) and Ms Yijun Zhu (the Vendors) pursuant to which its wholly owned subsidiary, Ulysses Mining Pty Ltd, had been granted the right to acquire the Project (Option Agreement). As at 30 June 2020 the Company had incurred costs totalling $3,558,951 towards the acquisition of the Project including amounts paid to the Vendors under the Option Agreement, a cash payment and shares issued to resolve proceedings and settle plaints against the Vendors and amounts incurred for associated transaction costs.

On 21 December 2020, the Company announced it had exercised its option to acquire 100% of the Project. The acquisition was completed on 12 January 2021 with further costs incurred of $11,444,569 to settle amounts due to the Vendors under the Option Agreement, payments made to resolve proceedings and settle plaints against the Vendors, amounts incurred for associated transaction costs and the estimated stamp duty liability.

As at 30 June 2021, the capitalised acquisition costs for the Project also included $7,142,883 for the estimated rehabilitation liability recognised on acquisition, with subsequent changes to the estimate being expensed through profit or loss. In September 2021 the Company paid the initial stamp duty assessment for the Project acquisition to enable the tenement transfers to take place

The Company granted the Vendors a 1% net smelter return on future gold production from the Project, capped at A$5 million. Details of all royalties pertaining to the Project are set out in Note 19.

Notes to the Consolidated Financial Statements

30 JUNE 2021

10. TRADE AND OTHER PAYABLES

	2021	2020
	$	$
Trade payables	1,088,784	413,569
Other payables and accruals	1,336,139	110,839
	2,424,923	524,408

11. PROVISIONS

CURRENT LIABILITY		
Employee entitlements	183,549	90,573
Rehabilitation	50,000	50,000
	233,549	140,573
NON-CURRENT LIABILITY		
Rehabilitation*	8,100,559	-
	8,100,559	-

*The rehabilitation liability has been estimated using a discounted cash flow model based on the net present value of expected cash flows. The discount rate used was determined as the 10 year Australian Government bond yield and an annual escalation rate using current inflationary expectations has been used. The rehabilitation liability includes the estimated liability arising from the acquisition of the Kookynie tenements.

12. ISSUED CAPITAL

	2021	2020
	$	$
2,126,337,840 (30 June 2020: 1,357,954,186) Ordinary shares	80,285,983	54,644,662
Value of conversion rights - Convertible Notes	25,633	25,633
Share issue costs written off against issued capital	(3,341,006)	(2,504,036)
	76,970,610	52,166,259

MOVEMENT IN ORDINARY SHARES	No.	$
Balance at 1 July 2019	1,089,365,941	33,820,100
Placement at $0.032 per share – 5 August 2019	44,327,199	1,418,471
Rights Issue at $0.032 per share – 4 September 2019	188,949,343	6,046,380
Placement at $0.032 per share – 25 September 2019	6,915,958	221,311
Shares issued as part of the transaction to acquire the Kookynie Gold Project at $0.054 per share – 25 June 2020	26,595,745	1,436,170
Exercise of options at $0.049 per share – 26 June 2020	1,800,000	88,200
Placement at $0.042 per share[1]	-	10,000,000
Less share issue costs	-	(864,373)
Balance at 30 June 2020	1,357,954,186	52,166,259
Balance at 1 July 2020	1,357,954,186	52,166,259
Placement at $0.042 per share – 1 July 2020[1]	238,095,238	-
Exercise of options at $0.048 per share – 10 July 2020	10,000,000	480,000
Rights Issue at $0.042 per share – 20 July 2020	226,326,261	9,505,704
Placement at $0.042 per share – 8 September 2020	104,628,958	4,394,417
Exercise of options at $0.049 per share – 29 October 2020	800,000	39,200
Exercise of options at $0.042 per share – 11 December 2020	4,000,000	168,000
Exercise of options at $0.045 per share – 11 December 2020	1,200,000	54,000
Placement at $0.06 per share – 30 April 2021	130,295,994	7,817,760
Share Purchase Plan at $0.06 per share – 19 May 2021	16,666,530	1,000,000
Placement at $0.06 per share – 10 June 2021	36,370,673	2,182,240
Less share issue costs	-	(836,970)
Balance at 30 June 2021	2,126,337,840	76,970,610

[1] Funds were received on 30 June 2020 for the share placement. 238,095,238 shares were issued on 1 July 2020.

Notes to the Consolidated Financial Statements

30 JUNE 2021

12. ISSUED CAPITAL (continued)

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

OPTIONS

(a) Options on issue	2021 No.	2020 No.
Exercisable at 3.9 cents, on or before 13 December 2019	-	-
Exercisable at 4.8 cents, on or before 31 July 2020	-	10,000,000
Exercisable at 4.9 cents, on or before 29 November 2020	-	800,000
Exercisable at 4.2 cents, on or before 13 December 2020	-	4,000,000
Exercisable at 5.3 cents, on or before 29 November 2021	2,300,000	2,300,000
Exercisable at 4.5 cents, on or before 13 December 2021	4,800,000	6,000,000
Exercisable at 5.6 cents, on or before 29 November 2022	2,700,000	2,700,000
Exercisable at 10.6 cents, on or before 10 December 2022	2,133,332	-
Exercisable at 11.4 cents, on or before 10 December 2023	2,133,333	-
Exercisable at 12.2 cents, on or before 10 December 2024	2,133,335	-
	16,200,000	25,800,000

(b) Movements in options on issue

Beginning of the financial year	25,800,000	33,200,000
Expired, exercisable at 3.9 cents	-	(4,800,000)
Lapsed, exercisable at 4.2 cents	-	(800,000)
Exercised June 2020 at 4.9 cents	-	(1,800,000)
Exercised July 2020 at 4.8 cents	(10,000,000)	-
Exercised October 2020 at 4.9 cents	(800,000)	-
Exercised December 2020 at 4.2 cents	(4,000,000)	-
Exercised December 2020 at 4.5 cents	(1,200,000)	-
Issued:		
Exercisable at 10.6 cents, on or before 10 December 2022	2,133,332	-
Exercisable at 11.4 cents, on or before 10 December 2023	2,133,333	-
Exercisable at 12.2 cents, on or before 10 December 2024	2,133,335	-
End of the financial year	16,200,000	25,800,000

Each option entitles the holder to subscribe for one fully paid ordinary share in Genesis Minerals Limited, subject to their terms of issue.

PERFORMANCE RIGHTS

(a) Performance rights on issue	2021 No.	2020 No.
Issued 15 September 2020, expiring 31 December 2021	13,500,000	-
	13,500,000	-

(b) Movements in performance rights on issue

Beginning of the financial year	-	-
Issued 15 September 2020, expiring 31 December 2021	13,500,000	-
End of the financial year	13,500,000	-

Each performance right is a right to receive one fully paid ordinary share in Genesis Minerals Limited, subject to meeting performance conditions prior to their expiry date and subject to their terms of issue.

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12. ISSUED CAPITAL (continued)

CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Group at 30 June 2021 is $8,411,346 (2020: $10,635,516).

13. RESERVES AND ACCUMULATED LOSSES

Nature and purpose of reserves

(i) Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options and performance rights issued. The movement in the reserve is reconciled as follows:

	2021 $	2020 $
Balance at the beginning of the financial year	**1,708,833**	**1,659,080**
Recognition of share-based payments for options and performance rights	**349,233**	**49,753**
Balance at the end of the financial year	**2,058,066**	**1,708,833**

14. LOSS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share	2021 $	2020 $
Loss attributable to the owners of the Company used in calculating basic and diluted loss per share	(16,349,740)	(5,851,124)

	2021 Number of shares	2020 Number of shares
(b) Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	1,932,695,645	1,290,413,912
Basic and diluted EPS (cents per share)	(0.85)	(0.45)

15. COMMITMENTS

Exploration commitments

The Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	2021 $	2020 $
Within one year	**1,831,600**	**1,802,807**
Greater than one year but less than five years	**9,428,697**	**7,977,090**
	11,260,297	**9,779,897**

The above exploration commitments includes the Group's interests in farm-in and joint venture agreements (refer note 26).

16. FINANCIAL RISK MANAGEMENT

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects and ensure that net cash flows are sufficient to support the delivery of the Company's financial targets whilst protecting future financial security. The Group continually monitors and tests its forecasted financial position against these objectives.

The main risks Genesis Minerals Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, currency risk and commodity price risk.

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16. FINANCIAL RISK MANAGEMENT (continued)

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payables and loans to subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2021	2020
	$	$
Financial Assets		
Cash and cash equivalents	10,966,166	11,145,421
Trade and other receivables	78,795	141,268
Total financial assets	11,044,961	11,286,689
Financial Liabilities		
Trade and other payables	2,424,923	524,408
Total financial liabilities	2,424,923	524,408

FINANCIAL RISK MANAGEMENT POLICIES

The Board of Directors has overall responsibility for the establishment of Genesis Minerals Limited’s financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Mitigation strategies for specific risks faced are described below.

The main risks Genesis Minerals Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk, currency risk and commodity price risk.

(A) CREDIT RISK

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Genesis Minerals Limited and arises principally from holding cash and cash equivalents and receivables.

The Group’s maximum exposure to credit risk at the reporting date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the statement of financial position.

The Group's policy for reducing credit risk from holding cash is to ensure cash is only invested with counterparties with Standard & Poor’s rating of at least AA-. The credit rating of the Group’s bank is AA-.

The Group did not have any significant revenue sources during the 2020 or 2021 financial year. The Group does not have any receivables that are past due or impaired at the reporting date.

(B) LIQUIDITY RISK

Liquidity risk arises from the possibility that Genesis Minerals Limited might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to appropriate capital raisings as required;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of current financial liabilities with the realisation profile of current financial assets.

(C) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Commodity price risk

The Group is exposed to commodity price volatility on the sale of gold, which is based on the spot price as quoted by the Perth Mint. The Group had no gold sales during the 2021 financial year.

Notes to the Consolidated Financial Statements

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16. FINANCIAL RISK MANAGEMENT (continued)

(ii) Foreign exchange risk

The Group is exposed to the Australian dollar currency risk on gold sales, which are denominated in US dollars. No hedging arrangements have been put in place to manage the currency risk as there were no gold sales during the year.

(iii) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed by maintaining cash in interest bearing accounts and having no interest bearing liabilities.

Interest Rate Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the end of the reporting period. This analysis assumes that all other variables are held constant.

	PROFIT		EQUITY	
	100 Basis Points Increase	100 Basis Points Decrease	100 Basis Points Increase	100 Basis Points Decrease
2021	$109,662	($109,662)	$109,662	($109,662)
2020	$111,454	($111,454)	$111,454	($111,454)

The net exposure at the end of the reporting period is representative of what Genesis Minerals Limited was and is expecting to be exposed to at the end of the next twelve months.

(D) FAIR VALUE ESTIMATION

The fair values of financial assets and financial liabilities can be compared to their carrying values as presented in the consolidated statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

There are no financial assets or liabilities which are required to be revalued on a recurring basis.

17. KEY MANAGEMENT PERSONNEL DISCLOSURES

Key management personnel compensation

	2021	2020
	$	$
Short-term benefits	433,309	402,702
Post-employment benefits	33,258	33,391
Share-based payments	194,326	49,753
	660,893	485,846

18. REMUNERATION OF AUDITORS

	2021	2020
	$	$
During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:		
Audit services		
Hall Chadwick (formerly Bentleys) - audit and review of financial reports	37,148	30,558
Total remuneration for audit services	37,148	30,558

Notes to the Consolidated Financial Statements

30 JUNE 2021

19. CONTINGENCIES

The Group has the following deferred consideration and royalty arrangements covering its mineral tenement holdings:

Deferred Consideration and Royalty Details	Tenements Affected
As part of the terms of the acquisition of the Ulysses Gold Project, Genesis agreed to the following deferred consideration payments to the project vendors covering the tenements: • Deferred consideration of $10.00 per dry metric tonne (DMT) of ore product from the tenements which is treated through a toll treatment plant for the first 200,000 DMT of ore processed, to a maximum of $2,000,000. 52,653 DMT of ore product from the Ulysses Gold Project has been processed to date; and • 1.2% of the Net Smelter Return generated from the sale of any product from the tenement area, after 200,000 of DMT of ore product from the tenements has been treated through a toll treatment plant.	M40/166, E40/295 and E40/312
An effective Net Smelter Return royalty rate of 0.90% from the sale of all naturally occurring substances is payable to International Royalty Corporation.	M40/166
Net Smelter Return royalty of 1.2% from the sale of any gold from the tenement area is payable to the former tenement holder, capped at a maximum amount payable of $500,000 (Ulysses Gold Project).	E40/371
As part of the terms of the acquisition of the Kookynie tenements, the following royalties apply:	
1% Net Smelter Return on all gold extracted is payable to the project vendors, capped at a maximum amount of $5,000,000.	E40/229, E40/263, E40/291, E40/306, E40/346, E40/347, E40/402, M40/3, M40/20, M40/94, M40/101, M40/107, M40/110, M40/120, M40/136, M40/137, M40/148, M40/151, M40/163, M40/164, M40/174, M40/196, M40/209, M40/288, M40/289, M40/290, M40/291, M40/292, M40/293, M40/339, M40/340, M40/343, M40/345, P40/1272, P40/1427, P40/1433, P40/1434, P40/1435, P40/1436, P40/1439, P40/1440, P40/1441, P40/1445, and P40/1454;
2.5% by weight (equivalent to NSR) of all minerals produced and credited to Ulysses' metals account (at a refinery selected by Ulysses) is payable to the metals accounts of two former tenement owners.	M40/136
$1.00 per tonne of ore milled is payable to a former tenement owner.	M40/174
$1.00 per tonne of ore mined and milled is payable to a former tenement owner.	M40/288
2.5% of the Quarterly Gross Value of Sales. This is calculated by reference to the gross revenue per quarter actually received by Ulysses from sales of metals, minerals or mineral bearing substance mined or removed from within the tenement, and is payable to a former tenement owner.	M40/343
The following royalty is payable to Vox Royalty: • For each Ore Reserve with a gold grade of at or less than 5 grams per DMT, $1.00 per DMT, or • For each Ore Reserve at a gold grade of more than 5 grams per DMT then a formula applies as per the Royalty Deed; or • Gold bearing ore mined and treated which does not form any part of any 'Calculation of Ore Reserve' paid or to be paid, the calculation is the same as above, using the number of DMT of ore mined and treated and the grade or ore mined and treated in the calculation as if it were an 'Ore Reserve'. Royalty not payable for first 100,000 DMT (in aggregate) of all gold Ore Reserves or gold bearing ore mined and treated.	L40/7, L40/15, L40/19, L40/20 and M40/136
$1.00 per DMT of ore mined and treated from the tenements in excess of 650,000 DMT is payable to Vox Royalty. Historical production is 498,700t @ 2g/t for 32,070oz of gold produced in 1996-97.	M40/163 and M40/164
In regards to the Desdemona South JV Gold Project which is the subject of a Farm-in and Joint Venture agreement with Kin Mining NL, a royalty of 2% of the Gross Revenue multiplied by the Seller's interest in the tenements applies.	E37/1326 (5 graticules), E40/283, E40/285, E40/369, E40/366, P40/1464, P40/1283 and M40/346.

Notes to the Consolidated Financial Statements

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19. CONTINGENCIES (continued)

In regards to the acquisition of the Kookynie tenements, the Group is working through the stamp duty assessment process with the West Australian Office of State Revenue ("OSR"). OSR have issued an interim stamp duty assessment (which has been accrued for as at balance date) based on the submissions made to date and certificates of duty have been issued enabling registration of the tenement transfers to take place. Depending on the outcome of finalising the stamp duty assessment process, further liabilities may arise.

In regards to the tenement transfer process for the Kookynie tenements, a number of tenements have encumbrances including caveats and mortgages. The Company is working through the process to obtain the necessary consents or to have the encumbrances removed to allow the tenement transfers to be registered. The Company has received the required Ministerial Consent to transfer the tenements.

There are no other contingent liabilities or contingent assets of the Group at balance date.

20. RELATED PARTY TRANSACTIONS

(a) Parent entity

The ultimate parent entity within the Group is Genesis Minerals Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 21.

(c) Appointment and Resignation of Directors

No movement during the year.

(d) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to note 17: Key Management Personnel Disclosures (KMP) and the Remuneration Report in the Directors' Report.

There were no other related party transactions during the year.

21. CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name	Country of Incorporation	Class of Shares	Equity Holding(1)	
			2021 %	2020 %
Ulysses Mining Pty Ltd	Australia	Ordinary	**100**	**100**
Metallo Resources Pty Ltd	Australia	Ordinary	**100**	**100**

(1) The proportion of ownership interest is equal to the proportion of voting power held.

22. EVENTS AFTER THE BALANCE SHEET DATE

On 22 September 2021, Genesis announced a strategic funding and Board restructure initiative led by Raleigh Finlayson, which will see him appointed as Managing Director and become a significant shareholder. Mr Finlayson is the former Managing Director of Saracen Mineral Holdings (ASX: SAR) and Northern Star Resources (ASX: NST).

Under the proposal, which is subject to shareholder approval, Genesis will raise $16 million via a share Placement at 6c a share. Mr Finlayson will subscribe for $7 million of shares in the Placement and Northern Star will subscribe for $3 million of shares. The remainder of the Placement will be offered to existing and new institutional and sophisticated investors, including current and proposed Directors.

Existing Genesis shareholders will have the opportunity to participate in a 1-for-30 non renounceable Entitlement Offer at 6c per share raising up to an additional $4.8 million. Placement shares will qualify for the Entitlement Offer. Shares acquired via the Placement and the Entitlement Offer will come with a free one-for-two attaching two-year unlisted option exercisable at 10c. Placement options will not be able to be exercised to participate in the Entitlement Offer.

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22. EVENTS AFTER THE BALANCE SHEET DATE (continued)

Mr Finlayson has entered into a part-time consulting agreement with Genesis and he has the right to be issued 245 million unlisted options with a 10.5c strike price.

Mr Finlayson will be appointed Managing Director of Genesis by no later than 31 March 2022. Mr Finlayson has the right (subject to shareholder approval), upon appointment as Managing Director, to be issued 30 million performance rights under the Genesis Incentive Performance Rights Plan, which will have vesting hurdles tied to a 2.5Moz JORC Resource, a 1.0Moz JORC Reserve and Genesis becoming a gold producer (Performance Rights).

Former FMG Managing Director and CEO Neville Power and highly experienced corporate lawyer Michael Bowen will be invited to join the Board as Non-Executive Directors following conclusion of the Placement. Each will be issued with 15 million options at an exercise price of 10.5c with a four-year expiry (Director Options). Tommy McKeith will continue as Non-Executive Chairman and Gerry Kaczmarek will continue as Non-Executive Director.

Under the transition plan, Michael Fowler will remain Genesis Managing Director until Mr Finlayson's appointment becomes effective. At that time, Mr Fowler will retire from the Board. Current Non-Executive Director Craig Bradshaw will retire from the Genesis Board at the upcoming Genesis AGM.

Non-Executive Director and Alkane Resources Limited (“Alkane”) representative Nic Earner will retire from the Board at the upcoming Genesis AGM, assuming all necessary shareholder approvals for the Placement and Board restructure are obtained. Alkane has also agreed to subscribe for any shortfall under the Entitlement Offer subject to scale back to ensure Alkane’s voting power in Genesis does not exceed 20%. In addition, the 2019 Subscription Agreement between Alkane and Genesis, under which Alkane was provided with Board representation and certain other rights, will be terminated with effect from completion of the Entitlement Offer.

Shareholder approvals for the Placement, Alkane Subscription, Consultant Options, Performance Rights, Board appointments and Director Options will be sought at the forthcoming AGM.

Refer to the ASX announcement dated 22 September 2021 for full details of the strategic funding and Board restructure.

Subsequent to the end of the financial year 1,450,000 performance rights vested on 4 September 2021 following satisfaction of performance hurdles.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

23. CASH FLOW INFORMATION

	2021 $	2020 $
(a) Reconciliation of net loss after income tax to net cash inflow/(outflow) from operating activities		
Net loss for the year	**(16,349,740)**	**(5,851,124)**
Non-Cash Items		
Depreciation of non-current assets	**39,512**	**8,765**
Share based payments expense	**349,233**	**49,753**
Shares issued as part of the transaction to acquire the Kookynie Gold Project	**-**	**1,436,170**
Change in operating assets and liabilities, net of effects from purchase of controlled entities		
Decrease/(increase) in trade and other receivables	**62,473**	**(104,839)**
Decrease/(increase) in prepayments	**(11,049)**	**14,085**
(Decrease)/increase in trade and other payables	**1,815,700**	**(246,875)**
(Decrease)/increase in provisions	**92,976**	**17,821**
Net cash inflow/(outflow) from operating activities	**(14,000,895)**	**(4,676,244)**

(b) Non-cash investing and financing activities

There were no non-cash investing and financing activities during the current year.

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24. SHARE BASED PAYMENTS

Share-based payments including performance rights and options are granted at the discretion of the Board to align the interests of directors, executives and employees with those of shareholders.

Each performance right or option issued converts into one ordinary share of Genesis Minerals Limited on exercise. No amounts are paid or payable by the recipient on receipt of the performance right or option. Performance rights and options neither carry rights to dividends nor voting rights. Performance rights may be exercised at any time once the relative performance hurdle has been satisfied prior to expiry date. Options may be exercised at any time from the date of vesting to the date of their expiry by paying the exercise price.

6,400,000 options were issued during the year (2020: Nil), valued at $169,387 (2020: $nil). 16,000,000 options were exercised during the year (2020: 1,800,000), nil options lapsed during the year (2020: 800,000) and nil options expired (2020: 4,800,000).

13,500,000 performance rights were issued during the year (2020: nil). The amount expensed during the year to the Statement of Profit or Loss was $240,739 (2020: $nil).

An amount of $349,233 was expensed to share based payments for options and performance rights issued to directors and employees (2020: $49,753).

Details of the options on issue during the current and previous year are set out below:

Grant Date	Expiry Date	Fair Value at Valuation Date (cents)	Exercise Price (cents)	Number 30 June 2020	Number Vested and Exercisable at 30 June 2020	Number 30 June 2021	Number Vested and Exercisable at 30 June 2021
13/12/17	13/12/19	1.09	3.9	-	-	-	-
20/04/18	31/07/20	1.34	4.8	10,000,000	10,000,000	-	-
13/12/17	13/12/20	1.33	4.2	4,000,000	4,000,000	-	-
13/12/17	13/12/21	1.52	4.5	6,000,000	6,000,000	4,800,000	4,800,000
29/11/18	29/11/20	1.10	4.9	800,000	800,000	-	-
29/11/18	29/11/21	1.38	5.3	2,300,000	2,300,000	2,300,000	2,300,000
29/11/18	29/11/22	1.61	5.6	2,700,000	-	2,700,000	2,700,000
10/12/20	10/12/22	2.19	10.6	-	-	2,133,332	2,133,332
10/12/20	10/12/23	2.70	11.4	-	-	2,133,333	-
10/12/20	10/12/24	3.05	12.2	-	-	2,133,335	-
Total				**25,800,000**	**23,100,000**	**16,200,000**	**11,933,332**

The movement in options on issue during the current and previous year is reconciled as follows:

	Number of Options	Weighted Average Exercise Price (cents)	Weighted Average Contractual Life (days)
Options outstanding at 30 June 2019	33,200,000	4.64	586
Issued during the year	-	-	
Exercised during the year	(1,800,000)	4.90	
Expired during the year	(4,800,000)	3.90	
Lapsed during the year	(800,000)	4.20	
Options outstanding at 30 June 2020	25,800,000	4.77	304
Issued during the year	6,400,000	11.40	
Exercised during the year	(16,000,000)	4.63	
Expired during the year	-	-	
Lapsed during the year	-	-	
Options outstanding at 30 June 2021	16,200,000	7.52	510

Notes to the Consolidated Financial Statements

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24. SHARE BASED PAYMENTS (continued)

The options that were issued during the year had their valuation calculated by using a Black-Scholes option pricing model applying the following inputs:

Valuation date	27/11/20(1)	27/11/20(1)	27/11/20(1)
Valuation date fair value	$0.0219	$0.0270	$0.0305
Valuation date share price	$0.078	$0.078	$0.078
Exercise price	$0.106	$0.114	$0.122
Expected volatility	68.70%	68.70%	67.50%
Option life	2 years	3 years	4 years
Expiry date	10/12/22	10/12/23	10/12/24
Risk-free interest rate	0.085%	0.105%	0.290%

(1) The date of shareholder approval has been used as the valuation date.

Details of the performance rights on issue during the current and previous year are set out below. The performance rights were issued on 15 September 2020 and they expire on 31 December 2021. The performance rights will only vest into fully paid ordinary shares if the following relevant performance hurdles are met prior to the expiry date:

Performance Hurdle	Share Price for Performance Rights to Vest	Number of Performance Rights
These Performance Rights will vest and become exercisable upon the employee remaining employed in the same role 12 months after the shareholder meeting date of 4 September 2020.		1,450,000
At the discretion of the Board these Performance Rights will vest and become exercisable upon satisfactory meeting the following hurdles in the period to 31 December 2021:		
• 1) Release of first JORC 2012 combined Mineral Resource > 2.0Moz Au for the Greater Ulysses Project at a grade that supports reasonable prospects for eventual economic extraction.		2,850,000
• 2) Approval of final investment decision by Genesis' Board on the construction of a standalone mining and processing operation at Ulysses		2,700,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 10-day VWAP of 1.5 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.114	1,300,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 15-day VWAP of 1.75 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.133	1,950,000
These Performance Rights will vest and become exercisable when the Genesis share price exceeds a 20-day VWAP of 2.0 x the Performance Rights Share Price of 7.6 cents in the period leading up to 31 December 2021.	$0.152	3,250,000
Total		**13,500,000**

No performance rights vested into fully paid ordinary shares during the year as the vesting conditions have yet to be met. No performance rights have been cancelled during the year.

The performance rights that were issued during the year had their valuation measured by using the Company's 5 day volume weighted average share price as at the shareholder meeting date of 4 September 2020 of $0.076 per right. For each performance hurdle a probability factor was assigned based on the Company's estimate of the performance hurdle being met. For the performance hurdles that have a market-based performance hurdle, the probability factor was determined by using a Monte Carlo Simulation technique. The value of the performance rights is allocated to the Statement of Profit or Loss over the vesting period.

Notes to the Consolidated Financial Statements

30 JUNE 2021

25. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Genesis Minerals Limited. The information presented here has been prepared using accounting policies consistent with those presented in Note 1.

	2021 $	2020 $
Current assets	11,069,818	11,300,497
Non-current assets	15,447,441	5,430
Total assets	26,517,259	11,305,927
Current liabilities	(2,608,472)	(614,980)
Total liabilities	(2,608,472)	(614,980)
Net assets	23,908,787	10,690,947
Issued capital	76,970,610	52,166,259
Reserves	2,058,066	1,708,833
Accumulated losses	(55,119,889)	(43,184,145)
Total equity	23,908,787	10,690,947
Loss for the year	(16,387,574)	(9,594,265)
Total comprehensive loss for the year	(16,387,574)	(9,594,265)

The parent entity did not have any contingent liabilities, or any contractual commitments for the acquisition of property, plant and equipment, as at 30 June 2021 or 30 June 2020.

26. FARM-IN AND JOINT VENTURE COMMITMENTS

The Group has the following interests in Farm-In and Joint Ventures:

Barimaia Joint Venture Gold Project
The Barimaia Joint Venture Gold Project is subject to a Joint Venture Agreement (Mt Magnet Joint Venture) formed on 29 November 2019 under which the Group's 100% owned subsidiary, Metallo Resources Pty Ltd (Metallo) has earned an initial 65% interest in the Project. The Project is located in the Murchison District of Western Australia, 10km south-east of the Mt Magnet Gold Mine, operated by ASX-listed Ramelius Resources Limited.

The joint venturers have agreed to conduct exploration to continue development of the Project by way of two separate joint ventures. Metallo has been appointed the manager of the two joint ventures comprising the Mt Magnet Joint Venture.

Desdemona South JV Gold Project
On 10 December 2019, Genesis announced that it had entered into a Farm-in and Joint Venture agreement with Kin Mining NL (ASX: KIN) over the Desdemona South JV Gold Project, located south of Leonora in Western Australia.

The initial Farm-In terms are as follows:

- **Stage 1 Expenditure**: Genesis must incur expenditure of not less than $250,000 (Minimum Expenditure) on the JV Area within 18 months of Commencement. This stage has been met.

- **Stage 2 Expenditure**: Genesis may earn a 60% interest in the JV Area by incurring a further $750,000 expenditure (total spend of $1,000,000) on the JV Area within 36 months of Commencement.

Once Genesis earns a 60% interest, Kin may elect to form a Joint Venture with participating interests of 60% Genesis and 40% Kin or grant Genesis the right to elect to sole contribute or form a JV. Once Genesis earns a 70% interest (if Kin does not elect to from a JV at 60%), Kin may elect to form a Joint Venture with participating interests of 70% Genesis and 30% Kin or grant Genesis the right to elect to sole contribute or form a JV to move to 80%.

Genesis would need to spend $2.6 million in total to earn an 80% interest in the JV.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 27 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 2021 and of its performance for the financial year ended on that date;

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

(c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer 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.

Michael Fowler
Managing Director

Perth, 28 September 2021

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GENESIS MINERALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Genesis Minerals Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

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

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
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Exploration and Evaluation Assets

At balance date, the carrying amount of exploration and evaluation assets was $23,352,807 (2020: $4,451,830). As disclosed in note 2 to the financial report during the year the Group changed its accounting policy from expensing exploration expenditure as incurred, to capitalising acquisition and related transaction costs. The Consolidated Entity continues to expense ongoing acquisition costs as incurred as allowable under *AASB 6 Exploration for and Evaluation of Mineral Assets* (“AASB 6”).

The recognition and recoverability of exploration and evaluation assets was considered a key audit matter due to:

- The carrying value of the assets represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and
- Determining whether impairment indicators exist involves significant judgement by management.

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Our audit procedures included but were not limited to:

- Assessing management’s determination of its areas of interest for consistency with the definition in AASB 6 *Exploration and Evaluation of Mineral Resources* (“AASB 6”);
- Assessing the Group’s rights to tenure for a sample of permits and licenses;
- Testing the Group’s additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group’s accounting policy and the requirements of AASB 6;
- By testing the status of the Group’s tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs:
    - The licenses for the rights to explore expiring in the near future or are not expected to be renewed;
    - Substantive expenditure for further exploration in the area of interest is not budgeted or planned;
    - Decision or intent by the Group to discontinue activities in the specific area of interest due to lack

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	of commercially viable quantities of resources; and ○ Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and • Assessing the appropriateness of the related disclosures in the financial statements.
Provision for Rehabilitation As at 30 June 2021 the Group recorded a provision for rehabilitation of $8,100,559 with respect to its Kookynie and Ulyssees Gold Projects. Accounting for the provision for rehabilitation constituted a key audit matter due to: • The size and scope of the balance; • The complexities inherent in such a transaction; and • The judgement required in determining the value of the provision for rehabilitation	Our audit procedures included but were not limited to: • Assessing with reference to the external evaluation of the rehabilitation liability conducted; and • Assessing the accuracy of the calculations used to determine the rehabilitation provision including the discount rate and inflation rates applied.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a)(i), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2021, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

DOUG BELL CA
Partner

Dated this 28th day of September 2021

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 24 September 2021.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

			Unlisted Options		Unlisted Performance Rights		Ordinary Shares	
			Number of holders	Number of options	Number of holders	Number of rights	Number of holders	Number of shares
1	-	1,000	-	-	-	-	60	7,304
1,001	-	5,000	-	-	-	-	62	195,610
5,001	-	10,000	-	-	-	-	173	1,443,220
10,001	-	100,000	-	-	-	-	988	43,276,276
100,001		and over	5	13,200,000	5	12,050,000	866	2,085,865,430
			5	**13,200,000**	**5**	**12,050,000**	**2,149**	**2,130,787,840**

The number of shareholders holding less than a marketable parcel of shares are: **99**

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% of Units
1	ALKANE RESOURCES LTD	421,834,597	19.80
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	306,257,715	14.37
3	BOTSIS HOLDINGS PTY LTD	98,400,000	4.62
4	STEFEAD INVESTMENTS PTY LTD <SWEENEY FAMILY A/C>	82,896,422	3.89
5	CITICORP NOMINEES PTY LIMITED	64,924,645	3.05
6	FINCLEAR SERVICES NOMINEES PTY LIMITED <ACCUM A/C>	47,333,245	2.22
7	THANKS HOLDINGS PTY LTD <HANKS INVESTMENT A/C>	37,021,984	1.74
8	NERO RESOURCE FUND PTY LTD <NERO RESOURCE FUND A/C>	36,742,857	1.72
9	ZYGMUND WOLSKI <HARPER VALLEY A/C>	31,028,370	1.46
10	HOP VALLEY HOLDINGS PTY LTD <IZZARD FAMILY A/C>	29,790,605	1.40
11	NATIONAL NOMINEES LIMITED	27,852,814	1.31
12	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	27,097,265	1.27
13	HANKS HOLDINGS PTY LTD <THE HANKS SUPER FUND A/C>	26,004,464	1.22
14	UBS NOMINEES PTY LTD	25,635,294	1.20
15	3RD WAVE INVESTORS PTY LTD	25,000,000	1.17
16	CIG (WA) PTY LTD <CLARK FAMILY A/C>	24,419,227	1.15
17	TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C>	21,314,210	1.00
18	MARFORD GROUP PTY LTD	19,125,000	0.90
19	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	18,966,793	0.89
20	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	17,796,966	0.84
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**1,389,442,473**	**57.12**
Total Remaining Holders Balance		**741,345,367**	**42.88**

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares
ALKANE RESOURCES LIMITED	421,834,597
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED (PARADICE INVESTMENT MGT PTY LTD)	162,176,348

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) There is no current on-market buy-back

ASX Additional Information

(f) Tenements held

Project	Location	Tenement ID	Interest (%)
Ulysses	Western Australia	E40/295	100
Ulysses	Western Australia	E40/312	100
Ulysses	Western Australia	E40/333	100
Ulysses	Western Australia	E40/359	100
Ulysses	Western Australia	E40/371	100
Ulysses	Western Australia	L40/30	100
Ulysses	Western Australia	L40/31	100
Ulysses	Western Australia	L40/32	100
Ulysses	Western Australia	L40/33	100
Ulysses	Western Australia	L40/34	100
Ulysses	Western Australia	M40/166	100
Ulysses	Western Australia	P37/9140	100
Ulysses	Western Australia	P37/9141	100
Ulysses	Western Australia	P37/9142	100
Ulysses	Western Australia	P40/1342	100
Ulysses	Western Australia	P40/1343	100
Ulysses	Western Australia	P40/1396	100
Ulysses	Western Australia	P40/1449	100
Ulysses	Western Australia	P40/1457	100
Kookynie	Western Australia	E40/229	Note 1
Kookynie	Western Australia	E40/263	Note 1
Kookynie	Western Australia	E40/281	Note 1
Kookynie	Western Australia	E40/291	Note 1
Kookynie	Western Australia	E40/292	Note 1
Kookynie	Western Australia	E40/306	Note 1
Kookynie	Western Australia	E40/316	Note 1
Kookynie	Western Australia	E40/346	Note 1
Kookynie	Western Australia	E40/347	Note 1
Kookynie	Western Australia	E40/368	Note 1
Kookynie	Western Australia	E40/375	Note 1
Kookynie	Western Australia	G40/4	Note 1
Kookynie	Western Australia	G40/5	Note 1
Kookynie	Western Australia	G40/6	Note 1
Kookynie	Western Australia	G40/7	Note 1
Kookynie	Western Australia	L40/7	Note 1
Kookynie	Western Australia	L40/10	Note 1
Kookynie	Western Australia	L40/11	Note 1
Kookynie	Western Australia	L40/12	Note 1
Kookynie	Western Australia	L40/15	Note 1
Kookynie	Western Australia	L40/17	Note 1
Kookynie	Western Australia	L40/18	Note 1

ASX Additional Information

Project	Location	Tenement ID	Interest (%)
Kookynie	Western Australia	L40/19	Note 1
Kookynie	Western Australia	L40/20	Note 1
Kookynie	Western Australia	L40/21	Note 1
Kookynie	Western Australia	L40/22	Note 1
Kookynie	Western Australia	M40/2	Note 1
Kookynie	Western Australia	M40/3	Note 1
Kookynie	Western Australia	M40/8	Note 1
Kookynie	Western Australia	M40/20	Note 1
Kookynie	Western Australia	M40/26	Note 1
Kookynie	Western Australia	M40/56	Note 1
Kookynie	Western Australia	M40/94	Note 1
Kookynie	Western Australia	M40/101	Note 1
Kookynie	Western Australia	M40/107	Note 1
Kookynie	Western Australia	M40/110	Note 1
Kookynie	Western Australia	M40/117	Note 1
Kookynie	Western Australia	M40/120	Note 1
Kookynie	Western Australia	M40/136	Note 1
Kookynie	Western Australia	M40/137	Note 1
Kookynie	Western Australia	M40/148	Note 1
Kookynie	Western Australia	M40/151	Note 1
Kookynie	Western Australia	M40/163	Note 1
Kookynie	Western Australia	M40/164	Note 1
Kookynie	Western Australia	M40/174	Note 1
Kookynie	Western Australia	M40/192	Note 1
Kookynie	Western Australia	M40/196	Note 1
Kookynie	Western Australia	M40/209	Note 1
Kookynie	Western Australia	M40/288	Note 1
Kookynie	Western Australia	M40/289	Note 1
Kookynie	Western Australia	M40/290	Note 1
Kookynie	Western Australia	M40/291	Note 1
Kookynie	Western Australia	M40/292	Note 1
Kookynie	Western Australia	M40/293	Note 1
Kookynie	Western Australia	M40/339	Note 1
Kookynie	Western Australia	M40/340	Note 1
Kookynie	Western Australia	M40/342	Note 1
Kookynie	Western Australia	M40/343	Note 1
Kookynie	Western Australia	M40/344	Note 1
Kookynie	Western Australia	M40/345	Note 1
Kookynie	Western Australia	P40/1427	Note 1
Kookynie	Western Australia	P40/1428	Note 1
Kookynie	Western Australia	P40/1433	Note 1
Kookynie	Western Australia	P40/1434	Note 1
Kookynie	Western Australia	P40/1435	Note 1

ASX Additional Information

Project	Location	Tenement ID	Interest (%)
Kookynie	Western Australia	P40/1436	Note 1
Kookynie	Western Australia	P40/1437	Note 1
Kookynie	Western Australia	P40/1438	Note 1
Kookynie	Western Australia	P40/1439	Note 1
Kookynie	Western Australia	P40/1440	Note 1
Kookynie	Western Australia	P40/1441	Note 1
Kookynie	Western Australia	P40/1442	Note 1
Kookynie	Western Australia	P40/1444	Note 1
Kookynie	Western Australia	P40/1445	Note 1
Kookynie	Western Australia	P40/1446	Note 1
Kookynie	Western Australia	P40/1447	Note 1
Kookynie	Western Australia	P40/1454	Note 1
Desdemona South	Western Australia	E37/1326	Note 2
Desdemona South	Western Australia	E40/283	Note 2
Desdemona South	Western Australia	E40/323	Note 2
Desdemona South	Western Australia	E40/366	Note 2
Desdemona South	Western Australia	E40/369	Note 2
Desdemona South	Western Australia	M40/346	Note 2
Desdemona South	Western Australia	P40/1464	Note 2
Barimaia	Western Australia	M58/361	Note 3
Barimaia	Western Australia	P58/1654	Note 3
Barimaia	Western Australia	P58/1655	Note 3
Barimaia	Western Australia	P58/1687	Note 3
Barimaia	Western Australia	P58/1688	Note 3
Barimaia	Western Australia	P58/1689	Note 3
Barimaia	Western Australia	P58/1690	Note 3
Barimaia	Western Australia	P58/1691	Note 3
Barimaia	Western Australia	P58/1692	Note 3
Barimaia	Western Australia	P58/1751	Note 3
Barimaia	Western Australia	P58/1752	Note 3
Barimaia	Western Australia	P58/1762	Note 3
Barimaia	Western Australia	P58/1763	Note 3
Barimaia	Western Australia	P58/1764	Note 3
Barimaia	Western Australia	P58/1765	Note 3

Notes:

1: The Company has an interest in the Kookynie Gold Project tenements pursuant to a binding option agreement to acquire a 100% interest. Refer to the Company's ASX announcement dated 24 June 2020 titled *"Transformational Acquisition of the Kookynie Gold Project"* for full details of the acquisition.

2: The Company holds the right to earn-in to an initial 60 per cent interest in the Desdemona South JV Gold Project, with the potential to earn up to a maximum 80 per cent stake.

3: The Company has earned a 65 per cent interest in the Barimaia Gold Project (the Mt Magnet JV).

Mineral Resources Information

MINERAL RESOURCES ANNUAL STATEMENT AND REVIEW

The Company carries out an annual review of its Mineral Resources as required by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) 2012 edition and the ASX Listing Rules. The review was carried out as at 30 June 2021.

Ulysses Gold Project

During the year Genesis reported an updated Mineral Resource Estimate with a **26 per cent increase** in contained ounces to **1,608,000oz** of gold. The updated Mineral Resource incorporated the results of the highly successful drilling programs completed at the Ulysses Project over the second half of 2020.

The updated Measured, Indicated and Inferred Mineral Resource now totals **27.3Mt @ 1.8g/t gold for 1,608,000 ounces of contained gold** (refer to Table 1 below), which represents an increase of 327,000 ounces over the previous June 2020 Mineral Resource. Importantly, the higher-confidence Measured and Indicated component has increased by **237,000 ounces (32%)** to **984,000 ounces**, with this component of the Resource available for conversion to Ore Reserves following the completion of mining studies. Refer to the ASX announcement dated 29 March 2021 for full details of the updated Mineral Resource Estimate.

- *Admiral-Butterfly-Clark Group*

The total combined Mineral Resource for the Admiral-Butterfly-Clark Group deposits increased by **87%** (**213,000 ounces**) to **10.3Mt @ 1.4g/t Au for 459,000 ounces.** Details of the individual Resources are tabulated in Table 1.

The 2020 drill program was successful in confirming historical drilling data and the continuity of mineralisation, as well as upgrading parts of the Inferred Resources for the Admiral, Butterfly and Clark deposits. Drilling also extended the limits of those deposits.

The combined Admiral, Butterfly and Clark Resource increased from 245,000 to 339,000 ounces, a 39% increase in contained ounces. Importantly the Measured and Indicated categories increased by 59,000 ounces from 137,000 ounces to 196,000 ounces for these three deposits, with the grade remaining steady.

Initial Resources were estimated for the King, Danluce and Butterfly North deposits (see Table 1) and have been included in the combined shallow Resource. The inclusion of the King, Danluce and Butterfly North Resources has added 121,000 ounces to the total Mineral Resource.

All Resources remain open, and drilling programs will continue throughout the remainder of 2021 targeting extensions to all Resources as well as new near-mine discoveries.

- *Orient Well Group*

The combined Mineral Resource for the Orient Well Group of deposits has increased by **305% (186,000 ounces)** to **7.3Mt @ 1.1g/t Au for 247,000 ounces**. Details of the individual Resources are tabulated in Table 1.

The Orient Well Resource has increased by **210% (128,000 ounces)** to **5.43Mt @ 1.1g/t Au for 189,000 ounces**.

The 2020 drill program was successful in confirming historical drilling data at Orient Well, confirming the continuity of mineralisation and upgrading parts of the Inferred Resources for the Orient Well deposit. Drilling also significantly extended the limits of the Orient Well deposit.

Initial Resource estimates were completed for the Orient Well East and Orient Well NW deposits. The inclusion of the Orient Well East and NW deposits has added an additional 42,000 ounces to the total Mineral Resource.

The Orient Well, Orient Well East and Orient Well NW deposits remain open and extensions to all of these Resources will continue to be targeted.

- *Ulysses*

The Ulysses Mineral Resource was reduced by 29,000 ounces to 838,000 ounces as a result of adjusting the portion of the Resource model that is above 0.5g/t Au and constraining the model to a depth of <~130m below surface (previously ~200mbs) to reflect potential development by open pit mining. The Ulysses Resource stands at **7.74Mt @ 3.4g/t Au for 838,000 ounces.**

Drilling in 2020 to upgrade part of the high-grade portion of the Mineral Resource and to define the margins of the Ulysses West shoot, reported at a cut off of 2g/t gold, resulted in a slight increase in the Mineral Resource from 695,000 ounces to 705,000 ounces (refer to Table 1) which will form part of the mining evaluation for the Feasibility Study.

Mineral Resources Information

TABLE 1: MINERAL RESOURCE ESTIMATE – ULYSSES GOLD PROJECT

March 2021 Resource Estimate 0.5g/t Cut off above 280mRL 2g/t Below 280mRL

Deposit	COG g/t	Measured			Indicated			Inferred			Total		
		Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces	Tonnes T	Au g/t	Au Ounces
Ulysses													
High Grade	2.0	658,000	6.1	129,000	908,000	6.3	184,000	188,000	8.2	50,000	**1,754,000**	**6.4**	**363,000**
Shear		137,000	1.3	6,000	2,911,000	2.4	221,000	1,765,000	3.2	183,000	**4,813,000**	**2.6**	**410,000**
Ulysses East					522,000	1.8	29,000	653,000	1.7	36,000	**1,175,000**	**1.7**	**65,000**
Sub Total		**795,000**	**5.3**	**135,000**	**4,341,000**	**3.1**	**434,000**	**2,607,000**	**3.2**	**269,000**	**7,743,000**	**3.4**	**838,000**
ABC													
Admiral	0.5				1,783,000	2.0	112,000	1,671,000	1.4	73,000	**3,453,000**	**1.7**	**185,000**
Clark	0.5				757,000	1.2	30,000	946,000	1.2	35,000	**1,703,000**	**1.2**	**65,000**
Butterfly	0.5				857,000	2.0	55,000	779,000	1.4	35,000	**1,636,000**	**1.7**	**89,000**
Butterfly North	0.5							623,000	1.4	28,000	**623,000**	**1.4**	**28,000**
King	0.5				1,305,000	1.0	42,000	591,000	1.0	20,000	**1,896,000**	**1.0**	**62,000**
Danluce	0.5							958,000	0.9	28,000	**958,000**	**0.9**	**28,000**
Historic Stockpiles								80,000	1.1	3,000	**80,000**	**1.1**	**3,000**
Sub Total					**4,702,000**	**1.6**	**238,000**	**5,649,000**	**1.2**	**221,000**	**10,351,000**	**1.4**	**459,000**
Orient Well													
Orient Well	0.5				3,605,000	1.1	123,000	1,833,000	1.1	66,000	**5,438,000**	**1.1**	**189,000**
OW Laterites	0.3				142,000	0.6	3,000	177,000	0.7	4,000	**319,000**	**0.7**	**7,000**
Orient Well East	0.5							457,000	1.3	19,000	**457,000**	**1.3**	**19,000**
Orient Well NW	0.5							603,000	1.2	23,000	**603,000**	**1.2**	**23,000**
Double J	0.3				434,000	0.7	10,000	25,000	0.5	400	**459,000**	**0.7**	**10,000**
Sub Total					**4,180,000**	**1.0**	**136,000**	**3,094,000**	**1.1**	**112,000**	**7,274,000**	**1.1**	**247,000**
Kookynie													
Puzzle	0.5				1,002,000	1.1	36,000	725,000	1.0	23,000	**1,727,000**	**1.1**	**59,000**
Historic Stockpile					175,000	0.7	4,000				**175,000**	**0.7**	**4,000**
Sub Total					**1,177,000**	**1.1**	**40,000**	**725,000**	**1.0**	**23,000**	**1,902,000**	**1.0**	**63,000**
Project Total		**795,000**	**5.3**	**135,000**	**14,400,000**	**1.8**	**849,000**	**12,075,000**	**1.6**	**625,000**	**27,270,000**	**1.8**	**1,608,000**

NB. Rounding discrepancies may occur

Full details of the Ulysses Mineral Resource estimate are provided in the Company's ASX announcement dated 29 March 2021 titled *"Ulysses Mineral Resource Increases to 1.6 Million Ounces Following Continued Drilling Success"*.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements dated 29 March 2021 and the Company confirms that all material assumptions and technical parameters underpinning the mineral resource estimates in the market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from the original market announcements.

Mineral Resources Information

ESTIMATION GOVERNANCE STATEMENT

The Company ensures that all Mineral Resource calculations are subject to appropriate levels of governance and internal controls. Exploration Results are collected and managed by competent qualified geologists and overseen by the Company's Managing Director. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resource estimates are prepared by qualified independent Competent Persons and further verified by the Company's Managing Director. If there is a material change in the estimate of a Mineral Resource, or reporting an inaugural Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitably qualified independent Competent Person.

APPROVAL OF MINERAL RESOURCES STATEMENT

The Company reports its Mineral Resources on an annual basis in accordance with the JORC Code 2012 Edition. The Mineral Resources Statement is based on and fairly represents information and supporting documentation prepared by competent and qualified independent external professionals and reviewed by the Company's Managing Director. The Mineral Resources Statement has been approved by Michael Fowler, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fowler is the Managing Director of Genesis Minerals Limited. Mr Fowler has consented to the inclusion of the Statement in the form and context in which it appears in this report.

COMPETENT PERSON'S STATEMENT

The Information in this report that relates to Mineral Resources is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services Pty Ltd and is a shareholder of Genesis Minerals Limited. Mr Payne 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". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.