

Genesis Resources Limited Quarterly Activities Report – March 2023

HIGHLIGHTS

Plavica Au-Ag-Cu Project (North Macedonia)

The Company is progressing with its environmental and feasibility studies on the Plavica Project, which are required to be submitted for the Mining Application approval.

EXPLORATION & DEVELOPMENT PROGRESS DURING THE QUARTER

REPUBLIC OF NORTH MACEDONIA

PLAVICA HIGH SULPHIDATION EPITHERMAL GOLD-COPPER-SILVER PROJECT (*Figure 1*)

The completed Mining Project was submitted to the Ministry of Economy in the Government of North Macedonia on 23 March 2021. It has subsequently passed the assessment by the Audit and Revision Committee appointed by the Ministry of Economy on 31 May 2021. The completion and reporting of the ongoing environmental studies is the last required submission for the Application of Mining Approval.

During the six months ended 31 December 2022, the notification of intention to implement a 'project' to the Ministry of Environment was submitted. In addition a Strategic Assessment Report was submitted to the Ministry of Environment to finalize planning documentation at the Ministry of Transport and Communications. Further agreements with landholders are also ongoing.

Work during the March Quarter has included groundwater modelling, a biodiversity study and regular monitoring of noise, dust and water.



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

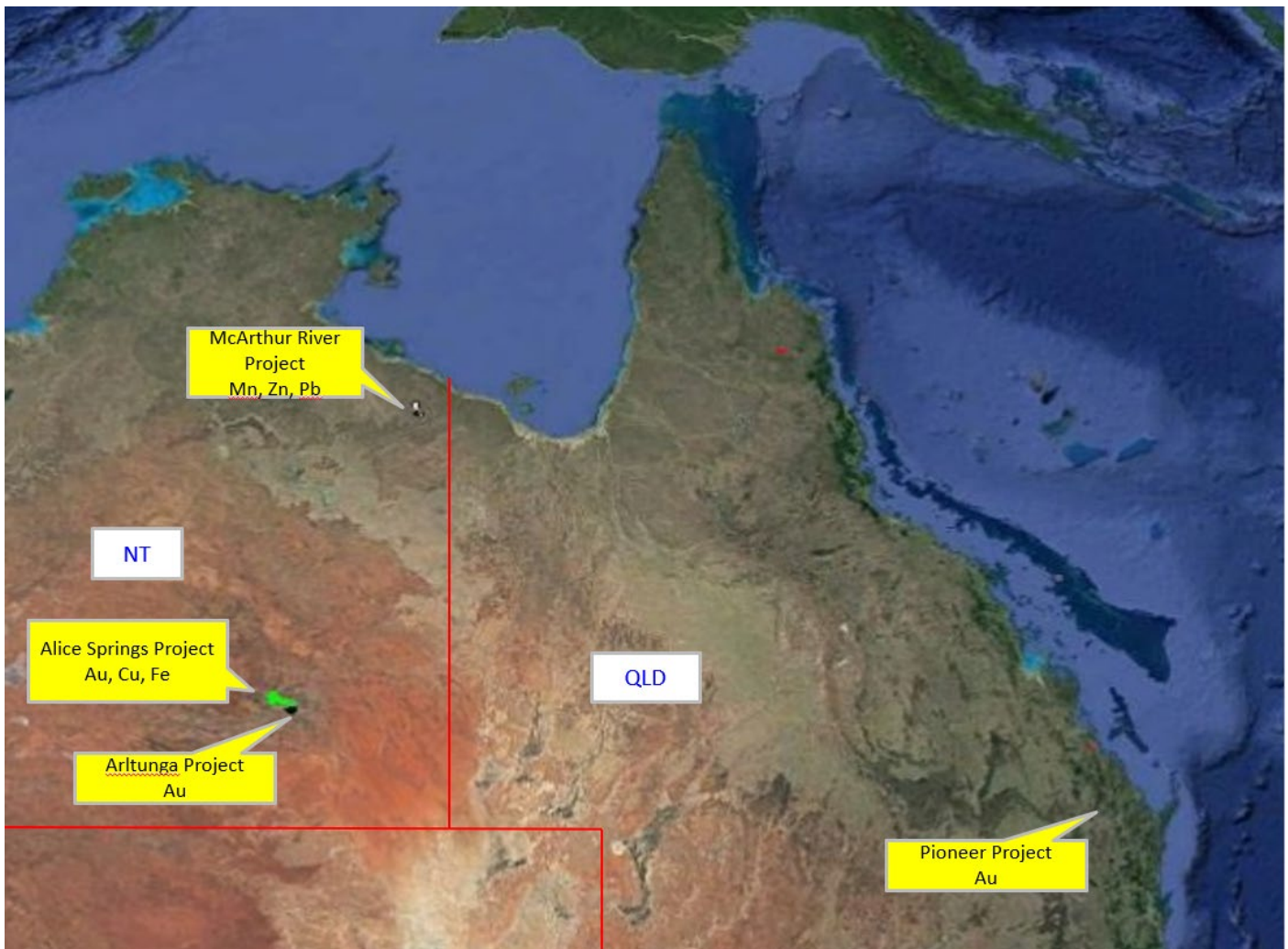


Figure 2 (above) Location of Australian Projects.

AUSTRALIA

ARLTUNGA PROJECT: Copper, Gold (EL25238) (GES 100%)

The Arltunga Gold Project consists of Exploration Licence EL25238 covering 95.2 sq km, is located approximately 110 km northeast of Alice Springs (*Figure 2*) in the vicinity of the Arltunga Goldfield. Thirty three historical gold mines and prospects are known in the licence area. EL25238 covers 31 sub blocks.

The most recent licence expiry date was 8 November 2022. A Licence Renewal Application was lodged on 26 October 2022. This Renewal application is still pending.

The 16 Annual Technical Report was lodged on 8 November 2022 and was accepted as satisfactory on the 16 November 2022.

The request to the Central Land Council for the extension of the Sacred Site Clearance Certificate on the 10 October 2022 was approved on the 4 December 2022. The new expiry date is the 31 December 2023.

An Application to the Aboriginal Areas Protection Authority (AAPA) for an Authority Certificate was made on 14 November 2019. Authority Certificate C2020/028 was issued on 4 June 2020.

A request to waive the Mining Management Plan (MMP) update submission because no changes to activities were planned was lodged on 17 January 2023 and approved on the 19 January 2023.

A Reverse Circulation (RC) drilling program is planned in mid 2023.

No field work was carried out during the six months ended 31 December 2022.

ALICE SPRINGS PROJECT: Copper, Gold, Iron (EL24817) (GES 100%)

The Alice Springs Project consists of Exploration Licence EL24817 covering 372.59 sq km, is located approximately 110-155 km northeast from Alice Springs in the Northern Territory (*Figure 2*). EL24817 covers 118 sub-blocks.

The 16 Annual Technical Report was lodged on 20 April 2022.

An Application to the Aboriginal Areas Protection Authority for an Authority Certificate was made on 14 November 2019. Authority Certificate C2020/028 was issued on 4 June 2020.

A Licence Renewal Application was lodged on 28 March 2022 and approved on the 11 May 2022. New expiry date is 17 April 2023.

A request to waiver the Mining Management Plan (MMP) update submission because no changes to activities were planned was lodged on 17 January 2023 and approved on the 19 January 2023.

The request to the Central Land Council for the extension of the Sacred Site Clearance Certificate on the 10 October 2022 was approved on the 4 December 2022. The new expiry date is the 31 December 2023.

No field work was carried out. A Reverse Circulation (RC) drilling program is planned in mid 2023.

PIONEER PROJECT: Gold (EPM15619) (GES 100%)

The Pioneer Project consists of one granted Exploration Permit Mineral (EPM15619) covering 6.23 sq km, approximately 70 km by road from Bundaberg via the Bruce Highway in Queensland (*Figure 2*). The project lies within the Gaeta Goldfield and has undergone previous exploration for gold, uranium and base metals, with numerous historical gold workings located throughout the area. Historical mining was primarily focused on the Pioneer Reef which was the largest producer, but mining activities also included several other reefs including Gympie, Lord Nelson, West Yorkshire and Happy Jack.

The 16 Annual Activity Report was lodged on 9 August 2022.

A Licence Renewal Application was lodged on 21 April 2022 and approved on the 27 July 2022. EPM15619 covers 2 sub blocks. The new expiry date is the 2 August 2024.

Reconnaissance mapping was undertaken in August 2019. A number of pegmatites were sampled for Lithium plus Au and base metals. Results were disappointing.

Prospect scale mapping was conducted at Pioneer during the December Quarter. Due to the drought in SE Australia, the grass was at a minimum resulting in maximum exposure of outcrop. As a result a number of previously unmapped old workings and quartz veins were discovered. Planned work now includes Pole dipole IP and ground magnetics to help define targets prior to drilling.

No field work was carried out.

McARTHUR RIVER PROJECT: Manganese (EL24814) (GES 100%)

The McArthur River project consists of Exploration Licence EL24814 covering 380.88 sq km and is located approximately 850 km south east of Darwin in the Northern Territory and 450 km north-west of Mount Isa in Queensland (*Figure 2*). The project area contains the Masterton No2 manganese occurrence. EL24814 covers 116 sub-blocks.

The 16 Annual Technical Report was lodged on 20 April 2022.

A Licence Renewal Application was lodged on 28 March 2022 and approved on the 11 May 2022. New expiry date is 17 April 2023.

A request to waiver the submission of the annual Mining Management Plan Update was lodged on the 11 November 2022 as the exploration program had not changed from the previous application in November 2021.

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

TENEMENTS AS AT 31 MARCH 2023

PROJECT	TENEMENT NUMBER	COMMODITY	COMPANY'S BENEFICIAL INTEREST	CURRENT AREA (KM ²)	CURRENT HOLDER	COUNTRY/ STATE
Alice Springs	EL24817	Copper-Iron-Gold	100%	372.59	Genesis	NT
Arltunga	EL25238	Gold-PGE	100%	95.2	Genesis	NT
Pioneer	EPM15619	Gold	100%	6.23	Genesis	QLD
McArthur River	EL24814	Manganese-Base Metals	100%	380.88	Genesis	NT
Plavica & Crn Vrv	19-6648/1	Gold-Silver-Copper	62%	16.85	Silgen Resources	North Macedonia

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

OTHER INFORMATION

Payments to related parties of the Company and their associates

The aggregate amount of payments made during the quarter to related parties and their associates (referred to in item 6.1 of the accompanying Appendix 5B (quarterly cash flow report)) comprises director fees paid to directors, consultancy fees paid to a director for the provision of geological consulting and tenement management services, as well as general company management services, at a discount from normal commercial rates. During the Quarter, Director fees payable to certain of the Directors have been accrued and not paid.

Securities on issue as at 31 March 2023

CLASS OF SECURITIES	NO. OF SECURITIES ON ISSUE
Fully paid ordinary shares	782,841,294

Board and Management as at 31 March 2023

Mr Eddie Pang	Executive Chairman
Mr Deric Wee	Non-Executive Director
Mr Kim Heng Lim	Non-Executive Director
Mr Chin Niap Mah	Non-Executive Director
Mr James Patterson	Non-Executive Director
Mr Yau Young Lim	Non-Executive Director
Ms Alyn Tai	Company Secretary
Ms Patricia Wong	Chief Financial Officer

COMPETENT PERSON

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by James Patterson, a Competent Person who is a Member of the Australian Institute of Geoscientists.

James Patterson is a Non-Executive Director of Genesis Resources Limited. James Patterson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. James Patterson consents to the inclusion in the report of the matters based on his information in the form and context of which it appears.

-ENDS

About Genesis Resources Limited

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

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

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GENESIS RESOURCES LIMITED

ABN

22 114 787 469

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(127)	(192)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(89)	(252)
	(e) administration and corporate costs	(155)	(478)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(10)	(52)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(381)	(974)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	400	900
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	400	900

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	192	293
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(381)	(974)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	400	900

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	4	(4)
4.6	Cash and cash equivalents at end of period	215	215

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	117	94
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit – bank guarantee)	98	98
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	215	192

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	6
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other - Loan from shareholder	1,520	900
7.4	Total financing facilities	1,520	900
7.5	Unused financing facilities available at quarter end		620
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

A description of each facility above is as follows:

- (i) On 23 September 2020, the Company obtained a loan facility of \$280,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility is undrawn at this time.
- (ii) On 23 September 2020, the Company obtained a loan facility of \$340,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility is undrawn at this time.
- (iii) On 11 August 2022, the Company obtained a loan facility of \$40,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility has been drawn down.
- (iv) On 25 August 2022, the Company obtained a loan facility of \$30,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility has been drawn down.
- (v) On 6 September 2022, the Company obtained a loan facility of \$50,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility has been drawn down.
- (vi) On 26 September 2022, the Company obtained a loan facility of \$40,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from a capital raising. The interest rate is 10% per annum. This facility has been drawn down.
- (vii) On 7 October 2022, the Company obtained a loan facility of \$40,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from an equity capital raising of at least USD\$2M (or such later date as agreed between the parties). The interest rate is 10% per annum. This facility has been drawn down.
- (viii) On 13 October 2022, the Company obtained a loan facility of \$300,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from an equity capital raising of at least USD\$2M (or such later date as agreed between the parties). The interest rate is 10% per annum. This facility has been drawn down.
- (ix) On 9 February 2023, the Company obtained a loan facility of \$270,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from an equity capital raising of at least USD\$2M (or such later date as agreed between the parties). The interest rate is 10% per annum. This facility has been drawn down.
- (x) On 20 March 2023, the Company obtained a loan facility of \$130,000 from a related party. The loan facility is unsecured and is repayable 10 business days after the date that Genesis has cleared funds from an equity capital raising of at least USD\$2M (or such later date as agreed between the parties). The interest rate is 10% per annum. This facility has been drawn down.

The loans are unsecured and bear interest at a rate of 10% per annum. Interest is payable on the repayment date of the loan, which is the date that is 10 business days after the date that Genesis completes an equity capital raising of at least USD\$2M (or such later date as agreed between the parties).

Since 31 March 2023, a total of \$80,000 has been advanced to the Company as a bridging loan from a related party. The loan is unsecured, interest free, and is repayable upon receipt of external funds.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(381)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(381)
8.4	Cash and cash equivalents at quarter end (item 4.6)	215
8.5	Unused finance facilities available at quarter end (item 7.5)	620
8.6	Total available funding (item 8.4 + item 8.5)	835

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.20
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
<p><i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i></p>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Dated: 28 April 2023**Authorised by:** Board of Genesis Resources Limited**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.