

17th April 2023

Creation of a new gold industry leader; 100% focused on Leonora

Genesis to acquire St Barbara's Leonora assets; Successful A\$470 million capital raising

Genesis Minerals Limited (ASX:GMD) (**Genesis**) refers to its announcement of 4 April 2023 and advises that it has entered into a binding agreement with St Barbara Limited (ASX:SBM) (**St Barbara**) to acquire St Barbara's Leonora assets in Western Australia (**Asset Purchase**).

The Asset Purchase replaces the previously announced scheme of arrangement with St Barbara and the scheme implementation deed between the parties has been terminated.

In connection with the Asset Purchase, Genesis has received firm commitments to raise A\$470 million (before costs) at a price of A\$1.15 per share via a two-tranche placement of fully paid ordinary shares (**Shares**) to professional and sophisticated investors (**Placement**). Tranche two of the placement is conditional on shareholder approval.

The Asset Purchase is a strategic acquisition, logically consolidating St Barbara's Leonora assets and Genesis' neighbouring assets including the new Ulysses mine. The Asset Purchase is expected to unlock significant synergies, including the optimum pairing of deposits and regional processing infrastructure.

Following completion of the Asset Purchase and Placement, Genesis (name to remain the same) intends to grow sustainable, high-quality production exclusively from the Leonora District, funded by the proceeds from the Placement and operating cash flows. Under the new transaction, Genesis will emerge with an improved balance sheet (relative to the scheme of arrangement), with pro-forma cash of A\$175m (excluding approximately A\$40m in transaction costs) and no debt.

The Transaction is unanimously recommended by the Genesis Board, subject to no superior proposal emerging.

Genesis Managing Director, Raleigh Finlayson, said:

"The acquisition of St Barbara's Leonora assets will position Genesis as a gold industry leader with a dominant position in Western Australia's world-class Leonora District.

"Investors are demanding sensible regional consolidation, and this deal hits the spot, targeting long-life production growth to 300,000 ounces per annum¹ exclusively from Leonora.

"We look forward to integrating the assets and unlocking the significant synergies available in Leonora. For example, Genesis' nearby Ulysses mine will deliver unique value at Gwalia, providing Gwalia with a new lease of life by enabling a focused 'margin over ounces' business plan.

"Shareholders will ultimately reap the long-term benefits of more production at lower cost and lower risk from this prolific mining district."

¹ Refer to Appendix E of the investor presentation released to ASX on 17 April 2023 for the material assumptions relating to the production target. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

Details of the Asset Purchase

Genesis will acquire St Barbara's Leonora assets in Western Australia in consideration for:

- A\$370 million cash;
- approximately 147.8 million Shares at a deemed issue price of A\$1.15 per Share; and
- 52,173,913 Performance Rights which will vest upon the first to occur of the first extraction, recovery or production of any mineral from the Tower Hill Project, including where such extraction, recovery or production does not constitute the commencement of continuous or commercial extraction, recovery or production of such mineral or a change of control event. If the Performance Rights lapse and the production milestone from the Tower Hill Project is satisfied or a change of control for Genesis occurs, Genesis will seek shareholder approval to issue the equivalent number of shares and failing shareholder approval, pay the market value of the shares at the relevant time.

It is anticipated that St Barbara's shareholding in Genesis (excluding the contingent consideration) will be substantially, if not fully, distributed to St Barbara shareholders via a return of capital post Transaction, which is subject to shareholder approval at a general meeting to be held in or around mid June 2023.

The Asset Purchase is conditional on Genesis and St Barbara shareholder approval in addition to other conditions. Further details of the Asset Purchase, including the conditions precedent and termination rights, are set out in the investor presentation lodged by Genesis with ASX today.

Placement

Genesis has received firm commitments to raise A\$470 million comprising:

- **Tranche 1:** a placement of approximately 60.5 million new Shares to raise approximately A\$70 million utilising Genesis' existing placement capacity pursuant to Listing Rule 7.1; and
- **Tranche 2:** a condition placement of approximately 348.2 million new Shares to raise approximately A\$400 million, subject to shareholder approval at a general meeting (**Meeting**) to be held in or around mid June 2023 and conditional on all of the conditions precedent to the Asset Purchase being satisfied or waived (if applicable).

The Placement Price of A\$1.15 per share represents:

- a 4.5% premium to the last closing price of A\$1.10 per Share prior to Genesis entering into a trading halt on 4 April 2023;
- a 7.2% premium to the 5-day volume weighted average price prior to Genesis entering into a trading halt on 4 April 2023; and
- a 9.7% premium to the 10-day volume weighted average price prior to Genesis entering into a trading halt on 4 April 2023.

Genesis is pleased to announce that the Placement is cornerstoned by AustralianSuper Pty Ltd as trustee for AustralianSuper and Resource Capital Fund VII L.P.

Further details of the Placement, including other conditions to the Placement and use of funds, are set out in the investor presentation lodged by Genesis with ASX today. The investor presentation contains important information including key risks of investing in Genesis and foreign selling restrictions with respect to the Placement.

Further details on the Meeting time and venue will be provided in a notice of meeting to be dispatched to shareholders shortly.

Transaction Timetable

An indicative timetable for the Transaction is set out below:

Event	Indicative Dates
Settlement of Shares under Tranche One of the Placement	21 April 2023
Genesis Dispatch Notice of Meeting in respect of Asset Purchase	Mid May 2023
St Barbara Dispatch Notice of Meeting in respect of Asset Purchase	Mid May 2023
Genesis Shareholder Meeting	Mid June 2023
St Barbara Shareholder Meeting	Mid June 2023
Settlement of Shares under Tranche Two of the Placement	Late June 2023
Completion of Asset Purchase	30 June 2023

All stated dates and times are indicative only. Any changes to the above timetable will be announced to ASX and will be available under Genesis' profile on ASX.

Advisers

Genesis' financial adviser is Sternship Advisers and its legal adviser is Thomson Geer. Euroz Hartleys Limited and Canaccord Genuity (Australia) Limited acted as Joint Lead Managers and Joint Bookrunners to the Placement.

Outlook

Genesis continues to invest in its growth and future-proofing strategy, including mine development at Ulysses (well underway) and a Resource and Reserve update planned for the June quarter 2023 (for Genesis' Leonora Gold Project).

Following completion of the Asset Purchase, Genesis will complete a strategic review of Gwalia in the December half 2023. A five-year outlook will be presented at a Capital Markets Day, planned for the March quarter 2024.

This announcement is approved for release to the ASX by the Genesis Board. All dollar amounts are in Australian dollars unless otherwise indicated.

For further information

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IMPORTANT INFORMATION

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In addition, this announcement is subject to the same "Important Information" as appears on slides 2 to 4 of the investor presentation released on the same date as this announcement, with any necessary contextual changes.

Forward looking statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future matters. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause or Genesis' actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. There can be no assurance that forward-looking statements will prove to be correct.

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