

4 February 2010

## **GENESIS RESEARCH AND DEVELOPMENT CORPORATION LIMITED - SHARE PURCHASE PLAN**

Genesis Research and Development Corporation Limited (**Genesis**) has today announced that it will make an offer under a share purchase plan (**SPP**) to its New Zealand and Australian shareholders. Genesis provides the following information:

1. Genesis is offering each shareholder with a registered address in Australia or New Zealand between NZ\$1,000 and NZ\$15,000 worth of new fully paid ordinary shares in the capital of Genesis at a price of NZ\$0.06 per share.
2. Genesis is able to make this offer to shareholders without providing a disclosure document in accordance with class order relief (09/425) provided by the Australian Securities and Investments Commission (**ASIC Class Order**) and the New Zealand Securities Act (NZX – Share and Unit Purchase Plans) Exemption Notice 2005 (**NZ Exemption Notice**).
3. The issue price of NZ\$0.06 under the SPP has been calculated on the basis that:
  - 3.1 the issue price is required under the ASIC Class Order and the NZ Exemption Notice to be at a discount to the market prices of Genesis' shares traded on both the ASX and NZX over a specified trading period; and
  - 3.2 Genesis considers that the issue price is a sufficient discount to the lower of the current market prices of Genesis' shares traded on the ASX and NZX to encourage shareholder participation in the SPP.
4. The SPP will be available to Australian and New Zealand shareholders who are registered shareholders at 5.00 pm (NZT) on 12 February 2010.
5. Australian custodians and New Zealand custodians (trustee corporations, nominee companies or bare trustees holding Genesis shares on behalf of another person) are able to apply for up to NZ\$15,000 of new shares for each different beneficial owner on whose behalf they hold shares for (provided the custodian certifies certain matters to Genesis when applying for shares under the SPP).
6. The total issue price of shares to be issued to any individual Shareholder/beneficial owner over a 12 month period (including any shares issued under the 2009 Share Purchase Plan) must not exceed \$15,000.
7. The new shares to be issued under the SPP will, on allotment, rank equally with existing ordinary shares on issue.

8. The maximum number of shares that may be issued under the SPP without shareholder approval is 10,189,422. Shareholder approval is not required and is not being sought in relation to the issue under the SPP.
9. The letter to shareholders setting out the terms of the SPP will be mailed to shareholders on or before 17 February 2010.
10. The purpose of the SPP are to give shareholders the opportunity to subscribe for shares at the price of NZ\$0.06 per share without having to incur brokerage fees, and to raise additional funds for Genesis' ongoing operations.

Yours faithfully

**GENESIS RESEARCH AND DEVELOPMENT CORPORATION LIMITED**

A handwritten signature in black ink, appearing to read 'S Hall', is positioned above the printed name and title of the signatory.

Stephen Hall  
Chief Executive