



CSE:GNI

Genius Properties Ltd. – 203-22 Lafleur Ave. North, Saint-Sauveur, Québec, Canada J0R 1R0

## Genius Properties Ltd. Announces Results of Annual Meeting of Shareholders of Cerro de Pasco Resources

SAINT-SAUVEUR, QUÉBEC--(July 19, 2018) -

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Genius Properties Ltd. (CSE:GNI)(CSE:GNI.CN)(CNSX:GNI) ("**Genius**" or the "**Corporation**") is pleased to announce the results of voting at the annual meeting of shareholders ("AGM") of Cerro de Pasco Resources S.A. ("**Cerro de Pasco**") held on July 13, 2018 in Lima, Peru.

47,099,939 common shares or 80.12% of Cerro de Pasco issued and outstanding shares were represented in person or by proxy at the AGM. Shareholders unanimously approved the proposed transaction which will result in a merger of Genius and Cerro de Pasco (the "Proposed Transaction").

Upon completion of the Proposed Transaction, shareholders of Cerro de Pasco will receive 176,360,232 Common Shares of Genius. The shares will be held by Computershare Trust Company of Canada, as escrow agent (the "Escrow Agent"), and will be automatically released from escrow based on the following schedule:

| <b>Release dates</b> | <b>% to be released</b> |
|----------------------|-------------------------|
| November 1, 2018     | 2%                      |
| February 1, 2019     | 5%                      |
| August 1, 2019       | 15%                     |
| February 1, 2020     | 15%                     |
| August 1, 2020       | 15%                     |
| February 1, 2021     | 15%                     |
| August 1, 2021       | 15%                     |
| February 1, 2022     | 18%                     |

Notwithstanding the above escrow release schedule, in the event the Corporation's market capitalization is over \$200,000,000 and the average daily volume for the prior 10 days is over 250,000 shares per day then the remaining escrow will be released.

### Genius Annual and Special Meeting of Shareholders

At the annual and special meeting of shareholders of Genius held on July 6, 2018 ("Genius Meeting"), shareholders of Genius reappointed Raymond Chabot Grant Thornton LLP, Chartered Accountants as the auditors of the Corporations.

Genius Meeting was adjourned to July 26, 2018. Matters on the agenda of the meeting will be considered at the reconvened Genius Meeting.

Management of Genius will seek approval for a proposed “spin-off” (the “**Spin-Off**”) of all of the mining properties of Genius to Genius Metals Inc. / Métaux Genius Inc., a new wholly-owned subsidiary of Genius incorporated under the laws of Canada (“**SpinCo**”) and the distribution of the shares of SpinCo to the Shareholders of Genius, and for a reverse take-over (the “**Reverse Take-Over**”) involving Cerro de Pasco Resources S.A. (“**Cerro de Pasco**”), following which the name of Genius will be changed to “Cerro de Pasco Resources Inc.” (the “**Resulting Issuer**”). After the Spin-Off and Reverse Take-Over, current Shareholders of Genius will become shareholders of SpinCo, which will carry on Genius’ current mining exploration business, as well as shareholders of the Resulting Issuer, which will carry on the mining processing and development activities of Cerro de Pasco in Peru.

At this time, no consolidation of outstanding common shares is planned for the Resulting Issuer. At the reconvened Genius Meeting, Genius will also ask its shareholders to approve a reduction of its stated capital for the distribution of SpinCo shares to Genius shareholders, in order to minimize tax implications for Genius shareholders. SpinCo shares will be distributed to Genius shareholders on the basis of one SpinCo share for six Genius shares held on the record date for such distribution, which record date will be immediately prior to the completion of the reverse takeover and the spin-off.

### **About Genius Properties Ltd.**

Genius is a Canadian mineral exploration company focused on developing projects with some of the world's most critical metals and minerals.

### **About Cerro De Pasco Resources S.A.**

Cerro De Pasco Resources S.A. is a company incorporated under the laws of Peru. Its main asset is a 100% interest in the Peruvian El Metalurgista Concession (where the Quiulacocha Tailings and Excelsior Stockpile are located). Its mission is to catalyze the revival of the local economy through an approach that will exploit existing and new resources in conjunction with an integrated closure plan that compliments the entire district of Cerro De Pasco.

## **Contact Information**

Genius Properties Ltd.  
Guy Goulet  
President & CEO  
[ggoulet@geniusproperties.ca](mailto:ggoulet@geniusproperties.ca)  
579-476-7000

### **Forward-Looking Statements and Disclaimer**

*Certain statements in this press release may be forward-looking. Such statements include those with respect to the Corporation’s ability to complete the Proposed Transaction. Although the Corporation believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurances that its expectations will be achieved. Such assumptions, which may prove incorrect, include the following: (i) the Corporation’s ability to fulfill its contractual obligations under the Proposed Transaction, (ii) the Corporation’s ability to successfully pursue the activities referred to in this news release, (iii) the Corporation’s ability to obtain the necessary regulatory and shareholders’ approvals for the Proposed Transaction, and (iv) generally, the Corporation’s ability to develop and implement a successful business plan.*

*A description of the risks affecting the Corporation’s business and activities appears in its annual management’s discussion and analysis, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). No assurance can be given that any events anticipated by the forward-looking information in this press release will occur, or if any of them do so, what benefits that Genius will derive therefrom. In particular, no assurance can be given as to the future financial performance of Genius. Genius does not undertake any obligation to update or revise any forward-looking statements, except as required under applicable law. The reader is warned against undue reliance on these forward-looking statements.*

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.