



GEOPACIFIC
RESOURCES LIMITED

Investor presentation

April 2018

ASX: GPR

Investment highlights

- 
- 1 Advanced 100Koz.pa development project
 - 2 Free milling ore with high recoveries
 - 3 Head grade up to 1.63g/t in first years
 - 4 Low stripping ratio of 2.5:1 for five years
 - 5 AISC below A\$800/oz in first two years
 - 6 Strong cashflow delivers 2.2-year payback
 - 7 Mining, environmental and social permits in place – Ready to build
 - 8 Proven management team

Corporate snapshot (ASX: GPR)



Geopacific is an emerging gold producer focused on developing and expanding the 1Moz+ Woodlark gold project in Papua New Guinea.

A supportive shareholder base containing by a number of large funds support's our development ambitions at Woodlark.

Corporate

Cash	\$6.5m *
Shares	1.8bn
Market capitalisation geopacifi(share price 3.8c)	\$68.5m

Significant shareholders

Tembo Capital	29%
Resource Capital Funds	21%
Franklin Advisers, Inc.	10%
Pacific Road Capital	7%

* As at 31 December 2017

Board and Senior Management



Geopacific's team has built over 10 mines in six countries, in gold, coal and copper

Milan Jerkovic, Non-Executive Chairman

Mr Milan Jerkovic is a qualified geologist with postgraduate qualifications in Mining and Mineral Economics with over 30 years of experience in the mining industry involving resource evaluation, operations, financing, acquisition, project development and general management.

Ron Heeks, Managing Director

Mr Heeks is a geologist with 30 years of mining industry experience. He has held senior roles in both exploration and mine management. He has lived and worked internationally gaining extensive experience in operating in emerging economies, particularly Indonesia and South-East Asia. Mr Heeks was formerly general manager of technical for Straits Asia Indonesian operations and chief technical officer for Adamus Resources' Southern Ashanti gold operation. He was a founder of Exploration and Mining Consultants and held positions with WMC, Newcrest, Newmont (US) and RSG Consulting.

Philippa Leggat, Executive Director Corporate

Ms Leggat has extensive experience in corporate mining roles and also brings a new perspective to the Board having worked in several other industries where she has achieved successful corporate outcomes. Clients in the resource sector include MMG, Anglo-Gold Ashanti, Anglo Platinum and Xstrata. Ms Leggat is a corporate advisor and company director with over 15 years' experience in assisting international organisations that operate in Africa, Asia, Australia and Europe.

Mark Bojanjac, Non-Executive Director

Mr Bojanjac is a Chartered Accountant with over 20 years' experience in developing resource companies. Mr Bojanjac was a founding director of Gilt-Edged Mining Limited which discovered one of Australia's highest grade gold mines and was managing director of a public company which successfully developed and financed a 2.4m oz gold resource in Mongolia. He also co-founded a 3 million oz gold project in China.

Ian Clyne, Non-Executive Director

Mr Clyne has over 35 years' experience in international banking having worked in senior executive positions in ten countries in Asia, Oceania, Australia and Europe. He has specialised in emerging markets and has held roles of President, Director, Managing Director and Chief Executive Officer with universal banking operations that have extensive branch networks and large employee bases. Mr Clyne has successfully re-engineered banks in Indonesia, Italy, Poland and PNG.

Surrounded by multi-million ounce mines

PNG hosts numerous world-class gold mines and deposits

Existing profitable gold operations based on PNG islands

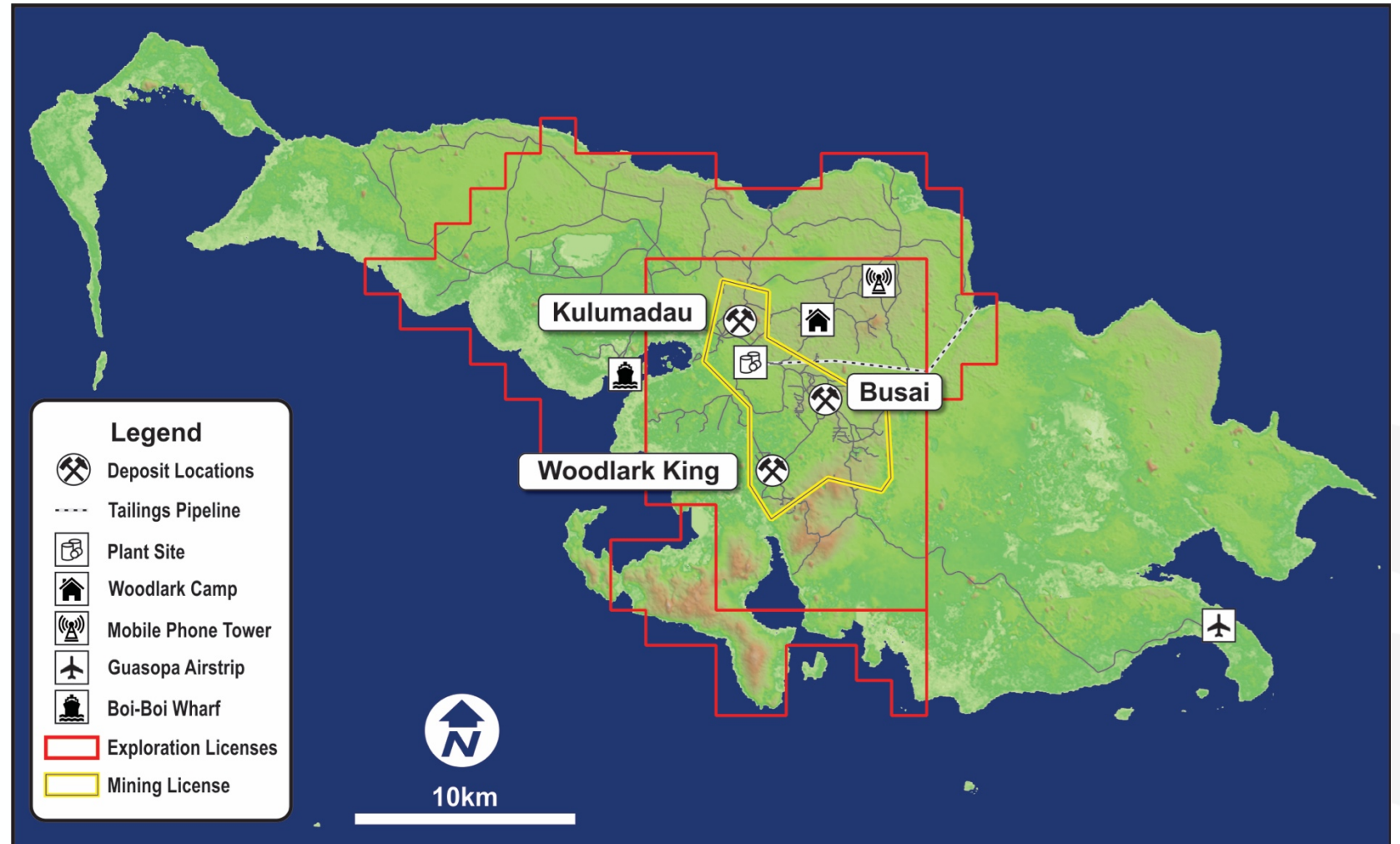
★ Newcrest,
Lihir at 66Moz Au

★ St Barbara,
Simberi at 6Moz Au



Woodlark Island

- 70km long
- 25km wide
- 580 km² exploration licence
- 60 km² mining lease, with environmental approval
- Airstrip
- Wharf
- Mobile and satellite coverage
- 120-man camp
- Local workforce



Positive operating environment



- Flat topography
- Low seismicity
- Close proximity to port has many logistical advantages
- Mining and environmental permits in place
- Supportive local community and Government
- Shallow mineralisation



Woodlark PFS delivers robust economics

Production

- 100Koz over 10-years for 1.01Moz Au
- Low stripping ratio of 2.5:1 for 5 years, 3.1:1 LOM
- AISC A\$990/oz for 5 years, A\$1,110/oz LOM
- PFS¹ released [12 March 2018](#)

Processing

- Free milling, recovery of 92% for 5 years and 90% LOM
- Up to 60% of gold recoverable by gravity
- 2.4Mt.pa CIL circuit with upgraded ore from year 3.5
- CIL head grade up to 1.63g/t Au in first years, 1.42g/t Au LOM

Economics

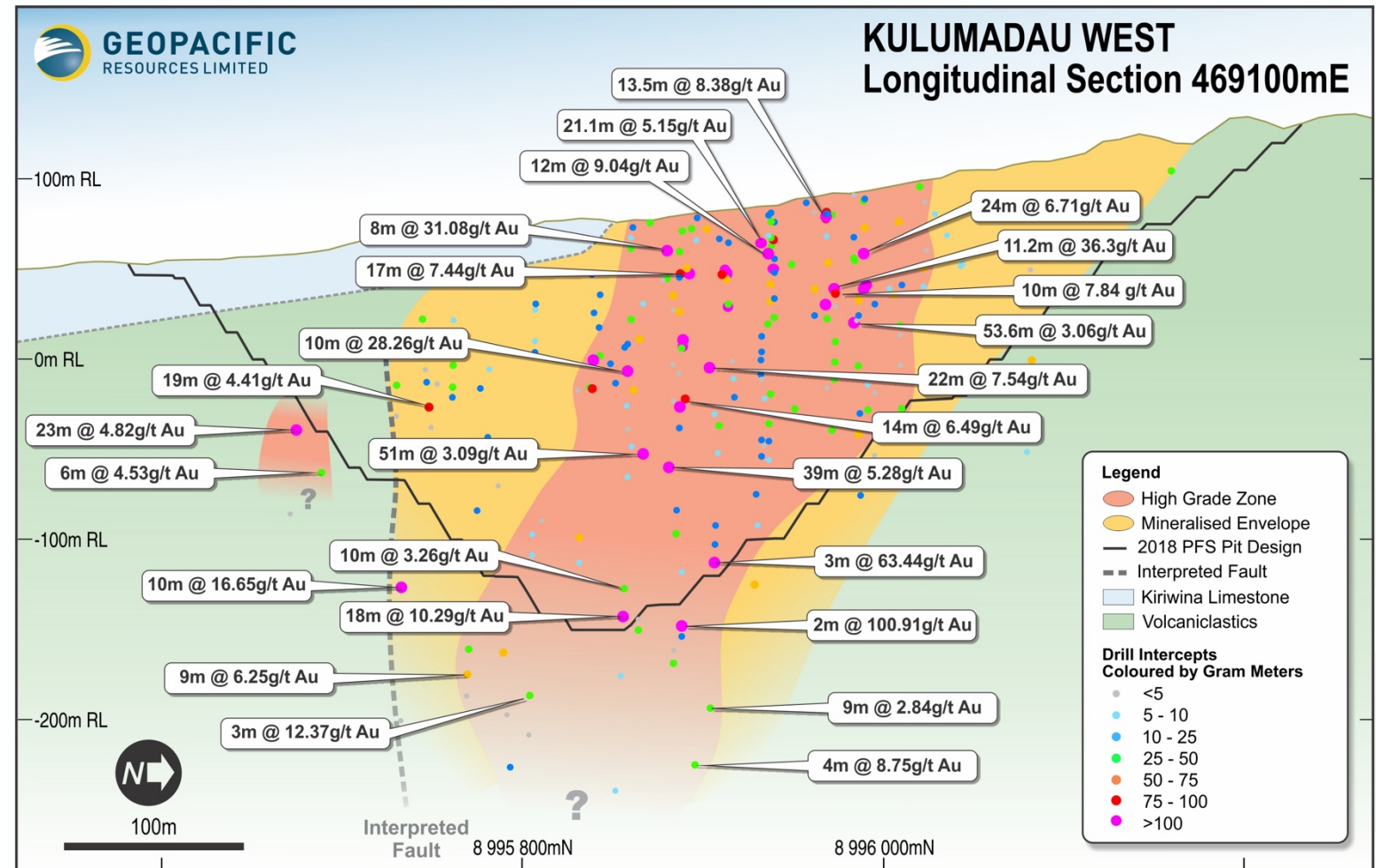
- Capital cost A\$180m (including fleet & pre-strip)
- 2.2-year, post-tax project payback
- Free cashflow LOM A\$388m (pre-tax) & A\$314m (post-tax) at A\$1,650/oz
- Post-tax IRR 33%
- Tax shield \$139m
- Joint venture incentive milestone achieved, overall economic interest increases to 93%²

¹ All material assumptions underpinning the production target and forecast financial information continue to apply and have not changed materially.

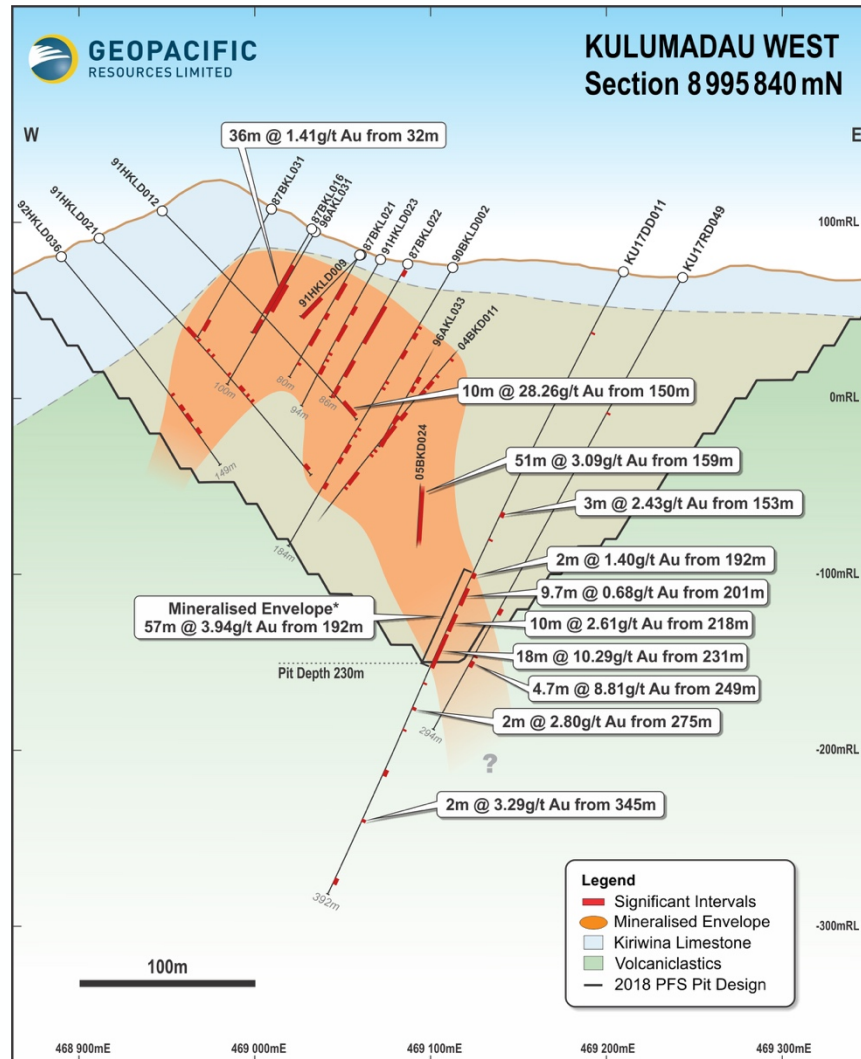
² Geopacific is of the view that the next incentive milestone has now been satisfied such that, following issue of an election notice to Kula, its overall economic interest in Woodlark will increase to 93% comprising a direct interest of 51% and a further interest of 42% by virtue of its 85% holding of Kula shares.

High-grade core with halo

- High-grade core
- Surrounding halo of broad lower grade material
- Low stripping ratio
- Large free-dig component
- Mineralisation from surface



Resources and reserves



- Near surface mineralisation
- Low waste-to-ore (strip) ratio is clear
- Thin limestone cover is free-dig
- Ore is relatively soft for processing

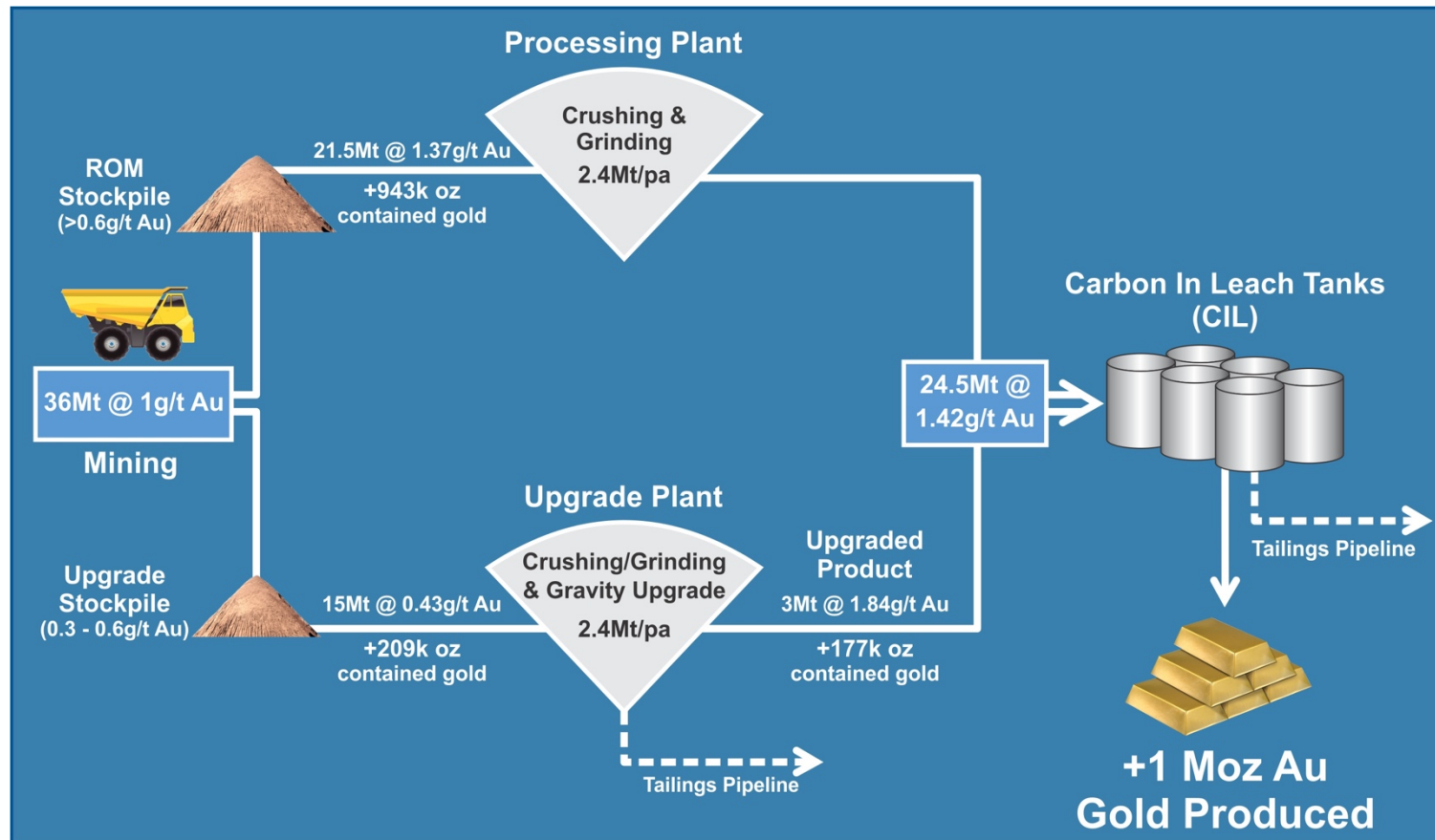
Resource

- 47.04 million tonnes at 1.04g/t Au for 1,573,000oz Au
- 86% of Resource in Measured and Indicated JORC categories

Reserve

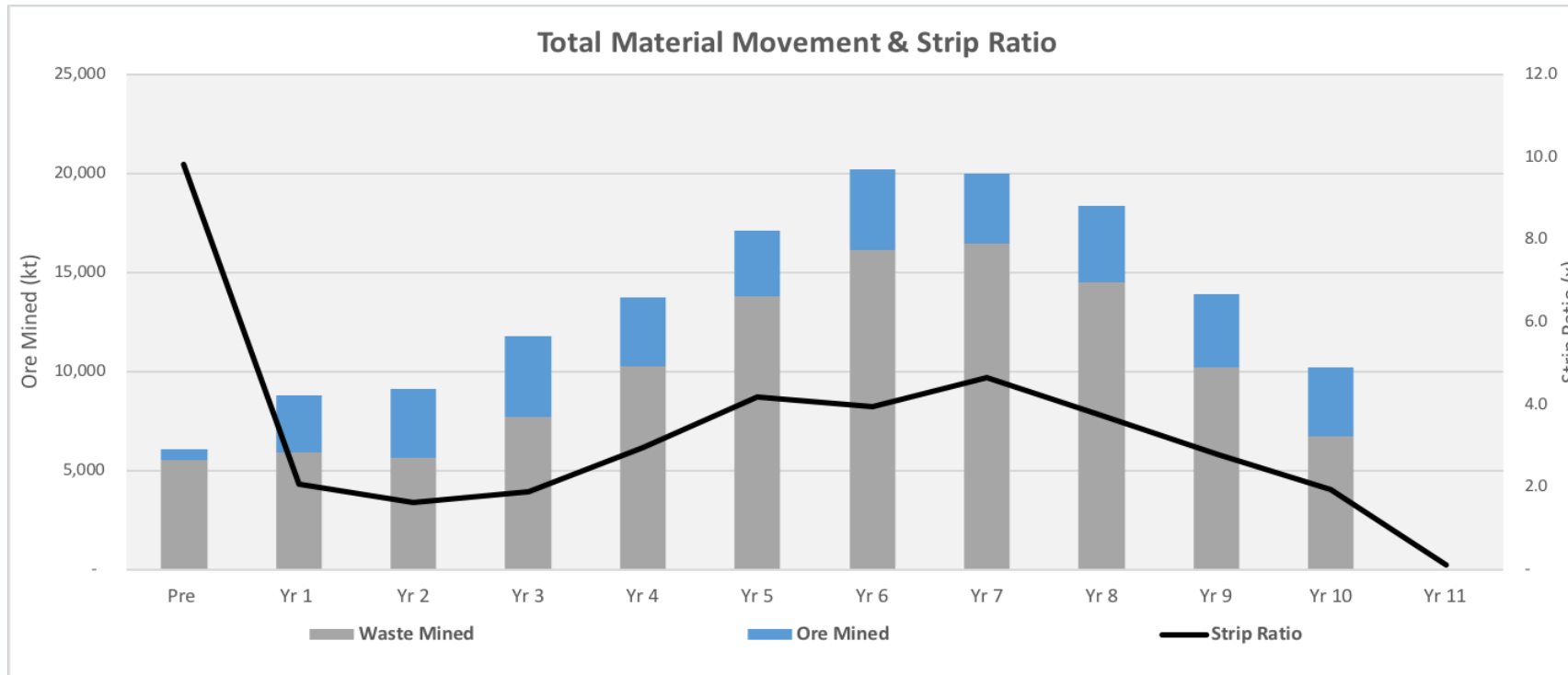
- 34.7 million tonnes at 0.99g/t Au for 1,101,600oz Au
- High conversion of Resources to Reserves

Optimised process flow



- Simple process
- Metallurgy verifies low-cost option to easily upgrade ore using gravity
- Optimises gold production
- Maximises cashflow

Production



- Low material movements in first 5 years of mining (left)
- Consistent production over life of mine (below)

Annual production schedule

Metric	Unit	Total	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11
Ore processed *	Mt	24.5	2.1	2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.5	2.4	0.3
Grade	g/t	1.42	1.63	1.54	1.43	1.41	1.45	1.38	1.40	1.44	1.40	1.27	0.86
Recovery	%	90%	92%	92%	92%	92%	92%	92%	92%	92%	86%	79%	81%
Gold produced	Koz	1,011	102	110	101	102	107	101	103	106	96	76	7

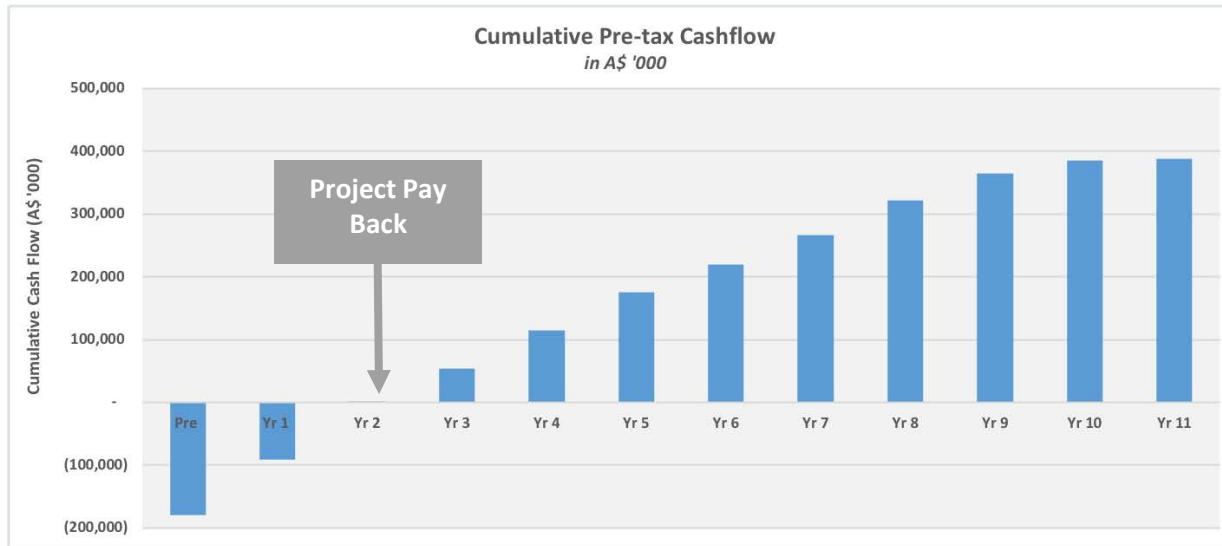
Financial analysis

Summary of key results from financial analysis	US\$m	A\$m
Revenue – LOM	1,251	1,668
Gross Operating Costs (including PNG Government Royalty)		
ROM ore (includes pre-strip of A\$18m)	698	930
Upgrade ore	116	154
Operating Margin	438	584
Capital		
Pre-production capital	122	162
Upgrade plant capital cost (in year 3.5)	13	17
Sustaining capital	12	16
Free cashflow – pre-tax	291	388
Income tax	55	74
Free cashflow – post tax	236	314
Production Costs		
All-in sustaining costs (years 1 – 5)	742	990
All-in sustaining costs (years 1 – 10)	832	1,110
NPV_{8%}		
Pre-tax	170	226
Post-tax	134	178
IRR (effective discount rate that delivers an NPV of zero)		
Pre-tax		38%
Post-tax		33%
Project payback (years)		
Pre-tax		2.0
Post-tax		2.2

Capital cost estimates	US\$m	A\$m
Establishment costs		
Process Plant (including marine tailings)	64	85
Infrastructure	23	30
Other	12	16
Contingency	7	9
Total establishment costs	106	140
Mining capital	17	22
Pre-strip costs	14	18
Total capital costs	137	180
Sustaining capital	12	16
Upgrade plant capital (year 3)	13	17

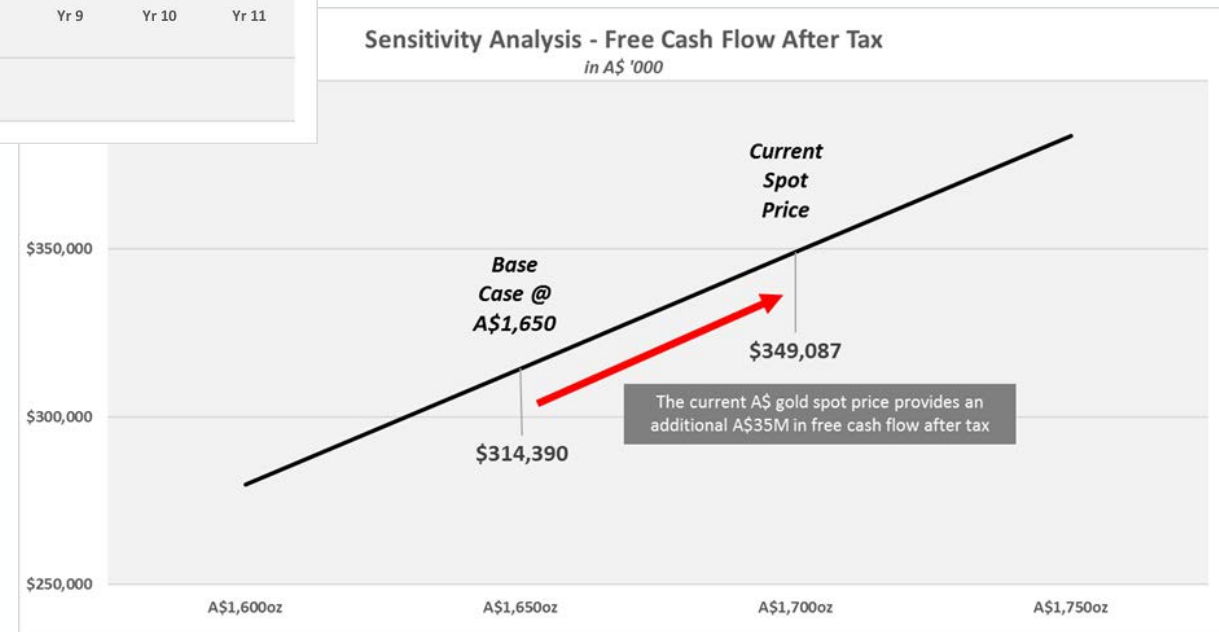
Key inputs for financial analysis		
Foreign exchange	US\$:A\$	0.75
Gold price	A\$/oz	1,650
Mining cost	A\$/t mined	2.75
Upgrade cost	\$/t ore upgraded	6.52
Processing cost – ROM ore	A\$/t processed ore	18.36
Processing cost – Upgraded ore	A\$/t upgraded ore	12.32
Administrative cost	A\$/t processed	4.21
Refining costs	A\$/oz	4.35
Government royalty, net of refining costs	% revenue	2.25%

Early payback



Strong cashflow delivers
payback in 2.2 years

A\$1,700/oz gold price
delivers additional A\$35m
in cash flow after tax



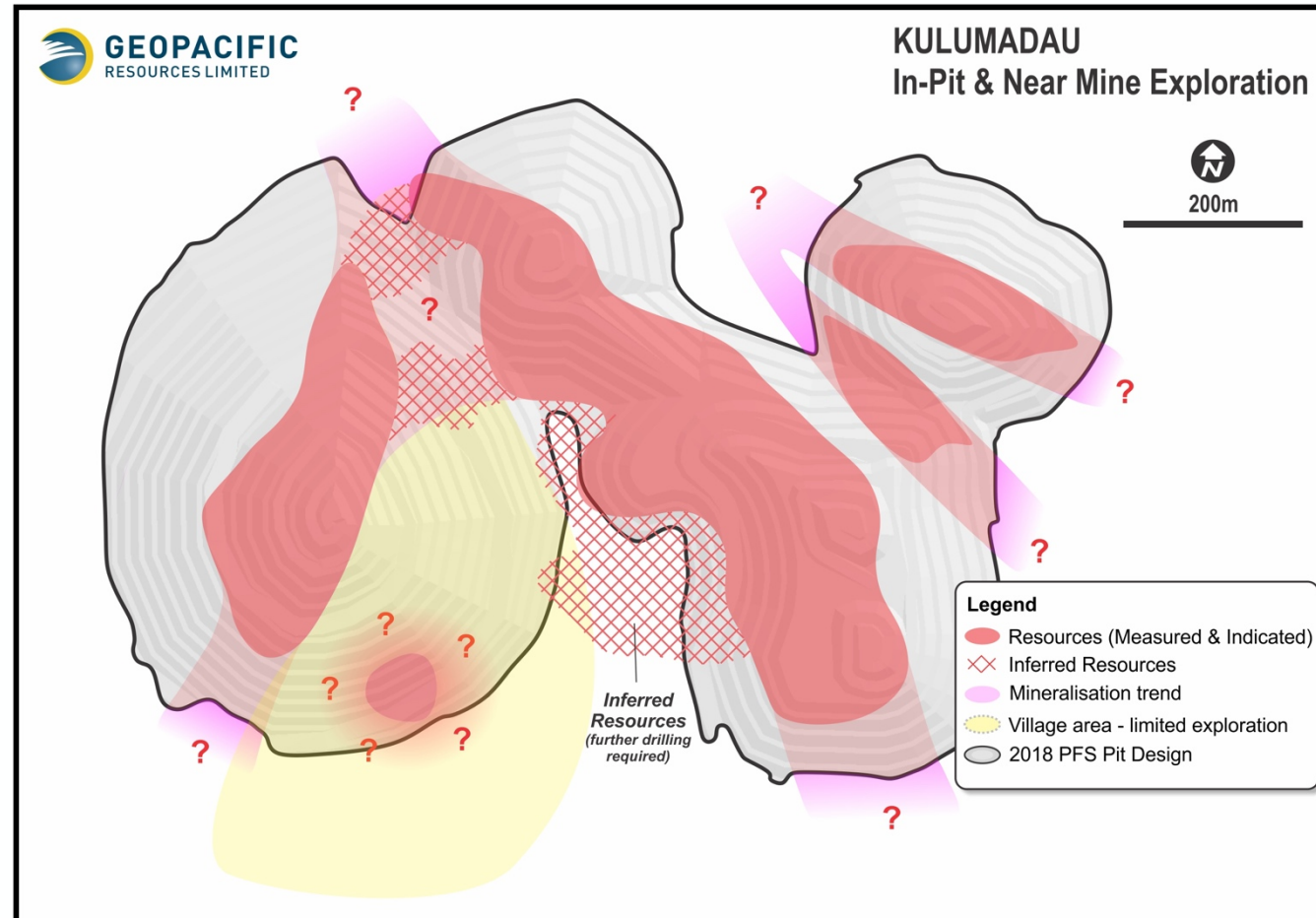
Next steps and timeline



Optimisation opportunities:

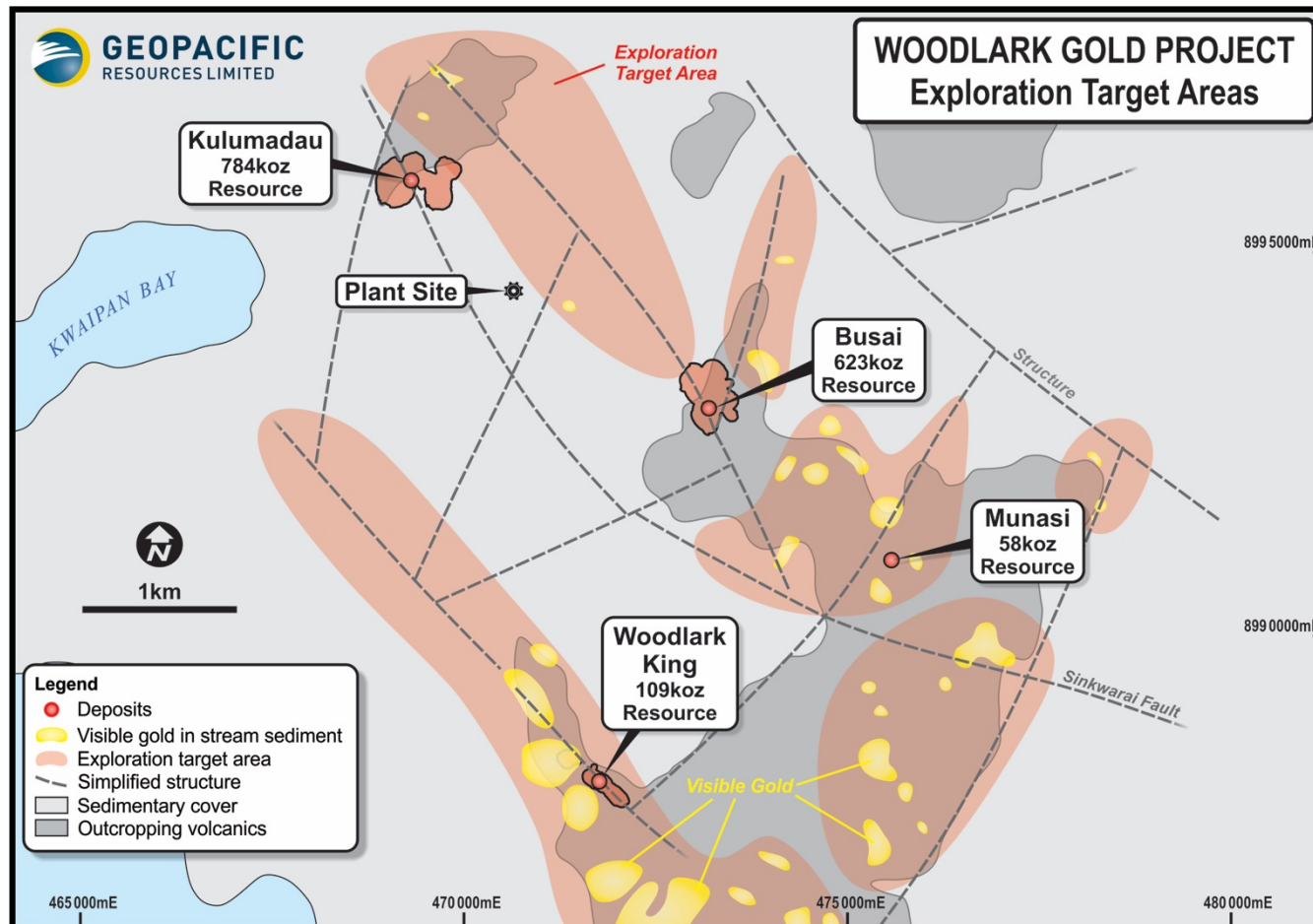
- Finalise plant design and costs
- Marine tailings pipeline design and costs
- Infrastructure design and costs
- Mining fleet and fleet management
- Power generation and consumption
- Operational costs

Upside - additional in-pit ounces



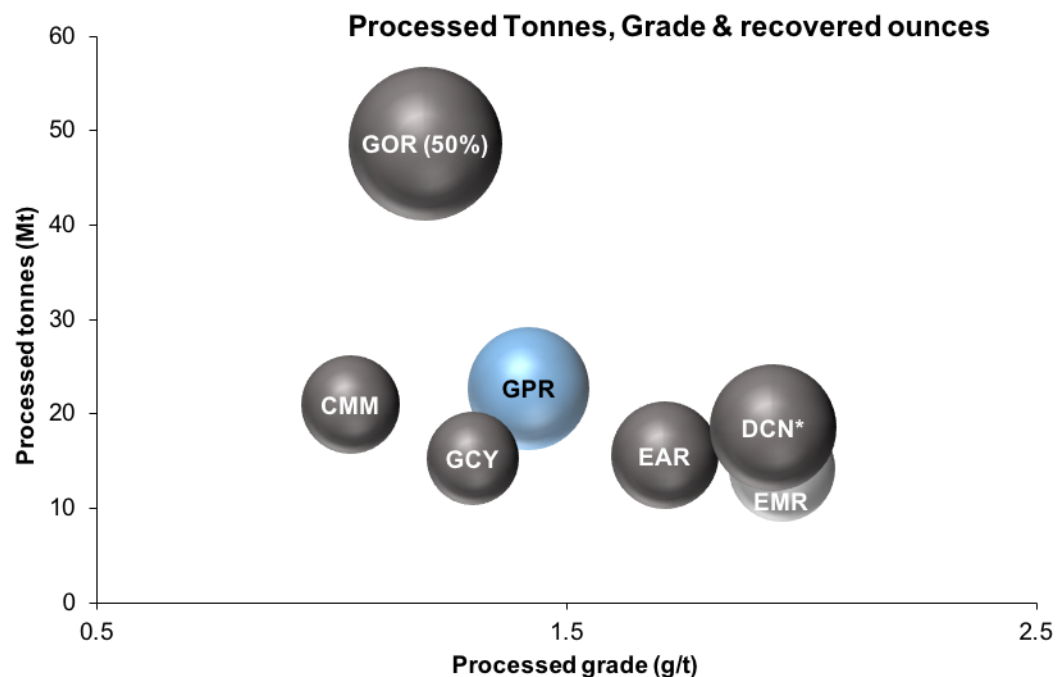
- Potential to gain additional ounces in-pit and reduce strip ratio further, (currently classified as waste):
 - 1) Inferred mineralisation surrounding pits
 - 2) Limited drilling access in village area, relocation agreed
- Mineralisation remains open at depth and in all directions
- Approximately 80% of holes drilled have verified +0.5g/t Au

Upside - regional targets

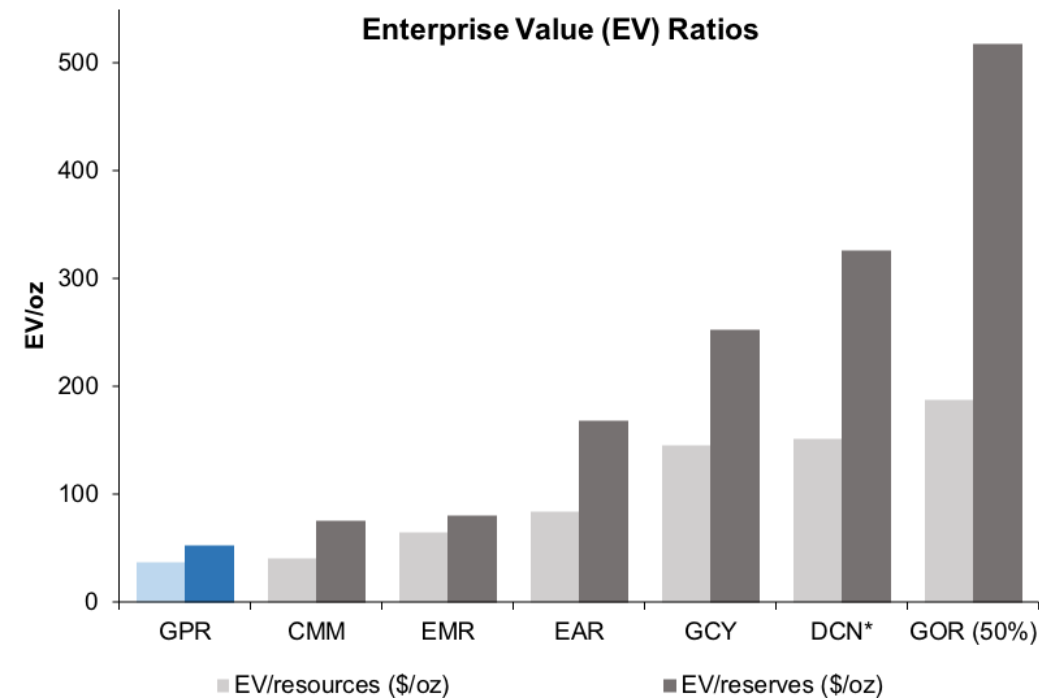


- Large regional goldfield
- High-quality exploration targets
- Visible gold
- Gold follows mineralised structures
- Significant potential beneath thin limestone cover

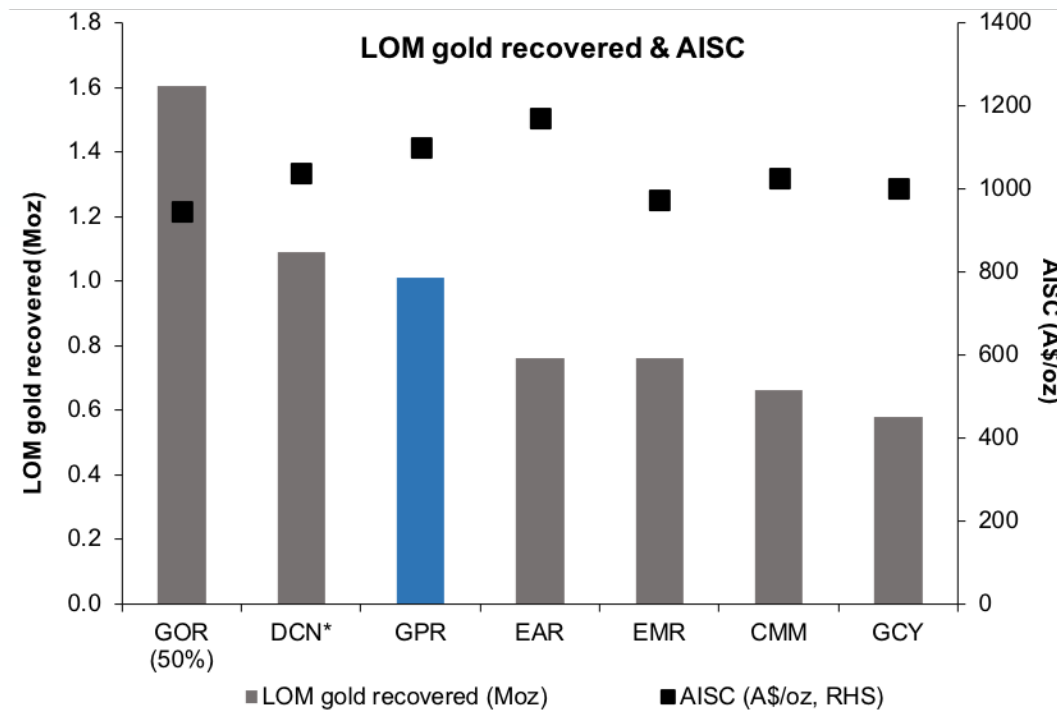
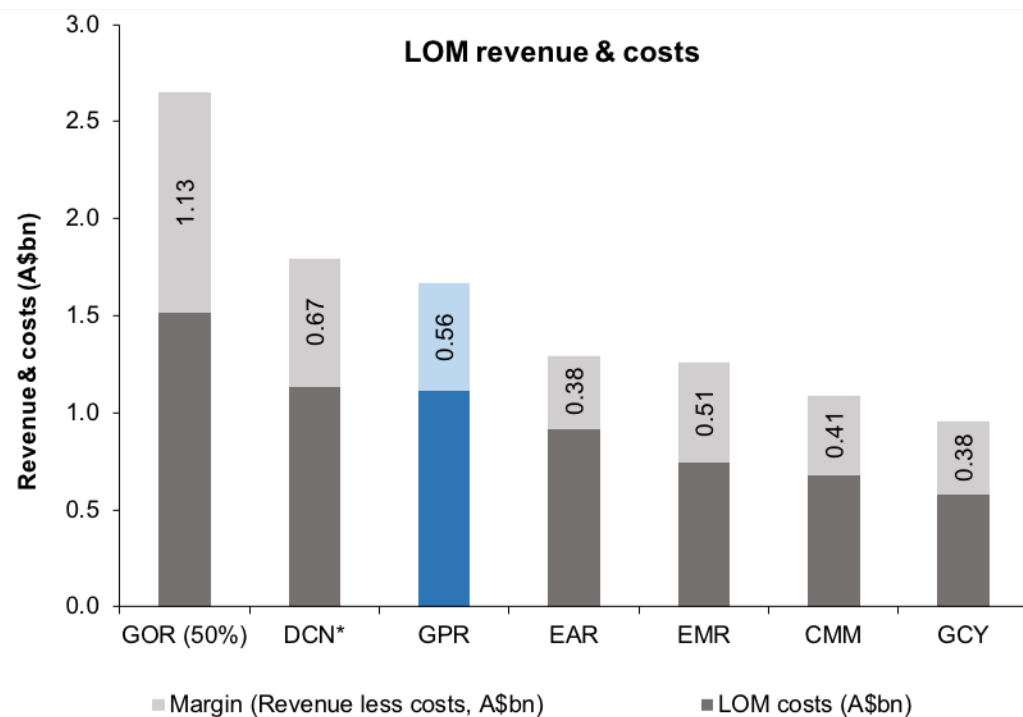
Attractive valuation compared to peers



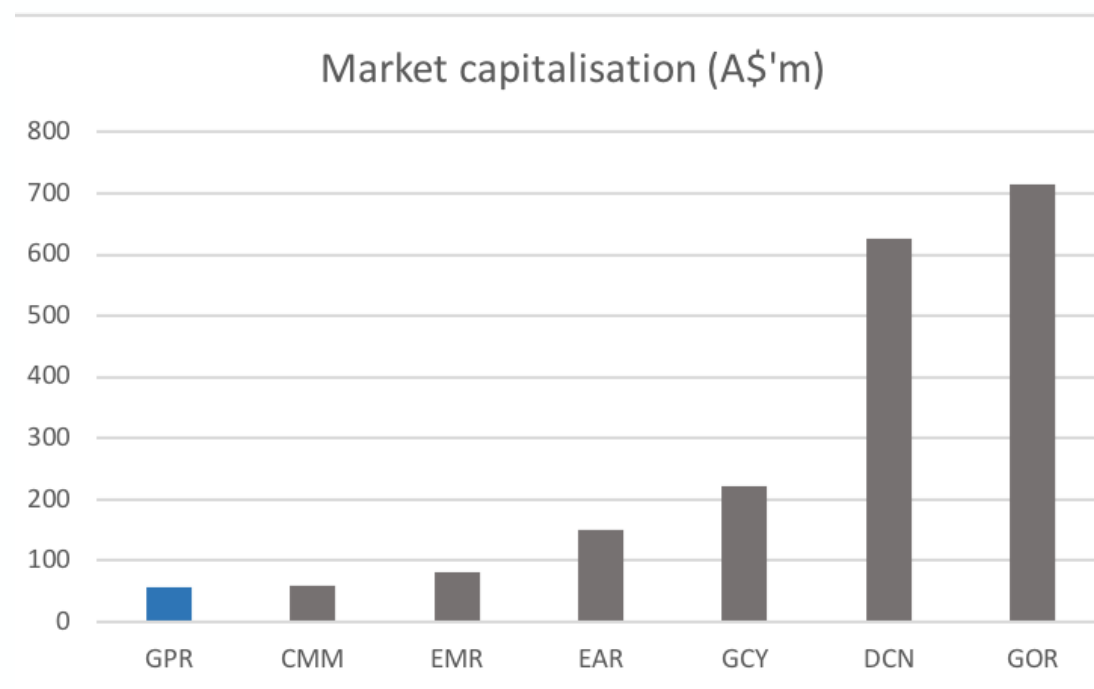
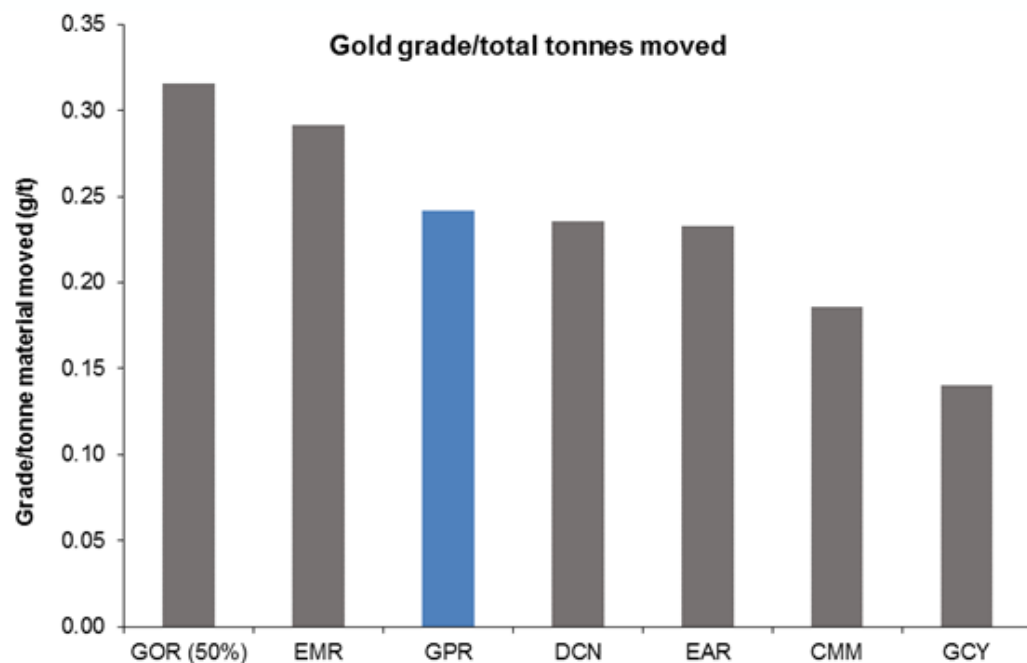
1. bubble size represents recovered gold ounces over life of mine
2. * DCN is a combination of open pit and underground



Attractive valuation compared to peers



Attractive valuation compared to peers

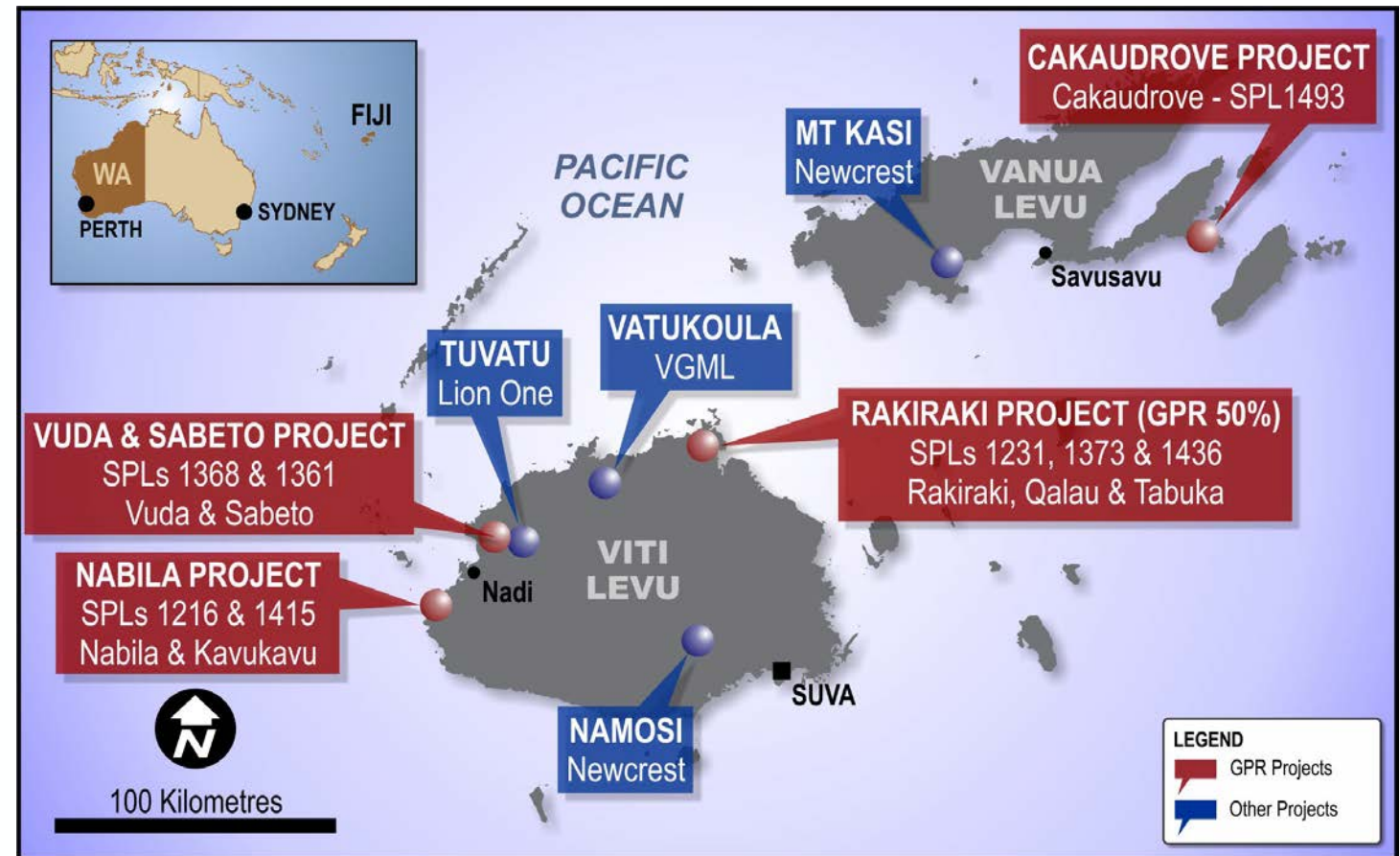




- ✓ Right people
- ✓ Right project
- ✓ Right time

Fijian gold projects

- High-grade, near-surface gold identified
- Epithermal gold zones with extensive strike potential
- Good infrastructure and simple logistics
- Stable jurisdiction with proven mining history
- Vatukoula Gold Mine has produced 6.9Moz Au at 7.4g/t and has been in operation since 1933



Kou Sa copper-gold project, Cambodia



- **Ownership:** 85% in joint venture with the *Royal Group, Cambodia's* premier commercial partner
- **Licenses:** exploration licenses cover 158 km²
- **Location:** Preah Vihear Province in northern Cambodia's Chep district, near the Laos border
- **Commodities:** copper, gold and silver
- **JORC resource:** favourable economics in metallurgical and process studies indicates that a large proportion of the mineralisation can be mined. Initial JORC estimate for Prospects 150 and 160 of 51,000 tonnes of copper equivalent at 0.4% CuEq lower cut.
- **Metallurgy:** copper-gold-silver concentrate with no deleterious material produced, with recoveries in high-90%
- **Low costs and good logistics:** copper-gold-silver concentrate with no deleterious material produced, with recoveries in high-90%

Contact

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Competent Person's Statement The information in this announcement that relates to exploration results is based on information compiled by or under the supervision of James Kerr, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and General Manager, Geology for Geopacific. Mr Kerr has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking 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 Kerr consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. The information in this report that relates to Woodlark Mineral Resources is based on information compiled and reviewed by Mr Nicholas Johnson, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of MPR Geological Consultants Pty Ltd. Mr Johnson has sufficient experience which is relevant to the style of mineralization and type of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012 and is a qualified person for the purposes of NI43-101. Mr Johnson has no economic, financial or pecuniary interest in the company and consents to the inclusion in this 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 Woodlark Mineral Reserves is based on information compiled and reviewed by Mr John Battista, a Competent Person who is a Member and Chartered Professional of the Australian Institute of Mining and Metallurgy (AusIMM) and a full-time employee of Mining Plus Pty Ltd. Mr Battista has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012 and is a qualified person for the purposes of NI43-101. Mr Battista has no economic, financial or pecuniary interest in the company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Geopacific Resources Ltd that could cause Geopacific Resources Limited's actual results to differ materially from the results expressed or anticipated in these statements. Geopacific Resources Ltd cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Geopacific Resources Ltd does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements. Woodlark is fully permitted fully by the PNG Government, subject to meeting the conditions of the licence.