

18 August 2016

GEOPACIFIC RESOURCES LIMITED
ACN 003 208 393

ASX Code: GPR

info@geopacific.com.au
www.geopacific.com.au

AUSTRALIAN OFFICE

Level 1, 278 Stirling Highway
Claremont, WA 6010.
PO Box 439,
Claremont, WA 6910.
T +61 8 6143 1823

FIJI OFFICE

PO Box 9975
Nadi Airport
Nadi
T +679 6 72 7150
F +679 6 72 7152

DIRECTORS

Chairman: Milan Jerkovic
Managing Director: Ron Heeks
Non-Exec Director: Mark Bojanjac
Company Secretary: John Lewis

PROJECTS

PAPUA NEW GUINEA:
Woodlark Gold

CAMBODIA:
Kou Sa Copper

FIJI:
Nabila Gold
Rakiraki Gold
Sabeto Gold-Copper
Vuda Gold-Copper
Cakaudrove Gold-Silver

OVERSUBSCRIBED CAPITAL RAISING – \$15M RAISED

The Board of Geopacific Resources Limited (Geopacific) is pleased to announce that it has successfully completed a placement to raise a total of \$15 million with a number of new, high-calibre investors joining the share register.

Geopacific is funded to deliver on its strategy and move towards gold production at the Woodlark Gold Project.

Geopacific's primary focus is to progress the Woodlark Gold Project (Woodlark) by defining a development plan, which will allow the Company to define a 1.2 million ounce gold reserve. This reserve is an incentive target and achieving it will earn Geopacific 51% of the project.

The capital raised will see Geopacific well into the third tranche of the earn-in transaction to acquire up to 80% of Woodlark and enable significant progress to be made towards developing the project in the most effective manner.

Work at the Kou Sa copper-gold project in Cambodia and the Fijian gold projects will continue in tandem with Woodlark

HIGHLIGHTS

- **Oversubscribed placement**
- **Refreshed share register**
- **Funded to deliver project milestones**
- **Funded into final tranche of Woodlark transaction**
- **Numerous shareholders with the capacity to provide project development finance**

Geopacific Managing Director Ron Heeks said:

"We believe that we have the right strategy to transition from exploration to mining and return value to our shareholders. The support we have received in this capital raising confirms that the market agrees."

"We welcome new shareholders and thank all shareholders for their support."

"The Woodlark Gold Project is a game changer for Geopacific and we plan to deliver."



Details of the placement

The Placement was well oversubscribed and a total of \$15.0 million was raised via a two Tranche issue.

Tranche 1 targeted new investors with Tranche 2 open to existing major shareholders Resource Capital Funds (RCF) and Tembo Capital (Tembo).

Geopacific would like to acknowledge RCF and Tembo for their ongoing support over the past few years.

Petra Capital acted as exclusive Broker to the Placement.

Placement

Placement	Participants	Shares and price	Capital raised	%
Tranche 1	New shareholders and existing, significant shareholders.	262,398,396 ordinary shares at a price of \$0.043	\$11,283,131	75%
Tranche 2	RCF and Tembo Capital	87,601,604 ordinary shares at a price of \$0.043	\$3,766,869	25%
Total		350,000,000 ordinary shares	\$15,050,000	100%

The shares in Tranche 1 will be issued pursuant to the Approval for 50 million shares obtained at the Company's AGM on 31 May 2016 and the balance pursuant to the capacity afforded to the Company pursuant to Listing Rule 7.1 and 7.1A.

Settlement of Tranche 1 is expected to occur on 22 August 2016 with new shares set to commence trading on 23 August 2016. An Extraordinary General Meeting will be held as soon as possible to approve the issue of the shares in Tranche 2 which are beyond Geopacific's available placement capacity.

Capital structure following the placement

Capital structure	Number
Shares on issue (pre-placement)	799,593,584
Options (pre-placement)	2,688,768
Shares issued in Tranche 1	262,398,396
Shares issued in Tranche 2	87,601,604
Fully diluted number of shares	1,152,282,352

Geopacific holds no debt in the form of convertible notes or any other instruments.

As a result of the successful completion of the Capital Raising it is expected that the ASX will lift the Trading Halt on the Company's securities immediately.

Strategy

Geopacific's strategy is clear – a gold and copper company with a portfolio of assets in the Asia-Pacific region and its sights set firmly on production.

As an advanced gold asset, Woodlark adds considerable value to Geopacific's portfolio.

Next steps

Woodlark Gold Project – Papua New Guinea

Geopacific's focus is to maximise the development potential of Woodlark in the shortest possible timeframe.

The current resource for Woodlark is **45.1 million tonnes @ 1.50g/t of gold for 2.12 million ounces** (Table 1), including a reserve of **10.9 million tonnes @2.20g/t of gold for 766,000 ounces** (Table 2).

Geopacific is assessing the current resources at Woodlark to establish which areas hold the best potential to convert a further 500,000 ounces of gold from resources into reserves. This will deliver an overall target reserve of 1.2 million ounces in accordance with the earn-in transaction to acquire up to 80% of the project from Kula Gold Limited.

Work undertaken to date is encouraging, highlighting substantial potential to increase reserves at all deposits. The advanced stage of this work includes a clear **development plan** to maximise resource conversion and achieve the 1.2 million ounce target reserve, which is required to progress the earn-in agreement. Geopacific will complete the **development plan** and announce the decision to proceed to Tranche 2 of the earn-in transaction before the end of 2016 then begin work on the project to define the target reserve.

Geopacific firmly believes that Woodlark holds potential to be a minimum, five million ounce goldfield. Geopacific will shift focus to maximise the upside potential of the project after the target reserve is reached and Woodlark is being developed.

Recent announcements include:

- [Gold Project Acquisition \(July 2016\)](#)
- [Investor Presentation – Woodlark Project \(July 2016\)](#)
- [Woodlark Development Plan at Kulumadau \(August 2016\)](#)
- [Woodlark Development Plan at Busai \(August 2016\)](#)

Kou Sa Copper Gold Project – Cambodia

Exploration, the scoping study, environmental and social studies, plant design, mining studies, CAPEX and OPEX studies will all continue.

Geopacific has defined an initial resource at the Prospect 150 and 160 areas as a measure to gauge initial inventory of mineralisation at Kou Sa. With the knowledge that the mineralisation drilled in other prospects is yet to be moved into the resource base, Geopacific will move focus to the “bigger picture” by targeting new areas and significant, deeper-source mineralisation. Potential to expand the initial resource into a considerably larger project exists. Developing the recently discovered epithermal gold zone at Prospect 190 Gold, is encouraging in this regard.

The very 'clean' concentrate that Kou Sa is set to produce, is highly sought after by downstream processors.

Recent announcement include:

- [Kou Sa Status and Initial Resource Estimate \(July 2016\)](#)
- [Kou Sa Gold Results 6m @ 3.80g/t Au Eq \(August 2016\)](#)

Gold Projects – Fiji

Faddy's Prospect at the Nabila Project holds the prospect of near-term cash flow, with the potential to process ore at Lion One Limited's proposed Tuvatu plant. In order to leverage the potential at Faddy's Prospect, Geopacific has reviewed the existing geological and metallurgical information from two perspectives; short-term commercialisation through toll milling, and long-term development of a stand-alone mine. Diamond drilling has recommenced and results are expected shortly.

Trenching and sampling are underway at the Rakiraki gold project which has the potential to host significant epithermal gold mineralisation.

Recent announcement include:

- [Fiji Gold Projects Progress \(June 2016\)](#)
- [Fiji Gold Projects – Technical Presentation \(June 2016\)](#)
- [Fiji Gold Toll Milling Opportunity \(June 2016\)](#)

CONTACT

For further information on this update or the Company generally, please visit our website at www.geopacific.com.au or contact:

Mr Ron Heeks

Managing Director

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 Ron Heeks, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and Managing Director of Geopacific. Mr Heeks 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 Heeks 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 Exploration Results from the Woodlark project are based on information compiled by Mr. Lee Spencer. Mr Spencer was the CEO of Kula Gold Limited until 1 July 2013 and was formerly on the Kula Gold Board as a Non-executive director. Mr. Spencer is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'.

The information in this announcement that relates to the Mineral Resource estimates for Kulumadau, Busai and Woodlark King is based on information compiled by Mr. John Doepel, Principal Geologist for Continental Resource Management Pty Limited (Resource Report, Woodlark Island). CRM has acted as independent consulting geologist to WML since 2005 and has undertaken several visits to the island and to the sample preparation facilities. Mr. Doepel is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'.

The information in this announcement that relates to Ore Reserves is based on information compiled by Mr. Linton Putland, Principal of LJ Putland & Associates and a consultant to Kula Gold's 100% subsidiary, Woodlark Mining Limited. Mr. Putland is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'.

Forward Looking Statements

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Geopacific Resources Limited are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties.

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. Kula Gold 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.

Table 1

Woodlark Island Gold Project Mineral Resources
 Report as per JORC2004
 As of July 2012 at a 0.5g/t Au lower cutoff

Deposit	Category	Resource (Mt)	Grade (Cut) (g/t Gold)	Gold (Cut) (Oz)
Kulumadau	Measured	5.0	1.78	285,000
Kulumadau	Indicated	4.4	1.75	245,000
Kulumadau	Inferred	8.6	1.4	375,000
Kulumadau	Totals	18.0	1.6	910,000
Busai	Measured	3.9	1.54	190,000
Busai	Indicated	10.4	1.4	480,000
Busai	Inferred	8.8	1.3	370,000
Busai	Total	23.1	1.4	1,040,000
Boniavat	Indicated	3.0	1.2	115,000
Boniavat	Inferred	1.0	1.8	60,000
Boniavat	Total	4.0	1.4	175,000
All	Measured	8.9	1.67	480,000
All	Indicated	17.8	1.5	840,000
All	Inferred	18.5	1.4	800,000
Totals*		45.1	1.5	2,120,000

Note 1: Totals may appear incorrect due to rounding

Note 2: The Busai Indicated Resource includes 0.4Mt @ 1.4t Au for 20,000oz from overlying alluvial mineralisation.

Note 3: The Busai Inferred Resource includes 0.4Mt @ 1.2t Au for 15,000oz from overlying alluvial mineralisation and 3.9Mt @ 0.9g/t Au for 110,000oz from Munasi (2km southeast of Busai).

Note 4: The Boniavat Inferred Resource includes 0.3Mt @ 3.0g/t for 30,000oz Au from Watou (1.5km south of Woodlark King).

Note 5: All Resources based on a 0.5g/t gold cut-off grade

Note 6: There have been no material changes to the reported Resources from what was previously reported under the 2004 JORC code

Table 2

Woodlark Island Gold Project Ore Reserves
 Report as per JORC2004
 As of July 2012 at variable lower cutoffs

Totals may appear incorrect due to rounding

Deposit	Proved			Probable			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Busai	3,283,000	2.2	233,000	2,811,000	1.9	175,000	6,094,000	2.1	408,000
Kulumadau	3,144,000	2.2	223,000	751,000	2.4	59,000	3,863,000	2.3	282,000
Woodlark King				704,000	1.7	39,000	704,000	1.7	39,000
Kulumadau East				330,000	3.7	37,000	330,000	3.7	37,000
Total	6,427,000	2.2	456,000	4,596,000	2.1	310,000	10,991,000	2.2	766,000

The information in the tables above was prepared and first disclosed under the JORC Code 2004 by Kula Gold Ltd. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.