

100% ownership of Woodlark - compliance prospectus lodged

Geopacific Resources Limited (Geopacific) advises that a compliance prospectus has been lodged with the Australian Securities & Investments Commission in connection to securing 100% direct interest in the Woodlark Gold Project (Woodlark), as announced on [26 June 2019](#).

The compliance prospectus was lodged for the issue of 150,000,000 fully paid ordinary shares (Consideration Shares) to Kula Gold Ltd (Kula) in relation to the consideration payable to acquire all of Kula's rights and interests in Woodlark.¹

Kula intends to ultimately distribute the Consideration Shares pro-rata to its shareholders (In-specie Distribution).

A copy of the compliance prospectus accompanies this announcement.

The compliance prospectus is required to facilitate the In-specie Distribution as well as the secondary trading of the Consideration Shares in the future. **Accordingly, there is no need for shareholders to take any action.**

The acquisition (including the issue of the Consideration Shares) is anticipated to be completed on or around Tuesday, 2 July 2019.

Contact

For further information on this update or the Company generally, please visit www.geopacific.com.au or contact Mr. Ron Heeks, Managing Director.

Company details	Board	Projects
Geopacific Resources Limited ACN 003 208 393 ASX Code: GPR T +61 8 6143 1820 HEAD OFFICE Level 1, 278 Stirling Highway, Claremont WA 6010. PO Box 439, Claremont WA 6910.	Ian Clyne Chairman Ron Heeks Managing Director Colin Gilligan Non-Executive Director Matthew Smith Company Secretary info@geopacific.com.au http://www.geopacific.com.au	PAPUA NEW GUINEA Woodlark Gold CAMBODIA Kou Sa Copper FIJI Nabila Gold, Sabeto Gold-Copper, Vuda Gold-Copper

¹ For full details in relation to this acquisition please refer to the Company's ASX announcements dated 8 March 2019 and 26 June 2019.

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INTO THE UNITED STATES, OR TO US PERSONS

GEOPACIFIC RESOURCES LIMITED
ABN 57 003 208 393

PROSPECTUS

For the offer of 150 million New Shares in connection with the Proposed Transaction (**Offer**)

Important Notice

This document is important and should be read in its entirety (including the 'Risk Factors' in **Section 4**) before deciding whether to apply for New Shares. If after reading this Prospectus you have any questions about the New Shares being offered under this Prospectus, then you should consult your stockbroker, accountant or other professional adviser.

The New Shares offered by this Prospectus should be considered speculative.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

IMPORTANT NOTES

This Prospectus is dated 28 June 2019 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus. No New Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Company will apply to ASX for the New Shares to be granted quotation on ASX.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer. Applications for New Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus including each of the documents attached to it and which form part of this Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

In particular, it is important that you consider the risk factors (see **Section 4**) that could affect the performance of the Company before making an investment decision.

Investors should note that past Share price performance of the Company provides no guidance to its future Share price performance. Neither the Company nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to this Prospectus.

FOREIGN JURISDICTIONS

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the New Shares or to otherwise permit a public offering of the New Shares in any jurisdiction outside Australia.

The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

DEFINITIONS AND INTERPRETATION

Some capitalised words or terms used in this Prospectus have defined meanings that appear in **Section 7**.

All references to dollars (\$) or cents in this Prospectus are references to Australian currency, unless otherwise stated. All references to time in this Prospectus are to WST.

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APPLICATION FORM

1. DETAILS OF THE OFFERS

1.1 Background

As announced on 8 March 2019, Geopacific entered into a binding term sheet (**Terms Sheet**) with Kula Gold Limited (**Kula**) in respect of a proposed acquisition of Kula's 40% interest in the Woodlark Project (**Woodlark Project Interest**) in consideration for:

- (a) the cancellation by way of a selective buy-back of Geopacific's 85.01% interest in Kula (**Kula Share Interest**);
- (b) subject to the selective buy-back of the Kula Share Interest, the issue of 150 million Shares to be distributed in-specie to Kula's shareholders (other than Geopacific) (**Consideration Shares**);
- (c) the payment by Geopacific to Kula of an amount equal to the amount, as at Completion, of the intercompany debt between Geopacific, as lender, and Kula, as borrower, (**Geopacific Debt**) to be applied at Completion against the Geopacific Debt;
- (d) the payment by Geopacific to Kula of an additional \$20,000 in cash; and
- (e) an assignment by Kula to Geopacific of the full value of any receivable owing by Woodlark Mining Limited to Kula,

(together, the **Proposed Transaction**). ASX has provided Geopacific with a waiver from ASX Listing Rule 10.7 to permit Geopacific to pay the above consideration for the Woodlark Project Interest. Accordingly, the Consideration Shares will not be restricted from being traded on ASX.

On 25 June 2019, the Company held a general meeting during which the Company obtained approval from Shareholders to proceed with the Proposed Transaction. On 25 June 2019, Kula also held a general meeting during which Kula obtained approval from its shareholders to proceed with the Proposed Transaction.

On 27 June 2019, Kula completed its selective buy-back of the Kula Share Interest. Assuming all other conditions precedent to the Proposed Transaction are satisfied, the Proposed Transaction is expected to complete on or about 2 July 2019.

1.2 The Offer

The Company offers for subscription the Consideration Shares under this Prospectus. This Offer is only being extended to Kula and is not open for the general public.

The purpose of this Offer is to remove any trading restrictions on those Consideration Shares, including without limitation, any restrictions on Kula distributing the Consideration Shares to its shareholders (other than Geopacific) in accordance with the Terms Sheet.

The New Shares issued under the Offer will rank equally in respect of dividends and in all other respects (e.g. voting, bonus issues) as Existing Shares. A summary of the rights and liabilities attaching to the New Shares is set out in **Section 3**.

1.3 Minimum Subscription

There is no minimum subscription in respect of the Offer.

1.4 Opening and closing dates

The opening date of the Offer will be Friday, 28 June 2019 and the closing date will be 5.00pm (WST) on Monday, 1 July 2019. The Directors reserve the right to close the Offer early or extend the closing date (as the case may be), should it be considered by them necessary to do so.

1.5 Application and Issue of New Shares

Only parties invited by the Directors should apply under the Offer.

Application for New Shares must be made using the Application Form attached to this Prospectus and must follow the procedures advised to them by the Company to apply for New Shares under the Offer.

The Directors reserve the right to reject any Application or to allocate to any applicant fewer New Shares than the number applied for.

1.6 Details of substantial holders

The Company is of the view, taking into account publicly available information as at 28 June 2019, that those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Ndovu Capital IV B V	746,334,767	28.79%
Delphi Unternehmensberatung Aktiengesellschaft and Wilhelm Z. T. Zours	440,910,842	17.01%
Franklin Resources, Inc and its affiliate	207,228,692	8.00%
Spheria Asset Management	176,470,588	6.81%
Total Shares on currently on issue	2,591,907,130	100.00%

1.7 Effect of the Offer on the Control of the Company

There will be no effect on control as a result of the Offer.

1.8 Quotation

Application will be made within seven days of the date of issue of this Prospectus for the New Shares to be granted Official Quotation by ASX. If such an application is not made within these seven days, or Official Quotation of the New Shares is not granted by ASX within three months of the date of this Prospectus, then the Company will not allot or issue any New Shares.

The fact that ASX may agree to grant Official Quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares. ASX takes no responsibility for the contents of this Prospectus.

1.9 Issue Outside Australia

The Prospectus does not constitute an offer in any country or place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of the Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons who come into possession of the Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities law. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed to enable them to subscribe for Shares.

No action has been taken to register or qualify the New Shares or the Offer, or otherwise to permit a public offering of the New Shares in any jurisdiction outside Australia. Please refer to the front of this Prospectus under the heading "Foreign Jurisdictions" for details on the offer restrictions applicable to this Offer.

1.10 Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the three months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 months high	3 months low	Last Market Sale Price
Existing Shares	\$0.023 on 26 June 2019	\$0.011 on 28 March, 12 & 17 June 2019	\$0.019 on 27 June 2019

1.11 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.12 Taxation Implications

The Directors do not consider that it is appropriate to give Shareholders or Kula advice regarding the taxation consequences of the Company conducting the Offer, as it is not possible to provide a comprehensive summary of the possible taxation positions those persons. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders or to Kula under the Offer. Investors should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

1.13 Enquiries

Any queries regarding the Offer should be directed to Mr Matthew Smith, Company Secretary on +61 8 6143 1823.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

2. EFFECT OF THE OFFER

2.1 No Use of Funds

The New Shares to be issued under the Offer are to be issued for nil cash consideration. Accordingly, no funds will be raised from the Offer.

2.2 Effect of the Offer on Capital Structure

The effect of the Offer on the Company's capital structure, if the New Shares are issued, is the number of Shares will increase by 150,000,000 from 2,591,907,130 to 2,741,907,130.

The Offer will not have an effect on the Company's other securities on issue.

2.3 Statement of Financial Position

The Company does not consider the Offer will have a material effect on the Statement of Financial Position of the Company. No funds will be raised from the Offer.

3. RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

The following is a summary of the more significant rights and liabilities attaching to the New Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

The rights attaching to the New Shares arise from a combination of the Company's Constitution, the Corporations Act, the Listing Rules and general law. A copy of the Company's Constitution is available for inspection free of charge during business hours at its registered office.

3.1 Rights attaching to New Shares

The New Shares to be issued pursuant to this Prospectus are ordinary shares and will as from their allotment rank equally in all respects with all Existing Shares.

A summary of the more significant rights attaching to the New Shares is set out below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's members.

(a) General Meeting

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Company's Constitution, the Corporations Act or the Listing Rules.

(b) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares whether by the terms of their issue, the Constitution, the Corporations Act or the ASX Listing Rules, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by a representative, proxy or attorney has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid. Where there are two or more joint holders of the share and more than one of them is present at a meeting and tenders a vote in respect of the share (whether in person or by proxy or attorney), the Company will count only the vote cast by the member whose name appears before the other(s) in the Company's register of members.

(c) Issues of Further Shares

The Directors may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Company's Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

(d) Variation of Rights

At present, the Company has on issue one class of shares only, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of the Company and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Company's Constitution, the Corporations Act, the ASX Settlement Operating Rules and the ASX Listing Rules, ordinary shares are freely transferable. The shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. The Company may decline to register a transfer of shares in the circumstances described in the Company's Constitution and where permitted to do so under the ASX Listing Rules. If the Company declines to register a transfer, the Company must give the lodging party written notice of the refusal and the reasons for refusal. The Directors must decline to register a transfer of shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(f) **Partly Paid Shares**

The Directors may, subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

(g) **Dividends**

Subject to the Corporations Act, the Listing Rules, the Company's Constitution and the rights of any person entitled to shares with special rights to dividend, the Directors may determine that a dividend is payable. The Company in general meeting may declare a dividend if the Directors have recommended a dividend and a dividend shall not exceed the amount recommended by the Directors. The Directors may authorise the payment to the members of such interim dividends as appear to the Directors to be justified by the Company's profits and for that purpose may declare such interim dividends. Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.

(h) **Winding Up**

Subject to the rights of holders of shares with special rights in a winding up, if the Company is wound up, members (including holders of ordinary shares) will be entitled to participate in any surplus assets of the Company in proportion to the shares held by them respectively irrespective of the amount paid up or credited as paid up on the shares.

(i) **Dividend Plans**

The Directors may establish and maintain dividend plans under which (among other things) a member may elect that dividends payable by the Company be reinvested by way of subscription for shares in the Company or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of shares.

(j) **Directors**

The Company's Constitution states that the minimum number of Directors is three.

(k) **Powers of the Board**

The Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Company's Constitution.

4. RISK FACTORS

4.1 Overview

The New Shares offered under this Prospectus are considered speculative. An investment in our Company is not risk free and the Directors strongly recommend investors consider the risk factors described below, together with information contained elsewhere in this Prospectus, and consult their professional advisers, before deciding whether to apply for New Shares pursuant to this Prospectus.

There are specific risks which relate directly to our business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

4.2 General risk factors

Fluctuations in the global economic conditions as well as general trends in the Australian and overseas markets may affect the trading price of the Company's Shares on the ASX. An investment in the Company involves general risks associated with any investment in shares of companies that are listed on the ASX. The following summary of the general risk factors, which is not exhaustive, represents some of the major risk factors which investors need to be aware of.

(a) Fluctuations in the stock market

The price of securities listed on the ASX may rise or fall due to numerous factors which may affect the market performance of the Company. The Offer carries no guarantee in respect of profitability, dividends, return of capital or the price at which Shares trade on the ASX.

The securities prices of many companies have in recent times been subject to fluctuations which in many cases may reflect a diverse range of non-company specific influences such as interest rates, commodity prices, currency movements, global hostilities and tensions, acts of terrorism and the general state of the economy.

Recently volatility in the stock market has resulted in significant price volatility that in many circumstances is unrelated or disproportionate to the operating performance of companies. Such market fluctuations may materially and adversely affect the value of the Company's Shares.

No assurances can be given that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(b) Changes in regulatory environment

Changes to laws (including tax laws), regulations and accounting standards which apply to the Company from time to time may materially adversely impact the operating and financial performance and cash flows of the Company. A change in the legislative environment could also result in increased compliance costs.

(c) Political risks

War or terrorist attacks anywhere in the world could result in a decline in economic conditions worldwide or in a particular region, which could produce an adverse effect on the business, financial condition and financial performance of the Company.

4.3 Mining and mineral exploration industry risks

(a) Resource and reserve estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become

available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans that may, in turn, adversely affect the Company's operations.

A Mineral Resource and Ore Reserve estimate has been released for the Woodlark Project by a competent (JORC, industry expert) person. A Mineral Resource estimate has also been released for the Kou Sa Project by a competent (JORC, industry expert) person. To advance these projects, additional work will be required to increase the confidence in the Mineral Resource and Ore Reserve estimate classifications. This work will require additional drilling, assaying and geological investigation. The likelihood of this work adversely affecting the viability of the projects by downgrading the size, tenor and continuity of the Mineral Resource or Ore Reserve is considered low but the consequence of any downgrade could be major.

(b) **Exploration and Development Risk**

The mineral exploration licences comprising the Company's projects are at exploration and feasibility study stage, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery or realisation of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon its ability to maintain title to the mineral exploration licences including those licences comprising the Woodlark Project and obtaining and retaining all required approvals for its contemplated development activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Company's projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the projects.

(c) **Operational Risk**

Mineral exploration activities are subject to numerous risks, many of which are beyond the Company's control, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, extended interruptions due to inclement or hazardous adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. The operational risk is likely to be higher in developing countries such as Papua New Guinea, Cambodia and Fiji due to limited access to services, skilled staff and infrastructure relative to developed countries.

While the Company intends to maintain insurance within ranges of coverage consistent with exploration industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

The occurrence of operating risks leading to the curtailment, delay or cancellation of the Company's operations may result in the Company incurring significant

financial costs. This may have a material adverse effect on the profitability of the Company and ultimately the value of the company and its securities.

(d) **Commodity Price Risk**

The future revenue that the Company may derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks that could impact the Company's income. Commodity prices fluctuate and are affected by many factors that would be beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. These fluctuations could have a material adverse effect on the financial modelling of the Company's projects and could impact its ability to raise finance and undertake development and production activities.

Geopacific will appropriately monitor and assess such risks and may from time to time implement measures, such as commodity hedging, to manage these risks. However, the implementation of such measures cannot be assured of eliminating all such risks and the measures themselves may expose Geopacific to related risks.

(e) **Exchange Rate Risk**

A substantial portion of exploration expenditures and future income will be denominated in foreign currency which exposes the Company to exchange rate risks. Exchange rates fluctuate and are affected by many factors beyond the control of the Company including macroeconomic and global market conditions.

The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to manage these risks. However, the implementation of such measures cannot be assured of eliminating all such risks and the measures themselves may expose the Company to related risks.

(f) **Environmental Risk**

As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. However, the legal framework governing environmental laws is constantly changing and compliance may be difficult, costly and result in delays to project activities.

4.4 Company specific risks

(a) **Financing**

Future funding will be required by the Company to support its activities. There can be no assurance that such funding (whether it be equity or debt) will be available on satisfactory terms or at all. The Company's capital requirements will depend on numerous factors. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to secure additional financing as needed, it may be required to reduce the scope of its operations. There is however, no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Further, loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by Company or default under a finance lease could also result in the loss of assets.

(b) **Title Risk**

The licences comprising the Company's projects are subject to various local laws, regulations and conditions. Failure to comply with or satisfy these laws, regulations and conditions may render those licences liable to forfeiture or other adverse consequences. There is no guarantee that any licence applications or conversions in which the Company has a current or potential interest will be granted or that the conditions, obligations and terms can be economically complied with. All of the licences will be subject to application for renewal from time to time. All the exploration licences in PNG are initially granted for a period of 2 years with the ability to apply for renewals for a further 2 year period, the special prospecting licences in Fiji can be renewed by approval of the Director of Mines for a period prescribed by the Director of Mines while in Cambodia the licences are initially granted for a period of 3 years with the ability to apply for renewals for a further 2 year period. As disclosed in the Company's 2018 annual report, the Kou Sa exploration licence in Cambodia expired in March 2019 and is currently under renewal application for a further 2 year period. Renewal of the term of each mining licence is subject to applicable legislation. If any mining licence approval or renewal is delayed or denied for any reason, Geopacific may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that licence.

(c) **Approvals, permits and licences**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters that include resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, protection of endangered and protected species, and others. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Applications for necessary permits must be made to relevant authorities in a timely manner as part of the ordinary course of business. Obtaining the necessary permits can be time consuming and there is a risk that the Company will not obtain them on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining or retaining the necessary permits and complying with those permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation of a mine and/or constructing mineral treatment and processing facilities. Any failure to comply with applicable laws and regulations and permit conditions, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in loss of permits, the suspension of the Company's activities or forfeiture of one or more of the Company's tenements.

(d) **Country risk**

The Company is developing a number of projects in foreign jurisdictions, specifically Papua New Guinea, Cambodia and Fiji. Any future material adverse changes in government policies or legislation in any of those jurisdictions that affect ownership, mineral exploration, development or mining activities, may affect the viability and future profitability of the Company.

The legal systems operating in foreign jurisdictions are different to those operating in Australia and this may result in risks such as:

- (i) different forms of legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- (ii) a higher degree of discretion on the part of governmental agencies;
- (iii) differences in political and administrative guidance on implementing applicable rules and regulations, including, in particular, as regards local taxation and property rights;

- (iv) different attitudes of the judiciary and courts, and
- (v) difficulty in enforcing judgments.

The commitment by local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness and enforcement of such arrangements cannot be assured.

(e) **Water sources**

The effects of changes in rainfall patterns, water shortages and changing storm patterns and intensities may adversely impact the costs and operational activities of the Company. There is no guarantee that there will be sufficient future rainfall to support Geopacific's future water demands in relation to its sites and operations, and this could adversely affect production and Geopacific's ability to develop or expand projects and operations in the future. In addition, there can be no assurance that Geopacific will be able to obtain alternative water sources on commercially reasonable terms or at all in the event of prolonged drought conditions.

(f) **Weather and climatic conditions**

Some of Geopacific's sites and operations may be subject from time to time to severe storms and high rainfall leading to flooding and associated damage which may result in development delays to or future loss of production.

(g) **Insurance risk**

Geopacific currently maintains insurance coverage. No assurance can be given that the Company will continue to be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover all claims.

(h) **Community relations**

Geopacific has an established community relations function, both at a corporate and operational levels. Geopacific recognises that a failure to appropriately manage local community stakeholder expectations may lead to dissatisfactions which have the potential to disrupt production, development and exploration activities.

4.5 Securities investment and market risks

(a) **Securities Investments**

Shareholders should be aware that there are risks associated with any securities investment. The prices at which the Company's Shares trade may fluctuate in response to a number of factors including the risk factors identified in this Section as well as securities market factors such as limited liquidity of the Shares and large share price movements due to trading by major shareholders.

(b) **Issue of Additional Securities**

In certain circumstances, the Directors may issue equity securities without any vote or action by Shareholders. If the Company were to issue any equity securities the percentage ownership of existing Shareholders may be reduced and diluted.

(c) **Share Market Fluctuations and Economic Conditions**

The Company's financial performance and ability to execute its business strategy will be impacted by a variety of general market, political, social, stock market and business conditions beyond the Company's control.

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors including but not limited to:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital;
- (vi) political and environmental events; and
- (vii) wars, terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general, and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **Speculative Nature of Investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially and adversely affect the financial performance of the Company and the value of the securities offered under this Prospectus. Therefore, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

5. ADDITIONAL INFORMATION

5.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111 AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class as, or are options to acquire, Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or options to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of the Offer:
 - (i) the annual financial report of the Company for the financial year ended 31 December 2018 being the most recent annual financial report of the Company lodged with the ASIC; and
 - (ii) any documents used to notify ASX of information relating to the Company in the period from lodgment of the annual financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the annual financial report for the financial year ended 31 December 2018 on 29 April 2019:

Date	Description of Announcement
08/05/2019	Appointment of New Chairman
15/05/2019	Final Director's Interest Notice
28/05/2019	Notice of General Meeting
29/05/2019	Director Resignation
29/05/2019	Final Director's Interest Notice
30/05/2019	Results of Annual General Meeting
24/06/2019	Project due diligence progresses – ITE site visit underway
25/06/2019	Results of Meeting
26/06/2019	Geopacific secures 100% direct ownership of Woodlark
27/06/2019	KGD: Final share buy-back notice – Appendix 3F
27/06/2019	Ceasing to be a substantial holder for KGD

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

5.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;

- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the issue of New Shares pursuant to this Prospectus; or
- (c) the issue of New Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or issue of New Shares pursuant to this Prospectus.

Directors' direct and indirect interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Share Appreciation Rights
Mr Ian Clyne	4,450,000 held directly.	750,000 held directly.	Nil
Mr Ron Heeks	4,000,000 held directly. 4,768,618 held indirectly, comprising (4,268,618 held by Melissa Narbey and 500,000 held by Liesl Heeks).	10,593,263 held directly.	4,838,214 held directly.
Mr Colin Gilligan	Nil	Nil	Nil

The Constitution of the Company provides that the Directors may be paid for their services as Directors. Non-executive Directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Non-executive Directors and in default of agreement then in equal shares.

In the two years preceding lodgement of this Prospectus, approximately \$990,000 (excluding GST where applicable) has been paid by the Company by way of remuneration for services provided by all Directors, companies associated with the Directors or their associates in their capacity as Directors, employees, consultants or advisers. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

5.3 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation of or distribution of this Prospectus do not have, and have not had in the two years before the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of securities pursuant to this Prospectus; or
- the offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the offer of securities pursuant to this Prospectus.

References to Ernst & Young appear for information purposes only. Ernst & Young has not been involved in, authorised or caused the issue of this Prospectus.

References to Boardroom Pty Limited appear for information purposes only. Boardroom Pty Limited has not been involved in, authorised or caused the issue of this Prospectus.

5.4 Estimated Expenses of Offer

The estimated expenses of the Offer are approximately \$5,000 including fees payable for, legal, ASIC, ASX and printing costs.

5.5 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

5.6 Privacy Act

If you complete an application for New Shares, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your New Shares in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

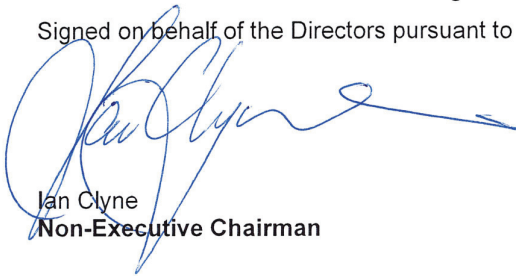
You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules. You should note that if you do not provide the information required on the application for securities, the Company may not be able to accept or process your application.

6. DIRECTORS' CONSENT

Each Director has consented to the lodgement of this Prospectus with the ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.



Ian Clyne
Non-Executive Chairman

7. GLOSSARY

\$ and dollars means Australian dollars, unless otherwise stated.

Application means an application for New Shares under the Offer pursuant to this Prospectus and the Application Form.

Application Form means the application form attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the market operated by that entity, as the context requires.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532).

ASX Settlement Operating Rules means the settlement operating rules of ASX Settlement.

Board means the board of Directors.

CHES means ASX Clearing House Electronic Sub-register System.

Company or **Geopacific** means Geopacific Resources Limited (ABN 57 003 208 393).

Consideration Shares has the meaning given to that term in section 1.1(b).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means directors of the Company at the date of this Prospectus and **Directors** has a corresponding meaning.

Existing Share means a fully paid ordinary share in the capital of the Company on issue as at the date of this Prospectus.

JORC means the Australasian Joint Ore Reserves Committee.

Kula means Kula Gold Limited (ACN 126 741 259).

Listing Rules or **ASX Listing Rules** means the official listing rules of the ASX.

New Share means a fully paid ordinary share in the capital of the Company to be issued pursuant to the Offer.

Offer means the offer of New Shares under this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to subscribe for a Share.

Prospectus means the prospectus constituted by this document.

Section means a section contained in this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

US person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the United States Securities Act of 1933, as amended.

WST means Australian Western Standard Time.

8. CORPORATE DIRECTORY

Directors

Ian Clyne (Non-Executive Chairman)
Ron Heeks (Managing Director)
Colin Gilligan (Non-Executive Director)

Share Registry*

Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

Company Secretary

Matthew Smith

Auditors*

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

Registered Office

Level 1
278 Stirling Highway
Claremont WA 6010

Telephone: +61 8 6143 1823
Email: msmith@geopacific.com.au
Website: www.geopacific.com.au

ASX Code: GPR

ABN: 57 003 208 393

*This entity has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus. Its name is included for information purposes only.