GEOPACIFIC RESOURCES NL

ACN 003 208 393 & controlled entities

ASX code; GPR

Annual Report

for the year ended 31 December 2009

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GEOPACIFIC RESOURCES NL
ACN 003 208 393
and Controlled Entities

CORPORATE DIRECTORY

GEOPACIFIC RESOURCES NL
(a public, listed Company incorporated in New South Wales in 1986) ACN 003 208 393

Directors in Office (as at the date of this Report)	R J Fountain, Chairman I J Pringle, Managing Director I N A Simpson, Non-Executive Director R H Probert, (Alternate Director to Mr I N A Simpson) CB Bass (Appointed 18.2.2010) ST Biggs (Appointed 18.2.2010)
Registered Office	556 Crown Street, Surry Hills, NSW 2010, Australia
Postal Address	P.O. Box 477, Surry Hills, NSW 2010 Phone: 61 2 9699 7311, Fax: 61 2 9699 7322 E-mail: ianp@geopacific.com.au
Company Secretary	Mr Grahame Clegg
Auditor	K.S. Black & Co., Suite 2404, Level 24 MLC Centre, 19-21 Martin Place, Sydney, NSW, 2000, Australia
Bankers	Westpac Banking Corporation, 50 Pitt Street, Sydney, NSW

GEOPACIFIC LIMITED
(a private Company incorporated in Fiji in 1980)

Directors	R H Probert (Chairman) I J Pringle I N A Simpson
Fiji Operations Office	3 Brewer Street, Martintar, Nadi, Fiji Tel: 679 6 727150 Fax: 679 6 727152 All mail to: P O Box 9975, Nadi Airport, Fiji E-mail: munika@geopacific.com.au
Company Secretary	I N A Simpson, P.O. Box 9975, Nadi Airport, Fiji Tel: 679 6 727150 Fax: 679 6 727152 E-mail: munika@geopacific.com.au
Registered Office	3 Brewer Street, Martintar, Nadi, Fiji
Banker	Westpac Banking Corporation, Main Street, Nadi, Fiji

CORPORATE DIRECTORY

BETA LIMITED
(a private company incorporated in Fiji)

Directors	I J Pringle I N A Simpson
Company Secretary	I N A Simpson, P.O. Box 9975, Nadi Airport, Fiji Tel: 679 6 727150 Fax: 679 6 727152 E-mail: munika@geopacific.com.au
Registered Office	3 Brewer Street, Martintar, Nadi, Fiji

MILLENNIUM MINING (FIJI) LIMITED
(a private company incorporated in Fiji)

Directors	I J Pringle I N A Simpson R H Probert
Company Secretary	I N A Simpson, P.O. Box 9975, Nadi Airport, Fiji Tel: 679 6 727150 Fax: 679 6 727152 E-mail: munika@geopacific.com.au
Registered Office	3 Brewer Street, Martintar, Nadi, Fiji

Letter from the Chairman

Dear Shareholders,

2009 proved to be a difficult year for Geopacific with the effects of the global financial crisis, but concluded with a successful placement and non-renounceable rights issue, raising a total of $2.4 million before costs. These funds, and the financial resources of new significant shareholders Springtide Capital Pty Ltd and Laguna Bay Capital Pty Ltd, backed by strengthening of the Board through recent appointment of Messrs Charlie Bass and Timothy Briggs as Directors have provided the means to re-vitalize the Company's exploration programs in Fiji.

The Company's aim remains to grow into a profitable mining company, through discovery and development of successful mining operations within the current portfolio of exploration projects, or by strategic acquisitions.

Geopacific's exploration focus going forward involves aggressive use of advanced geophysical techniques with follow up drilling to rapidly test the potential for significant size resources within the current portfolio of exploration tenements, supported by evaluation of additional acquisition opportunities.

Located within the highly prospective 'Pacific Rim of Fire', Fiji's known mineral endowment includes the +8 million ounce Vatukoula Gold Mine, with a 75 year mining history, and the major Namosi porphyry copper project, currently being explored under option by Newcrest Mining Limited. Geopacific's current portfolio of prospects includes exciting targets for both deposit types, with gold targets at Nabila, Vuda and Raki Raki, and porphyry/skarn copper-gold targets at Nuku and Nadi South.

The Company's operations in Fiji have continued essentially unaffected throughout the widely reported political uncertainties relating to the current Interim Government in Fiji, and all levels of the administration have proven to be highly supportive of Geopacific's exploration programmes.

The Interim Government's policy of encouragement and support for new mining investment is likely to provide numerous incentives to allow future exploration and development to proceed without undue delay and this will be helped by Fiji's excellent infrastructure, experienced workforce and low labour costs.

On 17 July 2009 Willie (Bill) Brook retired as an Executive Director of Geopacific Resources NL and on the 4th February 2010 Bill stepped down as a Non-Executive Director of Geopacific Resources NL and as Director of Geopacific Ltd, Beta Ltd and Millennium Mining (Fiji) Ltd.

During his roles as an Officer of the Company, Managing Director or Executive Director of the Company for almost 20 years, Bill took a major role in selecting, planning and implementing exploration at many of the Company's projects. The Board of Directors appreciate Bill's many years of toil and tireless service to establish and build your company during this time and wish Bill well in his future endeavours.

In addition, Mr Craig McCabe has retired as Alternate Director to Mr Ian Simpson, and the Board also expresses their thanks for his service to the company.

I am very pleased to report that Geopacific has made such good progress during the year. The effort made by the technical and support staff during 2009 has been outstanding and I am looking forward to this foundation growing through 2010 and culminating in successful new discoveries of world class mineral deposits.

LETTER FROM THE CHAIRMAN

On behalf of the Board of Directors of Geopacific I thank staff for their diligent work and shareholders for their support in the past year and look forward to highly successful exploration results in the coming year to capitalize on the excellent prospectivity of the Geopacific exploration portfolio.

Russell Fountain
Chairman

Review of Projects

2009 Technical Highlights

Results from the Company's exploration during the year have been very encouraging with most work focused on the Faddy's Gold Deposit (Faddy's) in western Vitu Levu where high gold contents occur in gossanous outcrops near the north eastern end of the deposit (NE Gossan). Geopacific's exploration results at NE Gossan have shown that previous work by other companies has considerably underestimated the gold grades of this portion of Faddy's and if this underestimation is translated to the rest of the deposit there could be significantly higher gold content than previous estimates. During the next field season the Company's geologists plan to test the potential for this underestimation as well as for a large buried deposit south west of Faddy's. Drill testing, geophysical surveys and trench sampling are planned.

Some of the most promising technical achievements during the year include the following;

At the Faddy's Gold Deposit;

- Geopacific's drilling increased gold grades within the re-drilled area (NE Gossan) by an average of 76 percent higher than previous work.
- Repeat assays of high-grade gold at the NE Gossan returned assays up to 313 grams per tonne gold (10.1 ounces per tonne gold) over one metre trench channel sample intervals.
- Electron microprobe results showed that gold grains at Faddy's include both silver rich (16-18 percent silver) and silver poor (<1 percent silver) varieties. Within unoxidised rocks silver to gold ratios of mineralisation are close to five to one.
- Metallurgical testwork on a composite of Faddy's oxide mineralisation defined several possible development and processing options.

And at other prospects;

- Anomalous gold was found in outcrops of quartz breccia near Tau village in the southern portion of the Nabila Project.
- Surface sampling at the Mistry North Prospect defined a substantial area of surface gold mineralisation 1.8 kilometres south of Faddy's. Rock chip channel samples include 10m of 2.04 grams per tonne gold.
- 365 metres of trenching, sampling and mapping were completed at the 4300E prospect at RakiRaki.

Summary of Projects

The Company's projects include small, high-grade gold deposits in weathered and oxidised near-surface zones such as the Location 13 and Mongoose Pit (Vuda), epithermal type gold deposits such as 4300E, Tataiya and Qalau Prospects (RakiRaki), shear-hosted gold-base metal deposits (Faddy's deeper sulphide zone, FSM Prospect), skarn gold–base metal deposits such as Wailoaloa (Nuku), Tau (Nabila) and large, low-grade porphyry-copper-gold targets such as the Togo Prospect (Nadi South) .

At the **Nabila Project** (100% Geopacific) a considerable area of prospective alteration and mineralisation extends from the known gold mineralisation at Faddys to the Mistry Mine area about two kilometres to the south. This area has the potential to contain a large mineralised system and will be an early exploration focus in 2010. Geopacific plans to cover this area by an induced polarisation (IP) geophysical survey in order to define poorly outcropping areas of disseminated auriferous sulphides.

Exploration work will continue at Faddy's Gold Deposit with diamond drilling planned in the south western part of the deposit where early holes will investigate the grade and thickness of high-grade gold intersected by drilling completed prior to Geopacific's ownership. Field work is also planned at Tau, FSM, Mistry and several other prospects in Nabila where there is excellent potential to host an economic gold or base metal deposit.

The **Vuda and Vuda Sabeto Projects** (Geopacific option to purchase 80% and 100% respectively) include a large alteration system with numerous gold showings. The area includes many prospects with high-grade gold veins at Natalau, Ista's, Location 13, Mongoose Pit and Teitei Prospects. Many areas have coarse gold in soils and weathered surface rock and several have been trench sampled by Geopacific with very positive results.

The large alteration and mineralisation system covered by Vuda and Vuda Sabeto is an excellent target for an underlying mineralised porphyry system and Geopacific is considering an airborne electromagnetic survey (EM) over this area to locate underlying deep sulphide deposits. Several deep drill holes may be undertaken if the EM geophysical survey is successful.

RakiRaki (Geopacific 50% and Manager) contains a range of epithermal gold targets within large alteration areas and gold anomalous zones in a caldera setting analogous to the nearby Vatukoula Gold Mine (>8 million ounces gold). Geopacific's exploration has identified high-grade, near-surface gold at the Qalau, 4300E and the Tataiya Prospects and each of these has potential to host a large world-class gold deposit.

Nadi South (100% Geopacific) contains under-explored, outcropping porphyry style copper-gold mineralisation (Togo Porphyry Cu-Au Prospect) extending under younger cover, as well as peripheral epithermal style gold prospects (Red Hills, Tokara Vein) which have substantial anomalous gold values in surface outcrop. An EM survey over the Togo Porphyry Cu-Au Prospect is being considered for 2010.

Nuku (100% Geopacific) has gold and base metal surface anomalies but very limited drilling. Skarn gold and base metal deposits have been located and these surround a possible porphyry Cu alteration system. Evaluation of these by an airborne EM survey could be undertaken during 2010.

Completed Work during 2009

Nabila Project SPL1216 - 100% Millennium Mining (Fiji) Ltd (subsidiary of GPR)
SPL1415 - 100% Millennium Mining (Fiji) Ltd (subsidiary of GPR)

During early 2009 Geopacific received assay results for the remaining samples of the 29 diamond drill holes completed in the NE part of the Faddy's Gold Deposit and results of this work are reported in the 2008 Annual report (Available at Geopacific's website www.geopacific.com.au). Numerous trenches and surface rock chip samples within outcropping gossan in the drilled area were also mapped and assayed for gold.

On 21 January Geopacific announced that assays from trenching and costeaning completed at the Faddy's Gold Deposit, include **'bonanza' high-grade gold ranging up to 233g/t Au (7.5 oz/t) in one-metre sampled intervals.** This high grade interval occurs within a wider zone which averages 71.2g/t Au (2.3 oz/t) over four metres in trench FT2. The trenches have defined high grade gold values within several prominent structural features within a 150m long zone (up to 50m wide) of gold mineralised gossan outcrop.

The 233g/t Au sample was sent to ALS Chemex ('ALS') in Brisbane for repeat assays of the sample pulp and a **313g/t Au** assay was determined by ALS using similar fire assay procedures for ore grade material. The differences imply that a 'nugget gold' effect may have influenced gold determinations at NE Gossan where abundant visible fine-grained gold occurs in many panned concentrates of the mineralisation.

The gold-bearing gossanous and oxidised outcrops are located in the north eastern portion of the Faddy's Gold Deposit at the NE Gossan Zone. High gold contents were intersected in shallow drill holes (intervals ranging up to 138.3g/t gold between 5-14 metres in drill hole FAD019 were reported on 27 November 2008).

Deeper pyritic gold mineralisation was also intersected by Geopacific (0.5m sampled intervals range up to 73.2g/t Au at 80.2m within a 20.5m thick zone of 4.27g/t Au in FAD001) and this is the north-west dipping depth extension of the gossan. Re-assay of a pulp split of this high grade zone by ALS (Brisbane) returned 79.0g/t Au, a significant increase (8%) on the original assay and this implies that the Vatakoula laboratory data for high grade gold samples may have understated the actual gold content of some samples. This sample also contains high silver (430g/t Ag), lead (5.56% Pb), zinc (4.00% Zn) and copper (1.435% Cu).

Channel samples in trenches were collected along 0.5m-1.0m intervals by selection of 15cm wide, 3-4cm deep sample cuts. For high grade mineralised zones both walls of the trenches were sampled by horizontal sampling and vertical samples have been collected to define shallow dipping structures.

High-grade channel samples collected from the trenches included:

- **1m of 14.1g/t Au** at 2m in trench FT1 (in a 54m wide zone of 1.26g/t Au).
- **1m of 66g/t Au** at 10m in trench FT1
- **0.8m of 24.7g/t Au** at 14.1m in trench FT2
- **1m of 233g/t Au within a 28m wide zone averaging 9.71g/t Au** in FT2
- **1m of 14.6g/t Au** at 12.5m in trench FT8
- **1m of 15.2g/t Au** at 9m in trench FT10
- **1m of 19.4g/t Au** in a road cut channel sample at RCA.
- **2m of 37.5g/t Au** in a road cut channel sample at RCB.
- **1m of 10.7g/t Au** in a road cut channel sample at RCC

77 of the Faddy's samples (all with elevated gold content) were selected to determine base metal distribution. Base metal assays ranged up to 5.56% Zn, 4.00% Pb, 1.44% Cu and 430g/t Ag. Contents of arsenic, bismuth, chromium, nickel and cadmium are negligible. High silver values were recorded for deeper sulphide samples which commonly have a gold:silver ratio of approximately 1:5. In oxidised samples this ratio is typically much lower.

Five panned concentrate samples were collected from various portions of the Faddy's Deposit and sent to Pontifex and Associates Pty Ltd (Adelaide) for mineralogical description under reflected light microscopy of polished mounts. Three samples were from oxidised Au/Ag/Zn gossan and two samples were from drill core of sulphide mineralisation, within a mineralised carbonate-quartz thrust zone beneath the gossan. Gold grains were identified in all samples, but were most abundant and coarsest in the gossanous samples (Figure 2). Visible gold occurs as sparse grains mostly liberated, and ranging in individual size from 2μm to 80μm. Lesser gold occurs as inclusions in (?cupriferous) goethite and in vein quartz or carbonate gangue and also rarely as composites with galena.

Microprobe analyses of gold were undertaken at the University of Adelaide Centre of Electron Microscopy (Table 1) and these show that both silver-poor and silver enriched (up to 18% Ag) gold grains occur in several of the samples and that impurities of sulphur, iron, copper and tellurium within gold grains only occur in trace amounts.

Sulphur Wgt %	**Iron Wgt %**	**Copper Wgt %**	**Silver Wgt %**	**Tellurium Wgt %**	**Gold Wgt %**
0.0057	0.012	0.0018	0.5782	0.3207	101.34
0.0299	0.0001	0.0212	0.721	0.0001	100.91
0.0001	0.1902	0.0528	16.9867	0.217	86.145
0.0258	0.0756	0.0001	16.8807	0.6454	85.418

Table 1. Selected electron microprobe assays of four gold grains

The results of the Pontifex study indicate that a proportion of the gold in the Faddy's deposit may be readily separated using conventional gold recovery methods.

Faddy's Gold Deposit 'Test' of Resource Estimation of the north eastern Gossan Zone

Gold mineralisation at Faddy's is predominantly hosted by a major zone of shearing which cuts through a complex of high-level diorite dykes which intrude host andesitic volcanic rocks. Highest gold grades are associated with zones of intense clay-limonite alteration that are softer than the host rocks and subject to preferential losses during diamond drilling and sampling.

Extensive drilling programs by previous companies involved both diamond drilling and percussion/reverse circulation drilling techniques. Reported core recovery from previous diamond drilling is often very poor in key zones with a suspected significant loss of gold. By contrast, reverse circulation drilling, mainly below the water table appears to have often resulted in extensive down-hole contamination of gold values. This has formed wide, low grade intercepts which exaggerate the true thickness of the mineralised zone. Because of these limitations, and lack of quality control data on sampling and assaying, data from the previous work is not considered suitable for resource estimation and reporting under the JORC code.

Drilling by previous explorers has shown the mineralised zone to have a strike length of at least 650m and to extend to more than 240m depth.

Geopacific's test drilling and surface channel sampling program on the eastern portion of the known mineralised structure took strenuous efforts to minimise core loss within mineralised zones. This test zone covers approximately 220m of strike length at the eastern end of the known mineralised zone, and has limited drilling down to 140m below surface. A total of 30 holes for 1,538 metres of diamond drilling, and 492 metres of surface trenches was completed. Diamond drilling used large diameter PQ triple tube core. Total core was sampled to minimise losses during core cutting. Gold determinations were either by duplicate or triplicate 30g fire assays by Emperor Gold Mines. Hole collars were surveyed by differential GPS.

A comparison of Geopacific data and previous data from within the mineralised test zone is shown in Table 2 which highlights the extent of undervaluing of gold values in the previous data set.

FIELD	**Samples**	**Min**	**Max**	**Mean**	**SD**	**CV**
Geopacific Data	1113	0.005	235	1.77	9.39	5.31
Old Data	465	0.004	12.8	1.00	1.69	1.69
Difference	648	0.001	222.2	0.76	7.69	3.62
%Diff-GPR/OLD	139%	25%	1736%	76%	455%	215%

Table 2. Comparison of drill hole samples from inside and outside Geopacific's drilled 'test' area.

Hellman and Schofield Pty Ltd have completed a resource estimate, using Multiple Indicator Kriging (MIK), of the portion of the mineralised zone tested by Geopacific. The raw data is highly skewed, and the effect of very high gold values has been limited in the MIK process. These estimates assume a selective mining unit (SMU) of 10 x 5 x 5 metres. Results are summarised in Tables 3, 4 and 5.

Cut-off Au g/t	Kt	Au	Koz Au
0.0	936	1.19	35.7
0.5	709	1.46	33.3
1.0	**355**	**2.18**	**24.9**
1.5	176	3.17	17.9
2.0	111	4.03	14.4
3.0	62	5.27	10.6

Table 3. Test block resource by cut-off grade

The Hellman and Schofield estimates cover a strike length of 220m, where the mineralised zone varies in thickness from 10 to 25m and has been evaluated to depths up to 140m below surface. Mineralisation outcrops at surface as shown by the Geopacific trenches.

Cut-off Au g/t	Zone	Kt	Au	Koz Au
1.0	Completely Oxidized	118	2.79	10.5
1.0	Partly Oxidized	29	1.77	1.6
1.0	Sulphide	209	1.90	12.7
	Total	**355**	**2.18**	**24.9**

Table 4. Test block resource by metallurgical zone, 1.0 g/t Au cut-off

Cut-off g/t Au	Class	Kt	Au	Koz Au
1.0	Indicated	114	2.37	8.7
1.0	Inferred	241	2.10	16.3
	Total	**355**	**2.18**	**24.9**

Table 5. JORC classification of test area, 1 g/t Au cut-off

<u>Additional Exploration Potential</u>
Although the earlier drilling results are considered unreliable they demonstrate that mineralisation extends at least 440m west of the currently defined Geopacific resource. Beyond the limits of previous drilling, the mineralised zone remains open to the east, west and at depth. This potential mineralisation has had insufficient exploration to define a Mineral Resource and it is uncertain whether further drilling will convert this to a Mineral Resource.

The strong increase in grade achieved through better sampling within the Geopacific test zone, if repeated throughout the known mineralised area, offers potential to at least treble the current resources from the currently known extent of the Faddy’s mineralised shear, with additional potential for both lateral and depth extensions.

<u>Metallurgical Testwork on Faddy’s Samples</u>
Metcon Laboratories (a division of Ammtec Ltd) completed metallurgical testwork on a composite of Faddy’s oxide gold mineralisation made up from 69 drill and trench samples and with an average grade of 19.95g/t gold and 21g/t silver.

Testwork included:
- A 10kg Gravity Recoverable Gold (GRG) test designed to identify the amount of free gold present and it's liberation characteristics
- A 2kg scale gravity concentration test at 75µm followed by intensive cyanidation of the gravity concentrate and leach testing of the gravity tails.
- A 1kg scale direct leach at 75µm grind size which was extended to 48 hours to allow for dissolution of free gold flakes.

The GRG test established that there is significant free gold and most is fine grained (less than 75µm). With a fine grind the actual GRG value was 47% and this was further quantified as 32% free gold by amalgamation. The difference between the two values is assumed to be gold associated with sulphides which comprised a portion of the gravity concentrates.

A 'whole of ore' direct cyanide leach test at a 75µm grind size established that 93% gold and 71% silver extraction could be achieved with a 24 hour leach retention time at 40% solids for a relatively moderate reagent consumption.

A gravity/leach test at the same grind size produced equivalent results if both the concentrate and tails were leached. When only the concentrate was treated this was reduced to 65% gold recovery by gravity into a concentrate of 8% by weight assaying 189 g/t Au. This concentrate was leached at 97% extraction efficiency giving overall 63% gold recovery.

The flotation option was examined as a consequence of the sulphides within the composite with the intention of floating fine free gold in addition to the sulphide associated gold. This achieved 71% gold recovery into a concentrate of 5% by weight assaying 274 g/t Au. This concentrate could be sold directly or further processed by leach extraction.

Gold Assay Results and Alteration

Whole rock analyses of representative samples of different Faddy's rock types have been undertaken and these have assisted in fingerprinting original rock compositions and alteration processes to assist in future regional prospecting. Alkali compositions of host volcanic rocks show that they were predominantly sub-alkaline andesitic basalts. Potassium contents are variable and indicate rock types ranging from low potassium andesite to shoshonite.

Electron Microprobe Study of gold in sulphide mineralisation

Electron microprobe assays of un-oxidised gold mineralised drill core (FAD001, 80.50-81.00m) were undertaken. Observed gold grains were generally around 1-10 micron across and have elevated silver contents ranging from 15.2-27.8% silver. Other elements associated with the gold include small amounts of iron, bismuth, sulphur and copper. Trace silver telluride (hessite [Ag_2Te]) was identified in one thin section.

Many of the gold grains identified in the study occur as small individual grains marginal to clusters of pyrite, chalcopyrite (copper sulphide, often rimmed by chalcocite), galena (lead sulphide) and sphalerite (zinc sulphide) which are embedded in magnesium-manganese carbonate – quartz alteration (Figure 3). The pyrite grains associated with gold are commonly zoned, low in arsenic content and have no detectable gold content. Similarly, small grains of galena, chalcopyrite and sphalerite are gold poor.

Tau area sampling

Field visits were made to SPL1415 where gold and base metal mineralisation has been reported from previous company exploration. Altered andesite near the village of Tau was sampled and gold assays of up to 5.56g/t Au were returned from roadside outcrop (sample 14632, quartz breccia). Field follow-up of this new gold anomaly will include detailed sampling and mapping of the area surrounding the mineralisation outcrops.

Mistry North Prospect

Field evaluation was undertaken at the Mistry North Prospect which is located about 1.8km SW of the Faddy's Gold Deposit and immediately north of the old Mistry Gold Mine workings where approximately 23 kilograms of gold at an average recovered grade of 13.6g/t Au was produced from small, near-surface workings in a narrow, steep dipping mineralised lode during small scale mining activity between 1947-1958. Exploration by other companies (Hollcroft Mining Ltd, Climax Mining Ltd) late last century reported anomalous gold in numerous soil auger and rock chip channel samples along trend and directly north of the old Mistry workings. Approximately 150m north east of Mistry North and along trend towards the Faddy's deposit rock chip samples of outcrop are reported to contain 22.3g/t Au and 19.1g/t Au by the Hollcroft Mining reports.

At Mistry North Geopacific completed a programme of trenching and rock channel sampling of outcrops and this has confirmed the occurrence of widespread gold mineralisation associated with stockwork veins within fractured and oxidised volcanic and intrusive rocks.

Anomalous gold occurs within a series of 1m channel rock chip samples collected along road cuts. Cumulative samples along this track contain 29 metres of mineralisation including a 16m zone which has an average gold grade of 1.65g/t Au and which includes 10m of 2.04g/t Au.

As follow-up to these results, Geopacific is planning to drill beneath the anomalous surface gold to determine the depth and width extent of oxidised gold mineralised zone.

Vuda Project SPL1368 Geopacific Ltd (subsidiary of GPR) has an option to purchase 80%
SPL1361 Geopacific Ltd (subsidiary of GPR) has an option to purchase 100%

Mapping and sampling at the Location 13 Prospect (SPL 1368) continued during early 2009. Some of the trenches prepared and sampled during the previous six months were remapped and all have been filled and rehabilitated at the request of landowners. New sampling was undertaken along road cuts and outcrops at the prospect.

Field work was undertaken at the Khan's Milk Shed area where there is potential to target underlying porphyry Cu-Au mineralisation. Widespread clay-pyrite alteration is anomalous in gold and could form the overlying cap to a large gold-bearing deposit. North of Khan's milk shed a wide, east-west trending zone of low-grade gold mineralisation (plus 200m wide interval averaging 0.16g/t Au in soils) contains higher grade gold zones (trench samples ranging up to 11m of 2.77g/t Au) were reported from previous exploration by Nullarbor Holdings Ltd. Geopacific is planning to test this large mineralised anomaly with geophysical evaluation and possible deep drill testing.

RakiRaki Project SPL1231, SPL1373, SPL1436
50% Beta Ltd (subsidiary of GPR) - Operator
50% Peninsula Minerals Ltd

A desk top study of the 4300E Prospect incorporating the results of nine drill holes and some surface sampling determined an Inferred Resource of 613,000 tonnes of 1.2g/t Au to a depth of 70m and within a 150mx150m area of drill testing. This gold mineralisation is open at depth and along trend.

Approximately 365 meters of trenching were completed at the 4300E prospect. The work was designed to test extensions to the 4300E Prospect near-surface gold anomalies and determine the structural control of mineralization intersected in drilling. Trenches were completed by digger to sample weathered bedrock beneath shallow alluvial cover. All were successfully sampled and mapped and rock channel samples from the work have been forwarded to the Vatakoula analytical facility for gold analyses.

Nadi South Project SPL1434 100% Geopacific Ltd (subsidiary of GPR)

A renewal application for SPL1434 was lodged with the Department of Mineral Resources.

Surface mapping and sampling is planned for the southern portion of the Togo Porphyry Cu-Au Prospect and this work will focus on the surface gold mineralisation at both the Red Ridge and Tokara Vein Prospects.

A ground geophysical survey (Induced Polarisation) to cover Red Ridge is being considered as this will help define deeper drill targets at the prospect. An airborne electromagnetic (EM) survey will also help define gold and copper enriched areas of the Togo Porphyry prospect and this work is planned for 2010.

Nuku Project SPL1368 - 100% Geopacific Ltd (subsidiary of GPR)
CX667 – 100% Geopacific Ltd (subsidiary of GPR)

Unseasonable rainfall continued to delay planned field work at Nuku.

Reassessment of the Wailoaloa Skarn Prospect is planned to include surface mapping and sampling along trend from the drilling undertaken during 2008. Track access upgrade may be required prior to any further drilling at Wailoaloa.

Discussions with potential joint venture partners were undertaken during with a view to help fund further drilling and geophysical surveys and exploration for porphyry Cu-Au deposits.

Large scale geophysical surveys (EM) are being investigated by the Company. These could help define large copper-gold porphyry type mineralisation at depth as well as smaller but high grade skarn type polymetallic gold targets at Nuku and surrounding area.

Corporate

Annual General Meeting

Geopacific's Annual General Meeting was held in the Company's Sydney office on 12 May. The Company's Financial Report for the financial year ended 31 December 2008 together with the related Directors' and Auditor's reports were presented, Mr Willie (Bill) A Brook, a Director retiring in accordance with the Company's Constitution was re-elected a Director of the Company and the Company's Remuneration Report for the financial year ended 31 December 2008 was received, approved and adopted. The Chairman presented a review of the Company's recent activities and a brief technical update was given by the Managing Director.

Share Purchase Plan

A Share Purchase Plan (SPP) for eligible Shareholders to purchase up to $15,000 worth of Shares in Geopacific for subscription at 4 cents (Australian) per Share was completed. The SPP closed with total subscription of AUD$244,194 for the issue of 6,104,868 new shares.

BurnVoir Corporate Finance Limited was appointed as corporate advisor to Geopacific. BurnVoir is a Sydney based corporate and project advisory group which has a long history of providing financial advice to identify and implement the most suitable financing plans and capital structure. BurnVoir was appointed to assist Geopacific to arrange and plan future project finance and working capital.

Share Placement

On 24th November Geopacific completed the placement of 9,446,225 new ordinary shares at $0.03 per share to Laguna Bay Capital Pty Limited and Springtide Capital Pty Limited to raise approximately $283,000 before costs.

Non-Renounceable Entitlements Issue ('Rights Issue').

On 20th November Geopacific announced a one-for-one non-renounceable entitlement issue of approximately 72 million new shares to raise approximately $2,172,000 at an offer price of $0.03 per share. Under the Offer, eligible shareholders were able to subscribe for one new share for each one existing share held (1:1) as at the record date at an issue price of $0.03. Eligible shareholders that accepted the offer were allocated one free attaching option for every two entitlement shares taken up. The options are not listed and convert at $0.06 per share with an expiry of 16th December 2011.

The Offer was underwritten to $1,000,000, which was applied towards the offer shortfall. The underwriters agreed to subscribe for the Offer shortfall of up to 33,333,333 shares ($1,000,000), inclusive of the entitlements offered as part of the placement. Geopacific appointed Laguna Bay Capital Pty Limited and Springtide Capital Pty Limited to jointly underwrite the Rights Issue in respect of 33,333,333 new shares. Laguna Bay Capital underwrote the Rights Issue in respect of 16,666,667 new shares and Springtide Capital underwrote the Rights Issue in respect of 16,666,666 new shares.

All of the new shares rank equally with existing shares from allotment. The record date for the Offer was 5.00 pm (AEST) Monday, 30th November 2009 and the Offer was open between Tuesday, 1st December 2009 and Tuesday, 15th December 2009.

All of the Geopacific shares not taken up by qualifying Shareholders under the Rights offer were issued at the Directors' discretion at the issue price of $0.03 per share and within two weeks of the closing date.

The final numbers at closure of the offer are summarised as follows:

	Shares	$
Amount raised	21,399,283	$641,978.49
Shortfall taken up by:		
Underwriters	33,333,333	$1,000,000.00
Issued at Directors' discretion	17,688,443	$530,653.31
Total issue	72,421,060	$2,172,631.80

On 23rd December 2009 there were 144,893,717 quoted Geopacific Resources NL securities (GPR) and 36,210,534 unquoted options which expire on 16th December 2011 (exercisable at $0.06).

Retirement of Mr Bill Brook as a Director of Geopacific Resources NL and subsidiary Fiji companies

Mr Willie (Bill) Brook retired as an Executive Director of Geopacific Resources NL on 17th July 2009 and continued as a Director of the Company until stepping down as a Director of Geopacific Resources NL, Geopacific Ltd, Beta Ltd and Millennium Mining (Fiji) Ltd on 4th February 2010. Mr Brook also resigned from his roles as Company Secretary and Authorised Officer of both Beta Ltd and Geopacific Ltd. Bill is one of the founders of Geopacific Resources NL which was incorporated as a public company on 15th December 1986.

Retirement of Mr Craig McCabe as an Alternate Director for Mr Ian Simpson

Mr Craig McCabe retired as an Alternate Director for Mr Ian Simpson on 18th February 2010.

Retirement of Mr Harvie Probert a Director and appointment as Alternate Director for Mr Ian Simpson

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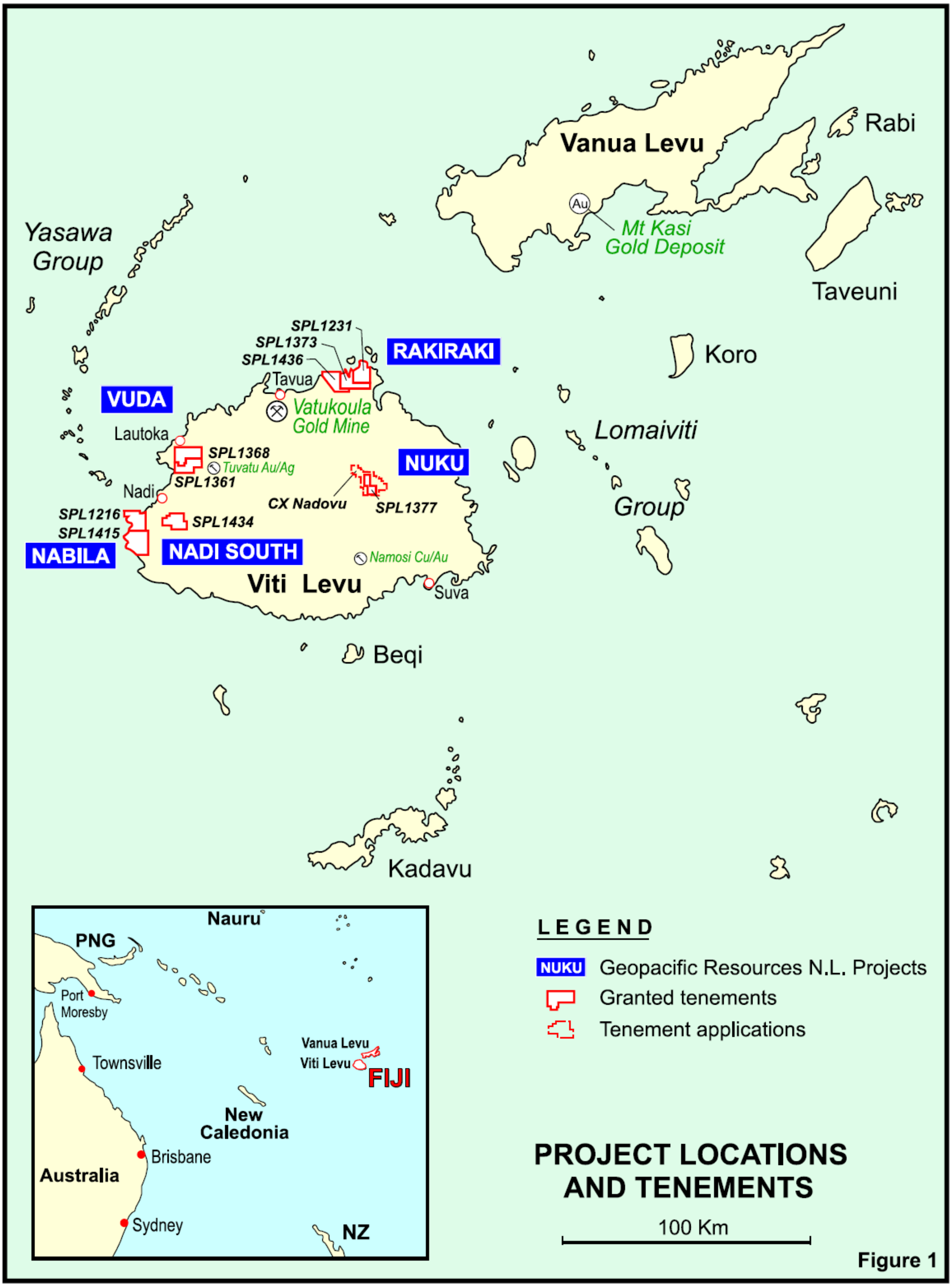
Appointment of Mr Charles Bass and Mr Tim Biggs as Directors of Geopacific Resources NL

Mr Charles Bass and Mr Tim Biggs joined the Geopacific Resources NL Board of Directors on 18th February, 2010.

Proposed Share Placement

On 24th February 2010, the company announced that it had resolved to raise up to $600,000 through a placement of up to 10,000,000 shares at a price of $0.06 per share. As a result of strong demand from investors during recent and ongoing marketing in North America, and co-incident with a desire to expand/accelerate the planned airborne geophysics program the directors of Geopacific Resources have agreed to increase the size of the placement to 13 million shares. increasing funds raised to $780,000.

The purpose of the placement is to provide additional working capital and to accelerate Geopacific's exploration efforts on its tenements. The placement is subject to shareholder approval at the Annual general Meeting.



Vanua Levu
Rabi
Mt Kasi
Gold Deposit
Au
Taveuni
Yasawa
Group
SPL1231
SPL1373
SPL1436
RAKIRAKI
Tavua
Koro
VUDA
Vatukoula
Gold Mine
Lautoka
Lomaiviti
SPL1368
Tuvatu Au/Ag
NUKU
SPL1361
Nadi
CX Nadovu
SPL1377
Group
SPL1216
SPL1415
SPL1434
NABILA
NADI SOUTH
Namosi Cu/Au
Viti Levu
Suva
Beqi
Kadavu
Nauru
PNG
Port
Moresby
Townsville
Vanua Levu
Viti Levu
FIJI
New
Caledonia
Brisbane
Australia
Sydney
NZ
LEGEND
NUKU
Geopacific Resources N.L. Projects
Granted tenements
Tenement applications
PROJECT LOCATIONS
AND TENEMENTS
100 Km
Figure 1

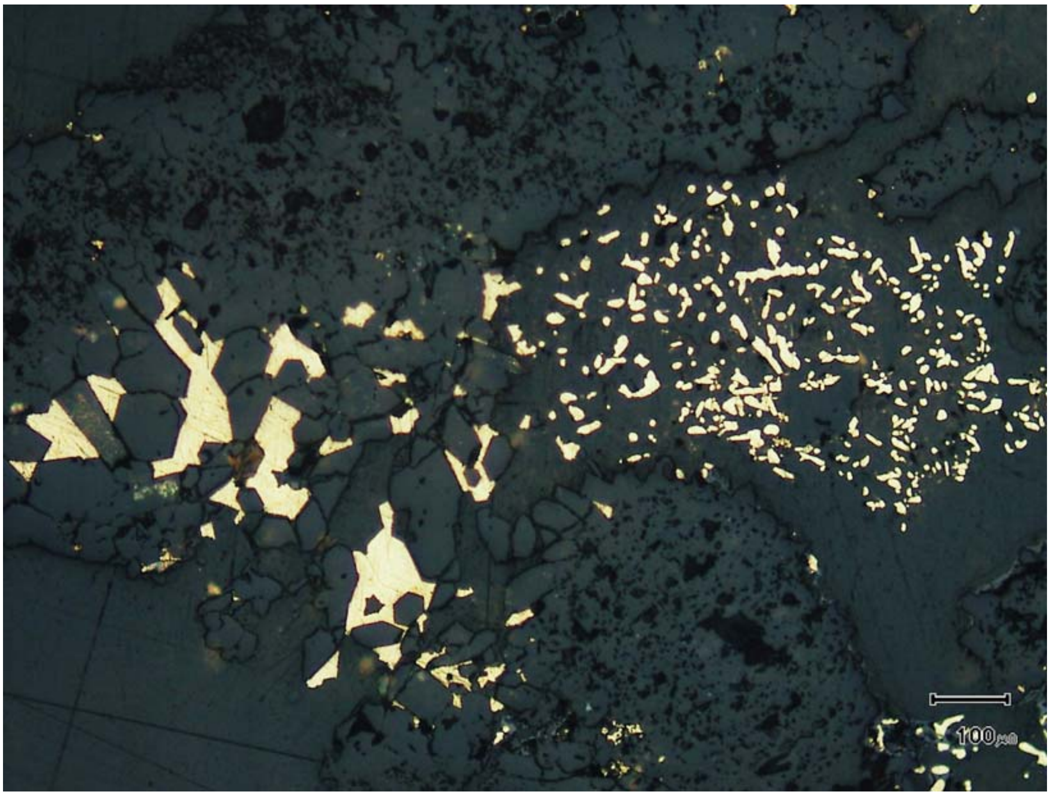


Figure 2. Reflected light microscope photograph of sample 12991 showing a cluster of fine gold (right) in an embayment within coarser crystalline vein quartz and coarser gold (left). The fine skeletal interstitial bright gold occurs within sparry vein quartz (dark grey/black). (scale bar is 100 microns)

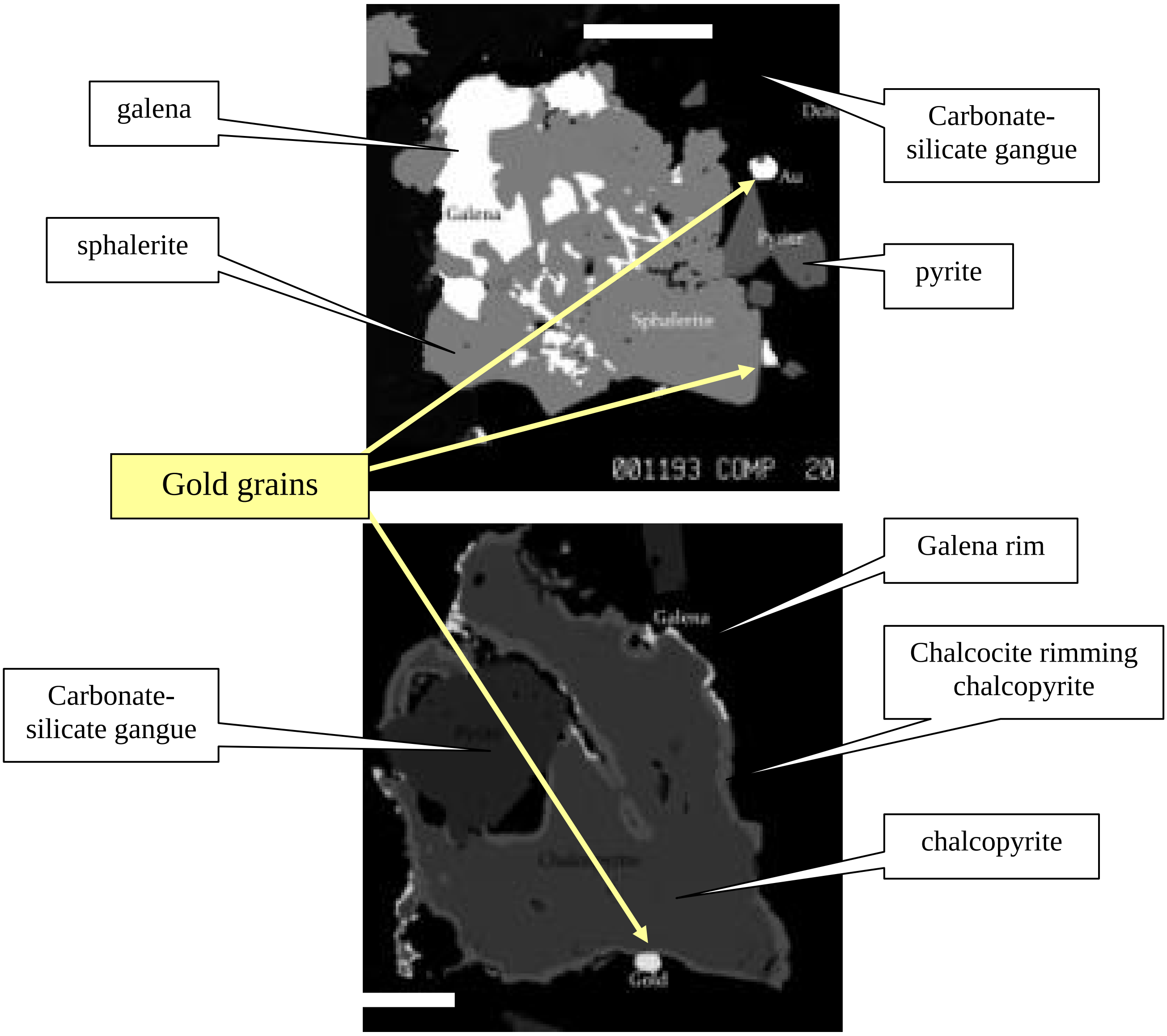


Figure 3. Electron micrographs of mineralisation in FAD001 (80.50-81.00m) showing composite base metal clusters and individual gold grains (scale bars are 100 microns).

Directors of Geopacific Resources NL

The Directors present their report together with the financial report of Geopacific Resources N.L. ("Geopacific") ("the Company") and of the Group, being the Company and its subsidiaries for the financial year ended 31 December 2009, and the auditors' report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

Russell John Fountain, B.Sc., Ph.D, F.A.I.G., Chairman
Dr Fountain was appointed a Director and Chairman of the Company on 23 September, 2005. Russell is a Sydney-based consulting geologist with 42 years of international experience in all aspects of mineral exploration, project feasibility and mine development. Previous positions include President, Phelps Dodge Exploration Corporation; Exploration Manager, Nord Pacific Ltd and Chief Geologist, CSR Minerals. Russell has had global responsibility for corporate exploration programs with portfolios targeting copper, gold, nickel and mineral sands.

Russell has played a key role in the grassroots discovery of mines at Granny Smith (Au in WA), Osborne (Cu-Au in Qld) and Lerokis (Au-Cu in Indonesia) and the development of known prospects into mines at Girilambone (Cu in NSW) and Waihi (Au in NZ). Russell holds a PhD in Geology from the University of Sydney (1973), with a thesis based on his work at the Panguna Mine (Cu-Au in PNG). He worked as a project geologist on the Namosi porphyry copper deposit in Fiji from 1972 to 1976. Russell is a Fellow of the Australian Institute of Geoscientists, and Executive Chairman of Finders Resources Ltd.

Ian James Pringle, B.Sc. (Hons.), Ph.D, Managing Director
Dr Pringle was appointed Managing Director of the Company on 23 September, 2005. Ian is an exploration geologist with over 24 years of specialist expertise in exploration for silver, gold, and copper within Australia and SE Asia. Ian gained a doctorate from the University of Otago in Dunedin, New Zealand in 1981 where he studied petrology, mineralogy and geochemistry of metamorphosed volcanic rocks and taught laboratory classes in economic geology.

During his career, Ian has worked in mineral exploration programmes that have resulted in many successful mineral discoveries. These include;

- in Northern Australia with Elf Aquitaine,
- the Lerokis Au-Cu-Ag deposit, Indonesia with CSR Minerals,
- the Girilambone copper deposit, NSW with Nord Resources, and
- in Australia, the Philippines and Cyprus as Exploration Manager for Golden Shamrock Mines and Oxiana Ltd (Oz Minerals Ltd).

As Exploration Manager with Oxiana Ltd Ian coordinated technical due diligence studies and assisted in negotiations to purchase the Sepon Project (Laos) from RTZ Ltd. Ian supervised resource drilling of the main gold and copper deposits at Sepon which is now a world-class copper and gold producer.

Ian's recent and current work includes exploration and resource evaluation of the Bowdens Silver Deposit, near Mudgee, NSW, an epithermal-style mineralised system which contains over 80 million ounces of silver and which is owned by Silver Standard Resources Inc of Canada, one of the few publicly traded companies focused exclusively on the discovery and acquisition of silver-dominant projects. Ian is a director of Silver Standard Australia Pty. Ltd.

Ian Neville Aston Simpson, Non - Executive Director

Mr Simpson was appointed a Director of the Company in March 2001. Ian recently retired as the Managing Director of Pacific Crown Aviation (Fiji) Ltd, which operates a helicopter service based out of Nadi Airport in Fiji. Ian received his training as a helicopter pilot and engineer in the Royal Navy, and as such has been involved with the exploration industry in Fiji since 1970. Ian has been associated with GPL since 1981 and has been a Director since 1994. He is also a Director of Beta Ltd and Millennium Mining Fiji Ltd. Mr Simpson is a citizen of Fiji.

Charles Bennett Bass, Non-executive Director, (Appointed 18 February 2010)

Charles Bass has well over 35 years of experience in mineral exploration, development and production in Australia, Canada and the United States. He has been actively involved as executive and director or several publicly listed companies since the early 1990's.

In March 2001, Mr Bass co-founded Australian-listed Aquila Resources Limited (AQA:ASX), remains a director and is now the third largest shareholder in the +$A3.5 billion dollar market capitalisation coal and iron ore company, after Bao Steel recently bought 15% for $285 million. Mr. Bass helped steer Aquila into coking coal in Queensland's Bowen Basin and into iron ore in Western Australia's Pilbara in 2002-3. As a result of its own exploration efforts, Aquila has an operating coal mine in a 50:50 joint venture with Vale and has two advancing world-class coking coal projects in feasibility with Vale, as well as two 100% owned feasibility-level coal projects, all in the Bowen Basin. In 2004, Aquila commenced exploring the Pilbara in a 50:50 joint venture and is now into feasibility on the $A4 billion capital cost project. Additionally, a major manganese discovery in South Africa has also been made directly by Aquila's exploration prowess. All this has been achieved with a total capital raising since inception of just $A63 million.

Between 1993 and 1997, Mr. Bass was co-founder, substantial shareholder and a Managing Director of Eagle Mining Corporation Pty Ltd. Under Mr Bass, Eagle discovered, developed and built the Nimary gold mine and plant in Western Australia. The mine and plant were built in a record four months from ground breaking to first pour, and produced at over 100,000 oz/yr. Nimary was one of Australia's highest grade and lowest cost producers of its time. Through a series of takeovers, Nimary remains an asset for its current owner, Newmont Mining Corporation.

Mr Bass is also a non-executive director of a non-listed (about to be listed) exploration company that specialized in airborne geophysical prospecting. The Exploration Syndicate Inc has a major VMS Cu/Zn/Pb/Au discovery in the Flin Flon district of Manitoba, Canada, and is currently raising funds to delineate this project. Additionally, major airborne EM surveys were flown in Arizona for porphyry copper and VMS, and in the Selwyn Basin of the Yukon.

Mr Bass has a B.Sc. Geology from Michigan Technological University and a M.Sc. Mining Engineering from Queen's University, Canada. He is a Fellow of the Institute of Geoscientists. He is also a member of the Australian Institute of Company Directors.

Stephen Timothy Biggs – Non-executive Director, (Appointed 18 February 2010)
Tim Biggs has been involved in the financing of listed companies in Australia since 1993.

Tim commenced his career with Pembroke Josephson Wright stockbrokers in Brisbane, Australia – the firm specialised in raising equity capital for natural resource companies. In 1997 Tim moved to Sydney to work for Robert Fleming and Company and subsequently for Credit Suisse First Boston gaining valuable experience in equity derivatives, convertible and Equity capital markets functions.

Since departing CSFB in 2003, Tim has worked privately investing in junior and mid-cap listed companies.

Roger Harvie Probert, - Alternate Director to Mr Simpson
Harvie Probert was elected chairman of GPL in 1997. In 1970-71 he served for one year as a field manager for Barringer Research in a mineral exploration programme in Fiji. In 1972 he joined The Fiji Gas Co. Ltd., and was appointed general manager and chief executive in 1983. He is also general manager and a Director of the associated companies, Fiji Chemicals Ltd and Tonga Gas Ltd. Harvie served as a Board member of the Civil Aviation Authority of Fiji, Capital Markets Development Authority, Fiji Islands Revenue and Customs Authority and chairman of Airports Fiji Ltd. He is also chairman of the Mining Council of Fiji and was president of the Fiji Institute of Management (1989-91) and the Fiji Employees Federation (1993-95). He is Chairman of Geopacific Ltd and a Director of Millennium Mining Fiji Ltd. Mr Probert is a citizen of Fiji.

Willie Anthony Brook, B.Sc., M.A.I.G., Executive Director (Resigned as Director 4 February 2010)

Craig Kingsley McCabe, B.Ec., F.A.I.B.F., A.I.M.M. - Alternate Director to Mr Simpson (Resigned 18 February 2010)

COMPANY SECRETARY

Mr Grahame Clegg, JP, BCom., CA, ACIS., MAICD,FTIA, AFAIM, FNTAA, SAFin.
Mr Clegg was appointed to the position of Company Secretary on 14 July 2006 and has over 37 years experience in audit, financial and corporate roles including 17 years in Company secretarial roles for ASX-listed companies. He is a director of Oakhill Hamilton Pty Ltd, and Taen Pty Ltd, companies which provide secretarial, accounting and corporate advisory services to a range of listed and unlisted companies.

2 Principal Activity

The principal activity of the Group is exploration for gold and gold-copper deposits in Fiji.
There was no significant change in the nature of this activity of the Group during the financial year.

3 Operating and Financial Review

The loss of the Group for the year ended 31 December 2009 was $396,389 (2008: loss $388,902). Information on the operation and financial position of the Group and its business strategies and prospects are set out in the review of operations.

4 Dividends

The Directors do not recommend the payment of a dividend.

Dividends paid or declared since the end of the previous year were $Nil.

5 State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review, not otherwise disclosed in this report.

6 Events Subsequent to Reporting Date

Retirement of Mr Bill Brook as a Director of Geopacific Resources NL and subsidiary Fiji companies

Mr Willie (Bill) Brook retired as an Executive Director of Geopacific Resources NL on 17th July 2009 and continued as a Director of the Company until stepping down as a Director of Geopacific Resources NL, Geopacific Ltd, Beta Ltd and Millennium Mining (Fiji) Ltd on 4th February 2010. Bill is one of the founders of Geopacific Resources NL which was incorporated as a public company on 15th December 1986. Mr Brook received a termination benefit of $60,000.

Retirement of Mr Craig McCabe as an Alternate Director for Mr Ian Simpson

Mr Craig McCabe retired as an Alternate Director for Mr Ian Simpson on 18th February 2010.

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Mr Charles Bass and Mr Tim Biggs joined the Geopacific Resources NL Board of Directors on 18th February, 2010.

Proposed Share Placement

On 24th February 2010, the company announced that it had resolved to raise up to $600,000 through a placement of up to 10,000,000 shares at a price of $0.06 per share. As a result of strong demand from investors during recent and ongoing marketing in North America, and co-incident with a desire to expand/accelerate the planned airborne geophysics program the directors of Geopacific Resources have agreed to increase the size of the placement to 13 million shares. increasing funds raised to $780,000.

The purpose of the placement is to provide additional working capital and to accelerate Geopacific's exploration efforts on its tenements. The placement is subject to shareholder approval at the Annual general Meeting.

No other matter or circumstance has arisen since 31 December 2009 that has significantly affected, or may significantly affect:

(a) the Group's operations in future financial years, or
(b) the results of those operations in future financial years, or
(c) the Group's state of affairs in future financial years.

7 Directors' Interests and Benefits

The beneficial interest of each Director in the ordinary share capital of the Company as at the date of this report is:

	Direct		**Indirect**	
	Shares	**Options**	**Shares**	**Options**
R J Fountain [(1)]	20,000	5,000	60,000	15,000
I J Pringle	32,000	1,508,000	837,250	160,000
I N A Simpson	6,282,695	2,800,000	56,900	14,225
R H Probert (Alternate)	647,545	29,000	Nil	Nil
C B Bass	Nil	Nil	6,925,010	4,166,666
S T Biggs	Nil	Nil	24,957,115	Nil

[(1)] Russell Fountain is a director of Finders Resources Ltd which holds 5,900,000 shares.

8 Directors' Meetings

During the year ended 31 December 2009 a total of four Directors' Meetings were held. Directors' attendance record is tabulated below.

Record of Directors' Attendance at Meetings

Director	**Service**	**Attended** *	**Eligible to Attend**	**Leave of Absence**
R J Fountain	All year	4	4	-
I J Pringle	All year	4	4	-
W A Brook	*Retired 8.1.2010*	3	4	-
I N A Simpson	All year	3	4	-
R H Probert	All year	4	4	-
C K McCabe (alternate to I. Simpson)	*Resigned 18.2.2010*	1	1	-
C B Bass	*Appointed 18.2.2010*	-	-	-
S T Biggs	*Appointed 18.2.2010*	-	-	-

* Either in person, or by electronic means.

The Board of Directors takes ultimate responsibility for corporate governance including the functions of establishing compensation arrangements of the Managing Director and its senior executives and officers, appointment and retirement of non-executive Directors, appointment of auditors, areas of business risk, maintenance of ethical standards and Audit and Remuneration/Nomination Committees. The Board seeks independent professional advice as necessary in carrying out its duties and responsibilities.

9 Likely Developments

The Group will continue to develop its existing exploration tenements and seek to increase its tenement holdings by acquiring further projects.

10 Environment Regulations

Entities in the Group are subject to normal environmental regulations in areas of operations. There has been no breach of these regulations during the financial year, or in the period subsequent to the end of the financial year and up to the date of this report.

11 Share Options

There are 45,760,534 options over unissued shares unexercised at 31 December 2009 (2008 – 9,950,000).

Issues in current year

Rights issue

Options have been issued to directors and others as free attaching options to shares issued under a rights issue on the following terms and conditions:

The Optionholder is entitled on payment of the Exercise Price (being 6c per share) to be allotted one ordinary share in the Company for each Option exercised. The Options held by the Optionholder are exercisable in whole or in part, not later than 16 December 2011. Options not exercised before the expiry of the Exercise Period will lapse.

12 Insurance of Officers

The Company has, by Deed of Access, Indemnity and Insurance, paid a premium to insure the Directors and Company Secretary of the Group in respect of certain legal liabilities, including costs and expenses in successfully defending legal proceedings, whilst they remain as Directors and for seven years thereafter. The insurance contract prohibits the disclosure of the total amount of the premiums and a summary of the nature of the liabilities.

13 Auditor

KS Black & Co was appointed as auditor on 22 September 2009 and continues in office in accordance with section 327 of the *Corporations Act 2001*.

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	Consolidated	
	2009	2008
Assurance services	**$**	$
1. Audit services		
KS Black & Co Australian firm:		
Audit of the financial report and other audit work under the *Corporations Act 2001*		
- Current year	**24,658**	-
Total remuneration for audit services	**24,658**	-
BDO Kendalls Australian firm:		
Audit of the financial report and other audit work under the Corporations Act 2001		
- Review of the half-year financial report	**-**	7,575
Total remuneration for audit services	**-**	7,575
Nexia Court & Co Australian firm:		
Audit of the financial report and other audit work under the Corporations Act 2001		
- Current year	**-**	-
- Prior year	**-**	19,083
- Review of the half-year financial report	**-**	-
Total remuneration for audit services	**-**	19,083
2. Other assurance services		
Ernst & Young Fijian firm:		
Audit and review of financial reports	**4,484**	**6,247**
Total remuneration for other assurance services	**4,484**	**6,247**
Total remuneration for assurance services	**29,142**	**32,905**
Taxation services		
KS Black & Co Australian firm:		
Tax compliance services, including review of Company income tax returns	**1,980**	-
Total remuneration for taxation services	**1,980**	**-**

15 Non-audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

16 Lead Auditor’s Independence Declaration

The lead auditor’s independence declaration is set out on page 32 and forms part of the Directors’ report for the financial year ended 31 December 2009.

17 Remuneration Report (Audited)

The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation

The information provided under headings A-D includes remuneration disclosures that are required under Accounting Standard AASB 124 *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

A Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance, being the development of the Geopacific Resources exploration tenements. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms with market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high calibre executives.

Alignment to programme participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority with the Group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

Remuneration of executive and non-executive directors is not related to the performance of the company.

Non-executive Directors

Fees and payments to non-executive Directors reflect the demands, which are made on, and the responsibilities of, the Directors. The Board reviews Non-executive Directors' fees and payments annually. The Board may from time to time seek the advice of independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of non-executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Directors' fees

The current base remuneration was last reviewed with effect from 1 January 2009 and will be reviewed in September 2010.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $200,000 per year in aggregate.

Executive pay

The executive pay and reward framework has four components:

- base pay and benefits;
- short-term performance incentives;
- long-term incentives through participation in the Geopacific Resources NL Employee Option Plan (Geopacific Resources Option Plan); and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay

Structured as a total employment cost package, which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

Geopacific Resources NL Employee Option Plan

Information on the Geopacific Resources Option Plan is set out in note 24.

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the Directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of Geopacific Resources and the Geopacific Resources NL Group are set out in the following tables.

The key management personnel of Geopacific Resources and the Group include the Directors:

Remuneration paid to key management personnel of Geopacific Resources and of the Group

2009	Short-term benefits		Post-employment benefits	Share-based payment	
Name	Directors' Fees $	Consulting Fees $	Superannuation $	Options $	Total $
Non-executive Directors					
I N A Simpson	24,000	-	-	-	24,000
R J Fountain	-	25,000	-	-	25,000
R H Probert	24,000	-	-	-	24,000
C K McCabe (alt. to I. Simpson)	24,000	-	-	-	24,000
Sub-total non-executive Directors	**72,000**	**25,000**	**-**	**-**	**97,000**
Executive Directors					
I J Pringle	-	112,400	-	4,136	116,536
W A Brook (note 1)	-	87,066	-	-	87,066
Totals	**72,000**	**224,466**	**-**	**4,136**	**300,602**

2008

Non-executive Directors					
I N A Simpson	-	-	-	-	-
R J Fountain	-	25,000	-	-	25,000
R H Probert	-	-	-	-	-
C K McCabe (alt. to I. Simpson)	-	-	-	-	-
Sub-total non-executive Directors	**-**	**25,000**	**-**	**-**	**25,000**
Executive Directors					
I J Pringle	-	123,115	-	18,507	141,622
W A Brook (note 1)	20,000	110,079	-	-	130,079
Totals	**20,000**	**258,194**	**-**	**18,507**	**296,701**

Note 1 Mr Brook was paid by Geopacific Ltd.

C Service agreements

(i) Mr Ian Pringle - Managing Director

A Consultancy Agreement dated 16 February 2006 has been entered into between the Company and Ian J Pringle & Associates Pty Ltd ("Consultant"), being a Company controlled by Dr Pringle. The consulting services are to be provided by the Consultant making available the services of Dr Pringle for between 150 and 185 days per annum (or as otherwise agreed). The Agreement commenced on 1 March 2005 for an initial term of two years, with an option for the Company to extend the term for two further periods of two years each, unless the consultancy is terminated earlier in accordance with the agreement. The Consultant may terminate the agreement on not less than 4 months notice.

The Consultant may also terminate the agreement immediately without notice if the Company becomes insolvent or requires the Consultant to perform services outside the scope of the agreement for a period of more than 100 days in any year or if the Company fails to pay moneys due under the Agreement within 14 days of demand and the Company shall pay to the Consultant the termination payment referred to below. The Company may terminate the agreement immediately without notice for serious or persistent breach, bankruptcy, fraud or wilful neglect, total and permanent incapacitation or mental illness of the Consultant or Dr Pringle (as the case may be), and may terminate the agreement at any time on 1 months notice without disclosure of any reason, by payment of a lump sum termination payment equivalent to the amount which the Consultant would have received for providing the services for one half of the Term then remaining or 6 months, whichever is the greater. The consultancy fee is $400 per day (prior to Listing) and $800 per day (post Listing), plus bonuses and expenses and subject to annual review by the Company. Dr Pringle will receive fees for services rendered to the Company in his capacity as a contractor to Ian J Pringle & Associates Pty Ltd.

(ii) Non-executive Directors

Directors are entitled to remuneration out of the funds of the Company but the remuneration of the non-executive Directors may not exceed in any year the amount fixed by the Company in general meeting for that purpose. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors.

Service agreements summary

	Start Date	Term of Agreement	Fees payable 2009 $	Notice period for termination (months)		Redundancy payment
Director				**Company**	**Employee**	
I J Pringle	1 March 2005	2 years with options to extend for 2 further terms of 2 years each	$800 per day	1	4	6 months fees

D Share-based compensation

Options

Options are granted on the recommendation of the Directors.

Options are granted for no consideration. Options are granted for a five year period, and are exercisable immediately after the vesting date. The options issued to Mr Ian Pringle vest on the first, second and third anniversaries of the listing date.

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

Grant date	Expiry date	Exercise price	Value per option at grant date	Date vesting
8 May 2006	8 May 2012	$0.20	$0.0843	8 May 2007
8 May 2006	8 May 2013	$0.25	$0.0757	8 May 2008
8 May 2006	8 May 2014	$0.30	$0.0708	8 May 2009

Options granted carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Australian Stock Exchange during the five trading days immediately before the options are granted.

Details of options over ordinary shares in the Company provided as remuneration to each director of Geopacific Resources and each of the key management personnel of the Group are set out below. Further information on the options is set out in notes 16 and 24 to the financial statements.

	Number of options granted during the year		Number of options vested during the year	
Name	**2009**	2008	**2009**	2008
Directors of Geopacific Resources				
I J Pringle	-	-	500,000	500,000
W A Brook	-	-	-	-
I N A Simpson	-		-	-
R J Fountain	-	-	-	-
R H Probert	-	-	-	-
C K McCabe	-	-	-	-

The assessed fair value at grant date of options granted is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Shares provided on exercise of remuneration options

No ordinary shares in the Company were provided as a result of the exercise of remuneration options to each director of Geopacific Resources NL and other key management personnel of the Group.

Share options granted to Directors and the most highly remunerated officers

Options over unissued ordinary shares of the Company granted during or since the end of the financial year to the Directors and the most highly remunerated officers of the Company as part of their remuneration were as follows:

Name	A Remuneration consisting of options	B Value at vesting date $	C Value at exercise date $	D Value at lapse date $	E Total of columns B-D $
Directors of Geopacific Resources NL					
I J Pringle	3.55%	$4,136	-	-	$4,136
W A Brook	-	-	-	-	-
I N A Simpson	-	-	-	-	-
R J Fountain	-	-	-	-	-
R H Probert	-	-	-	-	-
C K McCabe	-	-	-	-	-

A = The percentage of the value of remuneration consisting of options, based on the value at grant date set out in column B.
B = The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

Shares issued on the exercise of options

No ordinary shares of the Company were issued during the year ended 31 December 2009 on the exercise of options granted. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

Signed in accordance with a resolution of the Directors:

Dr R J Fountain
Chairman

Dr I J Pringle
Managing Director

Sydney, Australia
Dated: *5 March 2010*

LEAD AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Geopacific Resources NL and controlled entities:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2009 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

- no contraventions of any applicable code of professional conduct in relation to the audit.

KS Black & Co
Chartered Accountants

Stuart Cameron
Partner

Sydney, Australia
Dated: *5 March 2010*

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
GEOPACIFIC RESOURCES NL

Report on the financial report

We have audited the accompanying financial report of Geopacific Resources NL, which comprises the statements of financial position as at 31 December 2009, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes (1 to 30), and the directors' declaration (set out on pages 36 to 75), of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

We have also audited the remuneration disclosures contained in the Directors' report. As permitted by the *Corporations Regulations 2001*, the Company has disclosed information about the remuneration of Directors and executives ("remuneration disclosures"), required by Australian Accounting Standard AASB 124 *Related Party Disclosures*, under the heading "Remuneration Report" in pages 26 to 31 of the Directors' report and not in the financial report.

Directors' responsibility for the financial report and the AASB 124 remuneration disclosure contained in the Directors' report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1, the Directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements,* that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report of the Group and the Company, comprising the financial statements and notes, complies with International Financial Reporting Standards.

The Directors of the Company are also responsible for the remuneration disclosures contained in the Directors' Report in accordance with the Corporations Regulations 2001.

Auditors' responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures in the Directors Report comply with Australian Accounting Standard AASB124.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
GEOPACIFIC RESOURCES NL

(Continued)

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report and the remuneration disclosures contained in the Directors' report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditors' opinion on the financial report
In our opinion:

a the financial report of Geopacific Resources NL is in accordance with the *Corporations Act 2001*, including:

- **i** giving a true and fair view of the Company's and the Group's financial position as at 31 December 2009 and of their performance for the year ended on that date; and

- **ii** complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

b the financial report of the Group and Company also comply with International Financial Reporting Standards as disclosed in note 1.

Auditors' opinion on the AASB 124 remuneration disclosures contained in the directors' report
In our opinion, the remuneration disclosures that are contained in pages 26 to 31 of the Directors' report comply with Australian Accounting Standard AASB 124.

KS Black & Co
Chartered Accountants

Stuart Cameron
Partner

Sydney, Australia
Dated: *5 March 2010*

DIRECTORS' DECLARATION

The Directors of Geopacific Resources NL declare that, in their opinion:

a the financial statements and notes, set out on pages 36 to 75 are in accordance with the Corporations Act 2001, including:

- **i** giving a true and fair view of the Company's and the Group's financial position as at 31 December 2009, and of their performance, for the financial year ended on that date; and

- **ii** complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1;

c there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

d the remuneration disclosures set out in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

The Directors have been given the declarations by the Managing Director and Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001 for the financial year ended on 31 December 2009.

This declaration is made in accordance with a resolution of the Directors:

Dr R J Fountain
Chairman

Dr I J Pringle
Managing Director

Sydney, Australia
Dated: *5 March 2010*

GEOPACIFIC RESOURCES NL

ACN 003 208 393
and Controlled Entities

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Revenue from continuing operations	4	**3,611**	22,262	**565**	8,496
Administration expenses		**(165,499)**	(223,556)	**(145,997)**	(205,574)
Consultancy expense		**(68,300)**	(62,078)	**(68,300)**	(107,078)
Depreciation expense	5	**(4,813)**	(2,727)	**(813)**	(812)
Employee benefits expense	5	**(106,835)**	(73,615)	**(103,386)**	(18,507)
Occupancy Expenses		**(39,858)**	(39,447)	**(21,431)**	(19,136)
Other expenses		**(14,695)**	(9,741)	**(13,002)**	(7,472)
		(400,000)	(411,164)	**(352,929)**	(358,579)
(LOSS) PROFIT BEFORE INCOME TAX		**(396,389)**	(388,902)	**(352,364)**	(350,083)
Income tax expense	7	**-**	-	**-**	-
(LOSS) PROFIT FOR THE YEAR		**(396,389)**	(388,902)	**(352,364)**	(350,083)
Other comprehensive income after income tax:					
Exchange differences on translating foreign controlled entities		**-**	-	**(2,879,898)**	891,827
Impairment loss recognised in respect of loans to and investments in subsidiaries		**-**	-	**1,334,060**	(461,728)
Other comprehensive income for the year, net of tax		**-**	-	**(1,545,838)**	430,009
Total comprehensive income for the year attributable to members of the parent entity		**(396,389)**	(388,902)	**(1,898,202)**	80,016
Basic loss per share	26	**(0.63)**	(0.88)		
Diluted loss per share	26	**(0.63)**	(0.88)		

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

GEOPACIFIC RESOURCES NL

ACN 003 208 393
and Controlled Entities

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
CURRENT ASSETS					
Cash and cash equivalents	8	**2,333,243**	428,971	**2,315,396**	143,836
Trade and other receivables	9	**70,934**	117,464	**11,040**	3,327
TOTAL CURRENT ASSETS		**2,404,177**	546,435	**2,326,436**	147,163
NON-CURRENT ASSETS					
Other receivables	10	**-**	-	**3,213,484**	4,655,474
Exploration expenditure	11	**5,545,554**	7,077,487	**611,843**	539,573
Property, plant and equipment	12	**20,373**	28,626	**4,745**	5,558
Financial Assets	13	**-**	-	**624,555**	684,907
TOTAL NON-CURRENT ASSETS		**5,565,927**	7,106,113	**4,454,627**	5,885,512
TOTAL ASSETS		**7,970,104**	7,652,548	**6,781,063**	6,032,675
CURRENT LIABILITIES					
Trade and other payables	14	**144,187**	93,717	**134,928**	40,447
TOTAL CURRENT LIABILITIES		**144,187**	93,717	**134,928**	40,447
TOTAL LIABILITIES		**144,187**	93,717	**134,928**	40,447
NET ASSETS		**7,825,917**	7,558,831	**6,646,135**	5,992,228
EQUITY					
Contributed equity	15	**11,976,191**	9,428,218	**11,976,191**	9,428,218
Reserves	17	**603,503**	2,488,001	**433,840**	429,704
Accumulated losses	18	**(4,753,777)**	(4,357,388)	**(5,763,896)**	(3,865,694)
TOTAL EQUITY		**7,825,917**	7,558,831	**6,646,135**	5,992,228

The above statements of financial position should be read in conjunction with the accompanying notes.

GEOPACIFIC RESOURCES NL

ACN 003 208 393
and Controlled Entities

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDING 31 DECEMBER 2009

		Consolidated		Parent	
		2009	2008	**2009**	2008
	Notes	**$**	$	**$**	$
TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR		**7,558,831**	4,354,347	**5,992,228**	4,354,347
Profit (Loss) for the year		**(396,389)**	(388,902)	**(352,364)**	(350,083)
Total other comprehensive income for the year		**-**	-	**(1,545,838)**	430,009
Transactions with equity holders in their capacity as equity holders:					
Contributions of equity, net of transaction costs	15	**2,547,973**	1,412,951	**2,547,973**	1,412,951
Employee share options recognised in share based payments reserve	17	**4,136**	18,507	**4,136**	18,507
Share options issued on acquisition of Millennium Mining (Fiji) Ltd recognised in share based payments reserve	17	**-**	124,907	**-**	124,907
Additions to forfeited shares reserve	17	**-**	1,500	**-**	1,500
Additions to foreign currency translation reserve	17	**(1,888,635)**	2,035,521	**-**	-
		663,475	3,593,386	**2,552,109**	1,557,865
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		**7,825,917**	7,558,831	**6,646,135**	5,992,228

The above statements of changes in equity should be read in conjunction with the accompanying notes.

GEOPACIFIC RESOURCES NL

ACN 003 208 393

and Controlled Entities

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDING 31 DECEMBER 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts in the course of operations		**-**	-	**-**	-
Cash payments in the course of operations		**(325,972)**	(317,468)	**(264,545)**	(295,559)
Interest received		**248**	12,075	**122**	8,496
Net Cash from Operating Activities	30(c)	**(325,724)**	(305,393)	**(264,423)**	(287,063)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		**(3,350)**	(11,929)	**-**	-
Proceeds from sale of plant and equipment		**450**	(11,929)	**-**	-
Payments for security deposits		**-**	(8,735)	**-**	-
Loans advanced / repaid to related parties		**(10,693)**	(7,727)	**(30,000)**	(366,718)
Exploration expenditure		**(299,099)**	(730,412)	**(76,705)**	(303,533)
Cash acquired on acquisition of subsidiary		**-**	35	**-**	-
Recoveries from JV parties		**-**	245,567	**-**	-
Net Cash from Investing Activities		**(312,692)**	(513,201)	**(106,705)**	(670,251)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from share issue		**2,700,356**	465,074	**2,700,356**	465,074
Share issue costs		**(157,668)**	(12,044)	**(157,668)**	(12,044)
Net Cash from Financing Activities		**2,542,688**	453,030	**2,542,688**	453,030
NET (DECREASE)/INCREASE IN CASH HELD		**1,904,272**	(365,564)	**2,171,560**	(504,284)
Cash and Cash Equivalents at the Beginning of the Financial Year		**428,971**	794,535	**143,836**	648,120
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	30(a)	**2,333,243**	428,971	**2,315,396**	143,836

The above statements of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the financial statements

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Geopacific Resources NL as an individual entity and the Group consisting of Geopacific Resources NL and its subsidiaries.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and the notes thereto also comply with International Financial Reporting Standards.

These financial statements have been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Changes to accounting policies

Adoption of New and Revised Accounting Standards

During the current year the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Geopacific Resources NL.

AASB 8: Operating Segments

In February 2007 the Australian Accounting Standards Board issued AASB 8 which replaced AASB 114: Segment Reporting. As a result, some of the required operating segment disclosures have changed with the addition of a possible impact on the impairment testing of goodwill allocated to the cash generating units (CGUs) of the entity. Below is an overview of the key changes and the impact on the Group's financial statements.

Measurement impact

Identification and measurement of segments — AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments. Under AASB 114, segments were identified by business and geographical areas, and only segments deriving revenue from external sources were considered.

The adoption of the 'management approach' to segment reporting has resulted in the identification of reportable segments consistent with the prior year.

Under AASB 8, operating segments are determined based on management reports using the 'management approach', whereas under AASB 114 financial results of such segments were recognised and measured in accordance with Australian Accounting Standards. This has not resulted in any changes to the presentation of segment results.

1 Summary of significant accounting policies (continued)

Impairment testing of the segment's goodwill

AASB 136: Impairment of Assets, paragraph 80 requires that goodwill acquired in a business combination shall be allocated to each of the acquirer's CGUs, or group of CGUs that are expected to benefit from the synergies of the combination. Each cash generating unit (CGU) which the goodwill is allocated to must represent the lowest level within the entity at which goodwill is monitored, however it cannot be larger than an operating segment. Therefore, due to the changes in the identification of segments, there is a risk that goodwill previously allocated to a CGU which was part of a larger segment could now be allocated across multiple segments if a segment had to be split as a result of changes to AASB 8.

Management have considered the requirements of AASB 136 and determined the implementation of AASB 8 has not impacted the CGUs of each operating segment.

Disclosure impact

AASB 8 requires a number of additional quantitative and qualitative disclosures, not previously required under AASB 114, where such information is utilised by the chief operating decision maker. This information is now disclosed as part of the financial statements.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Group's financial statements.

Disclosure impact

Terminology changes — the revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity — the revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income — the revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate statement of comprehensive income and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single statement of comprehensive income.

The Group's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

Significant accounting policies

Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

(a) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

1 Summary of significant accounting policies (continued)

(b) Borrowing costs

Borrowing costs are expensed as incurred.

(c) Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash at bank.

(d) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

(e) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based payments

The fair value of options granted to Directors and employees is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each year end, the Company revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

1 Summary of significant accounting policies (continued)

(f) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(g) Financial Instruments

Recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.
Financial instruments are recognised initially at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit and loss immediately.

D*erecognition*

Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred. Financial liabilities are derecognised when the related obligations are either transferred, discharged or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and subsequent measurement
Financial assets are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

(i) Financial assets at fair value through profit or loss
Financial assets classified as held for trading are included in the category “financial assets at fair value through profit or loss”. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the statement of financial position.

1 Summary of significant accounting policies (continued)

(ii) Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

(iii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method.

(iv) Available-for-sale securities
Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities
Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest method.

Fair values
Fair values are determined by reference to market bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities including recent arm's length market transactions, reference to the current market value of similar instruments and option pricing models.

Impairment
At each reporting date the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the financial instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

(h) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements are presented in Australian dollars, which is Geopacific Resources NL’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

1 Summary of significant accounting policies (continued)

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(j) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(k) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

1 Summary of significant accounting policies (continued)

(l) Loss per share

(i) Basic loss per share

Basic loss per share is calculated by dividing the result attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(m) Mineral Tenements and Deferred Mineral Exploration Expenditure

The Group has adopted the area of interest method for capitalising the costs of procurement, exploration and evaluation of areas where applications have been made for Prospecting Licences.

The ultimate recoupment of such costs is dependent on sale of the tenement(s) or successful development and commercial exploitation of the areas. Amortisation charges are to be made over the life of the areas of interest and will be determined on a basis so that the rate of amortisation shall not lag behind the rate of depletion of the economically recoverable reserves in the areas of interest.

The areas of interest are each of the Special Prospecting Licences in which companies in the Group have an interest. Where exploration expenditure has been incurred during the period, it will be carried forward in the Statement of financial position together with procurement costs as deferred mineral exploration expenditure until the Directors are of the opinion that a tenement should be abandoned as it shows no potential for recovery of expenditure incurred, in which case the said expenditure is written off in the Statement of comprehensive incomes.

(n) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- Plant, vehicles and equipment 10 years

1 Summary of significant accounting policies (continued)

(n) Plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each year end.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(o) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Geopacific Resources NL (" the Company") as at 31 December 2009 and the results of all subsidiaries for the year then ended. Geopacific Resources NL and its subsidiaries together are referred to in this financial report as the Group.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Geopacific Resources NL.

A list of subsidiaries is contained in note 22.

Business combinations

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method.

1 Summary of significant accounting policies (continued)

(o) Principles of consolidation (continued)

The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities as at the acquisition date, being the date on which control is obtained. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where settlement of any part of the consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Goodwill is recognised initially as the excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the statement of comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

(p) Revenue recognition

(i) Sale of Goods and Disposal of Assets

Revenue from the sale of goods and disposal of other assets is recognised when the Group has passed the risks and rewards of ownership to the buyer.

(ii) Interest Income

Interest income is recognised on an accrual basis.

(iii) Other Income

Other income is recognised on receipt.

(iv) General

All revenue is stated net of goods and services tax (GST).

(q) Trade receivables

Trade receivables are recognised initially at fair value.

(r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(s) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. There are no material impacts of these standards and interpretations.

2 Financial risk management

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

(a) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency.

(b) Credit risk

There is negligible credit risk on financial assets of the Group since there is no exposure to individual customers or countries.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed finance facilities.

(d) Cash flow and fair value interest rate risk

The Group is exposed to a risk of changes to cash flows due to changes in interest rates.

3 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

	Consolidated		**Parent**	
	2009	**2008**	**2009**	**2008**
4 Revenue	**$**	**$**	**$**	**$**
Interest income	**248**	12,075	**122**	8,496
Other income	**3,363**	10,187	**443**	-
	3,611	22,262	**565**	900,323
5 Expenses				
Employee benefits expense				
Wages and salaries	**102,699**	55,108	**99,250**	-
Share based payments	**4,136**	18,507	**4,136**	18,507
	106,835	73,615	**103,386**	18,507
Depreciation	**4,813**	2,727	**813**	812

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
***6* Remuneration of Auditors**				
Assurance services				
A. Audit services				
KS Black & Co Australian firm:				
Audit of the financial report and other audit work under the *Corporations Act 2001*				
- Current year	**-**	-	**-**	-
- Prior year	**16,608**	-	**16,608**	-
Review of the half-year financial report	**7,850**	-	**7,850**	-
Total remuneration for audit services	**24,658**	-	**24,658**	-
BDO Kendalls Australian firm:				
Audit of the financial report and other audit work under the Corporations Act 2001				
- Current year	**-**	-	**-**	-
- Prior year	**-**	-	**-**	-
Review of the half-year financial report	**-**	7,575	**-**	7,575
Total remuneration for audit services	**-**	7,575	**-**	7,575
Nexia Court & Co Australian firm:				
Audit of the financial report and other audit work under the Corporations Act 2001				
- Current year	**-**	-	**-**	-
- Prior year	**-**	19,083	**-**	19,083
Review of the half-year financial report	**-**	-	**-**	-
Total remuneration for audit services	**24,658**	19,083	**24,658**	19,083
B. Other assurance services				
Ernst & Young Fijian firm:				
Audit and review of financial reports	**4,484**	6,247	**-**	-
Total remuneration for other assurance services	**4,484**	6,247	**-**	-
Total remuneration for assurance services	**29,142**	32,905	**24,658**	26,658
Taxation services				
Nexia Court & Co Australian firm:				
Tax compliance services, including review of Company income tax returns	**1,980**	-	**1,980**	-
Total remuneration for taxation services	**1,980**	-	**1,980**	-

		Consolidated		Parent	
		2009	2008	2009	2008
7	**Income tax**	$	$	$	$
a	**Income tax expense**				
	Prima facie income tax benefit calculated at 30% on the loss / (profit) from ordinary activities	**(118,917)**	(116,671)	**105,709**	24,005
	Decrease in income tax benefit due to:				
	Tax benefit on losses not recognised	**118,917**	116,671	**(105,709)**	(24,005)
	Income tax expense	-	-	-	-
b	**Deferred tax assets**				
	Future income tax benefit not taken into account				
	The potential future income tax benefit arising from tax losses and temporary differences has not been recognised as an asset because recovery of tax assets is not probable.				
	Tax losses carried forward	**491,207**	696,737	**491,207**	696,737
	Temporary differences	**86,346**	84,236	**1,548,648**	1,945,107
		577,553	780,973	**2,039,856**	2,641,884

The potential future income tax benefit will only be obtained if:

i. the Group and the Company derive future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
ii. the Group and the Company continue to comply with the conditions for deductibility imposed by the law; and
iii. no changes in tax legislation adversely affect the realising of the benefit.

		Consolidated		Parent	
		2009	2008	2009	2008
		$	$	$	$
8	**Cash and cash equivalents**				
	Current				
	Cash at bank	**2,333,243**	428,971	**2,315,396**	143,836

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
9 Trade and other receivables				
Current				
Security deposits	**22,738**	39,530	**-**	-
Sundry debtors	**18,544**	30,252	**4,253**	-
GST receivable	**29,652**	47,682	**6,787**	3,327
	70,934	117,464	**11,040**	3,327
10 Other receivables				
Non-current				
Amount owing by Geopacific Limited	-	-	**2,715,924**	3,919,221
Provision for impairment loss	-	-	**(4,421)**	(76,117)
	-	-	**2,711,503**	3,843,104
Amount owing by Beta Limited	-	-	**1,994,709**	2,992,246
Provision for impairment loss	-	-	**(1,789,141)**	(2,613,965)
	-	-	**205,568**	378,281
Amount owing by Millennium Mining (Fiji) Limited	-	-	**1,434,519**	2,070,087
Provision for impairment loss	-	-	**(1,138,106)**	(1,635,998)
	-	-	**296,413**	434,089
Total other receivables	-	-	**3,213,484**	4,655,474

11 Exploration expenditure

Non-Current

Costs carried forward in respect of areas of interest in Fiji in exploration and evaluation phase are:

Tenement	Beneficial Interest of the Group	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
SPL 1216 Nabila	100%	**1,372,382**	1,784,998	**129,141**	69,401
SPL 1361 Sabeto	100%	**96,475**	123,941	**18,867**	18,867
SPL 1368 Vuda	80%	**943,370**	1,173,358	**239,955**	237,655
SPL 1377 Nuku	100%	**675,699**	876,057	**118,670**	117,258
SPL 1415 Kavukavu	100%	**347,157**	498,294	**-**	-
SPL 1434 Nadi South	100%	**954,123**	1,261,981	**93,892**	93,592
SPL 1436 Tabuka	100%	**5,951**	-	**4,084**	-
CX 667 Nadovu	100%	**10,280**	13,021	**2,800**	2,800
Millennium	100%	**624,555**	624,555	**-**	-
		5,029,992	6,356,205	**607,409**	539,573
Rakiraki Joint Venture (SPL 1231, 1373)	50%	**515,562**	721,282	**4,435**	-
		5,545,554	7,077,487	**611,844**	539,573

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Movement				
Carrying value – beginning of year	**7,077,487**	3,462,093	**539,573**	565,052
Additions	**299,099**	1,159,964	**76,705**	303,533
Acquisition of controlled entity	**-**	2,221,340	**-**	-
Exchange rate variations	**(1,814,417)**	663,678	**-**	-
Recoveries from joint venture parties	**(16,615)**	(429,588)	**(4,434)**	(329,012)
Amounts written off	**-**	-	**-**	-
Carrying value – end of year	**5,545,554**	7,077,487	**611,844**	539,573

12 Property, plant and equipment

Non-Current

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Plant, vehicles and equipment				
At Directors' valuation of market value at 1 January 1999	**9,639**	9,639	**-**	-
At Cost	**21,745**	28,433	**6,481**	6,481
Less: Provision for depreciation	**(11,011)**	(9,446)	**(1,736)**	(923)
	20.373	28,626	**4,745**	5,558
Movement				
Carrying value – beginning of year	**28,626**	19,424	**5,558**	6,370
Additions	**3,350**	13,774	**-**	-
Disposals	**(221)**	-	**-**	-
Depreciation (included in profit and loss)	**(4,813)**	(4,572)	**(813)**	(812)
Exchange rate variations	**(6,569)**	-	**-**	-
Carrying value – end of year	**20,373**	28,626	**4,745**	5,558

13 Financial Assets

	Consolidated 2009	Consolidated 2008	Parent 2009	Parent 2008
Non-current available-for-sale assets				
Investments in Unlisted Securities	$	$	$	$
. Shares in Beta Limited	-	-	**15,372**	15,372
. Shares in Geopacific Limited	-	-	**1,866,993**	1,866,993
. Shares in Millennium Mining (Fiji) Ltd	-	-	**684,907**	684,907
Provision for loss on investment	-	-	**(1,942,717)**	(1,882,365)
	-	-	**624,555**	684,907

Available for sale financial assets comprise investments in the ordinary issued capital of controlled entities. There are no fixed returns or fixed maturity date in relation to these assets.

The fair value of available for sale unlisted financial assets can not be reliably measured as variability in the range of reasonable fair value estimates is significant. Management has determined that the best estimate of the fair values of the available for sale investments in controlled entities approximates the net assets of the entity concerned and has made provision for impairment based on those estimated fair values.

There is no intention to dispose of any available for sale financial assets at 31 December 2009.

14 Trade and other payables

Current				
Trade creditors and accruals	**144,187**	83,024	**134,928**	40,447
Directors loans	**-**	10,693	**-**	-
	144,187	93,717	**134,928**	40,447

15 Contributed equity

Issued Capital	**11,976,142**	9,428,218	**11,976,142**	9,428,218

	2009		2008	
Issues during period: ***Group and Parent***	**Shares issued**	$	Shares issued	$
Balance as at 1 January	**56,775,146**	**9,428,218**	39,135,782	8,015,267
Shares issued pursuant to a placement at 3 cents (2008 - 7.35 cents)	**9,446,225**	**283,337**	6,100,000	448,519
Shares issued on acquisition of Millennium Mining (Fiji) Ltd at 14.0 cents.	**-**	**-**	4,000,000	560,000
Shares issued under Share Purchase Plan at 4 cents (2008 - 5.34 cents)	**6,104,868**	**244,195**	2,675,250	142,962
Shares issued in lieu of payment for services rendered at 4 cents (2008 5.65 cents)	**132,132**	**5,285**	4,864,114	275,014
Shares issued pursuant to rights issue at 3 cents	**72,421,060**	**2,172,632**	-	-
Shares issued on sale of forfeited shares at 1 cent	**14,286**	**143**	-	-
Nil (2008 – 14,286) partly paid shares forfeited	**-**	**-**	-	(1,500)
Less share issue costs		**(157,668)**		(12,044)
Balance as at 31 December	**144,893,717**	**11,976,142**	56,775,146	9,428,218

16 Options

Consolidated and company 2009

Issue Date	Expiry Date	Exercise Price	Number on issue 31 December 2008	Granted during year	Lapsed during year	Exercised during year	Number on issue 31 December 2009
01.12.2006	01.11.2009	$0.50	200,000	-	(200,000)	-	-
01.12.2006	01.11.2009	$0.70	200,000	-	(200,000)	-	-
23.12.2009	16.12.2011	$0.06	-	36,210,534	-	-	36,210,534
08.05.2006	08.05.2012	$0.20	500,000	-	-	-	500,000
08.05.2006	08.05.2013	$0.25	500,000	-	-	-	500,000
18.09.2009	01.08.2013	$0.10	3,050,000	-	-	-	3,050,000
08.05.2006	08.05.2014	$0.30	500,000	-	-	-	500,000
06.06.2009	(a)	$0.50	4,000,000	-	-	-	4,000,000
06.06.2009	(b)	$1.00	1,000,000	-	-	-	1,000,000
Total Options on issue			9,950,000	36,210,534	(400,000)	-	45,760,534

(a) The Options held by the Optionholder are exercisable in whole or in part, not later than five years after the defining on Faddy's Gold Deposit of a JORC compliant ore reserve of over 200,000 ounces of contained gold.

(b) The Options held by the Optionholder are exercisable in whole or in part, not later than ten years after the defining on Faddy's Gold Deposit of a JORC compliant ore reserve of over 1,000,000 ounces of contained gold.

17 Reserves

	Consolidated		Parent	
	2009	2008	**2009**	2008
(a) Reserves	**$**	$	**$**	$
Forfeited share reserve	**4,623**	4,623	**4,623**	4,623
Foreign currency translation reserve	**169,663**	2,058,297	**-**	-
Share-based payments reserve	**429,217**	425,081	**429,217**	425,081
	603,503	2,488,001	**433,840**	429,704
(b) Movements				
Share-based payments reserve				
Balance 1 January	**425,081**	281,667	**425,081**	281,667
Option expense	**4,136**	18,507	**4,136**	18,507
Cost of investment	**-**	124,907	**-**	124,907
Balance 31 December	**429,217**	425,081	**429,217**	425,081
Foreign currency translation reserve				
Balance 1 January	2,058,297	22,776	**-**	-
Exchange gains (losses) during year	**(1,888,634)**	2,035,521		
Balance 31 December	**169,663**	2,058,297	**-**	-
Forfeited share reserve				
Balance 1 January	**4,623**	3,123	**4,623**	3,123
Shares forfeited during year	**-**	1,500	**-**	1,500
Balance 31 December	**4,623**	4,623	**4,623**	4,623
Total reserves	**603,503**	2,488,001	**433,840**	429,704

17 Reserves (continued)

(c) Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve records the value of options issued to employees and Directors which have been taken to expenses and the value of options issued on acquisition of Millennium Mining (Fiji) Ltd.

Foreign currency translation reserve

The foreign currency translation reserve records unrealised exchange gains and losses on translation of subsidiaries accounts during the year.

Forfeited shares reserve

The forfeited shares reserve records the amount of paid up capital received on shares which have been forfeited due to non payment of calls.

18 Accumulated losses

	Consolidated		**Parent**	
	2009	2008	**2009**	2008
	$	$	**$**	$
Accumulated losses at the beginning of the year	**(4,357,388)**	(3,968,486)	**(3,865,694)**	(3,945,710)
Profit (loss) for the year	**(396,389)**	(388,902)	**(352,364)**	(350,083)
Other comprehensive income (loss) for the year	**-**	**-**	**(1,545,838)**	430,009
Accumulated losses at the end of the year	**(4,753,777)**	(4,357,388)	**(5,763,896)**	(3,865,694)

19 Contingent liabilities

Option acquisition payments

Tenement	Due Date	Payment	Comments
SPL 1361	on or before 4 July 2010	F$200,000 less option payments	Payment required for GPL to purchase 100% SPL 1361
SPL 1368	on or before 22 July 2010	A$512,000 less option payments	Payment required for GPL to purchase 80% SPL 1368

20 Commitments

Tenement Commitments

Entities in the Group are committed for expenditure by way of cash expenditure to retain their interest in areas over which Special Prospecting Licenses are held.

The following expenditure proposals for 2010 are being considered and these are contingent on additional funding during 2010 as well as the successful acquisition of Millennium Mining (Fiji) Ltd.

Tenement	**Renewal Application lodged to**	**Expenditure $F**	**Comments**
SPL1216	31 December, 2010	80,000	
SPL 1231/1373	31 December, 2010	115,000	50% to be met by JV partner Imperial Mining (Fiji) Ltd
SPL 1361	31 December, 2010	20,000	
SPL 1368	31 December, 2010	50,000	
SPL 1377	31 December, 2010	35,000	
SPL 1415	Kavukavu Project	25,000	
SPL 1434	16 March 2010	35,000	
SPL 1436	16 March 2010	20,000	50% to be met by JV partner Imperial Mining (Fiji) Ltd
SPL application CX 667 (enclosing SPL 1377)	First 12 month period after granting	-	It is expected that CX 667 will be granted in 2010

21 Particulars relating to controlled entities

	Class of Share	Holding Company 2009 %	Holding Company 2008 %	Amount of Investment 2009 $	Amount of Investment 2008 $
Beta Limited	Ordinary	100	100	**15,372**	15,372
Geopacific Limited	Ordinary	100	100	**1,866,993**	1,866,993
Millennium Mining (Fiji) Limited	Ordinary	100	Nil	**684,907**	684,907
				2,567,272	2,567,272

Geopacific Limited , Beta Limited and Millennium Mining (Fiji) Limited are companies incorporated and carrying on business in Fiji.

22 Key management personnel disclosures

(a) Directors

The names of each person holding the position of Director of Geopacific Resources NL during the financial year were:

I J Pringle
R J Fountain
W A Brook (retired 8 January 2010)
R H Probert
I N A Simpson
C K McCabe (alternate for INA Simpson)

(b) Other key management personnel

All Directors are identified as key management personnel under AASB 124 "Related Party Disclosures".

There are no other staff that meet the definition of key management personnel.

(c) Key management personnel compensation

	Consolidated		Parent	
	2009	2008	**2009**	2008
	$	$	**$**	$
Short-term employee benefits	**296,466**	278,194	**199,400**	178,379
Post-employment benefits	**-**	-	**-**	-
Share-based payments	**4,136**	18,507	**4,136**	18,507
	300,602	296,701	**203,536**	196,886

The Company has taken advantage of the relief provided by the Corporations Regulations and has transferred the detailed remuneration disclosures to the Directors' Report. The relevant information can be found in sections A-D of the remuneration report included in the Directors Report.

(d) Key management personnel Loans

	2009	2008
	$	$
Director		
W A Brook	**-**	10,693

This loan is non-interest bearing.

22 Key management personnel disclosures (continued)

(e) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in section D of the remuneration report included in the Directors Report.

(ii) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each Director of the Company and other key management personnel of the Group, including their personally related parties, are set out below.

2009 Name	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors of Geopacific Resources Ltd						
I J Pringle	1,500,000	-	-	168,000	1,668,000	1,668,000
W A Brook	-	-	-	-	-	-
I N A Simpson	2,500,000	-	-	314,225	2,814,225	2, 814,225
R J Fountain	-	-	-	20,000	20,000	20,000
R H Probert	-	-	-	29,000	29,000	29,000
C K McCabe	-	-	-	202,381	202,381	202,381

No options are vested and unexercisable at the end of the year.

2008 Name	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Directors of Geopacific Resources Ltd						
I J Pringle	-	1,500,000	-	-	1,500,000	1,000,000
W A Brook	-	-	-	-	-	-
I N A Simpson	-	-	-	2,500,000	2,500,000	2,500,000
R J Fountain	-	-	-	-	-	-
R H Probert	-	-	-	-	-	-
C K McCabe	-	-	-	-	-	-

22 Key management personnel disclosures (continued)

(e) Equity instrument disclosures relating to key management personnel (continued)

(iii) Share holdings

The numbers of shares in the Company held at the end of the financial year by each Director of the Company and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2009 Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Ordinary shares				
Directors of Geopacific Resources Ltd				
I J Pringle	158,250	-	711,000	869,250
W A Brook	4,277,753	-	(1,715,858)	2,561,895
I N A Simpson	5,721,145	-	628,450	6,349,595
R J Fountain	40,000	-	40,000	80,000
R H Probert	589,545	-	58,000	647,545
C K McCabe	595,238	-	404,762	1,000,000
C B Bass	-	-	6,925,010	6,925,010
S T Biggs	-	-	24,957,115	24,957,115
2008 Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Ordinary shares				
Directors of Geopacific Resources Ltd				
I J Pringle	60,000	-	98,250	158,250
W A Brook	4,591,083	-	(313,330)	4,277,753
I N A Simpson	692,695	-	5,028,450	5,721,145
R J Fountain	40,000	-	-	40,000
R H Probert	589,545	-	-	589,545
C K McCabe	595,238	-	-	595,238

23 Related party transactions

All transactions with related parties are on normal commercial terms and conditions.

Consolidated

	2009 **$**	2008 $
REPAYMENT OF LOANS		
A controlled entity, Geopacific Limited, repaid loans from a director, Mr WA Brook.	**10,693**	7,727
RENTAL INCOME		
A controlled entity, Geopacific Limited, subleases office and storage space to companies associated with a director, Mr WA Brook.	**-**	601
INTERCOMPANY LOANS		
The Holding Company, Geopacific Resources NL, advanced funds to controlled entities for exploration expenditure incurred on the company's tenements.		
- Geopacific Limited	**30,000**	616,916
- Beta Limited	**-**	29,702
- Millennium Mining (Fiji) Limited	**-**	191,245
The Holding Company, Geopacific Resources NL, received funds on behalf of controlled entities for reimbursement of exploration expenditure from joint venture parties.		
- Beta Limited	**27,750**	-
INTERCOMPANY LOAN BALANCES		
The balance of loans advanced to controlled entities at the end of the year are:		
- Geopacific Limited	**2,715,924**	3,919,221
- Beta Limited	**1,994,709**	2,992,246
- Millennium Mining (Fiji) Limited	**1,434,519**	2,070,087

These balances are eliminated on consolidation.

24 Share-based payments

(a) Employee Option Plan

The establishment of the Geopacific Resources NL Employee Option Plan was approved by shareholders at the 2001 annual general meeting. All staff and consultants are eligible to participate in the plan.

Options are granted under the plan for no consideration. Options are granted for a five year period.

Options granted under the plan carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Australian Stock Exchange during the five trading days immediately before the options are granted.

Set out below are summaries of options granted under the plan:

24 Share-based payments (continued)

Grant date	Expiry date	Exercise price	Value per option at grant date	Date vesting
8 May 2006	8 May 2012	$0.20	$0.0843	8 May 2007
8 May 2006	8 May 2013	$0.25	$0.0757	8 May 2008
8 May 2006	8 May 2014	$0.30	$0.0708	8 May 2009

No options were exercised or forfeited during the periods covered by the above tables.

The weighted average remaining contractual life of share options outstanding at the end of the period was 2.56 years (2008 – 5.75 years).

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

25 Loss per share

	Consolidated	
	2009	2008
(a) Basic and diluted loss per share	**Cents**	Cents
Loss attributable to the ordinary equity holders of the Company	**(0.63)**	(0.88)

(b) Reconciliation of loss used in calculating loss per share

	2009	2008
Basic and diluted loss per share	**$**	$
Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted loss per share	**(396,389)**	(388,903)

(d) Weighted average number of shares used as the denominator

	2009	2008
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	**62,549,058**	44,208,306

The options on issue as stated in note 16 have not been taken into account for dilution purposes as they are not considered to be dilutive due to the exercise prices being in excess of the current share price.

26 Events occurring after the year end

Retirement of Mr Bill Brook as a Director of Geopacific Resources NL and subsidiary Fiji companies

Mr Willie (Bill) Brook retired as an Executive Director of Geopacific Resources NL on 17th July 2009 and continued as a Director of the Company until stepping down as a Director of Geopacific Resources NL, Geopacific Ltd, Beta Ltd and Millennium Mining (Fiji) Ltd on 4th February 2010. Bill is one of the founders of Geopacific Resources NL which was incorporated as a public company on 15th December 1986. Mr Brook received a termination benefit of $60,000.

Retirement of Mr Craig McCabe as an Alternate Director for Mr Ian Simpson

Mr Craig McCabe retired as an Alternate Director for Mr Ian Simpson on 18th February 2010.

Retirement of Mr Harvie Probert a Director and appointment as Alternate Director for Mr Ian Simpson

Mr Harvie Probert retired as a Director of Geopacific Resources NL on 18th February 2010 and has been appointed an Alternate Director for Mr Ian Simpson. Mr Probert remains a Director of Geopacific Ltd, Beta Ltd and Millennium Mining (Fiji) Ltd.

Appointment of Mr Charles Bass and Mr Tim Biggs as Directors of Geopacific Resources NL

Mr Charles Bass and Mr Tim Biggs joined the Geopacific Resources NL Board of Directors on 18th February, 2010.

Proposed Share Placement

On 24th February 2010, the company announced that it had resolved to raise up to $600,000 through a placement of up to 10,000,000 shares at a price of $0.06 per share. As a result of strong demand from investors during recent and ongoing marketing in North America, and co-incident with a desire to expand/accelerate the planned airborne geophysics program the directors of Geopacific Resources have agreed to increase the size of the placement to 13 million shares. increasing funds raised to $780,000.

The purpose of the placement is to provide additional working capital and to accelerate Geopacific's exploration efforts on its tenements. The placement is subject to shareholder approval at the Annual general Meeting.

No other matters or circumstances have arisen since 31 December 2009 that have significantly affected or may significantly affect the Group's operations in future financial years, or the results of those operations in future financial years, or the Group's state of affairs in future financial years.

27 Segment information

The Group operates in one business segment being mineral exploration in Fiji.

28 Financial Instruments Disclosures

(a) *Capital management*

The Group considers its capital to comprise its ordinary share capital and accumulated retained earnings.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. In order to achieve this objective, the Group seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy, new share issues, or reduction of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

It is the Group's policy to maintain its gearing ratio within the range of 0-25% (2008: 0-25%). The Group's gearing ratio at the statement of financial position date is shown below:

	Consolidated	
	2009	**2008**
	$	$
Cash and cash equivalents	**2,333,243**	428,971
Loans	**-**	(10,693)
Net debt	**2,333,243**	419,279
Share capital	**11,976,191**	9,428,218
Reserves	**603,503**	2,488,001
Accumulated losses	**(4,753,778)**	(4,357,388)
Total capital	**7,825,916**	7,558,831
Gearing ratio	**0.00%**	0.00%

(b) *Financial instrument risk exposure and management*

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

28 Financial Instruments Disclosures (Continued)

(c) *Principal financial instruments*

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

other receivables;
cash at bank; and
trade and other payables.

(d) *General objectives, policies and processes*

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Credit risk

Credit risk arises principally from the Group's trade receivables and investments in corporate bonds. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument.

Other receivables
Other receivables comprise GST receivable, security deposits and sundry receivables. Credit worthiness of debtors is undertaken when appropriate.

The maximum exposure to credit risk at balance date is as follows :

	Consolidated		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Security Deposits	**20,455**	39,530	**-**	-
Other receivables	**20,878**	30,252	**4,253**	-
GST receivables	**29,652**	47,682	**6,787**	3,327
Amounts due from wholly owned controlled entities	**-**	-	**6,145,152**	4,655,474
	70,985	117,464	**6,156,192**	4,658,801

28 Financial Instruments Disclosures (Continued)

(d) *General objectives, policies and processes (Continued)*

(ii) Liquidity risk

The Board receives cash flow projections on a quarterly basis as well as information regarding cash balances. At the year end, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments in working capital (e.g., trade receivables). These assets are considered in the Group's overall liquidity risk.

	Carrying Amount $	Contractual Cash flows $	< 6 mths $	6- 12 mths $	1-3 years $	> 3 years $
Maturity Analysis - Consolidated - 2009						
Financial Liabilities						
Trade Creditors	144,187	144,187	144,187	-	-	-
TOTAL	144,187	144,187	144,187	-	-	-
Maturity Analysis - Consolidated - 2008						
Financial Liabilities						
Trade Creditors	83,024	83,024	83,024	-	-	-
Loans	10,693	10,693	10,693	-	-	-
TOTAL	93,717	93,717	93,717	-	-	-
Maturity Analysis - Parent - 2009						
Financial Liabilities				-	-	-
Trade Creditors	134,928	134,928	134,928	-	-	-
TOTAL	134,928	134,928	134,928	-	-	-
Maturity Analysis - Parent - 2008					-	-
Financial Liabilities				-	-	-
Trade Creditors	40,447	40,447	40,447	-	-	-
TOTAL	40,447	40,447	40,447	-	-	-

28 Financial Instruments Disclosures (Continued)

(d) *General objectives, policies and processes (Continued)*

(iii) Market risk

Market risk does not arise as the Group does not use interest bearing, tradable and foreign currency financial instruments.

(iv) Interest rate risk

The Group does not have any exposure to fluctuations in interest rates that are inherent in financial markets. The Board makes investment decisions after considering advice received from professional advisors.

The Group's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

			Fixed interest rate maturing in:				
2009	**Note**	**Floating Interest Rate**	**1 Year or Less**	**Over 1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**Total**
Financial assets:							
Cash assets	8	2,333,243	-	-	-	-	2,333,243
Receivables	9	-	-	-	-	70,985	70,985
		2,333,243	-	-	-	70,985	2,404,228
Weighted average interest rate		0.50%					
Financial liabilities:							
Payables	15	-	-	-	-	(144,187)	(144,187)
		-	-	-	-	(144,187)	(144,187)
Net financial assets (liabilities)		2,333,243	-	-	-	(73,202)	2,260,041

2008	**Note**	**Floating Interest Rate**	**1 Year or Less**	**Over 1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**Total**
Financial assets:							
Cash assets	8	428,971	-	-	-	-	428,971
Receivables	9	-	-	-	-	117,464	117,464
		428,971	-	-	-	117,464	546,435
Weighted average interest rate		4.50%					
Financial liabilities:							
Payables	15	-	-	-	-	(134,828)	(134,828)
		-	-	-	-	(134,828)	(134,828)
Net financial assets (liabilities)		428,971	-	-	-	(17,364)	411,607

28 Financial Instruments Disclosures (Continued)

(d) *General objectives, policies and processes (Continued)*

(iv) Interest rate risk (continued)

The following sensitivity analysis is based on the interest rate risk exposure in existence at the year end. The analysis assumes all other variables remain constant.

Sensitivity Analysis

	Consolidated			Parent		
2009	Carrying amount	+2% interest rate Profit & Loss	-2% interest rate Profit & Loss	Carrying amount	+2% interest rate Profit & Loss	-2% interest rate Profit & Loss
Cash assets	2,333,243	46,665	(46,665)	2,315,396	46,308	(46,308)
	2,333,243	46,665	(46,665)	2,315,396	46,308	(46,308)
Tax charge of 30%		(14,000)	14,000		(13,892)	13,892
Post tax profit increase / (decrease)		32,665	(32,665)		32,416	(32,416)
2008						
Cash assets	428,971	8,579	(8,579)	143,836	2,877	(2,877)
	428,971	8,579	(8,579)	143,836	2,877	(2,877)
Tax charge of 30%		(2,574)	2,574		(863)	863
Post tax profit increase / (decrease)		6,005	(6,005)		2,014	(2,014)

(v) Currency risk

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency (AUD) with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere.

The Group's exposure to foreign currency risk is as follows:

	Consolidated		Parent	
	2009	**2008**	**2009**	**2008**
	$FJ	**$FJ**	**$FJ**	**$FJ**
Cash at bank	**17,667**	343,589	**-**	-
Loans	**-**	(12,929)	**-**	-
Intercompany loans	**-**	-	**10,721,529**	10,767,382
Net Exposure	**17,667**	330,660	**10,721,529**	10,767,382

28 Financial Instruments Disclosures (Continued)

(d) *General objectives, policies and processes (Continued)*

(v) Currency risk (continued)

The following sensitivity analysis is based on the foreign currency risk exposures in existence at the year end. The below analysis assumes all other variables remain constant.

Sensitivity Analysis	Consolidated			Parent		
2009	Carrying amount **$FJ**	+10% FJD/AUD Profit & Loss AUD$	-10% FJD/AUD Profit & Loss AUD$	Carrying amount **$FJ**	+10% FJD/AUD Profit & Loss AUD$	-10% FJD/AUD Profit & Loss AUD$
Cash at bank	17,667	1,013	(1,013)	-	-	-
Intercompany loans	-	-	-	10,721,529	617,143	(617,143)
	17,667	1,013	(1,013)	10,721,529	617,143	(617,143)
Tax charge of 30%		(304)	304		(185,143)	185,143
Post tax profit increase / (decrease)		709	(709)		432,000	(432,000)
2008						
Cash at bank	343,589	28,832	(28,832)	-	-	-
Loans	(12,929)	(1,069)	1,069	-	-	-
Intercompany loans	-	-	-	10,767,382	890,750	(890,750)
	330,660	27,763	(27,763)	10,767,382	890,750	(890,750)
Tax charge of 30%		(8,329)	8,329		(267,225)	267,225
Post tax profit increase / (decrease)		19,434	(19,434)		623,525	(623,525)

(vi) Sovereign risk

Country or sovereign risk relates to the likelihood that changes in the business environment will occur that reduce the profitability of doing business in a country. These changes can adversely affect operating profits as well as the value of assets. Types of country risk include;

Political changes. Governments may change economic policies. Changes in the ruling party in Australia or Fiji (brought about by elections, coups or wars) may result in major policy changes. This could result in expropriation of the Company's exploration leases, inability to repatriate future profits, higher taxes, higher tariffs and import costs, elimination of FDI incentives, domestic ownership requirements and local content requirements.

28 Financial Instruments Disclosures (Continued)

(d) *General objectives, policies and processes (Continued)*

(vi) *Sovereign risk (continued)*

Macroeconomic mismanagement. The Australian and Fiji g**o**vernments may pursue unsound monetary and fiscal policies which may lead to inflation, higher interest rates, recession and hard currency shortage.

Other types of country risk include war and labour unrest which could result in higher costs and work stoppages.

The Group has maintained a working policy of keeping all relevant Government offices informed and updated on activities to allow clear avenues of communication with Government authorities and an understanding of any policy changes and any affects that they may have on the Group's work. Regular meetings, field visits and discussion Groups are held with staff of the Mineral Resources Department of Fiji and these include Ministerial and senior management briefings.

(e) Accounting policies

(i) Financial assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk. The Group has not classified any of its financial assets as held to maturity.

Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

Other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally though the sale of assets and GST receivable. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

28 Financial Instruments Disclosures (Continued)

(e) *Accounting policies (Continued)*

(i) Financial assets (Continued)

Available for sale
Non-derivative financial assets not included in the above categories are classified as available for sale. They are carried at fair value with changes in fair value recognised directly in the available for sale reserve. Where there is a significant or prolonged decline in the fair value of an available for sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously charged to equity, is recognised in the statement of comprehensive income. Purchases and sales of available for sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the available for sale reserve. On sale, the amount held in the available for sale reserve associated with that asset is removed from equity and recognised in the statement of comprehensive income. Interest on corporate bonds classified as available for sale is calculated using the effective interest method and is recognised in finance income in the statement of comprehensive income.

(ii) Financial liabilities
The Group classifies its financial liabilities as measured at amortised cost. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk.
Unless otherwise indicated, the carrying amounts of the Group’s financial liabilities are a reasonable approximation of their fair values.
These financial liabilities include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) Share capital
Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Groups ordinary shares are classified as equity instruments.
For the purposes of these disclosures, the Group considers its capital to comprise its ordinary share capital, and accumulated retained earnings. Neither the available for sale reserve nor the translation reserve is considered as capital. There have been no changes in what the Group considers to be capital since the previous period.

The Group is not subject to any externally imposed capital requirements.

29 Information Relating To Acquisition Of Subsidiaries

Consolidated	**2009**	**2008**
Acquisitions	$	$
On 6 June 2008 the company acquired all of the issued shares of Millennium Mining (Fiji) Ltd		
Consideration		
Cash paid	-	-
Shares in GPR issued	-	560,000
Options issued	-	124,907
	-	684,907
Less fair value of net assets acquired	-	60,352
Goodwill on consolidation	-	624,555
Details of consideration		
Shares in GPR issued	-	-
Number of shares in GPR issued	-	**4,000,000**
Share price on date of acquisition	-	**$0.14**
Value of shares issued	-	**560,000**
Options in GPR issued	-	-
Number of shares in GPR issued	-	**4,000,000**
Option value on date of acquisition	-	**$0.031**
Value of options issued	-	**124,907**

The assessed fair value at grant date of options granted is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for the options granted during the year ended 31 December 2008 on the acquisition of Millennium Mining (Fiji) Ltd included:

		Tranche 1	**Tranche 2**
(a)	options are granted for no consideration		
(b)	exercise price	$0.50	$1.00
(c)	grant date	6.06.2009	6.06.2009
(d)	vesting date	6.06.2009	6.06.2009
(d)	expiry date	6.06.2015	6.06.2028
(e)	share price at grant date	$0.14	$0.14
(f)	expected price volatility of the Company’s shares	90.0%	90.0%
(g)	expected dividend yield	0.0%	0.0%
(h)	risk-free interest rate	7.0%	7.0%

29 Information Relating To Acquisition Of Subsidiaries (continued)

The carrying amounts of assets and liabilities immediately before the combination is the same as that recognised on acquisition, shown below by major class, are:	**Acquiree's carrying amount**	**Fair value**
	$	**$**
Cash at bank	**35**	**35**
Exploration expenditure	**1,595,882**	**1,595,882**
Less loan accounts	**(1,535,565)**	**(1,535,565)**
Net assets of entities acquired	**60,352**	**60,352**

	2008
	$
Inflow of cash on acquisition of subsidiaries	**-**
Cash balance acquired	**35**
Net inflow of cash on acquisition of subsidiaries	**35**
Loss since acquisition of acquired business	**43,591**

Contingent liabilities acquired

No contingent liabilities were acquired.

30 Notes to the statement of cash flows

(a) For the purpose of the Statement of cash flows, cash and cash equivalents includes cash at bank.

Cash and cash equivalents at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial positions as follows:

	Consolidated		Parent	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Cash at Bank	**2,333,243**	428,971	**2,315,396**	143,836

(b) Non Cash Financing

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Shares and options issued as payment for the acquisition of Millennium Mining (Fiji) Ltd	**-**	684,907	**-**	684,907
Shares issued in lieu of payment for services rendered	**5,285**	275,014	**5,285**	275,014
Exchange rate fluctuations in exploration expenditure	**(1,814,417)**	663,678	**-**	-
Exchange rate fluctuations in intercompany loans	**-**	-	**(2,879,898)**	891,827
Exploration expenditure acquired on acquisition of Millennium Mining (Fiji) Ltd	**-**	2,221,341	**-**	-
Intercompany loans acquired on acquisition of Millennium Mining (Fiji) Ltd	**-**	-	**-**	1,535,621

(c) Reconciliation of Cash Flows from Operating Activities

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Profit (loss) for the year	**(396,389)**	(388,902)	**(352,364)**	(350,083)
Depreciation	**4,813**	2,727	**813**	812
Options expense	**4,136**	18,507	**4,136**	18,507
Profit on sale of plant and equipment	**10**	-	**-**	-
Changes in Assets and Liabilities:				
(Decrease)/increase in receivables	**543**	142,139	**(11,488)**	482
Decrease in other assets	**-**	19,801	**-**	19,801
(Decrease)/increase in payables	**61,163**	(99,665)	**94,481**	23,518
Net Cash from Operating Activities	**(325,724)**	(305,393)	**(264,423)**	(287,063)

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 31 December 2009.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the directors' report.

The names of independent directors of the company are:

Russell J Fountain (Chairman)

Ian AS Simpson

Charlie B Bass

When determining whether a non-executive director is independent the director must not fail any of the following materiality thresholds:

— less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;
— no sales are made to or purchases made from any entity or individual directly or indirectly associated with the director; and
— none of the directors' income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the chair prior to incurring any expense on behalf of the company.

The company does not have a formally constituted nomination committee.

Ethical Standards

The Board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

Directors and employees are required to:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with the law;
- encourage the reporting and investigating of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the Code of Conduct.

Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Trading Policy

The company's policy regarding directors and employees trading in its securities restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices and in particular prohibits Directors and senior management from trading the Company's securities at any time whilst in possession of price sensitive information, and for 24 hours after any major announcements, the release of the Company's annual financial results to the ASX or the annual general meeting.

Audit Committee

The company does not have a formally constituted audit committee.

Performance Evaluation

The Board did not conduct a performance evaluation of the Board and all Board members for the financial year ended 31 December 2009.

Board Roles and Responsibilities

The Board is first and foremost accountable to provide value to its shareholders through delivery of timely and balanced disclosures.

The Board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Geopacific Resources NL, to lodge questions to be responded by the Board and/or the CEO, and are able to appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. An assessment of the business's risk profile is undertaken on a regular basis and is reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks. The CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly.

Remuneration Policies

The remuneration policy sets the terms and conditions for the key management personnel All executives receive a base salary, superannuation and retirement benefits. The Board reviews executive packages annually by reference to company performance and executive performance. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

Executives are also entitled to participate in the employee share and option arrangements.

The amount of remuneration for all key management personnel for the company are detailed in the directors report under the heading Key Management Personnel Compensation. All remuneration paid to executives is valued at the cost to the company and expensed. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives to run the consolidated group. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration and a recommendation is put to the Board for approval.

Remuneration Committee

The company does not have a formally constituted remuneration committee.

ASX INFORMATION

The shareholder information set out below was applicable as at 3 March 2010.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Class of equity security Ordinary shares Number	 Shares
1 - 1000	8	3,134
1,001 - 5,000	37	127,161
5,001 - 10,000	97	899,930
10,001 - 100,000	252	9,941,013
100,001 and over	108	133,922,479
Total	502	144,893,717

There were 31 holders of less than a marketable parcel of 4,545 ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Ordinary shares Number held	 Percentage of issued shares
Laguna Bay Capital Pty Ltd	24,957,115	17.224
Springtide Capital Pty Ltd <Cockatoo Valley Invest A/C>	24,957,113	17.224
Quartz Mountain Mining Pty Ltd <The Bass Family A/C>	6,925,010	4.779
Mr John Georgiades & Miss Nicole Louise Morcombe <The Conventus Capital A/C>	6,366,666	4.394
Mr Ian Simpson	6,292,695	4.343
Finders Resources Limited	5,900,000	4.072
Exploration & Drilling Services Pty Ltd Fiji	5,547,212	3.828
Mrs Ilean Doidge	3,300,000	2.278
L Anderson Investments Pty Ltd <Leslie Anderson S/Fund A/C>	2,950,000	2.036
Sheila Anderson Investments Pty Ltd <Sheila Anderson S/Fund A/C>	2,550,000	1.760
Ubs Nominees Pty Ltd <Tp00014 15 A/C>	2,443,601	1.686
Mr Ian Michael Paterson Parker & Mrs Catriona Sylvia Parker <Super A/C>	2,000,000	1.380
Exploration Drilling Services (Fiji) Limited	1,975,000	1.363
Mr Richard Bass & Mrs Gail Bass	1,650,000	1.139
Kurraba Investments Pty Ltd	1,584,500	1.094
Mr Willie Anthony Brook	1,360,503	0.939
Exploration Drilling Services (Fiji) Ltd	1,255,000	0.866
Mr Stephen De Belle & Ms Jennifer Sheehan <Sj Super A/C>	1,178,900	0.814
Mrs Sulueti Kau Brook	1,046,492	0.722
John Gordon Patrick White & Christine Lynette White	1,034,500	0.714
Total of Top 20 shareholders	105,274,307	72.655
Other shareholders	39,619,410	27.345
Total ordinary shareholders	**144,893,717**	**100.000**

C. Substantial holders

Substantial holders in the Company are set out below:

Substantial Shareholder (extracts from Substantial Shareholder Register)	Shareholding	
Ordinary shares	**Number held**	**Percentage**
Laguna Bay Capital Pty Ltd	24,957,115	17.224
Springtide Capital Pty Ltd <Cockatoo Valley Invest A/C>	24,957,113	17.224
Exploration Drilling Services (Fiji) Ltd	8,677,212	6.057
Quartz Mountain Mining Pty Ltd <The Bass Family A/C>	6,925,010	4.779

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

(a) Fully paid Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Partly paid Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote in proportion to the amount paid up on the shares.

(c) There are no voting rights attaching to options.

E Summary of options issued

	No of options	No of holders	Options held	% Options Issued
Options expiring 8 May 2012 with an exercise price of $0.20	**500,000**	**1**		
Option holders with more than 20% of class				
Ian Pringle			500,000	100.00%
Options expiring 8 May 2013 with an exercise price of $0.25	**500,000**	**1**		
Ian Pringle			500,000	100.00%
Options expiring 8 May 2014 with an exercise price of $0.30	**500,000**	**1**		
Option holders with more than 20% of class				
Ian Pringle			500,000	100.00%
Options expiring 16 December 2011 with an exercise price of $0.06	**36,210,534**	**1300**		
Option holders with more than 20% of class				
Nil				
Options expiring 1 August 2013 with an exercise price of $0.10	**3,050,000**	**3**		
Option holders with more than 20% of class				
Ian NA Simpson			2,500,000	81.97%
Options expiring not later than five years after the defining on Faddy's Gold Deposit of a JORC compliant ore reserve of over 200,000 ounces of contained gold with an exercise price of $0.50	**4,000,000**	**5**		
Option holders with more than 20% of class				
Exploration Drilling Services (Fiji) Ltd			1,600,000	40.00%
L Anderson Investments Pty Ltd			1,100,000	27.50%
Sheila Anderson Investments Pty Ltd			900,000	22.50%
Options expiring not later than ten years after the defining on Faddy's Gold Deposit of a JORC compliant ore reserve of over 1,000,000 ounces of contained gold with an exercise price of $1.00	**1,000,000**	**5**		
Option holders with more than 20% of class				
Exploration Drilling Services (Fiji) Ltd			400,000	40.00%
L Anderson Investments Pty Ltd			275,000	27.50%
Sheila Anderson Investments Pty Ltd			225,000	22.50%

Tenement Schedule

Tenement	Location	Area	Status	Anticipated Expenditure
SPL 1377 NUKU 100% GPL	50 km NNW of Suva	2,370 ha	Granted on 15 August 1996 to GPL. A 12 month renewal to 31 December 2010 has been lodged with MRD.	F$50,000 is proposed. Costs 100% GPL
SPL 1434 NADI SOUTH 100% GPL	7 km SE of Nadi	7,450 ha Reduced to 3,400 ha	Granted on 9 June 2005. Granted on17th March 2009 for an initial 12 month period which was renewed to 16 March 2010. An application for a 12 month renewal has been lodged with MRD.	F$50,000 is proposed. Costs 100% GPL
SPL 1231 RAKI RAKI 50% Beta 50% Peninsula Minerals	Raki Raki' NE Viti Levu	Approx. 7,790 ha. Reduced to 3,330 ha	Granted on 6 November 1985 to Beta. Peninsula Minerals has earned 50.0%. Granted on 12th February 2009 An application for a 12 month renewal to 31 December 2010 has been lodged with MRD.	F$50,000 is proposed. Costs 50% Beta.
SPL 1373 QALAU 50% Beta 50% Peninsula Minerals	Raki Raki' NE Viti Levu	Approx. 3,440 ha. Reduced to 1,843 ha	Granted on 6 July 1995 to Beta. Peninsula Minerals has earned 50.0%. Granted on 12th February 2009. An application for a 12 month renewal to 31 December 2010 has been lodged with MRD.	F$25,000 is proposed. Costs 50% Beta.

SCHEDULE OF TENEMENTS

Tenement	Location	Area	Status	Anticipated Expenditure
SPL 1436 TABUKA 50% Beta 50% Peninsula Minerals	Raki Raki' NE Viti Levu	Approx. 2,500 ha	Granted on 17th March 2005 to Beta. Peninsula Minerals has 50% interest. Application for a 12 month renewal to 16 March 2010 has been lodged with MRD.	F$25,000 is proposed. Costs 50% Beta.
CX 667 NADOVU SPL application. 100% GPL	Nuku Project, 50km NNW Suva	Approx. 7,300 ha	Application was lodged on 16 March 2005. Notices appeared in local newspapers and in the Government Gazette in August 2005. No objections were received by the MRD and granting of CX 667 is expected during 2010.	F$50,000 is proposed for first 12 month period after granting. Costs 100% GPL
SPL 1368 VUDA GPL has option to purchase 80% by GPL by 22 February 2009 and this has been extended to 22 February 2011	15 km NNE of Nadi	9,510 ha Reduced to 3,210 ha	Granted on 18 October 1994. Ministerial approval for a 3 year option to purchase 80% was granted on 2 February 2005. Agreement signed 22 February 2005. Granted on 20th April 2009.	Proposed expenditure of F$50,000. Costs 100% GPL.
SPL 1361 SABETO GPL had a three year option to purchase 100% of SPL 1361 by 4 April 2009 and this has been extended to 4 April 2011	16 km NE of Nadi	3,850 ha Reduced to 1,800 ha	Granted on 6 October 1999. Ministerial approval for a 3 year option to purchase 100% granted 21 March 2005. Agreement signed 4 April 2005. An application for a 12 month renewal to 31 December 2010 has been lodged with MRD.	Proposed expenditure of F$50,000. Costs 100% GPL.

SCHEDULE OF TENEMENTS

Tenement	Location	Area	Status	Anticipated Expenditure
SPL 1216 NABILA GPR completed purchase (100%) of Millennium Mining (Fiji) Ltd (MMF) which owns SPL1216 on 3 June 2008	SW Nadi	2,830 ha	Granted on 1st April 1984. An application for a 12 month renewal to 31 December 2010 has been lodged with MRD.	Proposed Expenditure of over $150,000 to include drilling, geophysical surveys, trenching and sampling at Faddy's Gold Deposit. Costs 100% MMF.
SPL 1415 KAVUKAVU GPR completed purchase (100%) of Millennium Mining (Fiji) Ltd (MMF) which owns SPL1216 on 3 June 2008	SW Nadi	7,100 ha Reduced to 5,400 ha	Granted on 17th March 2000. Granted on 23rd October 2009. An application for a 12 month renewal to 30th March 2010 was lodged with MRD.	Proposed Expenditure of $50,000. Costs 100% MMF.