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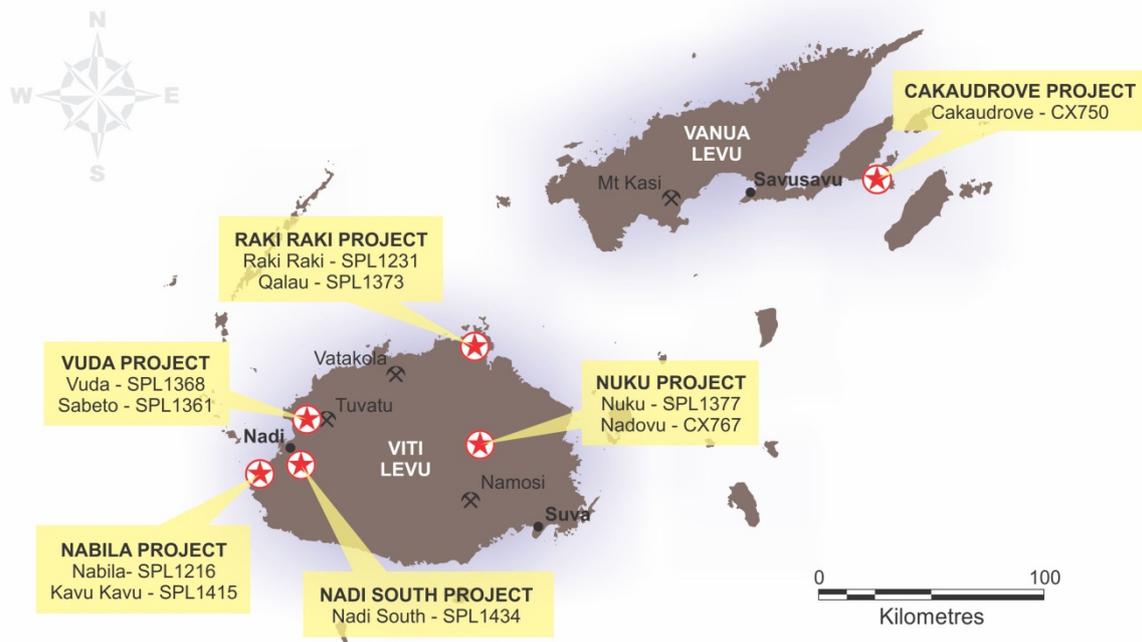
## DECEMBER 2011 QUARTERLY REPORT

Geopacific Resources NL (GPR) is pleased to provide the following report on corporate news and exploration activities undertaken at the Company's Fiji projects during the three month period ending 31 December 2011.

### HIGHLIGHTS

- **Drilling at the Nabila Project has reached a depth of 245 metres before stopping for the Christmas break.**
  - **Trace visible copper and zinc mineralisation has been identified in the drill core and confirmed using the NITON analyser.**
  - **Alteration, mineralisation, and fracturing observed in the drill core to date is consistent with the outer zones of a porphyry copper system.**
- **Sabeto mapping defined a multiphase intrusive with well zoned alteration, comprising a core of weak biotite alteration with minor chalcopyrite, grading out to propylitic outer zones.**
  - **The exploration target at Sabeto is a deep porphyry copper-gold system suggested by a strong ZTEM resistive anomaly below the surface biotite core.**
  - **Ridge and spur soil auger sampling at Sabeto identified anomalous copper, gold, and molybdenum within the biotite core.**
- **1,255,672 options with an exercise price of 30c expiring 16 December 2011 had been exercised, raising \$376,701.60 for the Company.**
- **Geopacific announced a Bonus Issue of Options to shareholders of one (1) option per two (2) fully paid shares held as at 19 January 2012. The option has an exercise price of \$0.35 and a 12 month expiry. They are expected to be listed on the ASX.**

## PROJECT OVERVIEW



## PROJECTS & ACTIVITIES

### NABILA PROJECT

*SPL1216 - 100% Millennium Mining (Fiji) Ltd (subsidiary of GPR)*

*SPL1415 - 100% Millennium Mining (Fiji) Ltd (subsidiary of GPR)*

*CX691 (application) - 100% Millennium Mining (Fiji) Ltd (subsidiary of GPR)*

#### **Nabila Diamond Drilling:**

Drilling at Geopacific's Nabila project halted for the Christmas break, with drilling recommencing on 9th January, 2012. The break in drilling was to give the crews the normal season holidays and allow for maintenance of the rig.

The diamond hole reached a depth of 245 metres before stopping. Drilling changed over from PQ rods to HQ at 114 metres depth. The target depth of this hole is 850m and, at the drill rate of approximately 30 metres per day, is expected to finish at the end of January.

The hole encountered altered diorite with strongly increasing epidote-chlorite-calcite alteration, and minor calcite-sphalerite-chalcopyrite veinlets to a depth of 68m. At 68m the hole passed through a fault contact into highly fractured fragmental volcanic rock with strong chlorite-magnetite alteration and minor fracture controlled pyrite mineralization with traces of chalcopyrite. The intensely fractured zone continued to 92m depth and was accompanied by strong water inflows and very difficult drilling conditions.

From 92m to the 114m, the intense fracturing continued but has been healed by late stage gypsum veining, which will allow the casing off of the difficult fracture zone and should result in a marked improvement in drilling conditions going forwards.

From about 101m the chlorite magnetite alteration is progressively replaced by intense pale brown chlorite and magnetite destructive alteration accompanied by increasing coarse irregularly fracture controlled pyrite.

From 114 to 250m the hole has intersected moderately chlorite-clay-silica altered volcanic rocks, including a 60cm quartz vein with moderate pyrite-chalcocopyrite mineralisation at 214m, and remains consistent with the geophysical target model of porphyry copper style mineralisation commencing below 400m from surface.

The increasing intensity and nature of the alteration and fracturing encountered to date, together with traces of chalcocopyrite (copper-iron sulphide) and late gypsum veining are common features of the peripheral zones surrounding porphyry copper deposits, and are considered by GPR's technical team as strongly supportive of the porphyry copper target model indicated by geophysical surveys at a depth of + 400m.

#### **VUDA AND SABETO PROJECTS**

*SPL1368 Geopacific Ltd (subsidiary of GPR) has an option to purchase 100%*

*SPL1361 Geopacific Ltd (subsidiary of GPR) has an option to purchase 100%*

The highest ranked ZTEM geophysical anomalies are set on the Sabeto and Vuda tenements. These show very classic porphyry-style images. Although there has been significant previous work in these areas which reflects the expected alteration and gold, there was insufficient information to accurately site drill holes to test these anomalies.

During the quarter field mapping, soil auger sampling, and trenching was completed at the Sabeto ZTEM anomaly, while a soil auger sampling programme was completed over the Vuda ZTEM anomaly.

It is expected that drill targets will be determined shortly after receipt of assays from the various sampling programs.

#### **Sabeto Field Mapping & Sampling:**

Field mapping at Sabeto defined a multiphase intrusive with well zoned alteration, comprising a core of biotite alteration and accompanying chalcocopyrite, grading out to propylitic outer zones. Mineralised structures appear mainly aligned along a northwest trending structural corridor.

Ridge and spur sampling geochemistry strongly supports this zoning, with a central zone of anomalous copper, molybdenum, and gold anomalism. Values up to 0.183g/t Au and 857ppm Cu were returned from the soil auger programme. Trenching was completed during the quarter over these areas of anomalous Cu-Mo-Au anomalism, with results due in the near future.

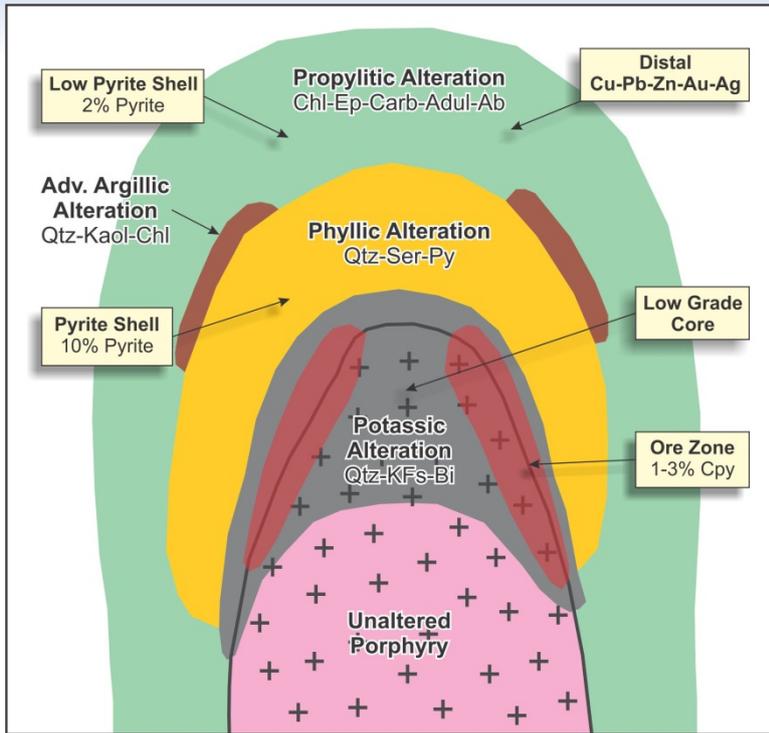


Figure 1. Theoretical section through a porphyry system

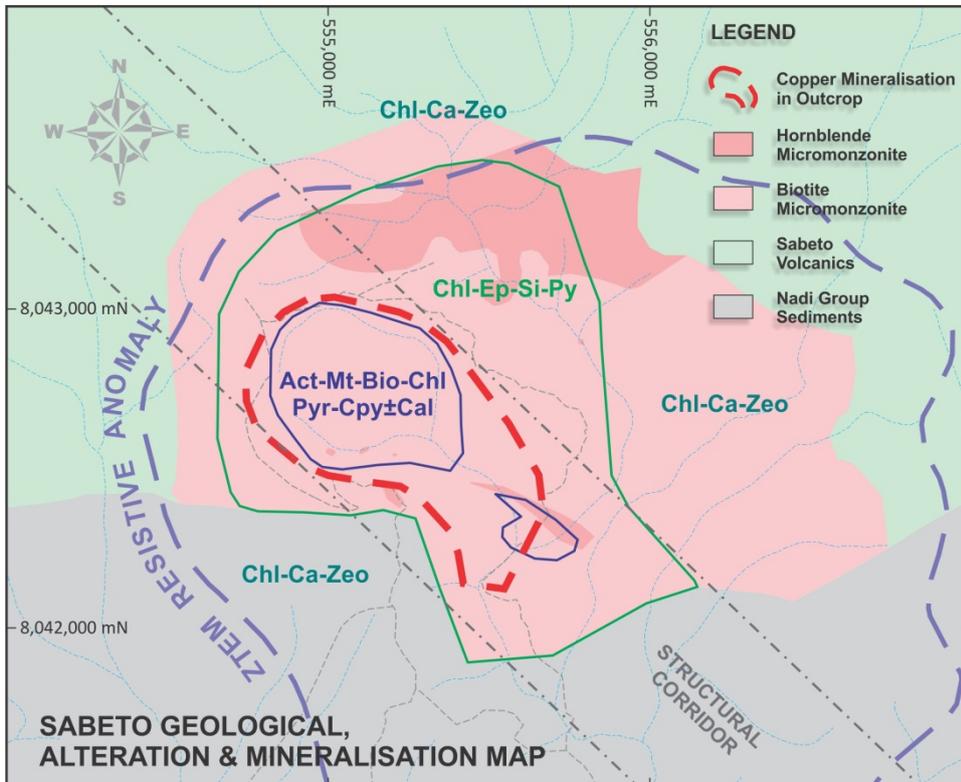


Figure 2. Sections showing the resistive ZTEM anomalies at Sabeto & Vuda

**Vuda Soil Auger Sampling:**

A ridge and spur auger sampling programme comprising 93 samples was completed at Vuda, with results due in the near future.

**NADI SOUTH PROJECT**

*SPL1434 - 100% Geopacific Ltd (subsidiary of GPR)*

It was decided that the Nadi South tenement had been tested fully, with no targets for further work identified. With this in mind the Nadi South tenement will be relinquished.

**CAKAUDROVE PROJECT**

*CX750 (application) - 100% Geopacific Ltd (subsidiary of GPR)*

A field visit was conducted at the Cakaudrove application area with a focus on the geology and mineralisation of the Dakuniba prospect.

Reconnaissance mapping confirmed the general geological setting as outlined by previous explorers, comprising basic flows and associated fragmentals with pyroxene, feldspar, and rare olivine-phyric end-members. Veins and vein zones were noted within outcrops in the Nagagani Creek (some of which were not previously mapped). One of the veins contained significant base metal mineralisation (galena & chalcopyrite). Textures of veining are consistent with a low sulphidation epithermal setting. Gabbroic intrusive rocks were identified in creeks over the resistive features in the initial processed ZTEM data.

After the success of the 3D inversion of the ZTEM data at Nabila, Sabeto, and Vuda, as well as the interesting resistive anomaly within the initial Cakaudrove ZTEM data, it was decided that this data should undergo 3D processing.

The Dakuniba prospect remains prospective; however, further work would rely on the 3D inversions of the ZTEM data currently awaiting final 3D processing and review.

**NUKU PROJECT**

*SPL1377 - 100% Geopacific Ltd (subsidiary of GPR)*

*CX667 (application) – 100% Geopacific Ltd (subsidiary of GPR)*

A field visit was taken to the Waidamudamu Creek and Wailoaloa skarn mineralisation areas aimed at ground proofing the previous exploration work and to identify the potential for further exploration of this area. This field work confirmed previous interpretations of a porphyry system with skarn mineralisation, deficient in Cu but with anomalous gold grades at surface.

Potential exists for significant skarn mineralisation at depth. Compilation and interpretation of Nuku data remains ongoing.

## RAKI RAKI JV PROJECT

*SPL1231, SPL1373, SPL1436*

*50% Beta Ltd (subsidiary of GPR) – Operator*

*50% Peninsula Minerals Ltd*

A brief visit was completed at the Raki Raki JV tenements in order to identify further work that could be completed to advance the project. It was noted that the previous exploration in the Raki Raki JV project area is insufficient to determine the potential for economic mineralisation within the project area.

A programme of trenching is planned for several prospects within the Raki Raki and Qalau tenements to further define mineralisation trends with the intention of defining the prospectivity of the tenements. This is due for completion in Q1 2012.

## OCCUPATIONAL HEALTH, SAFETY, & ENVIRONMENT

There were no work injuries or environmental issues during the quarter.

## CORPORATE

### BROKER ROADSHOW

During the December Quarter, Charles Bass and Tim Biggs conducted presentations to several Perth-based brokerage firms. The presentations were well received and we look forward to updating the market during this exciting phase for the Company. A copy of the presentation can be found on the ASX website.

<http://www.asx.com.au/asxpdf/20111205/pdf/4232pymc9yt389.pdf>

### BONUS ISSUE OF OPTIONS

On 7th December 2011 the Company announced a Bonus Issue of Options to shareholders. The free issue is to thank our very patient and loyal shareholders for supporting the Company through the past 18 months of conducting ZTEM airborne geophysical surveys over its tenements in Fiji, the lengthy time to interpret that data and to get advanced surface sampling and drilling commenced. The issue of options is on the basis of one (1) free option for every two (2) fully paid shares held as at the record date (19 January 2012). The exercise price is \$0.35 with an expiry of one year (365 days) from date of issue. It is expected that these options will be listed on the ASX.

### EXERCISE OF OPTIONS

Within the December Quarter 1,255,672 options with an exercise price of 30c expiring 16 December 2011 had been exercised, raising \$376,701.60 for the Company. A total of 5,966,434 options with an expiry date of 16 December 2011 were not exercised and have therefore lapsed.

*The review of exploration activities and results contained in this report are based on information compiled by **Russell Fountain, B.Sc., Ph.D, F.A.I.G.**, a director of the Company. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Russell John Fountain has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

Yours faithfully



**Grahame Clegg**

Company Secretary

Geopacific Resources NL



	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.13 Total operating and investing cash flows (brought forward)</b>	(472)	(1,193)
<b>Cash flows related to financing activities</b>		
1.14 Proceeds from issues of shares	383	710
1.15 Proceeds from sale of forfeited shares		
1.16 Proceeds from borrowings		
1.17 Repayment of borrowings		
1.18 Dividends paid		
1.19 Other (provide details if material)- Capital raising costs		
1.19 Other (provide details if material)- Applications for shares re placement 6.7.10		
<b>Net financing cash flows</b>	383	710
<b>Net increase (decrease) in cash held</b>	(89)	(483)
1.20 Cash at beginning of quarter/year to date	1,776	2,170
1.21 Exchange rate adjustments to item 1.20	-	-
<b>1.22 Cash at end of quarter</b>	1,687	1,687

**Payments to directors of the entity and associates of the directors****Payments to related entities of the entity and associates of the related entities**

1.23 Aggregate amount of payments to the parties included in item 1.2	126,000
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	
Salaries, Directors fees and consultancy fees at normal commercial rates.	126,000

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

**Financing facilities available**

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	400

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flow) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,687	754
Deposits at call	-	-
Bank overdraft	-	-
Other - 30 day bank bills	-	1,022
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,687</b>	<b>1,776</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
<b>7.1 Preference securities (description)</b>				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
<b>7.3 Ordinary securities</b>	37,834,463	37,834,463		
7.4 Changes during quarter				
(a) Increases through issues- Exercise of options	1,255,672	1,255,672	\$0.30	\$0.30
(b) Decreases through returns of capital, buy-backs, redemptions				
<b>7.5 Convertible debt securities (description)</b>				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				

7.7 Options		Total Number	Number Quoted	Exercise price	Expiry Date
Description and conversion factor					
8 May 2012 Options	1 share for 1 option	100,000	0	\$1.00	08-May-12
8 May 2013 Options	1 share for 1 option	100,000	0	\$1.25	08-May-13
1 August 2013 Options	1 share for 1 option	500,000	0	\$0.50	01-Aug-13
8 May 2014 Options	1 share for 1 option	100,000	0	\$1.50	08-May-14
30 September 2014 Options	1 share for 1 option	500,000	0	\$0.30	30-Sep-14
5 years after defining JORC					
200,000 oz at Faddys Gold Deposit	1 share for 1 option	800,000	0	\$2.50	Unknown
10 years after defining JORC					
1,000,000 oz at Faddys Gold	1 share for 1 option	200,000	0	\$5.00	Unknown
7.8 Issued during quarter					
7.9 Exercised during quarter					
16 December 2011 Options	1 share for 1 option	1,255,672	0	\$0.30	16-Dec-11
7.10 Expired during quarter					
16 December 2011 Options	1 share for 1 option	5,986,434	0	\$0.30	16-Dec-11
<b>7.11 Debentures</b>					
7.12 Unsecured					

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act 2001 or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Print name:

Grahame Clegg

Date:

18 January 2012

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Cash Flow Statements apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.