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T +679 6 72 7150
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Managing Director: Ron Heeks
Non-Exec Director: Mark Bojanjac
Company Secretary: John Lewis**PROJECTS**CAMBODIA:
Kou Sa Copper**FIJI:**Nabila Gold
Rakiraki Gold
Sabeto Gold-Copper
Vuda Gold-Copper
Cakaudrove Gold-Silver

FIJI GOLD – TOLL MILLING OPPORTUNITY

Following a recent review of its Fiji Projects, Geopacific Resources Limited (Geopacific) has chosen to advance the Faddy's Prospect at the Nabila Project because it holds the greatest potential for near-term commercialisation.

On 25 April 2016 Lion One Limited (Lion One) announced that it was "actively reviewing the best opportunities to take the (Tuvatu) Project into production". Tuvatu is within easy trucking distance of Geopacific's Faddy's Prospect. Following this announcement, Geopacific held advanced, positive discussions with Lion One regarding the potential for toll treating ore.

Toll-treating ore from the Faddy's Prospect at Lion One's proposed Tuvatu processing plant is an option for Geopacific.

Faddy's Prospect located at the Nabila Project is at an advanced stage of exploration with over 230 holes already drilled. This drilling has consistently returned high-grade gold results. The advanced, high-grade nature of the project and the toll milling option presents the best opportunity for Geopacific to commercialise Faddy's Prospect and create cash flow in the short term.

Geopacific is mobilising a diamond drill rig to the Faddy's Prospect, with drilling expected to recommence in the next few weeks.

HIGHLIGHTS

- Short-term cash flow potential
- Nearby toll milling option available
- Advanced gold project
- High-grade, near-surface gold results
- Epithermal gold zones with extensive strike potential
- Good infrastructure and simple logistics
- Stable jurisdiction with proven mining history

Managing Director, Ron Heeks said,

"This is exciting news, which opens up the potential to take Faddy's Prospect into production on a relatively short timeline.

While high-grade in nature, current extents of mineralisation are insufficient to support the development of a stand-alone processing plant at Faddy's. The option to toll treat ore in the future provides a near-term solution and minimises the need for capital expenditure, allowing Geopacific to commercialise this asset."



Exploration at Faddy's Prospect

In order to leverage the potential at Faddy's Prospect, Geopacific has reviewed the existing geological and metallurgical information from two perspectives; short-term commercialisation through toll milling, and long-term development of a stand-alone mine.

A diamond rig will be used to undertake infilling of the higher grade, central portion of the mineralisation then stepped out to consolidate the potential of this zone along strike. The aim of the drilling program will be to assess the best areas of mineralisation for commercialisation of a near-term mining option. The potential of a stand-alone processing plant will also be considered.

A review of metallurgy at Faddy's Prospect has indicated that the planned Tuvatu plant is capable of processing the mineralisation and further metallurgical testwork will be undertaken to confirm this.



Figure 1: Eastern aspect of Faddy's Prospect on Viti Levu Island, Fiji.

Project Location

Geopacific's five Projects are located on the two main islands of Fiji – Viti Levu and Vanua Levu (Figure 1). The Nabila, Rakiraki, Sabeto and Vuda Projects are located in the highly-prospective north-east trending zone that also hosts the world-class Vatukoula and Mt. Kasi gold mines.

The planned processing facility at Lion One's Tuvatu Project is located adjacent to Geopacific's Vuda and Sabeto Projects and within easy, trucking distance on bitumen roads of Faddy's Prospect.

Figure 1:

Fiji - Gold projects location map



Why Fiji?

Fiji is located along the '**Pacific Ring of Fire**', a volatile zone of frequent volcanic and seismic activity at the edge of the Pacific Ocean. This zone is home to many of the world's largest precious-metal deposits.

Vatukoula Gold Mine in Fiji, has produced 6.9m oz Au at 7.4g/t and has been in operation since 1933. The Pacific Ring of Fire also includes Newcrest's Namosi porphyry Cu-Au deposit, Grasberg, Porgera, Lihir, OK Tedi and Waihi.

Fiji is a known mining jurisdiction with good infrastructure and is politically stable.

Nabila Project

Epithermal gold prospect with an advanced level of exploration (100% owned)

The Nabila Project covers the Faddy's and Mistry Prospects. Work has largely been focussed on the Faddy's Prospect, which has been drilled extensively. Epithermal gold mineralisation is present at all Prospect areas. Further work is required in order to achieve JORC compliance.

Faddy's Gold Prospect

The Faddy's Gold Prospect is the most advanced of Geopacific's Fijian Projects, situated at the northern end of the Nabila Project. It is well located, just off the main bitumen road and 20 kilometres from the International airport at Nadi.

Several phases of exploration have previously been undertaken on the epithermal-style mineralisation; including IP geophysics, metallurgy, numerous trenches, 112 diamond and 121 RC drillholes with an inferred resource estimate ([April 2008](#)).

Several, surface, gold and base-metal anomalies have been defined from past exploration and mineralisation appears to be open along trend (north-south) and at depth.

Trenching intersected '**bonanza**' **high-grade gold ranging up to 233g/t Au (7.5 oz/t) in one-metre sample intervals** ([January 2009](#)). High-grade channel samples collected from the trenches include:

- **28m @ 9.71g/t Au incl. 1m of 233 g/t Au** ([January 2009](#))
- **2m of 37.5g/t Au in a road cut channel sample** ([January 2009](#))
- **1m of 19.4g/t Au in a road cut channel sample** ([January 2009](#))
- **54m @ 1.26g/t Au incl. 1m of 66g/t Au** ([January 2009](#))

Diamond drilling at the Faddy's Prospect shows that mineralisation extends to depth with individual intersection results up to **138.3g/t gold (4.46 oz/t Au)** and demonstrates continuity of high-grade gold mineralisation:

- **22m @ 4.0 g/t Au from 73m incl. 0.5m @ 73.2 g/t Au** ([November 2008](#))
- **11m @ 4.24g/t gold from 156m incl. 1.0m of 13.0g/t Au, 72g/t Ag, 4.43% Zn, 2.06% Pb and 0.62% Cu from 166m** ([July 2010](#))

There is considerable potential to expand existing mineralisation along strike and to depth with further drilling.

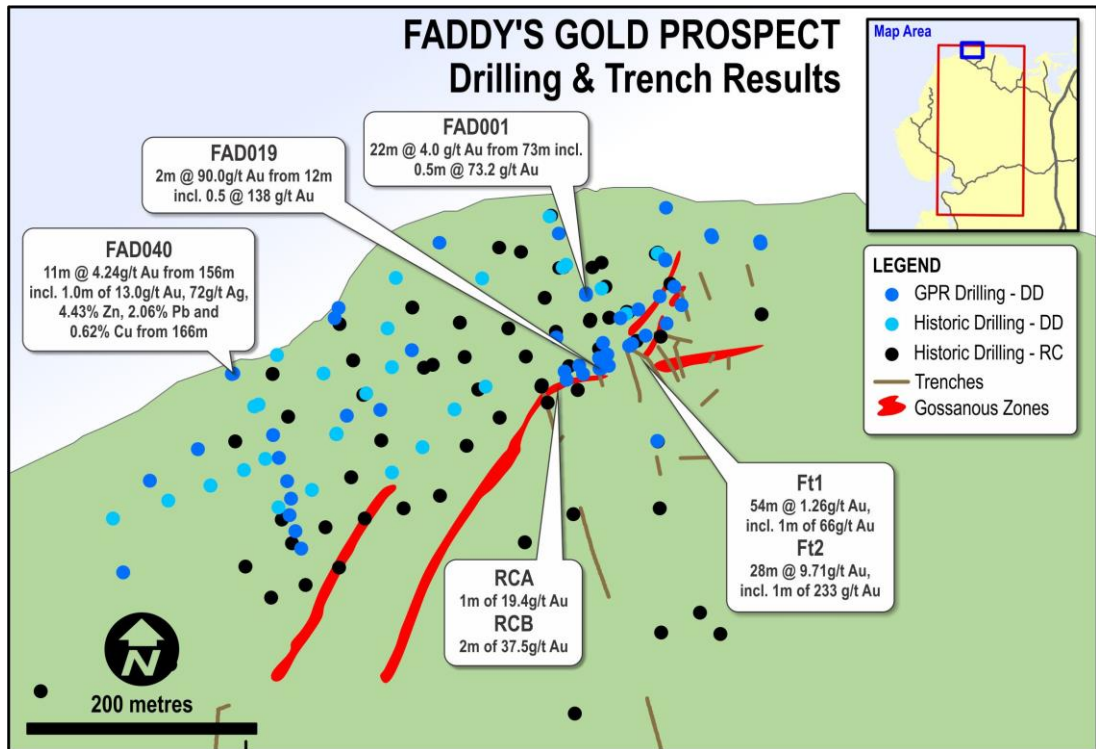


Figure 2 (above):
Drillhole and Trench location with
significant intercepts at Faddy's
Gold Prospect, Nabila Project.

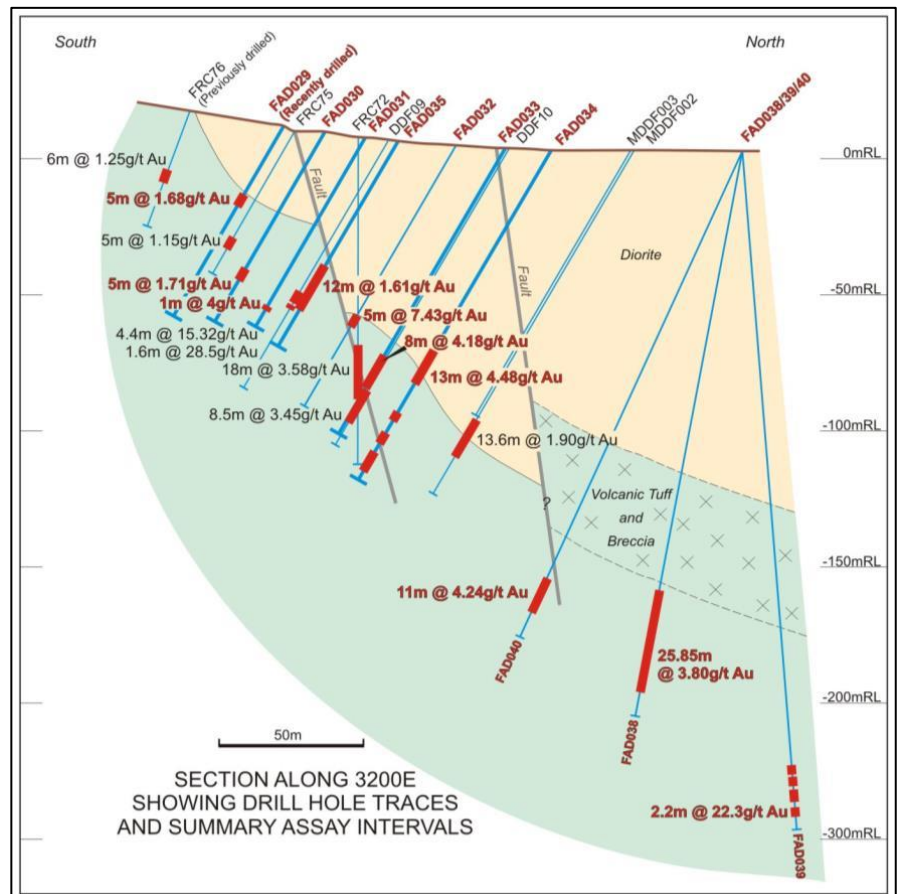


Figure 3 (right):
Significant intercepts at Faddy's
Gold Prospect, Nabila Project.

CONTACT

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

Mr Ron Heeks

Managing Director

Competent Person's Statement

The information in this announcement that relates to exploration results is based on information compiled by or under the supervision of Ron Heeks, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and Managing Director of Geopacific. Mr Heeks has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Heeks consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.