

## Chairman's AGM Address

Good Morning ladies and gentlemen, my name is Ian Clyne and I am the Chairman of Geopacific Resources Limited. On behalf of the Board, it is a pleasure to welcome you to our 2021 Annual General Meeting.

The 2020 financial year was another year of significant progress for Geopacific as we continued to advance our high margin and high returning Woodlark Gold Project towards construction.

### Project Development

In November 2020, the Company released a comprehensive Project Execution Update which was the culmination of a multifaceted work program designed to progress all aspects of the Woodlark Gold Project to a high level of execution readiness. The Project Execution Update<sup>1</sup> demonstrated that the Woodlark Gold Project represents a compelling, shovel ready development project with key economic parameters including:

- Post-tax NPV at 8% of A\$347m and an IRR of 34% at a gold price of A\$2,200/oz
- Forecast average AISC of A\$1,239/oz over the life of mine
- Thirteen year mine life with significant exploration upside
- Simple, low risk operations with conventional open pit mining and standard carbon in leach (CIL) process plant

Since the release of the Execution Update, the Company has not been idle, with site works advancing in parallel with the finalisation of the debt ensuring that the integrity of the project schedule is preserved. The advancement of significant long lead time items, such as SAG and ball mills, community infrastructure, power plant and mining equipment enable the Project to stay on track for first gold in the December quarter 2022.

### Funding progressing

During the year the Company made significant advances on the funding required for the development of the Project. Central to this was a successful \$140 million capital placement which was strongly supported by existing institutional shareholders and new major domestic and international investors. The Placement was cornerstoned by two of the Company's substantial Shareholders, Tembo and DELPHI, and several leading domestic and international institutions.

I would like to thank all of our new and existing Shareholders for their support of our equity placement and associated Share Purchase Plan.

In another significant step forward in project funding, the Company announced that it had selected Sprott Private Resource Lending II L.P. (Sprott) as its preferred financier for the development of the Woodlark Gold Project. The Company entered into a period of exclusivity with Sprott to finalise a US\$85 million Project Finance Facility (the "Project Finance Facility") and a US\$15 million Callable Gold Stream (the "Gold Stream").

The Company continues to actively engage with Sprott to progress the project financing requirements with a strong focus on working towards securing financial close.

1. ASX release 30 November 2020 - All material assumptions underpinning the production target and forecast financial information continue to apply and have not changed materially.

The Sprott project financing, coupled with the Company's \$143m of cash and equivalents as at 31 March 2021, will fully fund the capital construction cost and ongoing activities associated with the development of the Woodlark Gold Project. The Company remains well placed to commence construction activity by 2H CY2021 and are on track to achieve targeted first gold pour in December quarter 2022.

### **Our People**

People remain the core of our business and we have put in place the right Management Team and right Board to execute on our strategy.

In July 2020, we recruited Mr Tim Richards as our new CEO. Tim brings with him a wealth of operational experience, including 6 years of recent PNG experience, and understands the importance of working with the local communities, Local and Provincial Governments, Regulators and the National Government.

To further extend the skill set and quality of our Board, the Company appointed Sir Charles Lepani, KBE, CBE, OBE, PHD (Hon) as a Non-Executive Director in July 2020. Sir Charles Lepani has over 40 years' experience in both the public and private sectors representing PNG as a Senior Diplomat and Advisor with great success and distinction. His most recent roles were High Commissioner of PNG in Australia 2005-2017, and Director General of PNG APEC 2017-2018.

To manage site construction and in country activities, Graeme Rapley has been brought on board as Project Director for the Woodlark Gold Project. Mr Rapley is a Civil Engineer with over 20 years' experience in Construction and Project Manager level roles. Tim and Graeme are supported by an experienced and capable management team onsite, with all key roles now filled.

The extensive experience of our people, and our strong relationships with tier-1 construction companies such as GR Engineering, HBS and Contract Power Group will ensure the successful development of the Project.

### **Safety**

COVID-19 provided a unique challenge for our business during the year. The Company implemented a COVID-19 Management Plan designed to ensure the health and safety of all Geopacific staff and contractors as well as mitigate the risk of COVID-19 being introduced to Woodlark Island. Late in 2020 the Company remobilised personnel and equipment to the Island to continue executing work programs with a range of robust COVID-19 protocols to ensure safety of our local communities and staff.

The Board and Management Team continue to monitor the COVID-19 pandemic so that it can respond in the best interests of the various Stakeholders associated with the Project.

As the Woodlark Gold Project advances towards construction, it is crucial that safety management processes and procedures appropriately reflect the level and type of activity on site that the next phase of the Woodlark Gold Project will bring.

### **Community Engagement**

Geopacific enjoys an active and strong relationship with the communities living on Woodlark Island and is committed to maximising local training and employment as well as local business development.

In October 2020, an updated Memorandum of Agreement (MoA) was initiated by the Woodlark Gold Project area Landowners, the National, Provincial and Local Level Governments and Woodlark Mining Limited. The MoA is designed to define the distribution of project royalties once production commences and outlines the commitments of all Stakeholders to ensure that the economic benefits flow to the people of Woodlark Island and the broader region, including employment and business opportunities, as well as appropriate management of environmental and social impacts.

One of the key benefits of the Woodlark Gold Project will be the opportunity for Landowners on Woodlark Island to benefit from business opportunities that are manageable, sustainable and profitable. Geopacific is committed to partnering with the local community to identify and develop these business opportunities.

Our community infrastructure programs have constructed 82 buildings to date and will continue to develop local infrastructure such as schools and other community facilities.

### Conclusion

The Company has entered 2021 with significant momentum as we continue to advance early work packages associated with the development of the Woodlark Gold Project that reflect our commitment to the Project. Importantly we continue to receive positive support from our local communities. Our strong cash position, coupled with the funds we anticipate receiving from Sprott, will provide significant and sufficient capital to execute the construction and development of the Project.

Finally, I would like to sincerely thank the Board, the Geopacific Management Team and all our Shareholders for their unwavering support. It is very encouraging to look back over the year and see such achievement in the advancement of our Woodlark Gold Project. Geopacific is committed to delivering the Project for the benefit of all Stakeholders and I look forward to updating the market on our progress in the coming periods.

This announcement was authorised by the Board of Geopacific.

For further information, please visit [www.geopacific.com.au](http://www.geopacific.com.au) or contact Mr Tim Richards, CEO.

Company details	Board & Management	Projects
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