

New strategic investment by Lingbao Gold

Advancing the 100% owned 1.67 Moz Woodlark Gold Project, PNG

Highlights

- Firm commitment received from new strategic investor, Lingbao Gold International Company Ltd, for an approximate A\$2.9 million share placement at 2.1c per share
- Lingbao is a wholly owned subsidiary of Hong Kong listed Lingbao Gold Group Co Ltd, an international gold mining company that in FY2023 produced approximately 725,000 oz Au from operations in China, Mongolia, and Kyrgyzstan¹
- Ongoing support from the Deutsche Balaton Group, with 2Invest AG and Deutsche Balaton AG to convert a portion of certain bearer bonds by applying approximately \$2.8 million of monies owing, to subscribe for shares²
- New investments follow the recent Woodlark Scoping Study which forecasts strong financial returns from a long-life operation³, and an increase in the Woodlark Mineral Resource to 1.67 Moz gold⁴
- Funds from placement will be used to advance and derisk the 1.67 Moz Woodlark Gold Project, including preparation for drilling at high-priority target areas with strong potential to host material economic mineralisation, and for general working capital purposes

Geopacific Resources Ltd (ASX: **GPR**) (the “**Company**”, or “**GPR**”) is pleased to announce that it has received a firm commitment from new strategic investor, Lingbao Gold International Company Ltd (“**Lingbao**”), a 100% owned subsidiary of Hong Kong listed Lingbao Gold Group Co Ltd, for an approximate A\$2.9 million share placement at 2.1c per share (“**Placement**”).

In parallel, the Company has commitments from 2Invest AG and Deutsche Balaton AG, members of existing substantial shareholder, the Deutsche Balaton Group (“**Balaton Group**”), to apply monies owing under certain bearer bonds, including outstanding fees and interest (together totalling approximately A\$2.8 million), to subscribe for shares in the Company at the same price as the Placement (“**Balaton Group Bond Conversion**”)⁵ subject to and conditional on the Company obtaining any necessary regulatory approvals and shareholder approval.

Further background information on Lingbao, additional key terms, the status of the existing commitment by Mr Chi, along with the draft timetable for the Placement and proposed Balaton Group Bond Conversion are contained in the sections below.

Geopacific CEO James Fox said: “Lingbao is a major gold producer with mining interests in several countries. To secure their support as a new substantial shareholder, in parallel with the debt-to-equity agreement with a bond-holder and existing substantial shareholder, is a strong endorsement of the underlying value of the Woodlark Gold Project.

Having recently identified numerous highly prospective gold targets with scope for further resource inventory growth, we believe there is a clear pathway for significant shareholder value creation that continues to be recognised. We look forward to completing a site visit with Lingbao over the coming weeks.”

Lingbao Overseas Business Division General Manager Peng Sun said: “Geopacific’s Woodlark Gold Project is a promising investment for Lingbao and a key step in our international strategic plan. We hope to

¹ Refer Lingbao Gold Annual Report <https://doc.irasia.com/listco/hk/lingbao/annual/2023/res.pdf>

² Total conversion of A\$2.8 million, of which: ~A\$1.7 million relates to 2Invest AG and ~A\$1.1 million relates to Deutsche Balaton AG

³ Refer ASX release on 30 July 2024 ‘Woodlark Scoping Study forecasts strong financial returns from a long-life operation’. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target continue to apply and have not materially changed

⁴ Refer ASX release on 13 August 2024 ‘Mineral Resource increased to 1.67 Moz’

⁵ Refer to the Balaton Group Conversion section on page 3 for further information.

strengthen our partnership with the Geopacific team and collaborate to promote the smooth progress of the Project by participating in this private placement”.

Background of new strategic investor, Lingbao Gold International Company Ltd

Lingbao is a 100% owned subsidiary of Hong Kong listed Lingbao Gold Group Company Ltd (“**Lingbao Gold**”).

Lingbao Gold is an integrated gold mining enterprise located in the People's Republic of China (“**PRC**”), engaged primarily in gold mining, smelting, and refining at five major mining production bases, and one smelting and processing enterprise. Lingbao Gold owns mineral deposits hosted in the PRC regions of Henan, Xinjiang, Jiangxi, in Inner Mongolia and Gansu, and the Kyrgyz Republic.

Total gold reported as at 31 December 2023⁶ was approximately 4.4 million ounces, (prepared in accordance with PRC GB/T17766-2020, "Solid Mineral Resources/Reserves Classification", GB/T13908-2020 "General Requirements for Solid Mineral Geological Exploration" and DZ/T0205-2020 "Specifications for Hard-Rock Gold Exploration").

In 2023, Lingbao Gold reported production of approximately 725,000 ounces of gold bullion, 15,000 tonnes of copper, and 100,000 tonnes of industrial sulfuric acid, plus associated silver.

Lingbao Gold are focusing on increasing production scale, through exploration and expansion, and aim to continue to acquire gold resources with potential.

Lingbao and the Company share the collective aim of accelerating progress of the Woodlark Gold Project and in addition to Lingbao providing capital to the Company, both parties intend to collaborate to assist GPR in becoming the next major PNG gold miner.

Update on Tranche 2 Investment from Mr Jingtao Chi

As previously announced⁷, under the existing subscription implementation agreement between Mr Chi and the Company (**JTC Subscription Agreement**), it was agreed that Mr Chi would subscribe for two tranches of shares to obtain up to 19.99% of the voting shares in the Company.

The first tranche of shares was issued to, and subscribed for by, Mr Chi on 10 May 2024 in accordance with the terms of the JTC Subscription Agreement (“**JTC Tranche 1 Shares**”).

Ongoing delays in connection with the obtaining of overseas regulatory approvals for the issue of the second tranche of shares under the JTC Subscription Agreement (“**JTC Tranche 2 Shares**”) have resulted in the terms of the JTC Subscription Agreement being unable to be achieved as a practical matter and not appropriate for the parties’ needs. As such, Mr Chi and the Company have mutually agreed to terminate the JTC Subscription Agreement, and to use their best endeavours to enter into a new subscription implementation agreement (or similar).

Balaton Group Bond Conversion

As previously announced⁸, in parallel with the entry into the JTC Subscription Agreement, the Company received a commitment from existing substantial shareholder Deutsche Balaton AG to apply monies owing under certain bearer bonds, including outstanding fees and interest (together totalling up to approximately A\$3), to subscribe for shares in the Company (“**Deutsche Balaton Bond Conversion**”), that would see the Balaton Group maintain its relevant interest at the time, of 37.2%⁹.

Completion of the Deutsche Balaton Bond Conversion is subject to, and conditional on:

- completion of the issue of the JTC Tranche 1 Shares;
- confirmation as to whether the issue of the JTC Tranche 2 Shares is to occur; and
- the Company obtaining shareholder approval.

⁶ Refer Lingbao Gold Annual Report <https://doc.irasia.com/listco/hk/lingbao/annual/2023/res.pdf>

⁷ Refer ASX release on 26 April 2024 ‘Successful \$8m raising to unlock value of Woodlark’

⁸ Refer ASX release on 26 April 2024 ‘Successful \$8m raising to unlock value of Woodlark’

⁹ Refer ASX release on 28 March 2024 ‘Bond Repayment Deferred to 30 September 2024’

The mutual termination of the JTC Subscription Agreement has resulted in the amount subscribed for under the Deutsche Balaton Bond Conversion to be set at approximately A\$1.1 million, being 53,382,585 new GPR shares at 2.1 cents per share.

Due to delays in connection with obtaining overseas regulatory approvals for the issue of the JTC Tranche 2 Shares, the Deutsche Balaton Bond Conversion has not occurred, and shareholder approval previously obtained in respect of the Deutsche Balaton Bond Conversion at the Extraordinary General Meeting (“EGM”) of the Company held on 14 June 2024 has lapsed, and will need to be re-obtained to allow the Company to complete the Deutsche Balaton Bond Conversion.

In addition to the Deutsche Balaton Bond Conversion, the Company has entered into a new subscription agreement with 2Invest AG, under which 2Invest AG will subscribe for, 80,882,979 new GPR shares at 2.1 cents per share (the “**2Invest AG Shares**”). 2Invest AG will apply monies owing under certain bearer bonds, including outstanding fees and interest (together totalling up to approximately A\$1.7 million), to subscribe for the 2Invest AG Shares (the “**2Invest Bond Conversion**”).

Use of Funds

Funds raised from the Placement will be used to advance and derisk the Company’s 100% owned Woodlark Gold Project where recent exploration highlighted high-priority target areas with strong potential to host material economic mineralisation, to continue drill preparation to upgrade and grow the existing 1.67 Moz gold resource, and for general working capital purposes.

Funds applied under the Balaton Group Bond Conversion (approximately A\$2.8 million) will be used to pay down certain existing bearer bonds on issue to 2Invest AG and Deutsche Balaton AG (including fees and interest under those bearer bonds).

Structure and key terms

The issue price of 2.1c per share under the Placement and Balaton Group Bond Conversion represents a discount of 8.7% to the last close, and a 9.4% discount to the 30-day volume weighted average price.

- **Placement** – 136,800,894 ordinary shares in the Company will be issued to Lingbao at a price of 2.1c per share for a relevant interest of 13.0% (pre-Balaton Group Bond Conversion), and 11.6% (post-Balaton Group Bond Conversion), using the Company’s placement capacity under Listing Rule 7.1.
- **Balaton Group Bond Conversion** – 134,265,564 ordinary shares in the Company will be issued to the Balaton Group (comprising the 53,382,585 ordinary shares to be issued to Deutsche Balaton AG and the 80,882,979 ordinary shares to be issued to 2Invest AG) at a price of 2.1c per share for a relevant interest of 37.2%.

Completion of the Balaton Group Bond Conversion is subject to and conditional on the approval of the Company’s shareholders under and for the purposes of Listing Rule 10.11.

An EGM of the Company will be held on or around 9 October 2024 to approve (amongst other things) the Balaton Group Bond Conversion.

Draft Timetable

Key Event	Indicative date
Announcement to the ASX of the Placement and Balaton Group Bond Conversion	26 August 2024
Lingbao Placement settlement	26 August 2024
Lingbao Placement allotment	28 August 2024
Extraordinary General Meeting	9 October 2024
Balaton Group Bond Conversion	11 October 2024

This announcement was authorised by the Board of Geopacific.

For further information, please visit www.geopacific.com.au or contact James Fox (CEO, Geopacific).

Company details	Board & Management	Projects
Geopacific Resources Limited	Graham Ascough Non-Executive Chairman	PAPUA NEW GUINEA
ACN 003 208 393	Hansjoerg Plaggemars Non-Executive Director	Woodlark Island Gold
ASX Code: GPR	Michael Brook Non-Executive Director	
info@geopacific.com.au	Hamish Bohannan Non-Executive Director	
http://www.geopacific.com.au	Rowan Johnston Non-Executive Director	
T +61 8 6143 1820	James Fox CEO	
HEAD OFFICE	Matthew Smith CFO and Company Secretary	
Level 1, 278 Stirling Highway		
Claremont WA 6010.		
PO Box 439, Claremont WA 6910.		

Competent Persons Statement

The information in this report that relates to Woodlark Mineral Resources is based on information compiled and reviewed by Mr Chris De-Vitry, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Manna Hill Geoconsulting Pty Ltd. Mr De-Vitry has sufficient experience which is relevant to the style of mineralization and type of deposits under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code 2012 and is a qualified person for the purposes of NI43-101. Mr De-Vitry has no economic, financial, or pecuniary interest in the Company and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Woodlark Mineral Resource Estimate

Refer to the Company's ASX Announcement dated 13 August 2024 titled "[Mineral Resource increased to 1.67 Moz](#)" for details.

The total Woodlark Mineral Resource hosts **48.3 Mt at 1.07 g/t Au for 1.67 Moz Au**. A breakdown of the Woodlark Mineral Resource by classification is outlined in the table below:

Category (>0.4g/t lower cut)	2024 Woodlark Mineral Resource		
	Tonnes* (Million)	Grade (g/t Au)	Ounces (Thousand)
Measured	2.25	3.00	217
Indicated	39.44	0.98	1,241
Inferred	6.49	0.98	205
Total	48.28	1.07	1,663

*Tonnes are dry metric tonnes. Minor discrepancies may occur due to rounding

The Company confirms that it is not aware of any new information, or data, that materially affects the information included, and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.