



3 August 2016

The Manager  
Company Announcements Office  
ASX Limited  
Level 40, Central Park  
152-158 St George's Terrace  
Perth WA 6000

Dear Sir

**Shares Issued with Security Holder Approval under Listing Rule 7.1A**

The Company has today issued 13,823,040 Shares in South Pacific Resources Limited (ASX: SPB) under Listing Rule 7.1A. The following information is provided in accordance with Listing Rule 3.10.5A.

- (a) *details of the dilution to existing holders of ordinary securities caused by the issue:*  
The Company issued 13,823,040 shares under Listing Rule 7.1A and 4,876,960 shares under Listing Rule 7.1 (Placement). This results in the following dilution to existing shareholders:

	Number
Number of shares on issue prior to Placement	139,232,766
Shares issued under Listing Rule 7.1A	13,823,040
Shares issued under Listing Rule 7.1	4,876,960
Total shares on issue	157,932,766
Percentage of voting dilution from shares issued under Listing Rule 7.1A	8.75%

- (b) *where the equity securities are issued for cash consideration, a statement of the reasons why the eligible entity issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro rata issue or other type of issue in which existing ordinary security holders would have been able to participate.*  
Given the recent awarding of Reservations (refer ASX announcement 4 July 2016) and the Company's plans to advance its oil and gas interests in Papua New Guinea, the availability of the funding from eligible persons was considered to be an efficient and expedient method of raising funds.
- (c) *Details of any underwriting agreements, including any fees payable to the underwriter.* There is no underwriter agreement and no underwriter fees payable in respect of this Placement.
- (d) *Any other fees or costs incurred in connection with the issue.* A capital raising fee of 4% and management fee of 2% are payable on the money raised.

Yours sincerely,  
**South Pacific Resources Limited**

A handwritten signature in black ink, appearing to read "Louisa Martino".

**Louisa Martino**  
Company Secretary