

## Woodlark Gold Project Update

Geopacific Resources Limited (**'Geopacific'** or **'the Company'**; ASX: GPR) is pleased to provide an update on corporate and project activities conducted at the Woodlark Gold Project (**'Woodlark'** or the **'Project'**) together with an outline of planned future work programs for 2023.

Further details are included in the attached Project Update Presentation.

### Outcomes from 2022

In February 2022 Geopacific announced suspension of development activities at the Project due to a significant capital cost increase which impacted on available project funding. Geopacific provided a corporate update in May 2022<sup>1</sup> outlining a business transformation plan with a clear focus on re-evaluating the future pathways for the Project including clearing residual contractual matters and maintaining the Company's social licence to operate.

The following are key outcomes from activities undertaken in 2022 which included execution of the business transformation plan.

- The completion of 23km of resource infill, extension and exploration drilling. This drilling improved confidence in high grade areas and identified new zones of mineralisation adjacent to the existing deposits.
- The completion of an updated Mineral Resource Estimate for the Woodlark Project. The update improved confidence in the 1.5Moz Mineral Resource with 94% now in the Measured and Indicated categories<sup>2</sup>.
- The community relocation project continued to progress, with the project now 66% overall complete. This provided access to largely untested areas of the Kulumadau deposit within the footprint of the open pits delineated by past studies.
- The community relocation program has been well received by the Papua New Guinea (**'PNG'**) government and regulators resulting in a letter of commendation from the Mineral Resource Authority of PNG and positive press coverage within PNG.
- Continuing community engagement and provision of services maintained the Company's social licence.
- A strategic review was conducted following unsolicited approaches to the Company. This resulted in the identification of potential development partners and dialogue is ongoing.

### Outlook for 2023

Following receipt of the Mineral Resource Update in December 2022, the Company has been busy preparing a work program for 2023, with the aim of maximising value in a cost-effective manner. The initial planning of the work program for 2023 is now complete, and subject to available funding, it is the Company's intention to execute the following work streams during the course of 2023:

- Complete a geological and targeting review focused on high grade opportunities.
- Update of Project operating and capital cost estimates to reflect the current economic environment.
- Assess the potential to optimise the Project via relocation of the processing plant and associated project infrastructure, along with the potential for staged development with an initial focus on the high-grade core of the Mineral Resource.
- Update of open-pit designs and production schedules based on the Mineral Resource Update.
- Preparation of a Pre-Feasibility level study, taking into account the above, and subject to study outcomes enabling the re-statement of Ore Reserves for the Project.
- Continue with the community relocation project on a cost effective 'self-perform' basis. This will initially target houses which are near completion.

<sup>1</sup> Refer ASX announcement on 31 May 2022 titled *"Recommendation of ASX Trading"*.

<sup>2</sup> Refer ASX announcement on 23 December 2022 titled *"Woodlark Project Mineral Resource Update"*.

Further detail on the 2022 and 2023 work programs, including timelines and expected outcomes, are included in the presentation accompanying this announcement. The results from the initial work-streams that form part of the work program for 2023 will determine the timing of the commencement of further work-streams, if warranted.

## CEO Search

The Company announced on 5 December 2022 that Mr Tim Richards had resigned as Chief Executive Officer ('CEO') of the Company effective 1 January 2023 and the Board was undertaking a search for a new CEO. Until the commencement of a permanent CEO, Non-Executive Director Richard Clayton will act as Interim CEO, working closely with Chief Financial Officer Matthew Smith.

This search is progressing with a recruitment consultant appointed and potential candidates identified.

## Interim Chief Executive Officer, Richard Clayton commented

*"The work programs executed in 2022 have provided a platform for future work to unlock value from the Woodlark Gold Project. Importantly, the exploration activity and Mineral Resource Update executed in 2022 have delivered valuable data to re-optimize the Woodlark development plan. We will continue to advance the key work packages in 2023, to define the optimal pathway to maximise value from the Project, and to unlock the island's considerable exploration potential."*

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 Richard Clayton, Interim CEO.

Company details	Board & Management	Projects
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## **Project Update**

February 2023

Large, Robust Resource	<ul style="list-style-type: none"><li>• 1.5Moz Mineral Resource; 94% Measured and Indicated<sup>1</sup>.</li><li>• Near-surface, high-grade zones provide optionality.</li></ul>
Near-term Development Opportunity	<ul style="list-style-type: none"><li>• All Woodlark Project exploration and mining licences in good standing<sup>2</sup>.</li><li>• Positioned to leverage extensive previous investment in development studies, assets and infrastructure.</li><li>• Strategic Review – dialogue with potential development partners.</li></ul>
Substantial Exploration Upside	<ul style="list-style-type: none"><li>• Dominant and strategic tenement holding across the highly prospective Woodlark Island.</li><li>• Significant resource extension and step-out growth opportunities.</li><li>• Limited recent exploration outside of resource areas.</li></ul>
Strong Stakeholder Support	<ul style="list-style-type: none"><li>• Continued support from local community, with village relocation well progressed.</li><li>• Community relocation program transitioned to cost effective, self perform model.</li><li>• Letter of commendation from the Mineral Resource Authority of PNG – relocation has “set a new benchmark”.</li></ul>
New Leadership	<ul style="list-style-type: none"><li>• Experienced Board focused on building the team to deliver a robust development plan.</li><li>• CEO search underway – recruitment consultant engaged.</li><li>• New Chair of PNG subsidiary, highly credentialed and respected provincial and national leader.</li></ul>

## Advanced Project – Robust Resource – Stakeholder Support – Optionality

1. Mineral Resource Estimate contained in the ASX announcement on 23 December 2022 titled “Woodlark Project Mineral Resource Update”.  
2. Further extensions/amendments to Project permits may be required, subject to changes to Project design and timeline for development.



Following the suspension of construction activities at the Project in February 2022, Geopacific's focus has been on clearing residual contractual matters, maintaining the Company's social licence to operate and updating the Mineral Resource as a basis to re-evaluate the future pathways for the project. Key outcomes from activities undertaken in 2022 include:

Exploration drilling	<ul style="list-style-type: none"><li>• 23km of resource infill, extension and exploration drilling completed.</li><li>• Drilling improved confidence in high grade areas and identified new zones of mineralisation adjacent to the existing deposits.</li></ul>
Updated Mineral Resource Estimate	<ul style="list-style-type: none"><li>• Improved confidence in the resource with 94% now in the Measured and Indicated categories.</li><li>• Delivered valuable data to re-optimize the Woodlark development plan.</li></ul>
Community Relocation	<ul style="list-style-type: none"><li>• 66% overall complete.</li><li>• Community relocation provided access to largely untested areas of the Kulumadau deposit.</li><li>• The community relocation program well received by the PNG government and regulators.</li><li>• Letter of commendation from the Mineral Resource Authority of PNG.</li></ul>
Business transformation	<ul style="list-style-type: none"><li>• All material project construction contracts closed out including the mining contract, power supply contract and Project finance facilities.</li></ul>

**Solid Foundation to Re-optimize the Project**

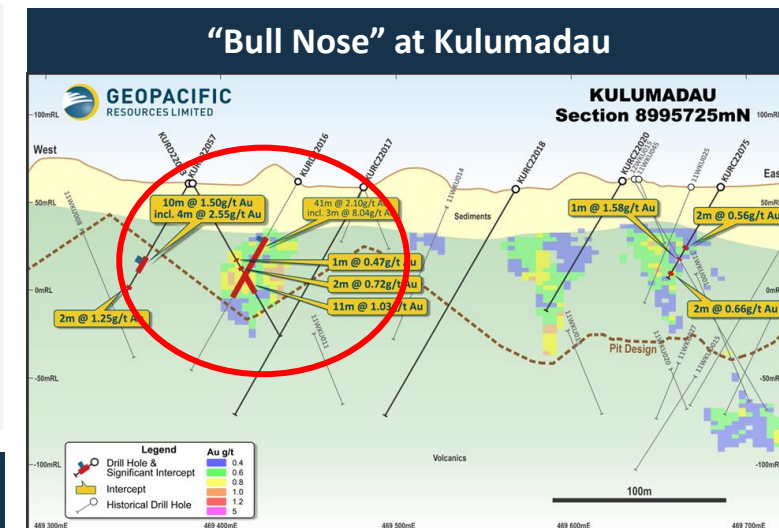
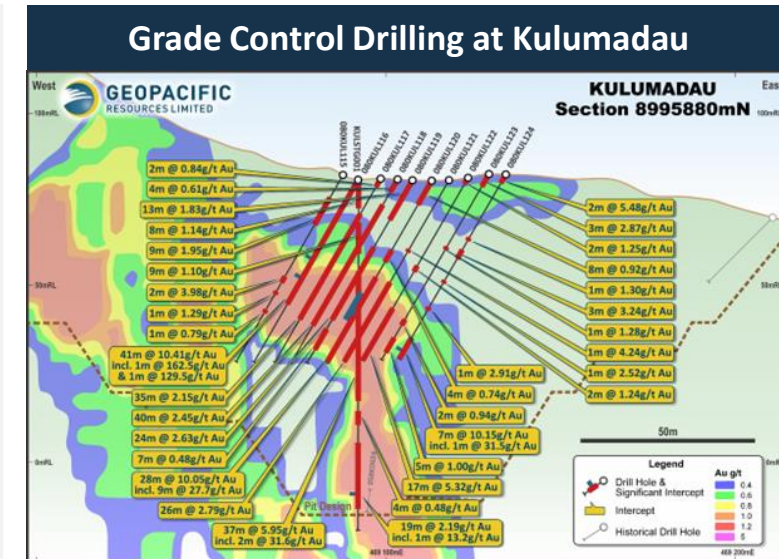
## 23km Drilling Program Completed

- Drilling was largely focused on infill and resource definition drilling proximal to defined resources.
- Included a close spaced grade control program at Kulumadau (see cross-section right) which:
  - ✓ Confirmed the presence of near surface, high grades at Kulumadau and validated the resource model in that area.
  - ✓ Substantially improved confidence in the high-grade zones.
  - ✓ Improved understanding of the controls and continuity.
- These results informed the December 2022 Mineral Resource update<sup>1</sup>.

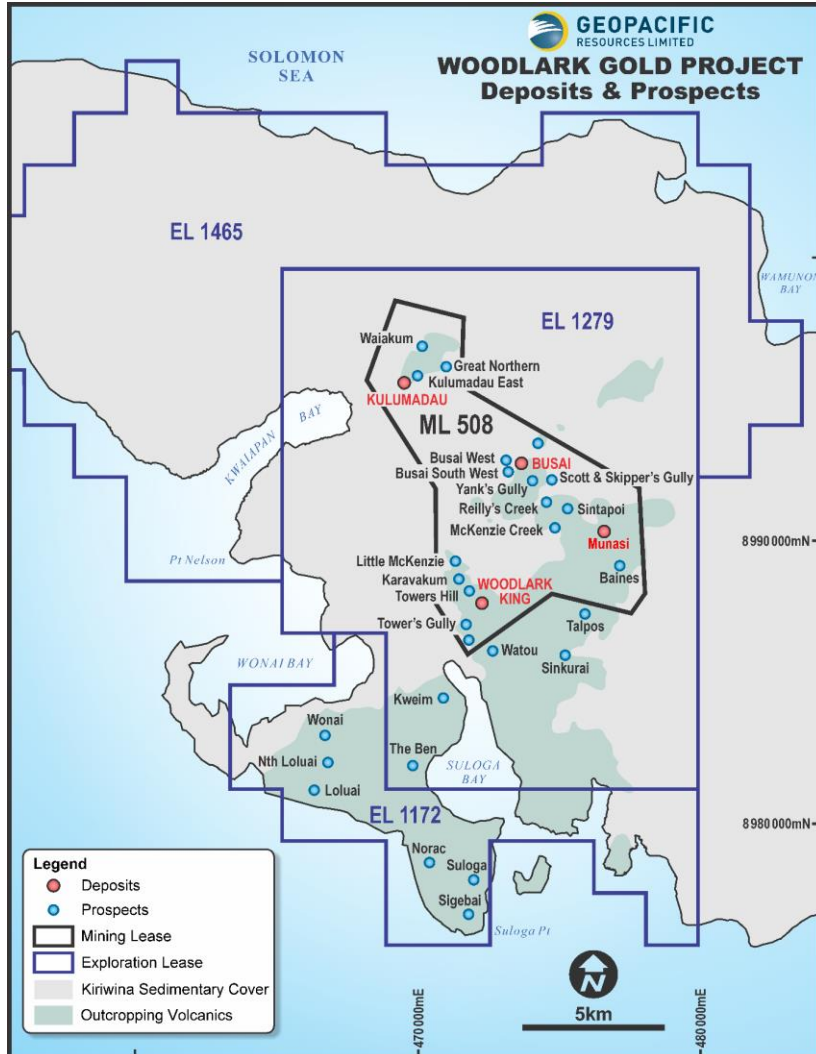
## Access to New Areas

- The community relocation project opened up new sites which enabled the drilling of a largely untested area adjacent to the Kulumadau deposit.
- In previous studies, limited drilling in this area, due to the nearby houses, resulted in a prominent “bull nose” in the pit design.
- Recent drilling in the bull nose area yielded new mineralised zones - as presented in the cross-section to the right (red circle).

## High Quality Resource – Growth Potential



1. Mineral Resource Estimate contained in the ASX announcement on 23 December 2022 titled “Woodlark Project Mineral Resource Update”.



## Underexplored

- Exploration efforts in recent years largely focused on resource definition in support of project development.
- Identified prospects are mostly located on exposed volcanics – majority have been subject to limited exploration.
- Significant untested potential under sedimentary cover – both as new discoveries and extensions to known deposits.
- Targeting review underway – includes the digital capture of historical records to improve knowledge on high grade controls.

## High-Grade Focus

- The majority of potential value lies in the high-grade zones.
- Complimentary to studies evaluating potential for a staged / high-grade focused project.
- Draws on the understanding gained via the 2022 drill program and Mineral Resource Update.

## Rethinking the Opportunity

# Woodlark Mineral Resource Update

The 2022 drilling campaign culminated in an update to the Woodlark Mineral Resource Estimate in December 2022<sup>1</sup>.

Category	Tonnes (Million)	Grade (g/t Au)	Contained Ounces (oz Au)
Measured	2.43	2.77	216
Indicated	41.60	0.92	1,227
Inferred	3.85	0.79	97
<b>Total</b>	<b>47.88</b>	<b>1.00</b>	<b>1,541</b>

## Key Highlights

### Increased confidence

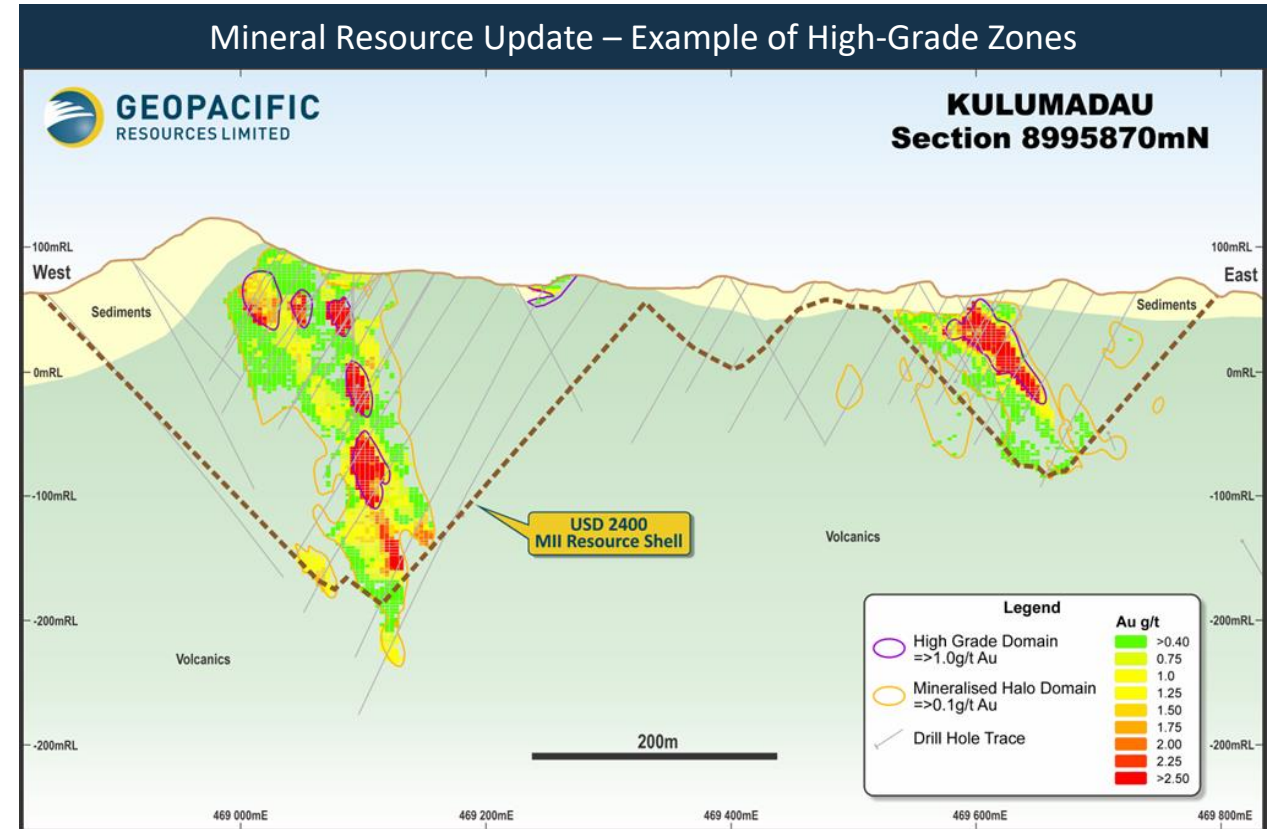
Increased confidence in the Mineral Resource with the Measured plus Indicated components increasing to 94% of the total Mineral Resource.

### Improved application of deposit geology

Improved delineation of high-grade zones providing increased optionality for future project configurations.

### Exploration targeting insights

Insights gained from the Mineral Resource Update will guide the ongoing exploration targeting review.



## High-Grades Zones – Focus of Planned Optimisation Studies and Future Exploration

1. Mineral Resource Estimate contained in the ASX announcement on 23 December 2022 titled “Woodlark Project Mineral Resource Update”.



Evaluation of the updated Mineral Resource and historical studies has highlighted the potential to further optimise the project. These optimisation studies will form a key component of the planned work streams and will be aligned with the proposed exploration strategy.

Optimisation Opportunities		Objectives
Staged Development	<ul style="list-style-type: none"> <li>Evaluate a smaller initial project focusing on the high-grade starter pits.</li> <li>Consider potential to expand in future to treat lower grade material cost effectively.</li> </ul>	<ul style="list-style-type: none"> <li>Minimise up-front capital.</li> <li>Increased optionality.</li> <li>Lower funding hurdle.</li> </ul>
Infrastructure Requirements and Location	<ul style="list-style-type: none"> <li>Evaluate alternate plant site location and scale.</li> <li>Assess opportunities to reduce supporting infrastructure and leverage existing infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Reduce overall CAPEX requirements.</li> <li>Reduce project execution risk.</li> </ul>
High-Grade Focus	<ul style="list-style-type: none"> <li>Majority of potential value contained in the higher-grade portion of the Mineral Resource.</li> <li>Aligned with exploration strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Maximise up-front cashflow potential.</li> <li>Maximise project resilience.</li> </ul>

**Minimise Up-front Capital + Maximise Grade**

- Community relocation continues, transitioning to a more cost effective self perform model in 2023.
- MRA (government agency responsible for project tenure) letter of commendation outlined ongoing strong support for the program noting that the resettlement “set a new benchmark” in PNG.
- The relocation allows drilling to access previously un-explored areas of the mining lease and also substantially de-risks the project.



## Woodlark islanders resettled in permanent steel homes

BY FRANK RAI

A NEWS article published by this newspaper in June 2020 has finally brought much needed change for the local Kulumwadau villagers of Woodlark Island in Samarai-Murua District of Milne Bay Province.

After the *Post-Courier* published a photograph and news article of kit homes similar to a guard post to relocate local landowners from Kulumwadau village, Mineral Resource Authority (MRA) intervened and stopped the project.

The houses, one bedroom and two bedroom types, were constructed by the developer Geopacific Resources Limited to relocate the villagers to make way for a mine pit and plant site for the project.

When the photographs were published on June 4, 2022, MRA intervened and advised the company to cease construction, citing that the buildings were substandard.

On Friday, MRA managing director Jerry Garry was a satisfied man to witness first hand the new model homes for 230 households.

During the site visit, Mr Garry and the team, including the media, were told that most of the families were relocated to their new homes while others were still waiting for construction to be completed.

“At the height of COVID-19 pandemic in mid-June 2020, we were made aware of some substandard homes built for landowners at the Woodlark gold project. As a consequence of those reports, we called up the chairman of the company and asked him to cease construction of those houses and demanded for a revised plan to be approved by MRA before any construction commences,” Mr Garry said.

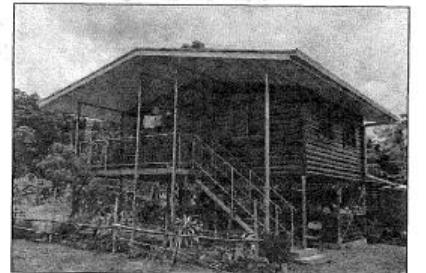
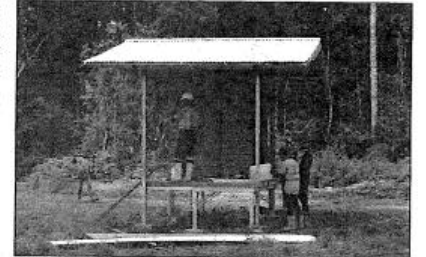
Kulumwadau Village Relocation co-ordinator Bosco Lapis said 90 per cent of the relocation exercise has been completed while the 10 per cent is still under construction.

Mr Lapis said the houses were also provided with solar power, pit toilets, water tanks and food allowances to keep the families going while waiting for crops in their gardens to mature.

He said most of the families were happy to settle down in their new steel structure permanent homes.

**TOP RIGHT:** The substandard kit homes that became the centre of controversy which were built to relocate local landowners of Kulumwadau village to make way for the proposed mine pit and plant.

**BOTTOM RIGHT:** The newly constructed homes for Kulumwadau villagers.



## Geopacific commended for relocation exercise

BY FRANK RAI

MINERAL Resource Authority managing director Jerry Garry has commended Geopacific Resources Limited for successfully constructing permanent homes for Kulumwadau villagers of Woodlark Island in Samarai-Murua district, Milne Bay Province.

Mr Garry said the company had built four types of houses for the landowners ranging from three bedroom, four bedroom standard, four bedroom deluxe and five bedroom houses.

He said the developer has also built a school with new classrooms, teachers accommodation and two dormitories which will accommodate 40 pupils each coming to school from the atolls.

The MD said two churches have been built and trade stores for landowners who had stores back in the village.

“I have the privilege to come



MRA managing director Jerry Garry speaking to the media at the newly relocated Kulumwadau Primary School during the visit to Woodlark Island, Samarai-Murua District of Milne Bay Province last Friday. PICTURE: FRANK RAI

down to the island myself and speak to the traditional landowners and see what has happened in the last two and half years,” Mr Garry said.

“And I must admit that I am very impressed with the resettlement exercise undertaken over the last

two and half years. The homes that were built are much better than what was initially built. These are steel permanent structures that will last for 50 odd years. In the resettlement exercise, it targeted Kulumwadau village which has 230 plus households and other

infrastructure situated in what is supposed to be a mine pit and the processing plan.”

He said the developer, Geopacific Resource Limited had continued to invest in the resettlement exercise at the early stage before extracting the resources.

“There are lots of lessons to be learnt from this resettlement exercise. I believe this is one of the first successful exercise ever undertaken in any extractive industry in the country.”

“And I am very proud and also commend the media, MRA team, local MP Isi Henry Leonard for raising the substandard efforts in the past with everyone involved in ensuring that we build dwelling homes to our satisfaction,” Mr Garry said.

“I think this is a benchmark achievement that must be emulated by every other extractive industry players in the country going forward.”

Building on the 2022 work program, subject to available funding, the Company intends to complete the following in 2023

1. Focused geological review to improve targeting of high-grade opportunities.
2. Update of the Project operating and capital cost estimates.
3. Assess the potential to relocate project infrastructure in order to reduce capital cost and/or execution risk.
4. Assess the potential for staged development with an initial focus on the high-grade core of the Mineral Resource.
5. Update of the open pit designs and production schedules.
6. Preparation of a PFS<sup>1</sup>, taking into account the above, and allowing the potential re-statement of an Ore Reserve.
7. Continue with the community relocation project on a cost effective 'self-perform' basis.





Results from the initial work streams will determine the timing of the commencement of further work streams, if warranted.

## Project Optimisation - De-risking - Preserving Optionality

1. Pre-feasibility Study.



# 2023 Work Program Schedule<sup>1</sup>

	Q1 CY23	Q2 CY23	Q3 CY23
	Project optimisation studies		PFS outlining preferred project configuration
	Updated open-pit designs and schedules		Re-statement of Ore Reserves (subject to study outcomes)
	Exploration targeting review	Exploration campaign (subject to review outcomes)	
	Community relocation program – low cost, self performed		

1. Commitment to the 2023 work program is subject to available funding and the results from the initial work-streams.

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**Competent Person's Statement:** The information in this presentation that relates to Exploration Results is based on information compiled by Mr Michael Woodbury, who is a Fellow, and Chartered Professional ('CP') of the Australasian Institute of Mining and Metallurgy, a member of the Australian Institute of Geoscientists and full-time employee of Woodlark Mining Limited. Mr Woodbury has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity being undertaken, 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" ('JORC Code'). The information in this presentation that relates to Geopacific's Exploration Results is a compilation of previously released announcements to the ASX by Geopacific and Mr Woodbury consents to the inclusion of these Results in this presentation.

The information in this presentation that relates to Woodlark Mineral Resource Estimate 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 mineralisation 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.

Mr Woodbury and Mr De-Vitry have advised that their consent remains in place for subsequent releases by Geopacific of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. Geopacific confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters in the market announcements continue to apply and have not materially changed. Geopacific 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.

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This presentation has been approved for release by the Board  
of Geopacific Resources Limited

