

## Gold Process Plant Constructor Appointed

Geopacific Resources (Geopacific ASX:GPR) is pleased to advise that it has taken another important step towards the development of its 100% owned Woodlark Gold Project (Woodlark), after issuing a Letter of Intent for the award of the engineering, procurement, and construction (EPC) contract to GR Engineering Services Ltd (GR Engineering ASX: GNG).

### Highlights

- Geopacific has issued a letter of intent to GR Engineering to construct Woodlark's process plant
- EPC contract to construct 2.4Mtpa process plant and other key infrastructure
- Guaranteed Maximum Price expected to de-risk largest component of capital costs
- GR Engineering are industry leaders in the gold processing plant construction sector

A conditional letter of intent has been signed and relates to the 2.4 million tonne per annum carbon in leach (CIL) treatment facility (process plant), tailings line and other supporting infrastructure.

The final EPC contract is expected to be in the form of a Guaranteed Maximum Price (GMP) and will be signed following agreement of the final terms and conditions.

The Company has selected an EPC contracting structure to de-risk the largest component of the capital expenditure requirement. Other remaining establishment capital costs also include site based infrastructure and a mining fleet.

In the meantime, Geopacific may instruct GR Engineering to commence an Early Works Program to procure tenders and pre-order long lead time items such as the SAG and Ball mills.

### Geopacific Managing Director, Ron Heeks said

*"Signing a letter of intent with GR Engineering marks another major milestone in the development of the 1.6Moz<sup>1</sup> Woodlark Gold Project. The Company is on track to deliver gold production in a timely and cost efficient manner.*

*GR Engineering has a strong reputation in successfully designing and constructing processing plants on time for a guaranteed maximum price. Geopacific is confident that their recent experience in PNG and strong track record in constructing similar projects will greatly de-risk the construction of Woodlark.*

*We look forward to finalising the EPC contract, and advancing the development of Woodlark."*

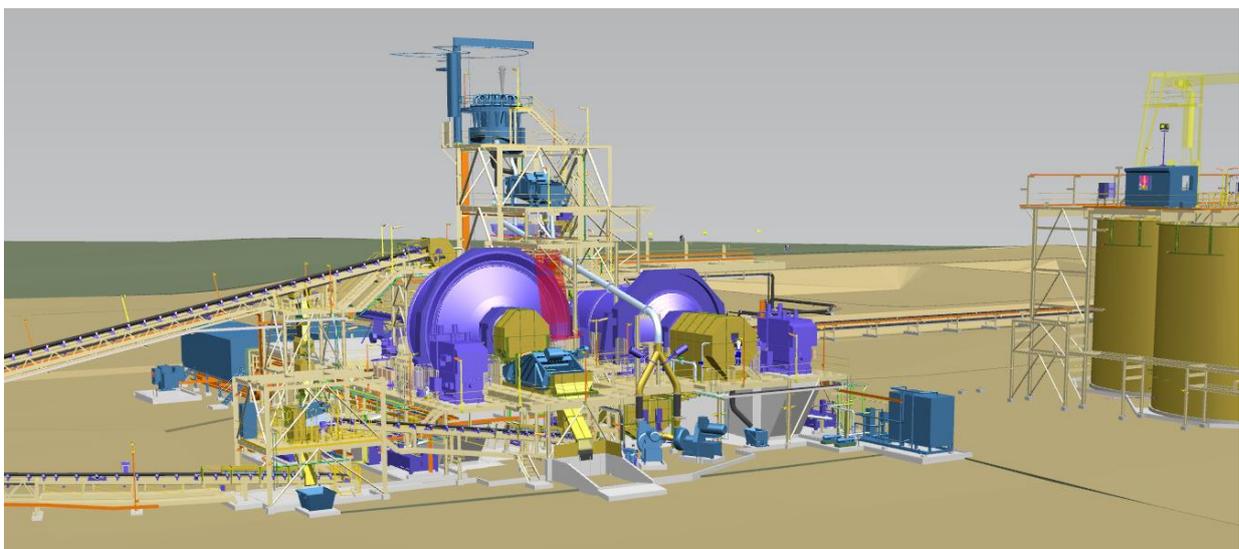


Figure 1: GR Engineering-designed 2.4Mtpa gold process plant

<sup>1</sup> Refer to appendices and March 2018 Pre-feasibility Study – 'Robust Woodlark Gold project PFS Supports Development.'

GR Engineering is an industry leader in the gold processing plant construction sector. The WA-based engineering consulting and contracting group have a strong reputation in successfully delivering gold processing plants both internationally and in Australia. GR Engineering also have in country experience with other mining clients in PNG.

**GR Engineering Managing Director, Geoff Jones said**

*“GR Engineering is pleased to have received the letter of intent and to have been selected by Geopacific as the preferred tenderer for the delivery of the Woodlark Gold Project. Our clients are increasingly seeking certainty and a track record of performance and GR Engineering has been able to demonstrate this to Woodlark, including by reference to its successful project outcomes in the turnkey design and construction of mineral processing plants in the gold sector. We look forward to working with the Geopacific team on the Project as it progresses towards development.”*

The processing plant will be constructed between the Kulumadau and Busai pits which are approximately 4 kilometres apart. The project currently has 1 million ounces in gold reserves<sup>2</sup> with significant upside from the 600km<sup>2</sup> exploration licence. The grade for the first 5 years is over 1.5g/t Au with All-in Sustaining Costs of A\$866/oz.

The EPC tendering was a rigorous process and Geopacific would like to thank all of the companies involved for their professionalism and engagement.

**Contact**

For further information, please visit [www.geopacific.com.au](http://www.geopacific.com.au) or contact Mr. Ron Heeks, Managing Director.

| Company details   | Board   | Projects  |
|---|---|---|
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<sup>2</sup> All material assumptions underpinning the production target and forecast financial information continue to apply and have not changed materially. [Please refer to the November 2018 DFS.](#)

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## APPENDICES

### Woodlark Global Resources

The Woodlark Resource is **47Mt @ 1.04g/t Au for 1.57Moz of gold<sup>3</sup>** including 222,000oz of gold in the Inferred category (Table 1).

Table 1: Woodlark Global Mineral Resource Estimate – March 2018

| Category<br>(>0.4g/t lower cut) | Tonnes<br>(Mt) | Grade<br>(g/t Au) | Ounces<br>(Koz) |
|---------------------------------|----------------|-------------------|-----------------|
| Measured                        | 21.24          | 1.10              | 754             |
| Indicated                       | 18.94          | 0.98              | 597             |
| Inferred                        | 6.80           | 1.00              | 222             |
| <b>Total</b>                    | <b>47.00</b>   | <b>1.04</b>       | <b>1,573</b>    |

### Woodlark Ore Reserves

An updated Ore Reserve estimate was released in November 2018 and was completed by independent consultants, Mining Plus. The updated Ore Reserve estimate of **28.9Mt @ 1.12g/t Au for 1,037,600oz<sup>4</sup>** of gold is detailed in Table 2.

Table 2: Woodlark Ore Reserve Estimate – November 2018

| Total by deposit         | Category<br>(>0.4g/t lower cut) | Tonnes<br>(Mt) | Grade<br>(g/t Au) | Ounces<br>(oz)   |
|--------------------------|---------------------------------|----------------|-------------------|------------------|
| Busai                    | Proven                          | 9.3            | 1.03              | 307,300          |
|                          | Probable                        | 4.3            | 0.87              | 120,900          |
| Kulumadau                | Proven                          | 7.4            | 1.37              | 324,700          |
|                          | Probable                        | 5.2            | 1.17              | 196,900          |
| Woodlark King            | Proven                          | 1.9            | 1.06              | 65,000           |
|                          | Probable                        | 0.8            | 0.84              | 22,800           |
| <b>Total Ore Reserve</b> | Proven                          | <b>18.6</b>    | <b>1.17</b>       | <b>697,000</b>   |
|                          | Probable                        | <b>10.4</b>    | <b>1.02</b>       | <b>340,600</b>   |
|                          | <b>Total</b>                    | <b>28.9</b>    | <b>1.12</b>       | <b>1,037,600</b> |

<sup>3</sup> Refer to March 2018 Pre-feasibility Study – ‘Robust Woodlark Gold project PFS Supports Development.’

<sup>4</sup> Refer to ‘Woodlark Ore Reserve Update’ announced on 7 November 2018.