

24 December 2019

Proposed Listing on NSX

South Pacific Resources Limited (ASX: SPB) (SPB or the Company) advises that following consultations in relation to the application for re-listing of the Company's Shares pending the acquisition of Takmur on the terms announced on 7 August 2019 and approved by the Company shareholders at the General Meeting on 13 December 2019 and considering the ASX in-principle advice stating it would reject the Company's application for re-admittance to the Official List of ASX and further discussion with the ASX on this matter, the Company Board has determined that it did not wish to make further submissions to the ASX in relation to the application for re-admission and has resolved to consider listing alternatives for the existing Company Shares, the Public Offer Shares (as detailed in the Revised Prospectus dated 13 December 2019) and the Takmur Shares (to be issued as a consideration for the acquisition of the Takmur business, approved at the general meeting held on 13 December 2019).

As a result, the Board has resolved that it is in the best interest of the Company's shareholders and all stakeholders to apply to ASX for in-principle advice in relation to the removal from the Official List of ASX ("De-Listing") and to submit an application for listing on the National Stock Exchange of Australia ("NSX") of the Company Shares, Public Offer Shares and Takmur Shares and to withdraw the current application for re-admittance to the Official List of ASX.

Consequently, an updated revised prospectus will be lodged with ASIC and the NSX. Please refer to this revised prospectus for more details about the amended Public Offer and timetable.

The Board continues to be very confident about the rationale behind the acquisition of the Takmur business, the benefits provided to the Company's shareholders by the transaction and the intended listing on the NSX of the existing Company Shares, the Public Offer Shares and the Takmur Shares.

Proposed De-Listing from ASX

The Company has applied to ASX for in-principle advice regarding the conditions upon which the De-Listing may be completed and has received a response from ASX stating that they will agree to the removal of the Company subject to NSX listing the Company and quoting the securities of the Company.

The reasons for seeking De-Listing in-principle advice are:

- Completion of Transaction with Takmur Pte Ltd - it will not be possible for SPB to complete its acquisition of Takmur as announced on 7 August 2019 (Transaction) without having a market for its securities and the Board remains committed to completing the Transaction. The delisting of SPB from the Official List and listing on NSX will enable SPB to complete the Transaction, subject to SPB raising funds under its replacement prospectus which it intends to lodge with ASIC on 24 December 2019.
- Provide a market for the Shares on NSX - SPB believe that listing on NSX provides a viable market for shareholders to trade their shares and the ability to complete the Transaction. Importantly NSX operates under similar conditions as ASX and is fully integrated with IRESS allowing shareholders to trade under well established and understood parameters in a manner similar to what they would already be able to do on ASX.
- Low levels of trading liquidity - SPB notes that prior to its suspension there was very little liquidity in its shares with only 7,838,756 shares to a total value of \$33,129 traded in the 6 months prior to the suspension. Once the Transaction has been completed, and SPB is listed on the NSX, it is anticipated by the Board that there will be an active market for the shares of SPB given the size and nature of the newly listed entity which will enable current SPB security holders access to liquidity.



It is anticipated that following the De-Listing the Company will be listed on NSX, and shareholders will be able to trade their shares on that platform.

If a Shareholder considers the De-Listing to be contrary to the interests of the Shareholders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a Shareholder or Shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future. If a Shareholder considers that the De-Listing involves "unacceptable circumstances", it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

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This announcement is authorised for release by the Company's Chairman, Mr Domenic Martino.

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "potential(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.