



QUARTERLY ACTIVITIES REPORT FOR THE PERIOD 1st October to 31th December 2019

31 January 2020

South Pacific Resources Ltd. (ASX:SPB) ("SPB" or "the Company") provides its Quarterly Activities Report for the 3 months ended 31 December 2019 as follows.

Proposed Acquisition of Takmur Pte Ltd.

During the quarter the Company held a General Meeting on 13 December 2019 to approve the acquisition of Takmur Pte. Ltd. (**Takmur**) and associated transactions as detailed in the Notice of General Meeting lodged on 14 November 2019. All resolutions were unanimously passed by poll.

The Company completed the following transactions during the quarter:

- SPB conducted a 20 to 1 consolidation of its existing issued capital (**Consolidation**), reducing the issued capital of SPB to 18,284,582 fully paid ordinary shares (**Company Shares**); and
- The Company issued a Prospectus and Replacement Prospectus' seeking to raise AUD14 million through the issue of 35,000,000 Shares at a price of AUD0.40 per Share under a prospectus (**Public Offer**). The Public Offer was successfully closed on 24 January 2020.

Proposed Listing on NSX

On 24 December 2019 the Company advised 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's 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's Board determined that it did not wish to make further submissions to the ASX in relation to the application for re-admission and resolved to consider listing alternatives for the existing Company Shares, the Public Offer Shares 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 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 ("Delisting") 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.

Removal from the Official List of ASX (Delisting)

On 30 December 2019 the Company advised it has made a formal request for removal from the Australian Securities Exchange (ASX), and that ASX has provided in-principle advice (**Advice**) stating that it will likely

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agree to SPB's request for SPB to be removed from the official list of ASX pursuant to ASX Listing Rule 17.11, subject to the conditions of that Advice as set out below.

- a) The Company being admitted to NSX and having its relevant securities quoted on NSX;
- b) the Company makes an announcement and writes to all securities holders, in form and substance satisfactory to ASX, setting out:
 - (i) the nominated time and date at which the Company will be removed from ASX;
 - (ii) the Company's securities will remain suspended during the Delisting;
 - (iii) what security holders need to do to sell their securities on NSX;
 - (iv) that the removal of the Company will not take place any earlier than one month following the announcement and written communication to Shareholders;
- c) the Company submits a formal removal request pursuant to Listing Rule 17.11; and
- d) the Company releases the full terms of ASX's decision to the market upon making a formal application to ASX to remove the Company from the Official List.

SPB sent a letter to each Shareholder (**Share Letter**) on 30 December 2019 that meets the conditions set out in (b) above.

The next key steps for SPB are; being admitted to NSX, ASX's formal agreement to SPB's request for removal from the official list of ASX, and the Company having its relevant securities quoted on NSX.

Petroleum Prospecting Licenses

Conventional licences held at the end of the quarter are as follows:

Petroleum Prospecting License	Location	SPB equity
PPL 356	Offshore Papuan Basin, PNG	100%
PPL 357	Offshore Papuan Basin, PNG	100%
PPL 358	Offshore Cape Vogel Basin, PNG	100%
PPL 366	Onshore Papuan Basin, PNG	100%
PPL 367	Onshore Papuan Basin, PNG	100%

-ENDS-

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This announcement is authorised for release by the Board of South Pacific Resources Limited.

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