



AUSTPAC RESOURCES N.L.
ACN 002 264 057

Level 3

62 Pitt Street

SYDNEY NSW 2000

GPO Box 5297

SYDNEY NSW 2001

Telephone: (+61 2) 9252 2599

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1 February 2019

The Manager
Company Announcements
Australian Stock Exchange Limited
Exchange Centre
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: SHAREHOLDER SHARE PURCHASE PLAN

We are pleased to provide an announcement from the Chairman of Austpac Resources NL for immediate release.

Yours faithfully

N.J. Gaston
Company Secretary

enc



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Company Announcements Officer
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

RE: AUSTPAC RESOURCES N.L.
SHAREHOLDERS' SHARE PURCHASE PLAN

The Directors of Austpac Resources N.L. (ASX:APG) are pleased to announce the introduction of a Shareholders' Share Purchase Plan.

The purpose of the plan is to offer shareholders the opportunity of participating in the commercial progression of the Newcastle Zinc Iron Recovery Plant and the Nhill project drilling programme in Victoria.

The issue price for the new shares will be \$0.001 cents per share, representing an approximate average market trading price over the last 30 business days. Shareholder eligibility for participation of the Plan will be determined on 31 January 2019, and the offer is planned to close on 28 February 2019.

Following are the Letter to Shareholders, Application Form and Terms and Conditions of the Plan.

Yours faithfully

T. Cuthbertson
Chairman

enc



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1 February 2019

THIS DOCUMENT IS VALUABLE

Dear Shareholder

**RE: AUSTPAC RESOURCES N.L.
SHAREHOLDERS SHARE PURCHASE PLAN**

The Directors of Austpac Resources N.L. (ASX:APG) are pleased to provide all Australian and New Zealand registered shareholders the opportunity to participate in a Shareholders Share Purchase Plan (the "Plan").

Details of the Plan

The Plan entitles you, as an eligible shareholder in the Company and irrespective of the size of your shareholding, to purchase up to \$15,000 worth of shares in the Company at a fixed issue price of \$0.001 cents per share. The issue price represents average market trading price of the Company's shares over the 30 business days immediately prior to 1 February 2019. The record date for determining your eligibility to participate is 31 January 2019.

Purchase of shares under the Plan is free from all brokerage, commission, and represents an opportunity for shareholders to increase their shareholdings free of normal transaction duties. In particular, the Plan offers those shareholders who may hold less than a marketable parcel of shares an opportunity to increase their holdings to a marketable size. The minimum purchase is \$1,000 worth of shares.

The company will not issue more than 825,000,000 ordinary shares under the Plan, which represents 34% of the issued capital of Austpac. The maximum amount that would be raised is approximately \$825,000. Subscriptions in excess of this amount will be scaled back by the Company, and the Directors have reserved the right to close the offer earlier than the closing date of 28 February 2019 without notice.

If you wish to participate in this Shareholders Share Purchase Plan, you must complete and lodge the attached application form together with your payment by the closing date of 28 February 2019.

Purpose of the Plan

The purpose of the plan is to raise funds for the next phase of the drilling program at Nhill in western Victoria, and to complete the Proof of Concept (PoC) testwork program to commercially demonstrate Austpac's Zinc & Iron Recovery Process (ZIRP) technology.

Exploration Licence 5291 (Nhill) is considered to be the best opportunity to make an immediate impact on the future of the Company. Undertaking further drilling in the first half of 2019 will be critical to ensure renewal of the Licence in August 2019. The first drill hole at Nhill, GG-01, intersected very encouraging zinc-gold mineralisation beneath a cover of younger sediments, including 0.5m at 3.6% Zn & 0.44 g/t Au from 308m, and 0.5m at 1.2% Zn & 0.20 g/t Au from 324m (the end of the hole). This buried volcanic-hosted base and precious metal assemblage is an exciting discovery in a new geologic province which has been inaccessible to prospectors and neglected by major resource companies. The zinc-gold intercepts in GG-01 represents the distal end of a lens of massive sulphide mineralisation. Detailed gravity and magnetic data show the main part of the body extends some 600m to the southeast of the drill hole. Follow-up drilling will target the central part of this zone. The ground survey results also indicate a second massive sulphide target which lies 400m to the east and parallel to the first. Both targets will be tested in the proposed drilling program. A successful drilling program will certainly attract the support of large companies who have yet to engage with the new geological concepts in this flat region of broad-acre farming.

The aim of PoC testwork program at Newcastle is to confirm that the reduced iron and zinc oxide pellets produced by the first three stages of the ZIRP process can produce high quality pig iron and zinc oxide when melted in an electric furnace at a commercial foundry.

A major Australian steel-maker closely associated with the PoC testwork has concluded that the use of the ZIRP process to recycle their zinc-contaminated furnace dust could be an economic option. It is anticipated that completion of the PoC testwork will enable the steel-maker to establish a ZIRP plant within their facilities to produce pig iron and strong HCl for reuse internally and zinc oxide for sale.

A South African company involved in the treatment of industrial by-products and wastes has recognized that the ZIRP technology could be used for recovering iron from iron oxide wastes produced by the local steel industry. That company recently made a proposal to one steel mill to use the Austpac iron recovery process to recycle the very fine iron oxide dusts produced by the mill's furnaces and discussions are continuing.

During the second half of 2018, executives from a Chinese steel mill visited the Newcastle facility several times and expressed an interest in working with Austpac to advance the PoC testwork program and fund a small commercial ZIRP plant in Australia. Draft agreements have been exchanged and the proposal is under consideration by the steel mill's management.

The capital raised from this Shareholders Share Purchase Plan will be used to advance both the Nhill base metal and precious metal project and the ZIRP technology to a stage where they both will be highly attractive to major exploration groups respectively and the steel industry. Additionally, the success of the plan will enable the engagement of a new independent director for the board.

Your Directors believe it is in the best interests of the Company's current shareholders, to give each of you the opportunity to increase your shareholding at this time through this Plan.

All Directors have indicated that they will increase their shareholding and take the maximum number of shares available to them pursuant to this offer.

Shares Offered

Eligible shareholders may apply for a specified number of shares, under one of the following alternative offers:

Offer	No of Shares Offered	Subscription Amount
A	1,000,000	\$1,000
B	2,000,000	\$2,000
C	10,000,000	\$10,000
D	15,000,000	\$15,000

The offer to shareholders is restricted to one of these four offerings of shares (Offer A, B, C or D). It is not possible to apply for less shares than Offer A, or more shares than Offer D.

All new shares issued under the Share Purchase Plan will rank equally with existing fully paid ordinary shares in Austpac Resources at the date of allotment and will carry the same voting rights, dividend rights, and other entitlements at the allotment date.

Austpac Resources reserves the right to reject any application for Share Purchase Plan shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Scaling Back of Applications

The Austpac Resources N.L. board has determined that the Shareholders Share Purchase Plan should be subject to a maximum amount raised of \$825,000 (approximately 825,000,000 shares), and has therefore set a cap on the number of shares that may be issued under the Plan.

In the event that the Company receives subscriptions totalling more than 825,000,000 ordinary shares the Company intends to scale back the applications to total the maximum number of shares and seek shareholder approval to any oversubscriptions in a General Meeting of Shareholders.

Allotment of Shares

Shares issued under the SPP will be allotted on or about the allotment date, 28 February 2019. Austpac Resources will promptly after allotment make application to the Australian Stock Exchange for the shares to be listed for quotation. Individual statements of shares allotted under the SPP should be received shortly after the allotment date.

Timetable

Record date	31 January 2019
Share Purchase Plan offer closes	28 February 2019
Issue and allotment of Shares	3 March 2019
Anticipated quotation of Shares on ASX	4 March 2019

If you have any questions in respect of the Share Purchase Plan, please contact your stockbroker or financial adviser.

Acceptance of Offer

Participation in the Plan is entirely at your discretion and is subject to the Terms and Conditions enclosed. The share price may rise or fall before the date shares are issued to you and you should therefore seek your own financial advice in relation to your participation in the Plan.

Applications must be received prior to the close of the offer at 5pm on 28 February 2019. If you wish to participate, please forward your completed application form, together with a cheque payable to “Austpac Resources N.L.” to GPO Box 5297, Sydney, NSW, 2001.

I endorse this issue and strongly recommend that you take the opportunity to increase your shareholding at these prices at this time.

If you have any questions in relation to the Plan, please contact Nicholas Gaston or me on (+61-2) 9252 2599. Please refer to our website www.austpacresources.com for further information on the Company and its activities.

Yours faithfully

T. Cuthbertson
Chairman



ABN 87 002 264 057

SHAREHOLDERS SHARE PURCHASE PLAN APPLICATION FORM

Name: _____

Address: _____

APPLICATION

I/We the above mentioned being registered as ordinary shareholder(s) in the Company as at 31 January 2019 do hereby apply for the number of new fully paid ordinary shares as stated below at an issue price of \$0.001 cents per share issued in accordance with the terms of the Austpac Resources N.L. ABN 87 002 264 057 Shareholders Share Purchase Plan (attached) and the Constitution of the Company. I/We enclose payment as stated below and hereby authorise you to place my/our name(s) on the register of members in respect of the new fully paid shares allotted to me/us.

NUMBER OF SHARES	AMOUNT ENCLOSED	IMPORTANT NOTICE
_____ @ \$0.001 cents each	\$ _____	- The minimum application amount is \$1000 - The maximum application amount is \$15,000

For example	
Offer A:	\$1,000 = 1,000,000 shares
Offer B:	\$2,000 = 2,000,000 shares
Offer C:	\$10,000 = 10,000,000 shares
Offer D:	\$15,000 = 15,000,000 shares

PAYMENT BY CHEQUE

Insert details of your cheque or bank cheques - please complete in BLOCK LETTERS

Name of Drawer	Cheque No.	Bank	Branch	Amount

Signature of Applicant:

Please provide a daytime (business hours) telephone number so that we can contact you if we have any questions regarding your application.

Phone (.....)

LODGE YOUR APPLICATION AS SOON AS POSSIBLE

NOTE: Return of the completed Application Form, together with your cheque(s) for the application moneys, will constitute your offer to subscribe for new shares in the Company, and your acceptance of the Terms and Conditions of the Austpac Resources N.L. Shareholders' Share Purchase Plan.

This Shareholders Share Purchase Plan Application Form with your payment must be lodged at the Company's office at Level 3, 62 Pitt Street, Sydney or GPO Box 5297, Sydney, 2001 no later than 5pm Sydney time on 28 February 2019.

CERTIFICATION

By completing and returning this Application Form, with my cheque(s) payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the Austpac Resources N.L. Shareholders Share Purchase Plan;
2. Agree to be bound by the terms of the Austpac Resources N.L. Shareholders Share Purchase Plan and the Company's Constitution;
3. Agree to accept any lesser number of new shares than the number of new shares applied for; and
4. Certify that the amount of shares subscribed for by me/us pursuant to the Austpac Resources N.L. Shareholders Share Plan (being a maximum of \$15,000 worth of shares) does not exceed \$15,000, taking in to account all applications including joint and other beneficial interests.

INSTRUCTIONS TO COMPLETE APPLICATION FORM

Completion of Application Form

Insert the total amount of your subscription payment in the box headed "Amount Enclosed". If the amount of your stated payment is a different amount to the actual total of cheques included with this Application Form, the Company reserves the right to either reject your application or accept it in respect of the lesser of your stated subscription amount or your actual payment total. Receipts for payments will not be issued.

*Please complete all relevant sections of the Application Form using **BLOCK LETTERS**.*

Please see the instructions below under the heading "Payment" in relation to how you may pay for the new shares subscribed for.

How to Lodge your Application

*The completed Application Form, together with your payment for the full amount of new shares applied for, should be enclosed and returned with this Application. **This must be received by Austpac Resources N.L. by 5.00pm (Sydney time) on or before 28 February 2019.***

Payment

Payments must be made in Australian Currency and cheque(s) must be drawn on an Australian Bank.

Complete cheque details as requested. Cheque(s) must be made payable to "Austpac Resources N.L." and crossed "not negotiable". Cheque(s) not properly drawn will be rejected. Cheques will generally be deposited on the day of receipt. If cheque(s) are dishonoured the application will be rejected.

Limitation on Participation

The maximum subscription limitation of \$15,000 will apply even if an Eligible Shareholder has received more than one Application Form (whether in respect of a joint holding or because the Eligible Shareholder has more than one holding under separate share accounts).

TERMS OF AUSTPAC RESOURCES N.L. SHAREHOLDERS SHARE PURCHASE PLAN

1 DEFINITIONS

In this Plan, unless the context otherwise indicates:

- 1.1 **ASX** means the Australian Stock Exchange Ltd;
- 1.2 **Board** means the board of Directors of the Company;
- 1.3 **Company** means Austpac Resources N.L. ABN 87 002 264 057
- 1.4 **Closing Date** has the meaning ascribed to it in clause 3.1;
- 1.5 **Eligible Shareholders** has the meaning ascribed to it in clause 2.1;
- 1.6 **Issue Date** means 28 February 2019;
- 1.7 **Listing Rules** means the official listing rules of the ASX (as amended from time to time);
- 1.8 **Offer means** a non-renounceable offer of up to \$15,000 worth of ordinary fully paid shares in the Company to Eligible Shareholders under the Plan;
- 1.9 **Plan** means Austpac Resources N.L. Shareholders' Share Purchase Plan approved by the Board;
- 1.10 **Record Date** means 31 January 2019;
- 1.11 **Shares means** new shares in the Company issued pursuant to the Plan; and
- 1.12 **Subscription Price** means the price per Shares subscribed for calculated in accordance with clause 4.2.

2 ELIGIBILITY TO PARTICIPATE

- 2.1 Those Shareholders of the Company that will be eligible to apply for Shares under the Plan ("**Eligible Shareholders**") must:
 - 2.1.1 be recorded in the Company's register of Shareholders at 5.00pm (Sydney time) on the Record Date; and
 - 2.1.2 have an address in a jurisdiction in which it is lawful and practical for the Company to issue the Shares (in the reasonable opinion of the Board).
- 2.2 The Offer does **not** constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer.
- 2.3 Offers made under the Plan are non-renounceable. This means that Eligible Shareholders cannot transfer their right to purchase Shares under this Offer to another person.

3 TERMS OF ISSUE

- 3.1 The Offer shall open at 9.00am on 1 February 2019 until, subject to the discretion of the Board, 5.00pm on 28 February 2019. The Board reserves the rights to close the Offer early, or to otherwise vary the Opening Date or Closing Date, without further notice.
- 3.2 The maximum number of shares that will be issued by the Company under the Plan is 825,000,000 ordinary shares.
In the event that the Company receives subscriptions totalling more than 825,000,000 ordinary shares the Company intends to scale back the applications to total the maximum number of shares.
- 3.3 The Board reserves the right to reject any application for Shares, including (without limitation) if an Application Form is not correctly completed or the Shareholder is not an Eligible Shareholder in the Board's opinion. In such circumstances, no Shares will be issued to the relevant applicant(s), and any application monies paid will be refunded to the relevant applicant(s) without interest.
- 3.4 The Company intends to issue the Shares under the Plan by the Issue Date. The Company reserves the right to vary the Issue Date without further notice in the event that the Closing Date is varied pursuant to clause 3.1.
- 3.5 The Company intends to apply for listing of the Shares issued pursuant to the Plan on the ASX.

4 PAYMENT FOR SHARES

- 4.1 The Eligible Shareholders may apply for a minimum of ONE THOUSAND DOLLARS (\$1,000) and up to a maximum of FIFTEEN THOUSAND DOLLARS (\$15,000) worth of Shares under the Plan, at the Subscription Price per Share calculated in accordance with clause 4.2.
- 4.2 The Subscription Price is a fixed price of \$0.001 cents per Share.
The Shareholder should be aware that the market price of the Company's shares may rise or fall between the date of this invitation to purchase shares and the date when the shares are allotted. This means the issue price that the Shareholder pays per share under the Plan may be greater or lesser than the market price at the time of allotment. Accordingly, Shareholders should seek their own financial advice if they are in any doubt as to how to deal with this invitation under the Plan.
- 4.3 The number of shares to be issued to each applicant will be calculated by dividing the amount subscribed and accepted by the Company by the Subscription Price. Fractions will be rounded up to the nearest whole share.
- 4.4 The Shares are a speculative investment and the market price of the Shares may change between the Calculation Period and the Issue Date.
- 4.5 No brokerage or other transaction costs will apply to Eligible Shareholders for any purchases under the Plan.
- 4.6 A 2.0% handling fee will be payable to any participating organisation of the ASX whose stamp appears on the Application Form, where payment is made by cheque, and where the application for a broker sponsored client is initiated through CHESS by a broker participant on behalf of their client.
- 4.7 Payment must be received by the Company no later than 5.00pm on the Closing Date.

5 GENERAL

- 5.1 The Board has an absolute discretion to determine the appropriate procedures for administration of the Plan.
- 5.2 The Board may change or terminate the Plan at any time. In the event that the Board does so, it will advise the ASX. Any omission to give notice of changes to, or termination of, the Plan, or the non-receipt of any such notice, will not invalidate the change or termination.
- 5.3 In addition to any rights of the Board to reject applications set out in these Terms, the Board also reserves the right to allocate fewer Shares than an Eligible Shareholder applies for, or no Shares to an Eligible Shareholder, if the Board believes that the allotment of those Shares would contravene any of the Listing Rules. In any such case, any application moneys paid will be refunded to the relevant applicant(s) without interest.
- 5.4 These Terms are governed by the laws for the time being in force in the State of NSW.