



ASX ANNOUNCEMENT 31 December 2008

OROPA LIMITED SECURES FUNDING PACKAGE

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CORPORATE

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BOARD OF DIRECTORS

Bruce Tomich - Chairman
Philip Christie - Director
Misha Collins - Non-Executive
Director

ASX Code: ORP



Company Announcements Office
Australian Stock Exchange Limited
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam,

Please find the above letter attached.

Yours faithfully,
OROPA LIMITED

BRUCE N TOMICH
Chairman



ASX ANNOUNCEMENT 31 December 2008

OROPA SECURES FUNDING PACKAGE - ENGAGEMENT OF BLACKWOOD CAPITAL LIMITED

Oropa Limited ("Oropa") is pleased to announce the engagement of Blackwood Capital Limited ("Blackwood") as lead arranger to complete a funding package of up to \$2.0 million prior to 31 March 2009, with additional funds to follow.

As part of that funding initiative, Oropa has agreed to place 29,949,000 shares in the Company at a price of 1.3 cents per share, to raise \$389,000. In addition to the shares being placed, and subject to shareholder approval at a General Meeting to be convened in early February 2009, share options in the Company will be issued on the basis of 1 share option for every 2 shares placed.

The funding package, consisting of the initial placement together with a convertible note, will ensure that Oropa is funded to maintain its exploration activities and advance development of a feasibility study programme over the Pungkut gold project in Sumatra ("Pungkut"). Details related to this funding initiative will be provided to the market in the Notice of the General Meeting.

A Company in Transition

Oropa's directors consider that the Company has one of the most advanced gold projects currently being explored in Indonesia, having already outlined a mineral inventory of in excess of 1 million ounces of gold at Pungkut, but with the potential to significantly add to that inventory given sufficient time and money. In the past the board has taken a view to raise funds on a drip feed basis to minimise share capital dilution and maximise the value to shareholders. However, as a consequence of the global financial crisis, continuation of that strategy would be perilous and of no benefit to the Company or its shareholders, given the uncertainties of equities markets and reduced opportunities to raise additional funds on a constant drip feed basis. Oropa now faces the prospect of developing Pungkut at a time when exploration capital has become increasingly difficult to procure, with resulting higher costs to the Company in terms of share capital.

The positive outcome to the Scoping Study completed in November 2008 confirms that development of Pungkut should be vigorously pursued as one of the Company's main priorities in the coming year.

The board considers that it is prudent for Oropa to raise adequate funds to ensure Pungkut's potential is fully developed, and despite the immediate dilution that will result from this funding package, it should ultimately return the Company back into favour as the market recognises Oropa's value underpinned by the gold resource at Pungkut. At a current share price of 1.8 cents the market capitalisation of the Company stands at slightly under \$3.6 million, valuing Oropa's 75% beneficial share of Pungkut at approximately \$4.70 per ounce of Inferred Resource gold discovered! This clearly demonstrates that there is a need to more widely inform the market and potential investors that Oropa is extremely attractively priced at these current levels.



The aim of the current fund-raising package through Blackwood also serves to guarantee that the Company has access to sufficient working capital to maintain its development focus without being affected by on-going market destabilisation, and dispels any concerns about Oropa's capacity to maintain its equity interest in Pungkut.

Over the coming months the board intends to make some significant changes that will re-address the objective of focussing the Company towards the development of its core mineral asset. It is anticipated that gold will remain a profitable commodity to invest in, particularly at this time of chaos within the global financial markets, as gold is expected to remain a stable commodity against this backdrop. Consequently, Oropa's directors consider the Company's investment in Pungkut is underpinned by the strength of gold in such a tumultuous financial environment. Oropa's other mineral assets, including the Malawi uranium prospects and its Indian diamond joint venture will be assessed by the Board in the light of the current corporate and financial environment, and strategic decisions in those respects will be made at the appropriate time.

As a consequence of the recent changes in the Oropa board, it is intended to add to the current board, with the appointment of a new Chairman, amongst others. The current board thanks the outgoing Chairman, Mr Brian Hurley and non-executive director, Mr Rod Murchison for their past efforts, and continued support and co-operation over the past month. It is unfortunate that the market does not always recognise contributions that company board members make largely in silence.

Finally the board is most appreciative of the ongoing support and co-operation of existing Perth based staff and the Indonesian based personnel of PT Sorikmas Mining during these difficult times, as they will remain key components towards the Company's future success.

Oropa is at a crucial point in its course towards unlocking considerable value for all shareholders including those investors introduced through Blackwood, and the board will continue to strive towards providing future announcements that unfold in the coming months. Whilst the markets may continue to be in a state of turmoil for some time, the Oropa board is of the opinion that the outlook for the Company is excellent, and this should be reflected in positive share price performance once markets stabilise.

Yours faithfully
OROPA LIMITED

Bruce N Tomich
Chairman