

27 March 2018

ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

COMPANY UPDATE

Ochre Group Holdings Limited (**Ochre** or the **Company**) is pleased to provide an update on the Company's recent activities.

Sale of Wonmunna Iron Ore Project: Deferred Consideration

Following receipt of shareholder approval, the Company completed the sale of the Wonmunna Iron Ore Project (**Wonmunna**) in September 2014 to Ascot Resources Limited (**Ascot**) for the following consideration:

- 50 million fully paid ordinary shares in Ascot;
- Cash consideration of A\$2 million;
- A\$19.95 million in deferred consideration payable at any time prior to the date which is five years from first production and sale of ore (**Deferred Consideration**), as at the date of this announcement, the Company has not yet received any Deferred Consideration; and
- a 1% gross revenue royalty payable on all product produced and sold commencing 12 months after the first shipment of product.

Under a term sheet executed on 8 March 2018, Ascot proposes to sell Wonmunna to the Australian Aboriginal Mining Corporation Pty Ltd (**AAMC**). The term sheet provides that the parties must finalise the transaction as contemplated, within 60 days. Any sale will be subject to Ascot obtaining any necessary waivers and consents from Ochre in relation to the Deferred Consideration. The Company is currently undertaking discussions with Ascot in relation to the Deferred Consideration and will provide an update to the market once such discussions are finalised.

Suspension

Over the course of 2016 and 2017, the Company has conducted an evaluation of a number of business proposals and transaction opportunities, with a view to the ultimate re-quotations of its securities.

The Board of the Company notes that the ASX has placed deadlines on suspended companies to obtain re-quotations within three years of entering suspension, with the date for the Company's proposed de-listing being 22 April 2018. Regardless, the Company will continue to pursue and evaluate opportunities.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Nathan Featherby', written in a cursive style.

Nathan Featherby
Executive Chairman