

10 February 2022

## Sale of Non-Core Asset Bramfield Iron Ore Project

### *Binding Agreement for all-cash \$500,000 Sale*

Oar Resources Limited (ASX: OAR) ("OAR" or "the Company") is pleased to announce it has entered into a definitive and binding Tenement Sale Agreement for the sale of its non-core Bramfield Iron Ore Project in South Australia to Vietnamese based company, The Hoa Phat Group via its subsidiary Dragon Resource Investment Pty Ltd ("DRI") for all-cash consideration of \$500,000 ("Bramfield Sale").

The Bramfield Sale is part of the Company's ongoing strategic review to rationalise its portfolio and where possible, generate cash from non-core assets, to apply towards its core assets.

The Bramfield Iron Ore Project has previously been written down to nil value by the Company. The all-cash sale of consideration of \$500,000 represents significant additional non-dilutive funding that will help strengthen the Company's balance sheet. OAR is currently focused on the targeted exploration of its Crown Ni-Cu-PGE Project in the Julimar District in Western Australia, as well as its gold assets.

The Bramfield Iron Ore Project is located on the Eyre Peninsula in South Australia, and sits within Exploration Licence 6558 held by the Company's wholly owned subsidiary Lymex Investments Pty Ltd. The Bramfield Iron Ore Project was one of the original assets of Oakdale Resources Limited and has been considered a non-core asset for considerable time given the Company's focus on its Crown Project in the Julimar district of Western Australia, Douglas Canyon Gold Project in Nevada, USA, and Gibraltar Halloysite-Kaolin Project in South Australia.

The Bramfield Iron Ore Project area will be excised by conditional surrender, and the remaining portion of EL6558 will be retained by the Company.

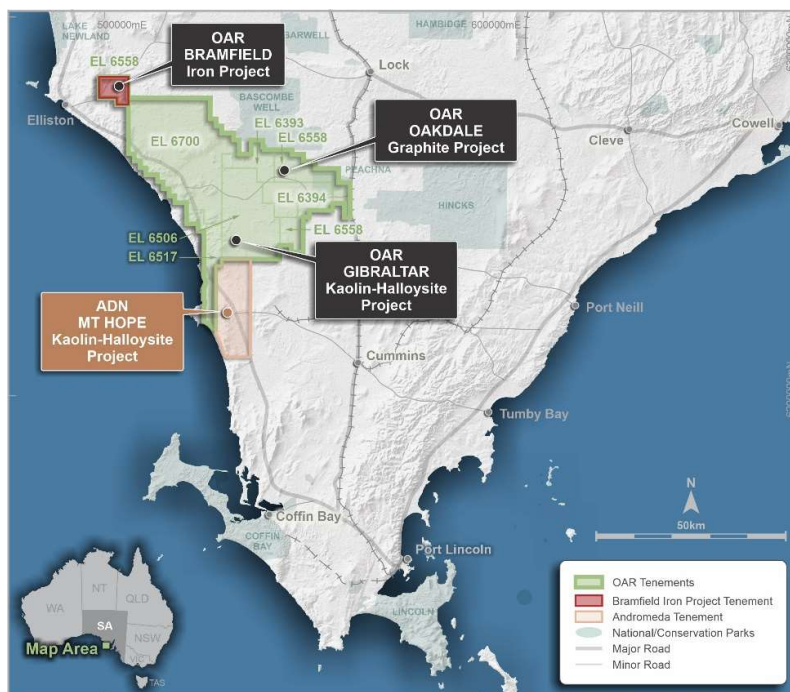


Figure 1: Bramfield Iron Ore Project area

The Company is continuing discussions with potential buyers on its other assets in South Australia.

Mr Justin Richard, CEO and Managing Director, said:

*"The sale of the Bramfield Iron Ore project is a great outcome for Oar Resources. The Company will continue to evaluate opportunities to sell other non-core assets that generate non-dilutive cash and improve its balance sheet.*

*Anyone who knows mineral exploration, knows the early stages in a project's lifecycle present high-risk, high-reward opportunities. OAR is in a favourable position compared to many of its peers, having a diverse project portfolio that includes several promising projects with potential to become standalone mining companies in their own right.*

*The current review of the Company's project portfolio includes divesting any projects that are not part of OAR's key focus moving forward, mainly our South Australian projects. Some factors being considered as part of the strategic review include a project's stage of development, the commodities it offers and its impact on shareholder value."*

**He went on to say:** *"In the case of the Bramfield Iron Ore Project, it was not adding value and has not been a priority for the Company at any stage. The Company's other projects offer better opportunities to increase shareholder returns and this sale realises where there was previously none.*

*More important than injecting \$500,000 cash into the Company is how the Company uses this and other funds to compound value on its core project assets.*

*With graphite, gold, nickel, copper, PGE and halloysite-kaolin projects still in hand, we envisage the revised project portfolio to be focused on a stable of one or two core projects that we consider capable of advancing toward feasibility study, with the most promising projects being retained. Any non-core asset that can be divested to raise cash and increase OAR's value and its ability to leverage other projects will be considered."*

#### **KEY TERMS OF THE BRAMFIELD SALE**

1. A purchase price of \$500,000 cash of which a deposit of \$100,000 has today been paid by DRI and is being held in an escrow account under the control of the Company pending the settlement date.
2. The balance of the purchase price of \$400,000 will be paid on the settlement date pending satisfaction of the condition precedent.
3. The condition precedent is the excise of the exploration area comprising the Bramfield Iron Ore Project from the Company's EL6558 by conditional surrender and the consequent issue to DRI of a new Exploration Licence in respect of the Bramfield Iron Ore Project only.
4. The process of excising the exploration area comprising the Bramfield Iron Ore Project and the consequent issue of a new Exploration Licence to DRI will be managed by the Company at the expense of DRI.
5. The expected date for completion of the transaction is 3 months from the date of this announcement.

***This Announcement has been authorised for release to ASX by the Board of Oar Resources Limited.***

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**About Oar Resources Limited**

*Oar Resources Limited is an ASX listed precious metals explorer and aspiring producer. Oar has acquired 100% of Australian Precious Minerals Pty Ltd, holder of the Crown Project in Western Australia. Crown is situated near Chalice Mining's world-class Julimar polymetallic discovery. Oar has also acquired 100% of Alpine Resources' gold exploration projects in the highly prospective gold province of Nevada, United States - ranked the third best mining jurisdiction in the world. These projects are in an area that hosts several multi-million-ounce deposits. Oar, through its wholly owned subsidiary Lymex Tenements Pty Ltd holds a number of tenements on the South Australian Eyre Peninsula which are considered highly prospective for kaolinite and halloysite mineralisation, graphite, iron ore and other commodities. In addition, Oar's Peruvian subsidiary, Ozinca Peru SAC, owns a CIP Gold lixiviation plant, strategically located proximal to thousands of small gold miners in Southern Peru.*

**About The Hoa Phat Group**

*Hoa Phat is Vietnam's largest steel producer and a leading industrial manufacturing group. Originating as a construction machine and equipment trading company in August 1992, Hoa Phat has gradually expanded its business to trading and production of Furniture, Steel Pipe, Steel, Refrigeration, Real Estate and Agriculture. Since November 15, 2007, Hoa Phat has been officially listed on the Ho Chi Minh Stock Exchange under the stock ticker symbol 'HPG'.*

*Currently, the Group operates in 5 sectors: Iron and steel (construction steel, hot rolled coil) - Steel products (including steel pipes, galvanized steel, drawn steel wire, prestressed steel) - Agriculture - Real estate – Home appliances. Steel production is the core, accounting for 90% revenue and profit of the Group. With the capacity of 8 million tons of crude steel per year, Hoa Phat is the largest steel producer in the Southeast Asia.*

*Hoa Phat Group holds the No. 1 market share in Vietnam for construction steel, steel pipes and Australian beef. Currently, Hoa Phat Group is in the Top 10 largest private enterprises in Vietnam, Top 10 profit enterprises, Top 5 listed companies with the largest charter capital in Vietnam stock market. HPG's market capitalization reaches USD11 billion, among the top 15 largest steel companies by market capitalization.*

## **Forward Looking Statement**

*This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Oar Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Oar Resources Ltd operates, and beliefs and assumptions regarding Oar Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Oar Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Oar Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions, or circumstances on which any such forward looking statement is based.*