



ASX Announcement

31 May 2022

OzAurum Resources Launches Underwritten Share Purchase Plan

Highlights

- Underwritten Share Purchase Plan to raise \$2 million (before costs) at \$0.16 per share.
- SPP proceeds will be used to:
 - Follow up the recent virgin gold Demag Zone discovery at the Company's flagship Mulgabbie North Project;
 - Continue Reverse Circulation (RC) drill testing of aircore (AC) saprolite gold anomalies and extensions at the Ben and James Prospects.
 - Expand the exploration program underway at the Patricia Gold Project.
- Exploration will include up to 20,000m of RC drilling, 10,000m of AC drilling and 3,000m of diamond drilling.
- RC rig commenced drilling at the Demag Zone on Monday 30 May 2022.
- Diamond rig to continue drilling at Demag Zone commencing next week.

CEO and Managing Director, Andrew Pumphrey, commented:

"This raising ensures that OzAurum can move quickly to maximise the full value of both the Mulgabbie and Patricia Projects for our shareholders. The Company will be well funded to continue our exploration program, which has significant potential to create further value at these advanced gold projects. Recent exploration, including the virgin gold discovery of the Demag Zone further demonstrates the potential for Mulgabbie North to deliver a significant gold discovery situated right alongside the Northern Star Carosue Dam Mill. In addition, expanded exploration efforts are planned at the high-grade Patricia Gold Project - working to resolve the structural complexity with the aim of targeting high-grade gold mineralisation at depth. We would like to thank Canaccord for acting as OzAurum's Lead Manager and Underwriter and look forward to welcoming new shareholders to the Company."

Share Purchase Plan

OzAurum Resources Ltd (**ASX: OZM** or **OzAurum** or the **Company**) is pleased to offer its existing eligible shareholders the opportunity to participate in OzAurum's Share Purchase Plan (**SPP**) to raise \$2.0 million (before costs).

The SPP will be underwritten to \$2.0 million by Canaccord Genuity (Australia) Limited (**Canaccord**) which is acting as Lead Manager and Underwriter to the SPP. Material terms of the Underwriting Agreement are disclosed in Annexure A of this announcement.

Under the SPP, eligible shareholders may apply to purchase up to \$30,000 worth of new fully paid ordinary shares in the Company (**New Shares**) without paying brokerage or other transaction costs. Participation in the Plan is open to all holders of OzAurum shares as at 7.00pm (AEST) on Monday 30 May 2022 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholder**).

An SPP Offer Booklet with further details on the SPP will be despatched to Eligible Shareholders on 7 June 2022. New shares under the SPP will rank equally with existing OzAurum shares.

The issue price of New Shares under the SPP of \$0.16 per New Share represents a discount of 17.9% to the last closing price on Friday, 27 May 2022 (being \$0.195 per Share) and a 20.0% discount to the volume weighted average price of shares traded during the five ASX trading days prior to 30 May 2022.

At completion of the SPP the Company may elect to raise a further \$1million (before costs) through the issue of New Shares to sophisticated and professional investors (**Top-Up Placement**) at the same issue price as under the SPP. The Top-up Placement, if conducted, will utilise the Company's available placement capacity pursuant to ASX Listing Rule 7.1.

Use of Funds

Funds raised under the SPP and Top-Up Placement (if conducted) will be used to follow-up the recent virgin gold Demag Zone discovery at the Company's Mulgabbie North Project, to continue RC drill testing of AC saprolite gold anomalies and extensions at the Ben and James Prospects, expand exploration at the high-grade Patricia Gold Project, and to fund the Company's general working capital. Exploration will include up to 20,000m of RC drilling, 10,000m of AC drilling and 3,000m of diamond drilling.

Scale-Back Policy

If the total of the application monies under the SPP is greater than \$2.0 million, the Board reserves the right to reject or scale back any application for Shares under the SPP in whole or in part in its absolute discretion (**Scale-back**). When determining the amount (if any) by which to Scale-back an application for Shares under the SPP, **OzAurum may take into account a number of factors, including the extent to which Eligible Shareholders have sold or bought additional Shares after the Record Date**, the size of an applicant's shareholding and the date on which the relevant application under the SPP was made. Eligible Shareholders are therefore encouraged to submit their Applications early.

Timetable

The proposed key dates for the placement and SPP are as follows*.

Event	Date
Record Date (7pm AEST)	30 May 2022
Announcement regarding Placement and SPP	31 May 2022
Opening date of SPP Dispatch of SPP offer document and Application Forms	7 June 2022
Closing Date of SPP (5pm AEST)	23 June 2022
Announcement of SPP Results	27 June 2022
SPP Shortfall and Top-up Placement (if conducted) settled	29 June 2022
Issue of New Shares under SPP and Top-up Placement (if conducted)	30 June 2022
Commencement of trading of New Shares on ASX and dispatch of holding statements	1 July 2022

* *These dates are indicative only and subject to change. The Company reserves the right to vary these times and dates in its absolute discretion*

Mulgabbie North Demag Zone Background

The virgin gold Demag Zone discovery (**Demag Zone**) is an exciting development at the Mulgabbie North Project.

The Demag Zone is situated between the Alicia and Ben Prospects within the Mulgabbie North Project. Only limited historical drilling has been undertaken within the three recently drilled 100m-spaced RC drill lines at the Demag Zone, being ten shallow wide-spaced vertical RAB holes drilled by Gutnick Resources in 1999.

Most recently, two diamond drill holes at the Demag Zone each intersected arsenopyrite, and pyrite mineralisation with zones of silica flooding. Early geological review of the diamond core has clearly indicated more than one mineralising event. The late basin conglomerate marker horizon (western contact) has been intersected at the end of both diamond holes.

Further, each of MNODH 002 and MNODHO 003 intersected in excess of 150m downhole intermediate volcanoclastic lithology intercepted (see ASX releases 13th and 24th May 2022). The Company is awaiting assay results from the first diamond hole MNODH 002 with core currently being processed from MNODH 003 and samples to be dispatched to the laboratory shortly.

OzAurum's Aircore (AC) drilling results intersected at the Demag Zone included MNOAC 523 **4m @ 1.47 g/t Au** from 40m, MNOAC 524 **4m @ 1.25 g/t Au** from 56m, MNOAC 534 **4m @ 2.00 g/t Au** from 44m, MNOAC 535 **4m @ 1.21 g/t Au** from 40m, MNOAC 536 **17m @ 0.80 g/t Au** from 56m including **1m @ 1.52 g/t Au** EOH and MNOAC 546 **4m @ 1.61 g/t Au** (see ASX release 16th December 2021).

A thick blanket of high-grade supergene gold mineralisation has been delineated by AC drilling over the Demag Zone that OZM has targeted by RC drilling and is now being followed up with diamond drilling.

OZM's follow up RC Drill holes were on 100m spaced lines at the Demag Zone with significant primary gold intercepts from three consecutive lines 8400N, 8500N and 8600N.

8400N MNORC 177 intersected significant interval of high-grade primary mineralisation of **56m @ 1.31 g/t Au** from 68m and includes **1m @ 5.26 g/t Au, 18m @ 2.07 g/t Au**.

MNORC 176 intersected **26m @ 1.79 g/t Au** from 136m including **8m @ 4.78 g/t Au**.

8500N MNORC 174 intersected **28m @ 1.00 g/t Au** from 72m including **4m @ 2.32 g/t Au**.

8300N MNORC 178 intersected **11m @ 1.13 g/t Au** including **5m @ 2.06 g/t Au**.

The Demag Zone is located on the Relief Shear and the lithological contact that hosts gold mineralisation is located at the James, Ben and Alicia Prospects. Higher grade gold intersections at the Demag Zone have significant pyrite and arsenopyrite mineralisation within the intensely sericite altered felsic to intermediate volcanoclastic unit.

Intrusive porphyries have now been intercepted in a number of RC drill holes at Mulgabbie North along the Relief Shear. Future geological work will be undertaken to understand the potential links of intrusive porphyry to current gold mineralisation and will be targeted with future diamond drilling.

The RC drilling at Mulgabbie North has defined primary gold mineralisation for over 1.3km of strike, and we are confident that extensional RC drilling completed will further extend this strike. Also, we believe future RC drilling will continue to identify new primary gold mineralisation related to the numerous geochemical gold anomalies and recent AC saprolite hosted gold mineralisation targets.

Recent RC results, combined with recently announced AC results defining new zones of mineralisation now extending for 2.8 km in strike (see ASX announcement on 2nd September 2021), further highlight the potential of Mulgabbie North to be a significant gold project.

RC drilling at Mulgabbie North has also discovered wide zones of weak to moderate hematite alteration in some RC holes. Specifically, the hematite alteration indicates oxidised fluids from an intrusive complex suggesting proximity to the mineralising centre - likely to be within OzAurum's 100%-owned Mulgabbie North tenure.

Patricia Project Background

Two diamond drill holes (PTODH 001 + 002) were recently completed for a total of 495.7m at the high-grade Patricia Gold Project with both holes planned to twin existing OzAurum drilled RC holes PTORC 024 (5m @ 37.11 g/t Au) and PTORC 022 (5m @ 11.74 g/t Au) to provide orientated diamond core from which structural measurements can be collected (see ASX announcement on 17th May 2022).

Structural measurements can be used to resolve the structural complexity that is seen at Patricia with the aim of targeting high-grade gold mineralisation at depth. A structural consultant commenced work on the Patricia Gold Project on the 23rd of May 2022.

Both diamond holes had sections that have been half cut and sent for analysis with PTODH 001 (160-172m section) and PTODH 002 (162-177m) sections assayed.

Visible gold can be seen in the remaining half cut core of PTODH 001 at 165.5m, with that section assaying 6.87 g/t Au. Further diamond drilling will continue to assist with resolving this structural complexity.

Once the structural analysis has been completed, further analysis of the diamond core from holes PTODH 001 + PTODH 002 will be undertaken.

Upcoming RC and AC drilling and Planned Exploration Activities:

Follow up RC drilling at the Mulgabbie North Demag Zone is a high priority, along with ongoing RC drill testing of AC saprolite gold anomalies and extensions to the Ben and James Prospects.

An RC rig is mobilising to site today to commence RC drilling at the Demag Zone. Diamond drilling will continue at the Demag Zone in the next week.

Utilising best practice RC drilling, sampling and assay protocols will allow for a potential future JORC 2012 compliant resource to be estimated with confidence at Mulgabbie North.

The Company will continue to provide regular market updates on exploration activities and report on drilling results as soon as they become available.

For Further Information please contact;

Andrew Pumphrey
Managing Director + CEO
+61 419 965 976

This ASX Announcement was approved and authorised by OzAurum's Managing Director, Andrew Pumphrey.

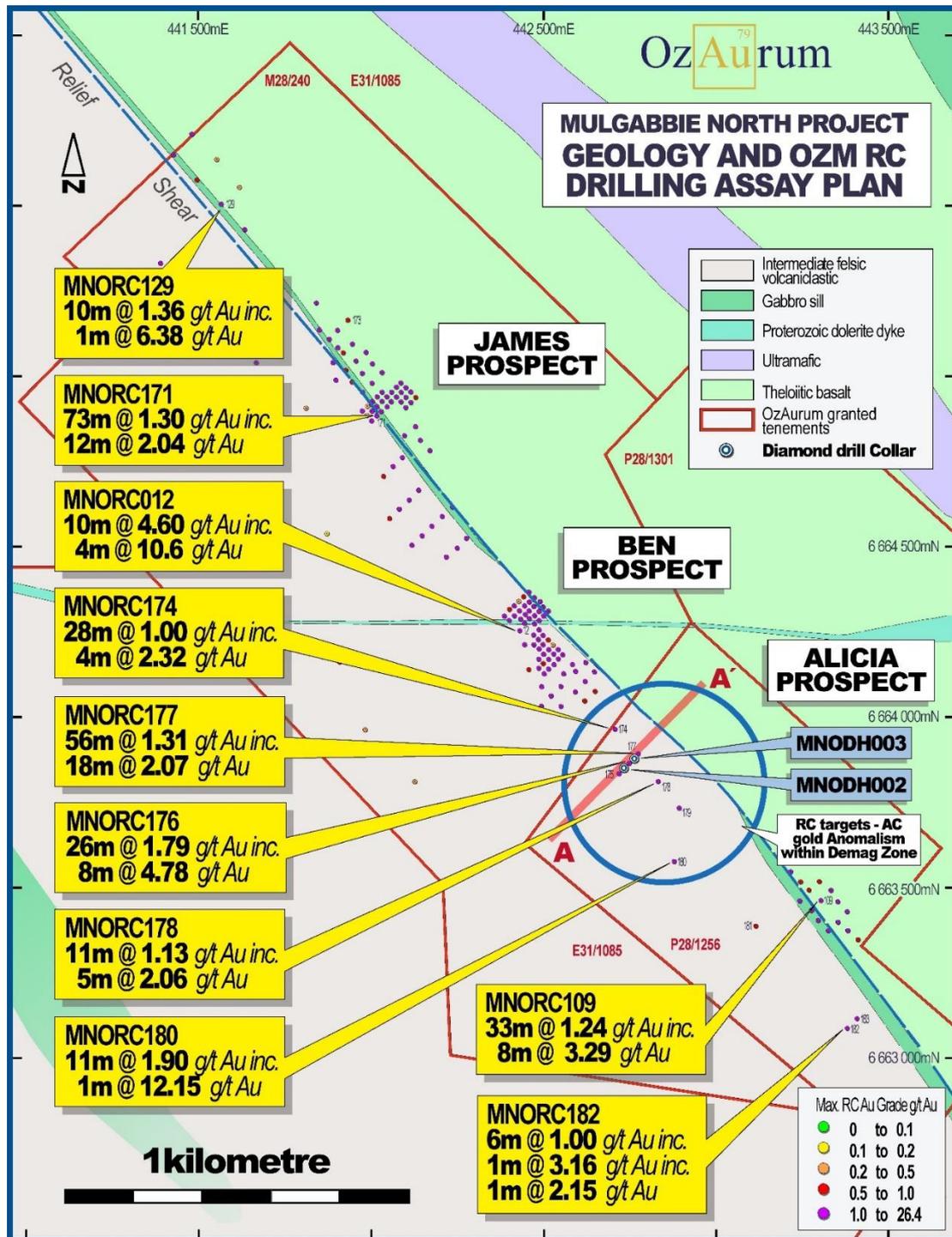


Figure 1: Mulgabbie North RC drill collar plan

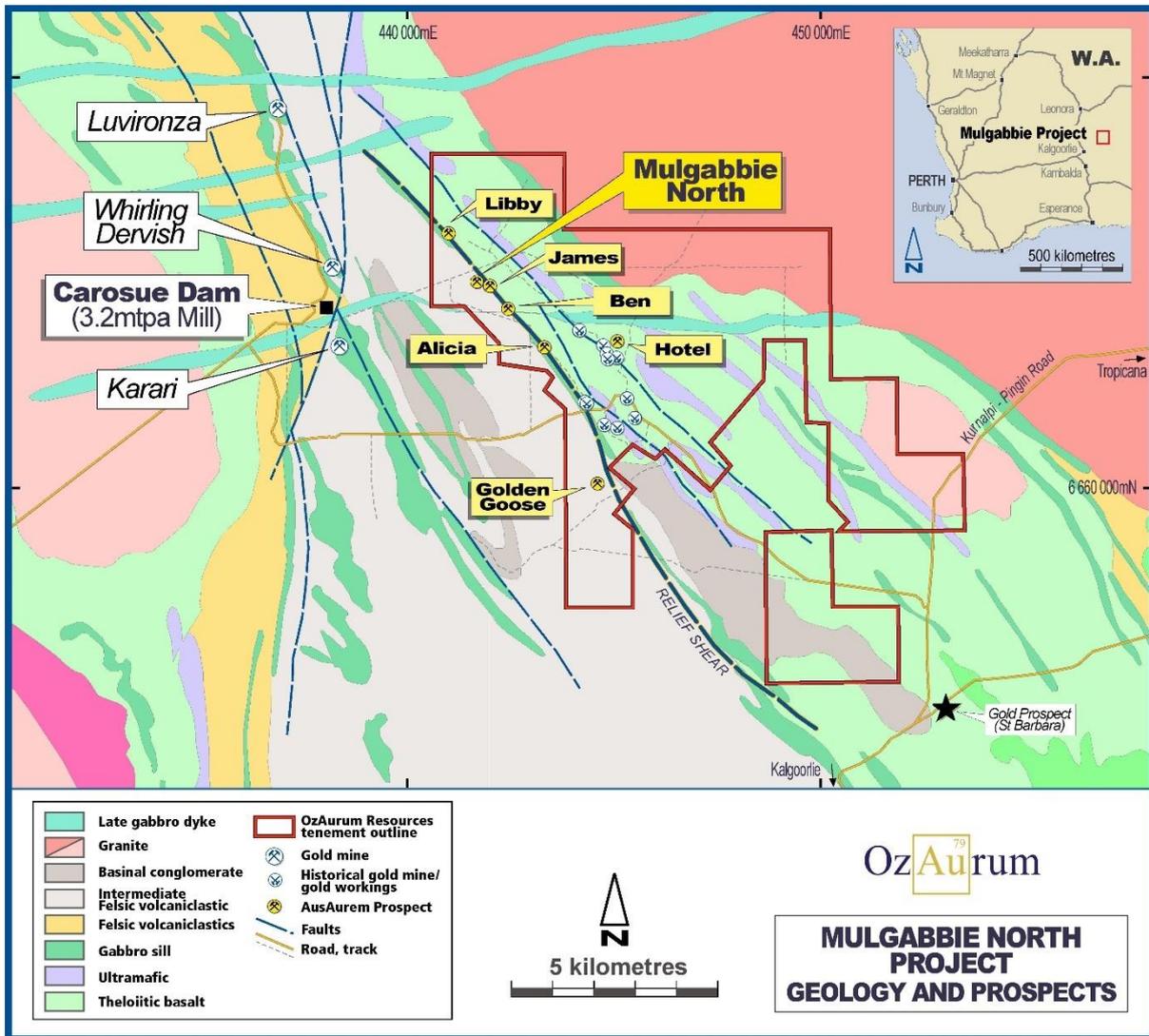


Figure 2: Mulgabbie North Project

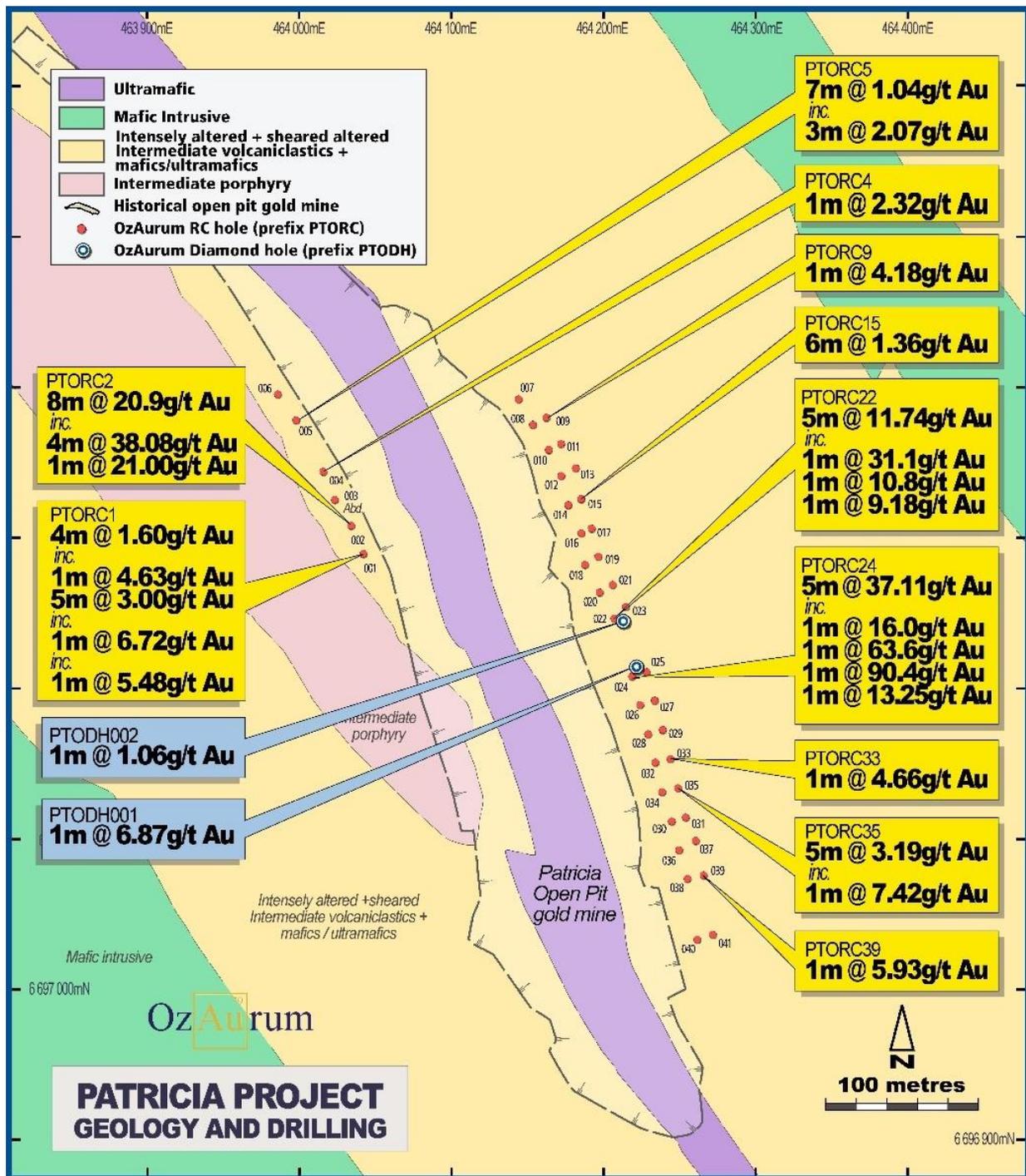
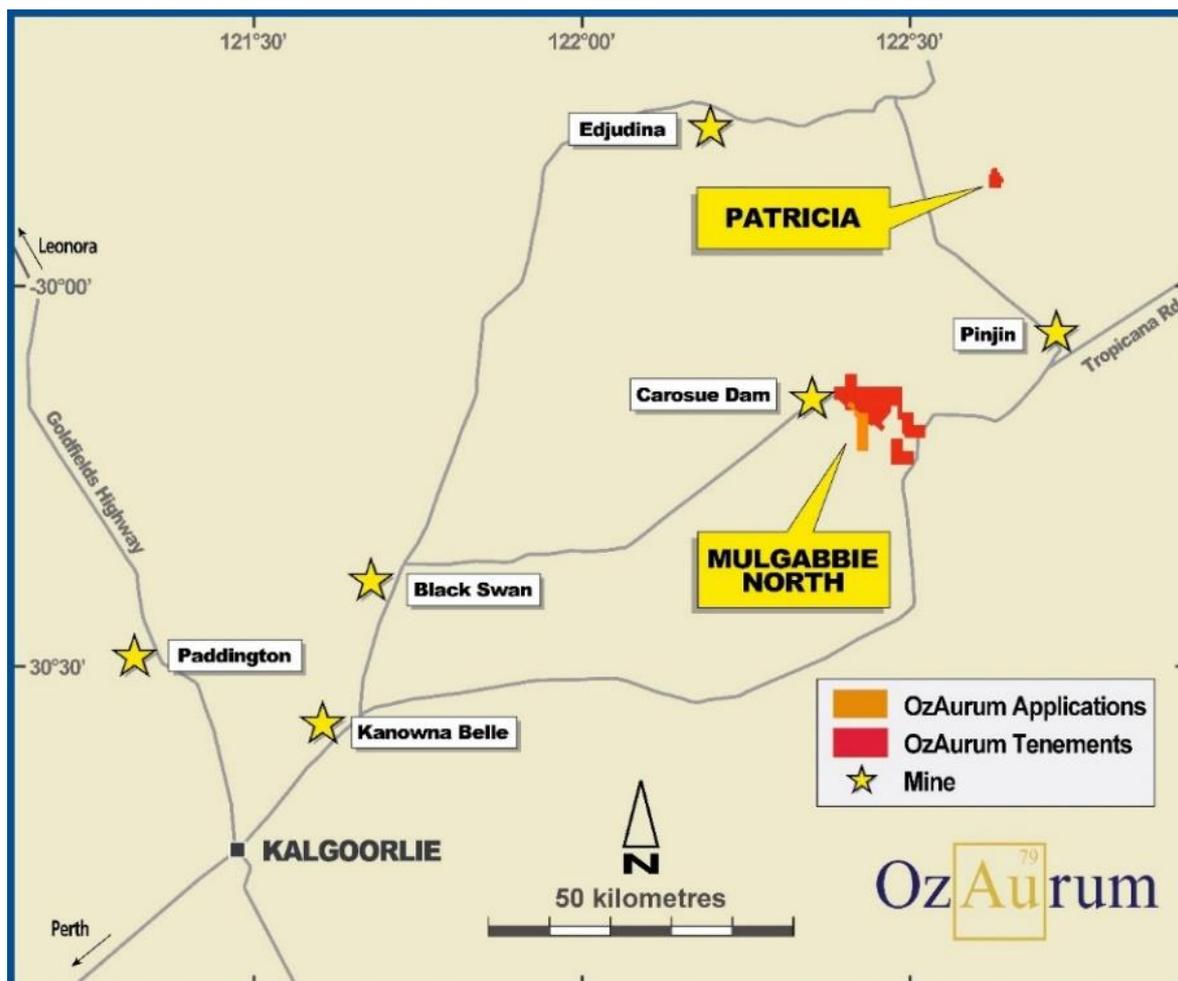


Figure 3: Patricia drill collar plan with Max Au g/t 1m and composite intervals

About OzAurum

OzAurum Resources Ltd (ASX: OZM) is a Western Australian gold explorer with advanced gold projects located 130 km north east of Kalgoorlie. The Company's objective to make a significant gold discovery that can be brought into production.

For more information on OzAurum Resources Ltd and to subscribe to our regular updates, please visit our website at www.ozaurumresources.com or contact our Kalgoorlie office via email on info@ozaurumresources.com.



Competent Persons Statement

The information in this report that relates to exploration results is based on information compiled by Andrew Pumphrey who is a Member of the Australian Institute of Geoscientists and is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Pumphrey is a full-time employee of OzAurum Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pumphrey has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Annexure A

Canaccord is, subject to the terms of the Underwriting Agreement (**UA**), obliged to subscribe (or procure subscriptions) for any "shortfall" arising under the SPP. A "shortfall" will arise under the SPP if Eligible Shareholders collectively apply for less than \$2 million worth of Shares under the SPP.

Canaccord's underwriting obligation under the Underwriting Agreement is subject to a number of conditions, warranties, undertakings and termination events that are customary for an agreement of this nature. On completion of the SPP, OzAurum will be required to pay Canaccord an underwriting/selling and management fee.

Canaccord has a number of termination rights which are considered standard for agreements of this nature. The key termination rights include, but are not limited to:

- (indices fall): the All Ordinaries Index or the S&P/ASX Small Resources Index falls to a level that is 7.5% below the level as at the close of business on the business day prior to the date of the UA;
- (share price): OzAurum's shares on the ASX close lower than \$0.16 for three consecutive days;
- (No Official Quotation): ASX has indicated that Official Quotation will not be granted or having been granted, is subsequently withdrawn, withheld or qualified.
- (misleading SPP): a statement or omission made by OzAurum in the SPP or ASX announcement is or becomes misleading or deceptive;
- (ASIC or other prosecution): ASIC gives notice of an intention to hold a hearing, examination or investigation the SPP or OzAurum, or the Takeovers Panel makes a declaration of unacceptable circumstances in relation to OzAurum; or
- (indictable offence): a director or senior manager of OzAurum is charged with an indictable offence.

Canaccord can also terminate the UA if the occurrence of a termination event is a material adverse event. The termination events include, but are not limited to:

- (default): default or breach by the OzAurum of the UA;
- (hostilities): an outbreak or a material escalation of hostilities (whether or not war has been declared) after the date of the UA involving one or more of Australia, New Zealand, the United Kingdom, the United States of America or the People's Republic of China;
- (incorrect or untrue representation): a representation, warranty or undertaking given by the OzAurum in the UA is or becomes untrue or incorrect;
- (contravention of constitution or Act): a contravention by OzAurum of its constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (adverse change): an event occurs which gives rise to a material adverse effect in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of OzAurum;
- (misleading information): any information supplied by the OzAurum in respect of the SPP is or becomes misleading or deceptive;
- (change in Act or policy): there a public announcement of a government proposal to introduce a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (insolvency): an event of insolvency occurs in respect of OzAurum;
- (judgment): a judgment exceeding \$50,000 is obtained against OzAurum;
- (litigation): proceedings are commenced or threatened against OzAurum;
- (change in shareholdings): there is a material change in the major or controlling shareholdings of a OzAurum or a takeover offer or scheme of arrangement is publicly announced in relation to OzAurum;
- (timetable): there is a delay in any specified date in the timetable which is greater than 5 business days;
- (investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of OzAurum;
- (market conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in certain existing financial markets, political or economic conditions in excess of 3 days; or
- (suspension): OzAurum is removed from ASX's official list or SPP shares become suspended from official quotation and that suspension is not lifted within 24 hours.