

To: AUSTRALIAN SECURITIES EXCHANGE (ASX)
From: OCHRE GROUP HOLDINGS LIMITED (“Ochre”) (ASX: OGH)
Date: 31 July, 2014
SUBJECT: Quarterly Activities Report – June Quarter, 2014

HIGHLIGHTS

- **Revised terms agreed with Ascot Resources for the Sale of the Wonmunna Iron Ore Project**
- **Divestment of Emerald Shareholding**
- **Takeover bid for Gondwana Resources (GDA)**

Corporate

Revised Terms agreed with Ascot Resources for the Sale of Wonmunna Iron Project

- Ascot Resources signs binding agreement to acquire the Wonmunna (DSO) Iron Ore Project, located adjacent to Rio Tinto’s West Angelas and Hope Downs iron ore projects in the Pilbara region of Western Australia.
- Previously reported Mineral Resource estimate highlights that Wonmunna is host to 84.3Mt of iron ore at an average Fe grade of 56.5% (at a 50% Fe cut-off grade) with 65% of the estimate in the Indicated Resource category.
- Project area intersected by the Great Northern Highway providing direct road access to Port Hedland.
- Extensive resource, environmental, heritage, groundwater and scoping studies completed providing a solid foundation for future planned mine development.
- Ascot’s Management team has a proven track record in successfully developing greenfield iron ore projects from exploration through to production.

- Revised consideration payable by Ascot for Wonmunna comprises:
 - i. the issue of 50 million fully paid ordinary Ascot shares;
 - ii. A\$2 million cash consideration payable on completion;
 - iii. A further A\$19.95 million payable five years from first production, paying an annual coupon of 5.88%; and
 - iv. a 1% gross revenue royalty commencing 12 months after the first shipment.
- Global mining investment fund manager Resource Capital Funds to invest \$5 million at A\$0.25 per share, subject to completion.

Divestment of Emerald Shareholding

During the quarter, Ochre sold 50,000,000 Emerald Oil and Gas (EMR:ASX) shares into the Emerald share buyback at a price of \$0.01 and following further sales since the end of the quarter it has ceased to be a substantial shareholder. Proceeds from the sale have been allocated to the ongoing investment being made in Gondwana Resources (GDA).

Takeover bid for Gondwana Resources

The Company continues to assess various strategic investment opportunities within the natural resources sector. During the quarter, the company announced a cash offer of \$0.082 for those shares in Gondwana that it does not currently own. Ochre presently holds a 18.35% interest in Gondwana (ASX:GDA). Shareholders are encouraged to regularly refer to releases on the Company's announcements platform to keep abreast of the Gondwana takeover progress.

Exploration & Development Activity

During the quarter Ascot Resources assumed the role as exploration manager of the Wonmunna Project. Various project development activities were completed during the quarter with a focus on bringing the project into production as soon as possible. As per the terms of the Wonmunna sale agreement, closing of the transaction with Ascot resources is anticipated to be no later than 10 September 2014, subject to completion of conditions precedent.

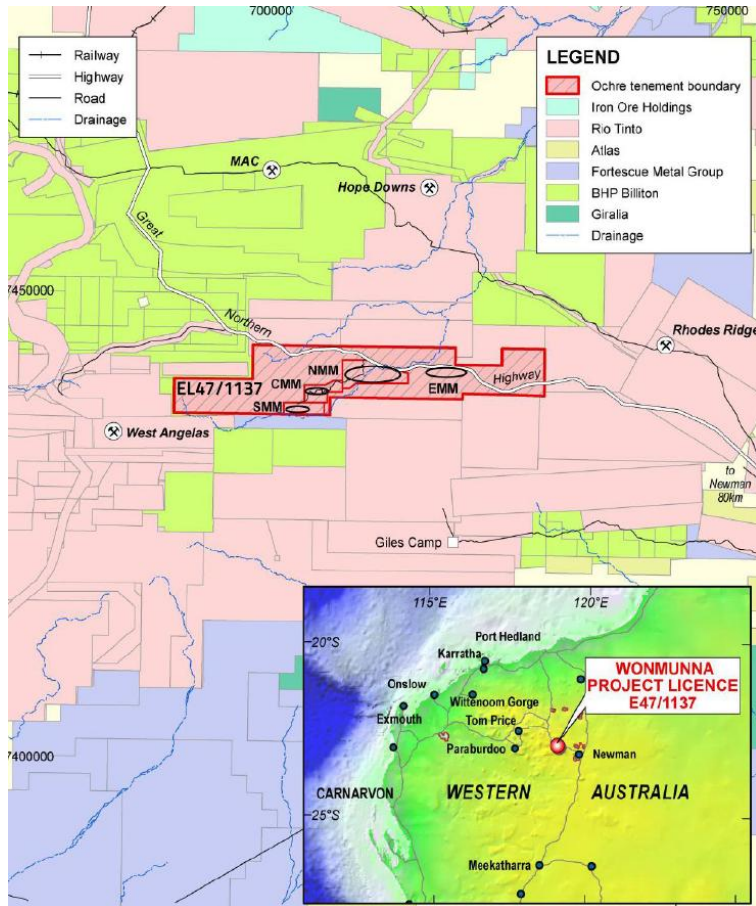


Figure 1: Wonmunna location & concession boundaries

By Order of the Board
Ochre Group Holdings Limited