

ASX Announcement

10 October 2016

Sale of Coolgardie Gold Assets

▶ Share Sale Agreement for the sale of the Coolgardie Gold Assets Executed

On 3 August 2016 the Company announced that it had entered into a Binding Heads of Agreement with Primary Gold Limited ("Primary") for the sale of its 100% owned Coolgardie gold assets ("Assets") for consideration of \$10m satisfied by A\$5m in cash, to be paid in instalments over a 12-month period and A\$5m comprised of 40 million Primary ordinary shares with an issue price of 12.5 cents per share. MacPhersons Resources Limited (ASX: MRP) is pleased to announce that it has entered into the formal Share Sale Agreement ("Agreement") with Primary Gold Limited in relation to the sale of the 100% owned Coolgardie Gold Assets.

The sale is to be effected through the sale of MacPhersons 100% owned subsidiary company MacPhersons Reward Pty Ltd. Settlement of the sale is expected to occur next week. The consideration will be paid to MacPhersons as set out below.

Cash Consideration

1. A\$0.5m deposit in cash has been received;
2. On Completion under the Agreement, Primary pay A\$1.5m to MacPhersons;
3. Six (6) months from Completion, Primary pay A\$1.5m to MacPhersons;
4. 12 months from Completion, Primary pay the final cash payment of A\$1.5m to MacPhersons;

Share Consideration

The issue of Primary Shares to MacPhersons are as follows:

1. The 40 million shares at an issue price of 12.5 cents per share.
2. The Shares will be escrowed in three equal tranches over the 12 months from Completion:
 - a. One third of the Primary ordinary shares or 13,333,333 will be escrowed for six (6) months;
 - b. The second tranche of Primary shares of 13,333,333 will be escrowed for nine (9) months, and
 - c. The final tranche of 13,333,334 Primary shares will be escrowed for 12 months.

The Agreement contained terms, conditions and warranties consistent with agreements of this nature.

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About MacPhersons

MacPhersons Resources Ltd (MRP) is a Western Australian resource company with a number of advanced gold, silver and zinc projects.

The company's long term objective is the development of its existing assets and unlocking the full potential of its 100% owned highly prospective Boorara and Nimbus projects.

For more information on MacPhersons Resources Limited and to subscribe for regular updates, please visit our website at: www.mrpresources.com.au or contact our Kalgoorlie office on info@mrpresources.com.au or - 08 9068 1300

