



24 August 2016

PURCHASE OF ROYALTIES COMPANY FROM OIL BASINS LIMITED

Ochre Group Holdings Limited (**OGH**) is pleased to announce that it and its wholly-owned subsidiary, Ochre Capital Management Pty Ltd (**Ochre**), have recently entered into an agreement with Oil Basins Limited (**OBL**) relating to the mandate agreement between the parties (**Mandate**), as announced by OBL on 9 August 2016, and the loans totalling \$400,000 (**Loan**) advanced to OBL by Ochre under the Mandate.

Ochre and OBL have negotiated for the Loan to form the consideration for a purchase by OGH or Ochre of OBL's wholly owned subsidiary, Oil Basins Royalties Pty Limited (**OBR**), which holds the following royalties:

- 2% in Vic/P47;
- 2% (effective) in Derby Block EP 487; and
- 2% in Cyrano R3/ R1.

In respect to the Mandate, the parties have agreed to terminate the agreement. However, Ochre remains ready and able to assist Oil Basins with any potential corporate activity, financing or investment opportunities going forward.

The termination of the Mandate and the acquisition of OBR are subject to Ochre completing, to its satisfaction, the necessary due diligence in relation to OBR and the royalties, the drafting and execution of a Sale and Purchase Agreement for the purchase of OBR and both parties obtaining any required approvals relating to the royalty deeds or otherwise.

Yours sincerely,

Trent Franklin
Company Secretary