

FUNDING SECURED TO EXPAND EXPLORATION ACROSS BATTERY AND CRITICAL MINERAL ASSETS

HIGHLIGHTS

- **\$1.75 million to be raised in two tranches of a 24-month convertible note with free attaching options to both new and existing groups of sophisticated and professional investors.**
- **Funds to accelerate exploration and development activities at fully owned battery and critical mineral assets in Western Australia and South Australia.**
- **Investment provides adequate funding to enable the Company to execute its near-term goals.**

OAR Resources Limited (ASX: OAR) ("OAR" or "the Company") is pleased to announce it has secured up to AU\$1.75 million capital through the issue of a Convertible Note, with the funding to be used to accelerate exploration and development activities at its battery and critical minerals projects across its Australian portfolio.

The Convertible Notes will be issued to both new and existing groups of sophisticated and professional investors, in two tranches. Tranche 1 comprising of \$968,000 (968 Convertible Notes at \$1,000 each) will be issued pursuant to the Company's available placement capacity under ASX Listing Rule 7.1. Tranche 1 is expected to be settled by 5 May 2023.

The balance of the funding comprising Tranche 2, \$782,000 (782 Convertible Notes at \$1,000 each) will be issued and paid upon receiving shareholder approval to be sought at a shareholder meeting proposed to be held in June 2023 (EGM). The Company is also proposing to issue investors with free attaching options, to be issued subject to shareholder approval at the EGM.

The development comes after the Company evaluated multiple funding options and concluded the Convertible Note structure was most favourable to execute its near-term strategy of unlocking value from its wholly owned Oar Graphite Project in South Australia and Denchi Lithium Project in Western Australia.

OAR completed the acquisition of the Denchi Lithium Project in November 2022 (see [ASX release dated 3 November 2022](#)) and earlier this year submitted applications for five additional prospective tenements to expand the project area to more than 1,000km² (see [ASX release dated 17 January 2023](#)).

The decision to expand the project area followed field reconnaissance in December 2022 which identified several potential lithium bearing pegmatites outcropping within granites previously mapped by the Geological Survey of Western Australia.

OAR is actively seeking opportunities to develop the Oar Graphite Project, located in the centre of the Eyre Peninsula and contains a combined JORC 2012 Indicated and Inferred Mineral Resource Estimate (MRE) of 13.47Mt @ 3.3% TGC, including 6.31Mt @ 4.7% TGC (refer to Appendix 1).

OAR is planning to undertake a new 5,000m aircore drilling program at the Oar Graphite Project to expand the existing MRE, which remains open along strike and at depth, and to provide fresh samples for the next stage of test work.

The Company has already received Program for Environment Protection and Rehabilitation (PEPR) approval from the Department of Energy and Mining South Australia, and has commenced landholder engagement in preparation for the planned drilling campaign.

OAR Resources, Chief Executive Officer Paul Stephen said:

"With the funding secured we have a clear pathway to undertake and accelerate our exploration and development work at both projects. We are excited at the potential that both the Denchi Lithium and Oar Graphite Projects offer, and the opportunity to execute on additional activities such as drilling, an upgraded JORC Resource, and the commencement of feasibility studies. It's another important milestone in particular the commodities which play such a critical role in the emerging green technology economy and form a key part of OAR's strategy to build a portfolio of assets focused on battery and other critical minerals."

Convertible Notes ("Notes")

The Convertible Notes are unsecured with a face value of \$1,000 each and will be issued in two tranches:

- Tranche 1: 968 Convertible Notes raising \$968,000
- Tranche 2: 782 Convertible Notes raising \$782,000

The Notes have a term of 24 months, with interest payable quarterly at 10% per annum. Noteholders will receive 125 free attaching options per \$1 subscribed. For example, an investor that subscribes for \$100,000 of the Convertible Notes would receive 12,500,000 options. The Options will have an exercise price \$0.007 each expiring 30 June 2026 ("**Options**").

The issue of Tranche 2 Convertible Notes and the free attaching Options will be subject to shareholder approval at the proposed EGM. Subject to meeting ASX Listing Rule requirements and upon receiving shareholders' approval, the Company will apply for these Options to be quoted.

The Convertible Notes can only be converted after three months from their date of issue and convert at the lower of:

- \$0.006
- 15% discount to 15 day VWAP prior to conversion date

Each share issued upon conversion will rank equally with the Company's existing shares on issue. At the end of the term, a Noteholder may elect to redeem the Note and seek repayment of funds advanced, rather than converting to OAR's shares.

GBA Capital acted as Lead Manager to the raising and will be issued 30,000,000 Options exercisable at \$0.007 each expiring 30 June 2026 ("**Broker Options**"). The Broker Options will be issued subject to receipt of shareholder approval at the EGM.

-Ends-

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 (ASX: OAR) is an exploration and development company focused on building and developing a portfolio of fully-owned battery and critical minerals assets. Current assets include the Denchi Lithium Project in the Northern Goldfields of Western Australia, hosting prospective outcropping pegmatites in proximity to Liontown Resources' high-grade Kathleen Valley Lithium Project. The Company is progressing exploration to identify drill targets at the Denchi Project, with a view to declaring a maiden resource as soon as possible.

OAR also holds graphite and other critical mineral tenements on South Australia's Eyre Peninsula.

In addition, OAR holds a range of precious mineral assets including the Crown Nickel-Copper-PGE Project in the Julimar district of Western Australia, near Chalice Mining's world-class Julimar discovery, and a portfolio of 100%-owned gold exploration projects in the highly prospective gold province of Nevada, United States, which hosts several multi-million-ounce deposits. Oar subsidiary Ozinca Peru SAC owns a recently upgraded gold lixiviation plant located close to thousands of small gold mining operations in Southern Peru.

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.

Competent Person's Statement

The information in this ASX Announcement for Oar Resources Limited was compiled by Mr Ross Cameron, a Competent Person, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Cameron is an employee of Oar Resources Limited. Mr Cameron has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity to 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 Cameron consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

OAR confirms it is not aware of any new information or data that materially affects the information included in the market announcement. and in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

All references to original source information are included as footnote and endnote references as indicated throughout the presentation where required.

APPENDIX 1

*Table 1: Indicated and inferred mineral resource table for Oar Graphite Project¹
 (formally known as the Oakdale Graphite Project)*

	CATEGORY	TGC	MT (DRY)	TGC CUTOFF %
OAKDALE	INDICATED	3.6	4.67	0
	INFERRED	3.1	7.18	0
OAKDALE EAST	INFERRED	3.2	1.63	0
TOTAL		3.3	13.47	0
OF WHICH, HIGH GRADE AREAS:				
OAKDALE	INDICATED	4.7	2.69	3
	INFERRED	4.6	2.96	3
OAKDALE EAST	INFERRED	5.1	0.67	3
TOTAL		4.7	6.31	3

¹ Refer to ASX Announcement dated 2 December 2015