Sale of Australian Subsidiary

Iron Bear Resources Limited (ASX: IBR) is pleased to announce that it has entered into a Binding Term Sheet to sell its Australian Subsidiary, Mining International Pty Ltd which owns an interest in tenements comprising the Wee MacGregor Project in Queensland. Details of the project tenements are set out in Appendix 1.

The key terms of the sale are as follows:

- The purchaser is a private company, Copperhead Investments Pty Ltd.
- The sale consideration comprises cash consideration of $300,000 together with a 0.5% net smelter royalty from the production of minerals from the project tenements, subject to the purchaser having a right to buy back the royalty for $500,000.
- The purchaser has paid an initial payment of $75,000 with the final payment due on completion to occur within 90 days.

The disposal of this non-core asset is consistent with the Company's strategy to focus on its flagship Iron Bear Project in Canada.

Approved by the Board of Directors of Iron Bear Resources Ltd (ASX: IBR)

Paul Berend
CEO and Managing Director
Iron Bear Resources Limited

Appendix 1 - Wee MacGregor Project Tenements

Tenement	Permit Name	Status	Authorised Holder	Grant Date	Expiry Date	Area (ha)	Beneficial Interest
ML 2504	Wee MacGregor	Live	Mining International	05/12/1973	30/12/2034	4.04	20%
ML 2771	Lady Ethleen	Live	Mining International	16/08/1989	30/08/2031	9.093	100%
ML 2773	Rosebud	Live	Mining International	16/08/1989	30/08/2031	3.92	20%
ML 90098	Wee MacGregor	Live	Mining International	25/02/1996	22/05/2034	514.6	20%