

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

Update on Barrick Gold offer for Acacia and on the status of OreCorp's acquisition of 100% of the Nyanzaga Project

OreCorp Limited (**OreCorp** or the **Company**) refers to the announcement by Acacia Mining plc (**Acacia**) released on 19 July 2019 (the **Acacia Announcement**) that the boards of Barrick Gold Corporation (**Barrick**) and Acacia have reached agreement on the terms of a recommended offer by Barrick for all of the ordinary share capital of Acacia that Barrick does not already own (the **Recommended Offer**).

OreCorp holds (via a Tanzanian subsidiary) a 25% interest in Nyanzaga Mining Company Limited, the direct Tanzanian holding company of the Nyanzaga Gold Project in Tanzania (the **Nyanzaga Project**). The remaining 75% interest in the Nyanzaga Project is held by subsidiaries of Acacia. As previously announced, OreCorp and Acacia are parties to an agreement whereby, subject to regulatory conditions, OreCorp will hold (via its subsidiary) 100% of the Nyanzaga Project (**Conditional Buy-Out Agreement**).

OreCorp's proposed acquisition of 100% of the Nyanzaga Project is not impacted by the Recommended Offer. The Acacia Announcement states that Acacia's remaining interest in the Nyanzaga Project is excluded from the "Sale Exploration Properties" referred to in the Acacia Announcement, which are proposed to be separately sold as part of the Recommended Offer with the proceeds distributed to existing Acacia shareholders as a special dividend.

As disclosed in OreCorp's June 2019 Quarterly Report released on 15 July, OreCorp recently participated in several constructive meetings with the Minister, Deputy Minister and Permanent Secretary of the Ministry of Minerals and the Chief Executive of the Mining Commission with a view to progressing the regulatory approvals for the Conditional Buy-Out Agreement. These discussions have resulted in the following amendments to the Conditional Buy-Out Agreement:

- (a) the US\$15,000,000 royalty that was to be granted to Acacia has been removed and will be replaced with an additional cash payment of US\$1,500,000. Therefore, the total cash consideration (**Total Consideration**) payable by OreCorp to Acacia will increase from US\$10,000,000 to US\$11,500,000. This will now become payable only upon the later of (i) the grant of a Special Mining Licence for the Nyanzaga Project, and (ii) OreCorp holding 100% of the Nyanzaga Project and net of the Pre-Paid Tax Amount referred to in paragraph (b) below; and
- (b) OreCorp will pre-pay the assessed capital gains tax on the Total Consideration on behalf of Acacia (which is expected to be US\$3,450,000 but remains subject to confirmation from the Tanzania Revenue Authority) (**Pre-Paid Tax Amount**).



ASX RELEASE:
22 July 2019

ASX CODE:
Shares: ORR

BOARD:
Craig Williams
Non-Executive Chairman
Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Mike Klessens
Non-Executive Director

Robert Rigo
Non-Executive Director

Dion Loney
Group Accountant & Company Secretary

ISSUED CAPITAL:
Shares: 217.4 million
Unlisted Options:
7.5 million

ABOUT ORECORP:
OreCorp Limited is a Western Australian based mineral company focussed on the Nyanzaga Gold Project in Tanzania, the Hobbes Gold Project in Western Australia and is seeking a Joint Venture partner for the Akjoujt South Nickel - Copper - Cobalt Project in Mauritania.

These amendments further simplify the structure of the Conditional Buy-out Agreement. OreCorp continues to work with the relevant authorities to progress the approvals required to complete the acquisition of 100% of the Nyanzaga Project. The Company will provide further updates as appropriate.

See Barrick and Acacia announcements:

Dated 19 July 2019; Entitled “Recommended Final Offer For Acacia Mining Plc By Barrick Gold Corporation”

Barrick announcement:

- https://barrick.q4cdn.com/788666289/files/doc_news/2019/07/Acacia-2.7-announcement.pdf

Acacia announcement:

- <https://www.acciamining.com/~media/Files/A/Acacia/press-release/2019/acacia-2-7-announcement.pdf>

For further information please contact:

Matthew Yates

+61 417 953 315

CEO and Managing Director

ABOUT ORECORP LIMITED

OreCorp Limited is a Western Australian based mineral company with gold and base metal projects in Tanzania, Western Australia and Mauritania. OreCorp is listed on the Australian Securities Exchange (ASX) under the code 'ORR'. The Company is well funded with no debt. OreCorp's key projects are the Nyanzaga Gold Project in northwest Tanzania, the Hobbes Project in the Eastern Goldfields of WA and the Akjoujt South Nickel-Copper-Cobalt Project in Mauritania.

Nyanzaga hosts a JORC 2012 compliant Mineral Resource Estimate (MRE) of 3.1 million ounces at 4.0 g/t gold. The MRE is the foundation of a Definitive Feasibility Study for project financing purposes (Project Financing DFS) currently underway. Upon grant of the SML, the Government of Tanzania (GoT) will become an equity holder in the Project, acquiring a free carried interest in accordance with the Tanzanian Mining Act. OreCorp looks forward to the opportunity to develop Tanzania's next large-scale gold mine with the GoT, for the benefit of all stakeholders.

JORC 2012 Compliance Statements

The information in this report relating to the Nyanzaga Project is extracted from the ASX Announcements dated; 12 March 2019 titled "Half Year Accounts", 21 February 2019 titled "Update on Discussions between Barrick and the Government of Tanzania", 24 January 2019 titled "December 2018 Quarterly Report", 22 October 2018 titled "September 2018 Quarterly Report", 6 September 2018 titled "Nyanzaga Project Update - FCC Approval Obtained and Completion Agreement to acquire 100% of the Project Signed", 20 July 2018 titled "Nyanzaga Project Update – Completion of Earn-in Phase and Execution of Conditional Heads of Agreement to acquire 100% of the Project", 25 June 2018 titled "Further update regarding discussions between Barrick and the Government of Tanzania", 30 April 2018 titled "March 2018 Quarterly Report", 19 February 2018 titled "Acacia Press release to LSE Dated 16 February 2018", 14 February 2018 titled "Grant of Environmental Certificate for the Nyanzaga Gold Project", 12 September 2017 titled "Mineral Resource Estimate Update for the Nyanzaga Project in Tanzania Increasing Category and Grade", 10 July 2017 titled "Further Update on Proposed Legislative Changes in Tanzania", 30 June 2017 titled "Proposed Tanzanian Legislative Changes, Infill Drilling Results and Project Update at Nyanzaga", 11 May 2017 titled "Infill Drilling Results Further Demonstrate Outstanding Potential of Nyanzaga Project" and 13 March 2017 titled 'Pre-Feasibility Study Demonstrates Significant Potential of Nyanzaga Gold Project', which are available to view on the Company's website 'orecorp.com.au'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcements referred to above and, in the case of (i) estimates of Mineral Resources, (ii) Metallurgical Testwork and Results, and (iii) Exploration Results in relation to the Nyanzaga Project (Project Results), that all material assumptions and technical parameters underpinning the Project Results in the original announcements referred to above continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original announcements referred to above.

Risk Factors

Many factors, known and unknown could impact on the Company's potential investment in NMCL and the Project itself. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests; risks associated with foreign operations; and governmental and environmental regulation. For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward looking statements contained in this report, see the Company's Annual Report for the year ended 30 June 2017, the Company's Prospectus dated January 2013 as well as the Company's other filings with the Australian Securities Exchange.

Forward Looking Statements

This release contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to pre-feasibility and definitive feasibility studies, the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Prospectus dated January 2013.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

Cautionary Statements

The Pre-Feasibility Study in respect of the Nyanzaga Project referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements is based on moderate accuracy level technical and economic assessments. The PFS is at a lower confidence level than a Feasibility Study and the Mineral Resource Estimate (MRE) which forms the basis for the PFS is not sufficiently defined to allow conversion to an Ore Reserve or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the PFS will be realised. The PFS includes a financial analysis based on reasonable assumptions on the Modifying Factors, among other relevant factors, and a competent person has determined that, based on the content of the PFS, none of the Mineral Resources may be converted to an Ore Reserve at this time. Further, the financial analysis in the PFS is conceptual in nature and should not be used as a guide for investment.

88% of the existing MRE in respect of the Nyanzaga Project is in the Indicated and Measured categories, with the balance of 12% classified in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements will be realised.

The consideration of the application of all JORC modifying factors is well advanced, including mining studies, processing and metallurgical studies, grant of the EC, lodgement of the Special Mining Licence Application and other key permits required from the government. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the Project.

All material assumptions on which the forecast financial information is based, are referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements.