



**FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2016**

ABN 24 147 917 299

CORPORATE DIRECTORY

Directors

Mr Craig Williams – Non-Executive Chairman
Mr Matthew Yates – CEO & Managing Director
Mr Alastair Morrison – Non-Executive Director
Mr Michael Klessens – Non-Executive Director
Mr Robert Rigo – Non-Executive Director

CFO & Company Secretary

Mr Luke Watson

Registered and Principal Office

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Share Register

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Stock Exchange Listing

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Perth WA 6000

ASX Code:

ORR – Ordinary Shares

Solicitors

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Level 27, Exchange Plaza
2 The Esplanade
Perth WA 6000

Auditor

Deloitte Touche Tohmatsu
Tower 2, Brookfield Place
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Perth WA 6000

Bankers

Westpac Limited
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DIRECTORS' REPORT

The Directors of OreCorp Limited present their report on the Consolidated Entity consisting of OreCorp Limited ('the Company' or 'OreCorp') and the entities it controlled at the end of, or during the half year ended 31 December 2016 ('Consolidated Entity' or 'Group').

DIRECTORS

The names of the directors in office at any time during the half year and until the date of this report are:

Mr Craig Williams	Non-Executive Chairman
Mr Matthew Yates	Chief Executive Officer & Managing Director
Mr Alastair Morrison	Non-Executive Director
Mr Michael Klessens	Non-Executive Director
Mr Robert Rigo	Non-Executive Director

All Directors held their office from 1 July 2016 until the date of this report.

REVIEW OF OPERATIONS AND ACTIVITIES

The operating loss of the Consolidated Entity for the half year ended 31 December 2016 was \$5,692,426 (2015: \$1,070,108). This loss is largely attributable to the Consolidated Entity's accounting policy of expensing exploration and evaluation expenditure incurred by the Consolidated Entity subsequent to the initial acquisition of the rights to explore and up to the successful completion of definitive feasibility studies (see Note 1(b)). During the half year, exploration expenditure totalled \$5,181,165 (2015: \$852,804).

The significant increase in exploration expenditure during the period, as compared to the 31 December 2015 half year, reflects the increase in work performed on the Nyanzaga Project (**Nyanzaga** or **Project**), including completion of the scoping study (**Scoping Study** or **Study**) and considerable progress of the Pre-Feasibility Study (**PFS**), as further discussed below.

The abovementioned numbers and the financial report are presented in Australian dollars.

During the period:

- In August 2016, the Scoping Study for Nyanzaga was completed and indicated the outstanding potential of the Project;
- The PFS was well advanced and is on schedule to be completed during Q1 2017. OreCorp anticipates that it will progress to a Definitive Feasibility Study (**DFS**); and
- Assays were received from the reconnaissance regional soil program in Mauritania. Results from follow up mapping, regional and infill soil sampling, trenching and three ground magnetic surveys over three new areas did not identify any additional targets. Future work will therefore continue to focus on Anomaly 5. Subsequent to the end of the period, ground and down hole electromagnetic (**EM**) surveys have commenced on Anomaly 5, ahead of further drilling.

DIRECTORS' REPORT

(Continued)

REVIEW OF OPERATIONS AND ACTIVITIES (Continued)

Exploration and Evaluation Activities

Tanzania

Nyanzaga Project (Gold) [OreCorp Earning up to 51%]

On 22 September 2015, the Company announced that it had entered into a binding earn-in and joint venture (JV) agreement with Acacia Mining plc (**Acacia**) to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania (**Figure 1**).

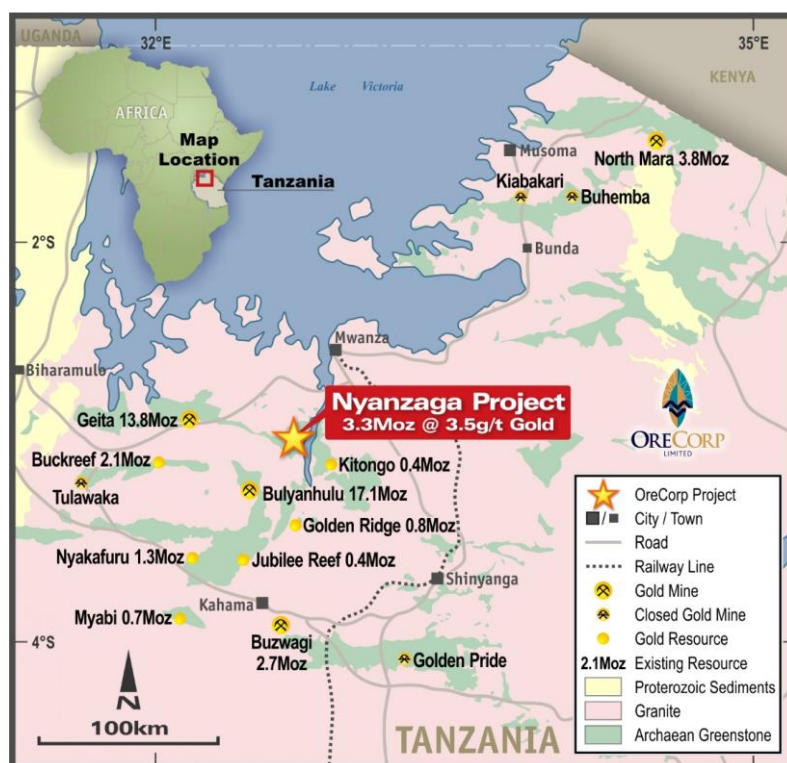


Figure 1: Lake Victoria Goldfields, Tanzania – Existing Resources

The Nyanzaga Project comprises 27 contiguous Prospecting Licences covering a combined area of 271km². In addition to the Nyanzaga deposit, there are a number of other exploration prospects within the JV tenements.

Pre-Feasibility Study (PFS)

The PFS is progressing well and is on schedule to be completed in the March quarter 2017. Lycopodium Minerals Pty Ltd (**Lycopodium**) is leading the Study that is utilising a suite of consultants to complete the various PFS disciplines.

Geology and Resource Estimation

An infill RC and diamond drilling program of approximately 13,000m commenced during the half-year. The program is approximately 50% completed and it is anticipated that drilling will be concluded in Q2 2017. The PFS will therefore utilise the current Mineral Resource Estimate (**MRE**) of 29.8Mt @ 3.48g/t Au for 3.33Moz as shown in table 1 below. A revised MRE will be completed once the infill drilling has concluded and all assay results have been received. A sterilisation RC and Aircore drilling program totalling 12,659m has been substantially completed to confirm the positions of critical surface infrastructure. Final assay results are awaited.

OreCorp Limited – Nyanzaga Gold Project – Tanzania			
Mineral Resource Estimate as at 10 August, 2016			
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	2.93	3.77	0.356
Indicated	21.77	3.45	2.416
Sub-Total M & I	24.70	3.49	2.772
Inferred	5.10	3.49	0.572
Total	29.80	3.49	3.344
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with subcell block modelling. Gold grade estimated using Ordinary Kriging using a 10 x 10 x 10m estimation panel and Uniform Conditioning followed by Localisation to simulate 2.5 x 2.5 x 5m selectivity. Totals may not add up due to appropriate rounding of the MRE			

Table 1: Nyanzaga Gold Project – Updated Mineral Resource Estimate

Mining Engineering

Mining Plus has made significant progress in line with the PFS schedule requirements. The key activities for the half-year included:

- Completion of a geotechnical review with a view to finalising wall angles for the open pit;
- Design of a geotechnical drilling program that will be undertaken as part of the DFS;
- Open pit/underground trade-off study and pit selection, assessing the depth of the open pit and the timing for commencement of underground mining;
- Development of a combined (open pit and underground) mining schedule, detailed by ore type; and
- Preparation of mining capital and operating cost estimates.

Metallurgy Testwork, Process Engineering and Comminution

Lycopodium continued with the following key study aspects:

- Metallurgical Testwork - a detailed metallurgical testwork programme commenced during the half-year, focussing on the following:
 - Bulk leach extractable gold (**BLEG**) testwork.
 - Mineralisation type composite tests were performed on oxide as well as the three main primary mineralisation types (sandstone, mudstone and chert). The program included detailed head assay analysis, grind establishment, diagnostic leach, preg robbing, grind optimisation and flotation tests. Further optimisation testwork will be performed on the mineralisation type composites during the completion of the PFS, followed by master composite and variability testwork.
 - Tailings samples were prepared for further testing by Knight Piesold for purposes of the Tailings Storage Facility (**TSF**) design and Quattro PE for the proposed pastefill design.
- Comminution Design - Orway Mineral Consultants (**OMC**), appointed by Lycopodium, completed the comminution design. The design aims to provide power modelling and major equipment selection for a 4mtpa (500tph) plant, examining different grind sizes.

Tailings and Surface Water Management

Knight Piesold completed design, cost estimate and site selection for the TSF. The TSF design is based on an ultimate capacity of approximately 45-50 million tonnes.

DIRECTORS' REPORT (Continued)

Hydrogeology

The hydrogeology study review has been completed and further hydrogeological investigations are scheduled for H1 2017, including a hydrogeological field investigation, further de-watering/depressurisation assessments and a hydrogeological regional impact assessment. Several additional monitoring bores will also be drilled.

Environmental Social Impact Assessment (ESIA)

The ESIA is being undertaken by MTL Consulting (Tanzania) Ltd in two phases: Scoping Phase (Phase 1) and the Environmental Impact Assessment Phase (Phase 2). During the half-year the Scoping Report and Terms of Reference for the ESIA were finalised and submitted to the National Environment Management Council (NEMC). Preparations and planning for the commencement of the wet season baseline studies in Q1 are in place.

Regional Targets & Prospectivity

Exploration has identified gold anomalism at a suite of prospects on the JV tenements within a 13km radius of the Nyanzaga Deposit.

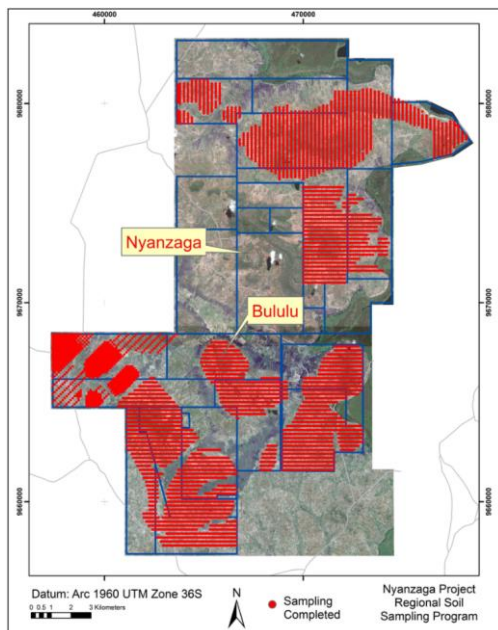
Regional Soil Sampling Results

During 2016 OreCorp completed a regional soil sampling program collecting a total of 8,836 soils (including QAQC samples) (**Figure 2**). The sampling aimed to infill existing anomalism and provide coverage over otherwise unsampled areas within the Project (refer to ASX release dated 20 January 2017).

Highlights from the program include:

- Twenty distinct gold-in-soil anomalies delineated in the Project area, including ten previously undefined anomalies (**Figure 3**);
- Peak gold-in-soil value of 4.96 g/t gold recorded;
- Six anomalies identified have strike extents of greater than 1km long at gold-in-soil values of greater than 20ppb; and
- The Nyamigono-Ifugandi-Kasubuya trend in the southwest of the Project has continuous gold-in-soil anomalism confirmed over 10km of strike.

This is an encouraging set of prospects, which OreCorp will rank and prioritise for drill testing in the 2017 dry season.



**Figure 2: Bululu Prospect Location Plan
with 2016 Regional Soil Sampling**

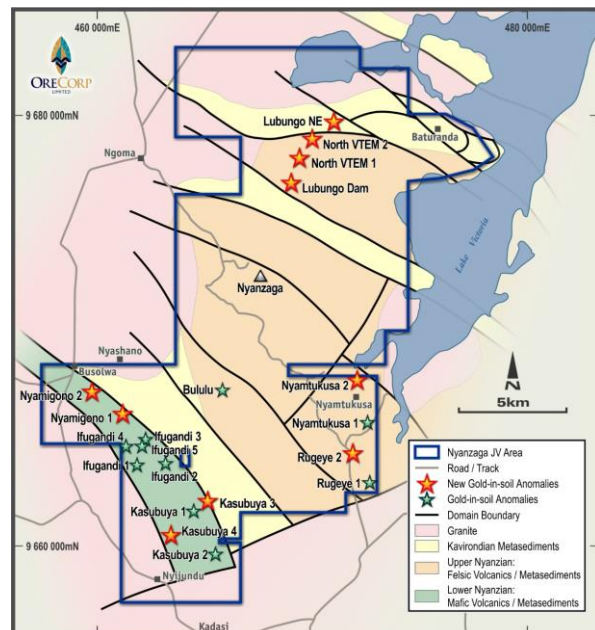


Figure 3: Nyanzaga Soil Sampling Results

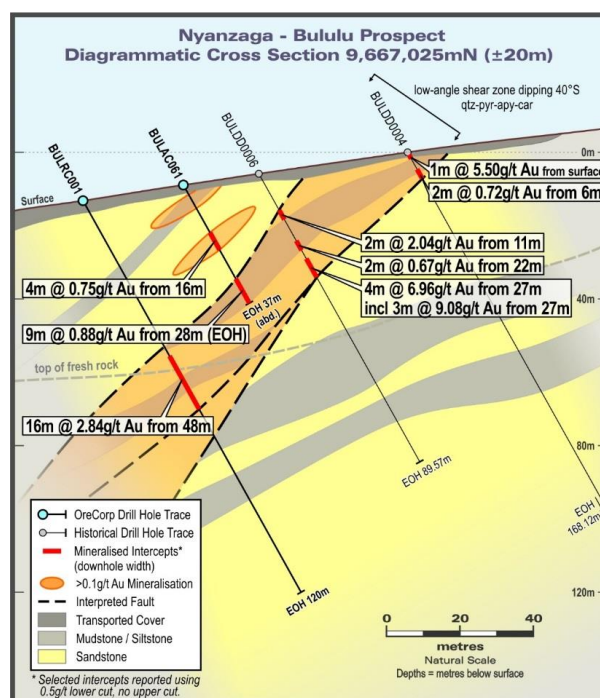


Figure 4: Bululu Prospect – Section 9,667,025mN

Bululu

Exploration drilling was undertaken at Bululu, located approximately six kilometres south of Nyanzaga (Figure 2).

Historical work had intersected shallow high grade gold mineralisation in three holes; 3m @ 9.1g/t gold from 27m (BULDD006), 6m @ 2.2g/t gold from 21m (BULDD001), and 2m @ 1.0g/t gold from 46m and 2m @ 1.5g/t gold from 65m (BULDD002). Refer to ASX release dated 16 December 2016.

A total of 61 angled aircore holes and 1 reverse circulation hole were drilled on four northeast-southwest orientated sections covering 600m of strike and up to 120m down-dip (total program 3,026 metres).

The drilling intersected significant gold mineralisation at shallow depths over broad widths. The highlights of the drilling are as follows:

- Gold mineralisation identified from surface and at shallow depths;
- Drill intercepts up to 16m down hole width, with a peak gold value of 5.35g/t gold;
- Mineralisation confirmed over a 250m strike length within a shallowly dipping shear zone, and open to the south-west on section;
- Better drill intercepts include:
 - BULRC001 - 16m @ 2.84g/t gold from 48m, including 8m @ 4.01 g/t gold from 56m (Figure 4)
 - BULAC026 - 8m @ 1.51g/t gold from 24m
 - BULAC061 - 4m @ 0.75 g/t gold from 16m and 9m @ 0.88 g/t gold from 28m to the end of hole (Figure 4)
 - BULAC024 - 4m @ 1.10 g/t gold from surface
 - BULAC023 - 8m @ 0.79g/t gold from 4m;
- Extends mineralisation 80m down-dip of historical diamond drilling intercepts in BULDD006 and is still open; and
- Supports the Company strategy of targeting shallow high grade mineralisation proximal to Nyanzaga.

DIRECTORS' REPORT

(Continued)

Future Work

The Company is focussed on concluding the PFS in Q1 2017, with the aim of progressing to the DFS. Infill RC and diamond drilling will continue into Q2 and will lead to a further revision of the current MRE.

As part of the feasibility studies, geotechnical and hydrogeological drilling will be completed. The sterilisation drilling will be concluded in H1 2017, to confirm the positions of critical surface infrastructure. The Company will also complete the wet season environmental work ahead of lodging the ESIA report in H1 2017.

Regional exploration will continue with a view to delineating and refining targets for drill testing in 2017. Stakeholder engagement will continue throughout the coming months as the Company advances toward the lodgement of the Special Mining Licence Application.

Mauritania

Akjoujt South Project (Nickel - Copper: 90% interest in Licences 1415 & 1416, granted)

The Akjoujt South Project comprises two licences (1415 and 1416) and covers 460km². The licences were renewed for a period of three years, effective from July 2015. An application has been lodged covering 136km² immediately to the north of licence 1415 and Anomaly 5 (**Figure 5**).

Anomaly 5 was identified in a regional soil sampling program which generated an anomalous soil sample of 0.26% nickel and 0.23% copper. The anomalism is associated with an intrusive body and alteration assemblage. Subsequent mapping, infill sampling and trenching, an Induced Polarisation/resistivity (IP/res) survey, and diamond drilling identified a significant zone of anomalism approximately 1.6km long.

Work during the half-year included regional soil geochemical sampling, geological mapping, trenching (ASPTR010 – ASPTR021 for 2,806m), and three ground magnetic surveys over new targets (Survey Areas 2-4).

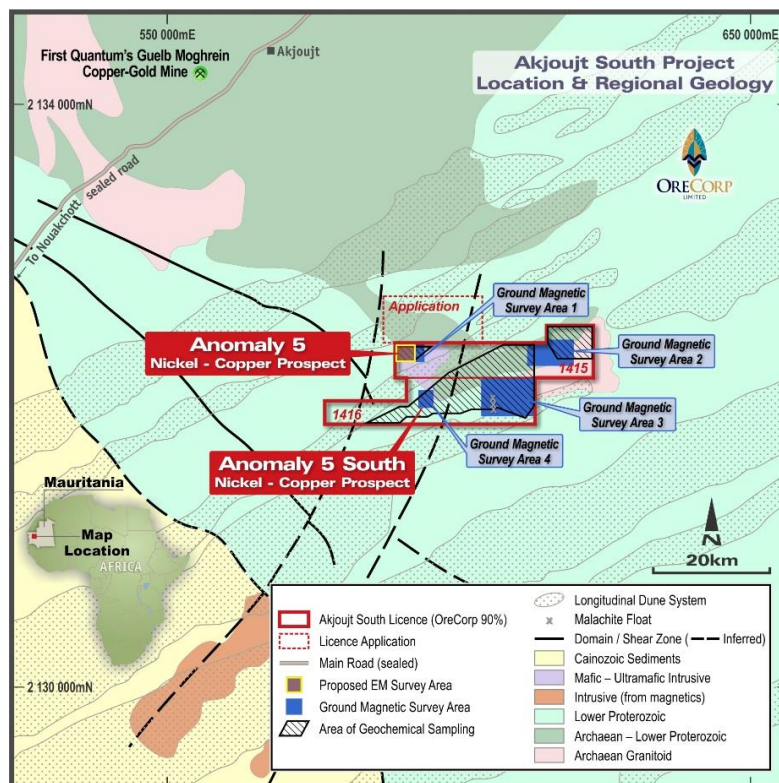


Figure 5: Akjoujt South Project – Geology and Geochemistry with Geophysical Survey Areas

Future Work

A moving loop EM (**MLEM**) ground survey utilising a 200m x 200m transmitter loop, and two downhole EM (**DHEM**) surveys, has commenced in Q1 2017. The survey will cover an area of approximately 900m x 1,000m within the Anomaly 5 Prospect area. If the results from the survey are positive, then further drilling will be considered.

A second MLEM survey, over an area of 500m x 600m, will be positioned over trench 9, located approximately 3km northeast of Anomaly 5. The Trench 9 MLEM survey area will follow up highly anomalous trench geochemistry results (4m @ 0.44% Ni and 0.24% Cu) which were not replicated in diamond drill hole ASPDD0006.

Australia

Cheriton's East Project (Au-Ni-Cu: OreCorp 100% in Licence E77/1223)

The Company is still considering its options for this project. Other than desk-top reviews, no work was completed at Cheriton's East during the period.

Corporate

The Company remains in a strong financial position with approximately \$12.3m cash and no debt as at 31 December 2016.

Business Strategies and Prospects

The Consolidated Entity currently has the following business strategies and prospects over the medium to long term:

- (i) To complete the PFS on the Nyanzaga Project and progress to a DFS. This will potentially enable the Company to achieve its strategic objective of ultimately becoming a gold producer;
- (ii) Seek to maximise the value of the Consolidated Entity's portfolio of exploration assets in Africa; and
- (iii) Evaluate advanced exploration, development and production opportunities should they arise and if they enhance shareholder value.

SIGNIFICANT POST BALANCE DATE EVENTS

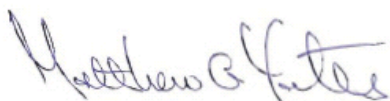
There were no significant events occurring after balance date requiring disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on page 21 of the half year report.

This report is made in accordance with a resolution of the directors made pursuant to section 306(3) of the *Corporations Act 2001*.

For and on behalf of the Directors



MATTHEW YATES

Chief Executive Officer & Managing Director

7 March 2017

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
FOR THE HALF YEAR ENDED 31 DECEMBER 2016

		Consolidated Half Year Ended	
	Notes	31 Dec 2016 \$	31 Dec 2015 \$
Revenue	2	108,327	23,153
Other income	2	116,322	276,829
Corporate and administration costs		(554,575)	(305,762)
Exploration and evaluation costs		(5,181,165)	(852,804)
Business development costs		(86,909)	(210,683)
Other expenses	3(b)	(94,426)	(841)
Loss before tax		(5,692,426)	(1,070,108)
Income tax expense		-	-
Loss for the period		(5,692,426)	(1,070,108)
Other comprehensive income, net of income tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Transferred to profit or loss on windup of subsidiary		-	(28,722)
Exchange differences arising on translation of foreign operations		(16,442)	(9,310)
Other comprehensive income/(loss) for the period, net of income tax		(16,442)	(38,032)
Total comprehensive (loss) for the period		(5,708,868)	(1,108,140)
Total comprehensive loss attributable to members of the parent		(5,708,868)	(1,108,140)
Earnings per share			
Weighted average number of shares		173,412,820	113,412,820
Basic loss per share (cents per share)		(3.28)	(0.98)
Diluted loss per share (cents per share)		(3.28)	(0.98)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016



		Consolidated	
		31 Dec 2016	30 Jun 2016
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		12,335,755	17,270,215
Trade and other receivables		317,024	132,875
Total Current Assets		12,652,779	17,403,090
Non-current Assets			
Property, plant and equipment	4	334,407	274,357
Exploration and evaluation assets	5	1,388,503	1,460,397
Total Non-current Assets		1,722,910	1,734,754
TOTAL ASSETS		14,375,689	19,137,844
LIABILITIES			
Current Liabilities			
Trade and other payables		785,875	299,162
Provisions		77,971	61,158
Total Current Liabilities		863,846	360,320
TOTAL LIABILITIES		863,846	360,320
NET ASSETS		13,511,843	18,777,524
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	6	35,853,166	35,853,166
Reserves	7	991,445	564,700
Accumulated losses		(23,332,768)	(17,640,342)
TOTAL EQUITY		13,511,843	18,777,524

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2016

	Consolidated Half Year Ended	
	31 Dec 2016	31 Dec 2015
	\$	\$
Cash flows from operating activities		
Interest received	108,809	30,026
Payments to suppliers and employees	(5,011,491)	(1,122,590)
Net cash outflow from operating activities	(4,902,682)	(1,092,564)
Cash flows from investing activities		
Purchase of property, plant and equipment	(132,149)	(290,334)
Purchase of exploration and evaluation assets	-	(1,425,923)
Net cash outflow from investing activities	(132,149)	(1,716,257)
Net decrease in cash and cash equivalents held	(5,034,831)	(2,808,821)
Foreign exchange movement on cash and cash equivalents	100,371	240,721
Cash and cash equivalents at the beginning of the financial period	17,270,215	6,999,649
Cash and cash equivalents at the end of the financial period	12,335,755	4,431,549

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2016



	Issued Capital \$	Share Based Payments Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2015	20,620,540	429,500	129,294	(14,036,471)	7,142,863
Loss for the period	-	-	-	(1,070,108)	(1,070,108)
Other comprehensive income:					
Transferred to P&L on windup of subsidiary	-	-	(28,722)	-	(28,722)
Exchange differences arising on translation of foreign operations, net of income tax	-	-	(9,310)	-	(9,310)
Total comprehensive income/(loss) for the period	-	-	(38,032)	(1,070,108)	(1,108,140)
Balance at 31 December 2015	20,620,540	429,500	91,262	(15,106,579)	6,034,724
Balance at 1 July 2016	35,853,166	447,454	117,246	(17,640,342)	18,777,524
Loss for the period	-	-	-	(5,692,426)	(5,692,426)
Other comprehensive income:					
Exchange differences arising on translation of foreign operations, net of income tax	-	-	(16,442)	-	(16,442)
Total comprehensive income/(loss) for the period	-	-	(16,442)	(5,692,426)	(5,708,868)
Transactions with owners, recorded directly in equity					
Share based payments	-	443,187	-	-	443,187
Balance at 31 December 2016	35,853,166	890,641	100,804	(23,332,768)	13,511,843

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2016

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

OreCorp Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The interim financial report of the Company for the half year ended 31 December 2016 was authorised for issue in accordance with a resolution of the Directors on page 18.

(a) Basis of Preparation of the Half Year Financial Report

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2016, other than as detailed below.

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half year.

(b) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Where the group acquires an area of interest (through direct purchase or purchase of an entity), expenditure incurred in the acquisition of the area of interest is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition.

Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred up to the successful completion of definitive feasibility studies. Expenditure in relation to the preparation of definitive feasibility studies is expensed as incurred.

Capitalised exploration is only carried forward if the Company has rights to tenure and the Company expects to recoup the expenditures through successful development or sale.

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Amendments to AASBs and the new Interpretation that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported or the disclosures for the current or prior half years.

	Consolidated Half Year Ended	
	31 Dec 2016	31 Dec 2015
	\$	\$
2. REVENUE AND OTHER INCOME FROM CONTINUING OPERATIONS		
Revenue		
Interest revenue	108,327	23,153
Total revenue	108,327	23,153
Other Income		
Foreign exchange gain	116,322	276,829
Total other income	116,322	276,829
3. EXPENSES AND LOSSES FROM CONTINUING OPERATIONS		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
(a) Depreciation		
Depreciation of property, plant and equipment	61,527	45,746
	61,527	46,746
(b) Other expenses		
Foreign exchange loss	-	841
Impairment of exploration and evaluation assets	34,390	-
Provision for impairment of VAT receivable	40,011	-
Write-off of plant and equipment	20,025	-
	94,426	841

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2016
(Continued)

	Consolidated	
	31 Dec 2016	30 Jun 2016
	\$	\$
4. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT		
<i>Plant and equipment</i>		
Cost	471,841	566,702
Accumulated depreciation	(137,434)	(292,345)
Net carrying amount	334,407	274,357
<i>Reconciliation</i>		
Carrying amount at beginning of period	274,357	65,730
Additions	132,149	293,785
Net written down value of plant and equipment written off	(20,025)	-
Depreciation charge for the period	(61,527)	(80,101)
Foreign exchange movement on plant and equipment	9,453	(5,057)
Carrying amount at end of the period, net of accumulated depreciation and impairment	334,407	274,357

	Consolidated	
	31 Dec 2016	30 Jun 2016
	\$	\$
5. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS		
<i>Exploration & Evaluation Assets</i>		
Nyanzaga Project, Tanzania	1,388,503	1,425,923
Misasi Project, Tanzania	-	5,392
Cheriton's East Project, Australia	-	29,082
Net carrying amount	1,388,503	1,460,397
<i>Reconciliation - Exploration & Evaluation Assets</i>		
Carrying amount at beginning of period	1,460,397	29,082
Add acquisition of exploration and evaluation assets during the period ⁽¹⁾	-	1,431,315
Less provision for impairment ⁽²⁾	(34,390)	-
Foreign exchange movement on exploration and evaluation assets	(37,504)	-
Carrying amount of Exploration and Evaluation Assets at end of year, net of impairment	1,388,503	1,460,397

5. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS (Continued)

Notes

- (1) During the prior year, the Company announced that it had entered into a binding joint venture agreement (JV) with Acacia Mining plc to earn an interest in the Nyanzaga Gold Project (Nyanzaga or the Project) in northwest Tanzania. Pursuant to the JV Agreement, in October 2015 the Company made an initial upfront payment of US\$1 million (A\$1,425,923) to Acacia Mining and as a result, earned a 5% interest in the Project. In August 2016, the Company announced the Scoping Study results for the Nyanzaga Project and, as a result, earned a further 5% interest in the Project to move to a 10% interest.
- (2) During the period, the Company impaired:
- the carrying value of the Misasi Project in Tanzania, on the basis that an application for surrender of the Misasi Project licence was lodged in November 2016; and
 - the remaining carrying value of the Cheriton's East Project in Australia, as the licence is due to expire in March 2017 and the Company is considering its options in respect of this project.

	Consolidated	
	31 Dec 2016	30 Jun 2016
	\$	\$
6. ISSUED CAPITAL		
(a) Issued and Paid Up Capital		
173,412,820 (30 June 2016: 173,412,820) fully paid ordinary shares	35,853,166	35,853,166

(b) Issues, repurchases and repayments of issued capital

There were no movements in the issued capital of the Company in either the current or the prior half year periods ended 31 December.

	Consolidated	
	31 Dec 2016	30 Jun 2016
	\$	\$
7. RESERVES		
(a) Reserves		
Share Based Payments Reserve		
Nil (30 June 2016: Nil) \$0.2667 Unlisted Options	429,500	429,500
2,985,000 (30 June 2016: 2,985,000) \$0.41 Unlisted Options	183,713	8,612
2,800,000 (30 June 2016: 2,800,000) \$0.45 Unlisted Options	108,893	5,104
2,750,000 (30 June 2016: 2,750,000) \$0.50 Unlisted Options	90,411	4,238
250,000 (30 June 2016: Nil) \$0.50 Unlisted Options	38,572	-
250,000 (30 June 2016: Nil) \$0.60 Unlisted Options	11,171	-
250,000 (30 June 2016: Nil) \$0.70 Unlisted Options	6,864	-
250,000 (30 June 2016: Nil) \$0.80 Unlisted Options	5,844	-
100,000 (30 June 2016: Nil) \$0.75 Unlisted Options	7,266	-
100,000 (30 June 2016: Nil) \$0.85 Unlisted Options	4,528	-
100,000 (30 June 2016: Nil) \$0.95 Unlisted Options	3,879	-
	890,641	447,454
Foreign Currency Translation Reserve		
Currency translation differences	100,804	117,246
Total Reserves	991,445	564,700

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2016 (Continued)

7. RESERVES (Continued)

(b) Issues, repurchases and repayments of share options

On 2 September 2016, the Company granted 1,300,000 unlisted options under the Employee Option Acquisition Plan to key employees, as follows:

- (1) 250,000 unlisted options at an exercise price of \$0.50 each that expire on 23 June 2019 at a fair value of \$0.27 per unlisted option;
- (2) 250,000 unlisted options at an exercise price of \$0.60 each that expire on 23 June 2019 at a fair value of \$0.248 per unlisted option;
- (3) 250,000 unlisted options at an exercise price of \$0.70 each that expire on 31 August 2020 at a fair value of \$0.278 per unlisted option;
- (4) 250,000 unlisted options at an exercise price of \$0.80 each that expire on 31 December 2021 at a fair value of \$0.308 per unlisted option;
- (5) 100,000 unlisted options at an exercise price of \$0.75 each that expire on 23 June 2019 at a fair value of \$0.221 per unlisted option;
- (6) 100,000 unlisted options at an exercise price of \$0.85 each that expire on 23 June 2019 at a fair value of \$0.206 per unlisted option; and
- (7) 100,000 unlisted options at an exercise price of \$0.95 each that expire on 31 May 2020 at a fair value of \$0.236 per unlisted option.

There were no movements in share options in the half year to 31 December 2015.

8. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Consolidated Entity operates in one operating segment and one geographical segment, being mineral exploration in Africa. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity.

9. CONTROLLED ENTITIES

All controlled entities are included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity. The financial year end of the controlled entities is the same as that of the parent entity, except for the Mauritanian entity which is required by local law to use a 31 December year end (note – special purpose IFRS Accounts are maintained for the purposes of the consolidated financial statements).

9. CONTROLLED ENTITIES (Continued)

Name of Controlled Entity	Place of Incorporation	% of Shares Held Dec 2016	% of Shares Held Jun 2016
OreCorp International Pty Ltd	Australia	100%	100%
OreCorp Resources Pty Ltd	Australia	100%	100%
OreCorp Mauritania SARL	Mauritania	100%	100%
OreCorp Africa Pty Ltd	Australia	100%	100%
OreCorp East Africa Limited ¹	Tanzania	100%	-
OreCorp REE Pty Ltd	Australia	100%	100%
Silverstone Minerals Pty Ltd	Australia	100%	100%
OreCorp Mining Mauritius Ltd	Mauritius	100%	100%
OreCorp Tanzania Limited	Tanzania	100%	100%

Note

(1) Incorporated in August 2016.

10. INTEREST IN OTHER ENTITIES

Joint Venture	Activity	Interest at 31 Dec 2016	Interest at 30 Jun 2016
Nyanzaga Project – Tanzania ⁽¹⁾	Gold Exploration	10%	5%
Akjoujt South Project - Mauritania	Copper - Nickel Exploration	90%	90%

Notes

(1) In August 2016, the Company announced the Scoping Study results for the Nyanzaga Project and, as a result, earned a further 5% interest in the Project to move to a 10% interest.

11. COMMITMENTS FOR EXPENDITURE

	Consolidated Half Year Ended	
	31 Dec 2016	31 Dec 2015
	\$	\$
Not longer than 1 year	3,074,894	1,170,839
Longer than 1 year and not longer than 5 years	68,883	31,609
	3,143,777	1,202,448

12. CONTINGENT LIABILITIES

As at 31 December 2016 and 30 June 2016, the Group did not have any contingent liabilities.

13. SIGNIFICANT POST BALANCE DATE EVENTS

There were no significant events occurring after balance date requiring disclosure.

DIRECTORS' DECLARATION

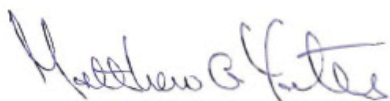
In accordance with a resolution of the Directors of OreCorp Limited:

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of Consolidated Entity's financial position as at 31 December 2016 and its performance for the half year ended on that date.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Board

A handwritten signature in blue ink, appearing to read 'Matthew Yates', is written over a light blue horizontal line.

MATTHEW YATES

Chief Executive Officer & Managing Director

7 March 2017



Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the members of OreCorp Limited

We have reviewed the accompanying half-year financial report of OreCorp Limited, which comprises the condensed statement of financial position as at 31 December 2016, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 8 to 18.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the OreCorp Limited's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of OreCorp Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

INDEPENDENT AUDITOR'S REPORT

(Continued)

Deloitte.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of OreCorp Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of OreCorp Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU



Ian Skelton

Partner

Chartered Accountants

Perth, 7 March 2017

AUDITOR'S INDEPENDENCE DECLARATION



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The Directors
OreCorp Limited
Ground Floor, 516 Hay Street
Subiaco WA 6008

7 March 2017

Dear Board Members,

OreCorp Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of OreCorp Limited.

As lead audit partner for the review of the financial statements of OreCorp Limited for the half year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

A handwritten signature in blue ink, appearing to read "Ian Skelton", written over a stylized blue line.

Ian Skelton
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.
Member of Deloitte Touche Tohmatsu Limited

DISCLAIMER/FORWARD LOOKING STATEMENTS

The purpose of this report is to provide general information about OreCorp Limited. It is not recommended that any person makes any investment decision in relation to the Company based solely on this report. This report does not necessarily contain all information which may be material to the making of a decision in relation to the Company. Any investor should make its own independent assessment and determination as to the Company's prospects prior to making any investment decision, and should not rely on the information in this report for that purpose.

This report contains certain statements which may constitute 'forward-looking statements'. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. No representation or warranty, express or implied, is made by the Company that the matters stated in this report will be achieved or prove to be correct.

The Company does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this document. Recipients of this document should carefully consider whether the securities issued by the Company are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

Except for statutory liability which cannot be excluded, the Company, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this report and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this report or any error or omission there from. The Company accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this report or any other information made available to a person nor any obligation to furnish the person with any further information.

JORC 2012 COMPLIANCE STATEMENTS

Nyanzaga Project Update

The information in this report relating to the Nyanzaga Project is extracted from the ASX Announcements dated; 20 January 2017 titled 'Encouraging Regional Soil Sampling Gold Results, Nyanzaga Project, Tanzania', 16 December 2016 titled 'Significant Gold Drill Intercepts from Bululu Prospect, Nyanzaga Project, Tanzania' and 10 August 2016 titled 'Scoping Study Confirms Outstanding Potential of Nyanzaga Project & Delivers MRE Upgrade' 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 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 Announcements referred to above.

Akjoujt South Project

The information in this report relating to the Akjoujt South Project is extracted from the following original ASX Announcements dated; 30 January 2017 titled 'December 2016 Quarterly Activities and Cash Flow Report', 2 August 2016 titled 'Significant Nickel-Copper Drill Intercepts from Akjoujt South Project, Mauritania' and 1 July 2016 titled 'Drilling Update and Ground Magnetic Anomalies Identified', 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 original ASX Announcements referred to above and, in the case of Exploration Results, that all material assumptions and technical parameters underpinning the Exploration Results in the original ASX Announcements referred to above continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX Announcements referred to above.



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