

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE:

December 2013 Quarterly Report

The Board of OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 31 December 2013. Highlights include:

Ethiopia

Yubdo - Ursa Project

- Infill geochemical sampling at Tulu Kapi South has been completed and detailed mapping and trenching has commenced.
- Surface sampling has been completed on the regional targets at Yubdo West (YUR1-5) and the results are pending.

Werri River Project

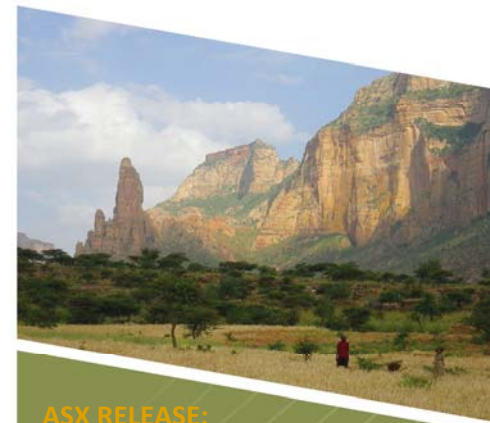
- Infill sampling, channel sampling, trenching and mapping was completed in the northeastern portion of the licence.
- The infill sampling has refined the two existing anomalies and identified a third, which comprises three zones up to 2.8 kilometres in length and 400m wide with gold-in-soil values of up to 238 ppb.
- Trenching over the existing gold-in-soil anomalies revealed anomalism of up to 5m @ 0.39 g/t gold.

Corporate

- The Company pursued several project opportunities in Africa. This work is ongoing and the Board will continue to identify and evaluate new project opportunities which can enhance shareholder value.
- The Company remains in a strong financial position with approximately \$8.8m cash and no debt.
- Matthew Yates will be attending the Mining Indaba in Cape Town in February to promote the Company and identify further project and corporate opportunities.

For further information please contact:

Matthew Yates
CEO & Managing Director
Mobile: +61 (0) 417 953 315



ASX RELEASE:

24 January 2014

ASX CODE:

Shares: ORR

Listed Options: ORRO

BOARD & MANAGEMENT:

Craig Williams
Non-Executive Chairman

Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Mike Klessens
Non-Executive Director

Luke Watson
CFO & Company Secretary

ISSUED CAPITAL:

Shares: 113.4 million

Listed Options: 5.9 million

Unlisted Options: 7.1 million

ABOUT ORECORP:

OreCorp Limited is a Western Australian based mineral company with gold & base metal projects in Ethiopia and Mauritania.

ETHIOPIA

Yubdo - Ursa Project (Au-Ni-Cu-Cr-PGE: OreCorp 100% in Licences 243 & 244)

The Project covers approximately 400km² of Ethiopia's Western Greenstone Belt, adjacent to Nyota Mineral's Tulu Kapi Project (**Figure 1**), which hosts a resource of 1.9 million ounces @ 2.34 g/t gold (refer Nyota Minerals' ASX release dated 9 October 2012). Previous work by OreCorp has identified gold, nickel, chromium and platinum anomalism at Yubdo - Ursa.

Work completed during the quarter at the Yubdo West Prospect included infill soil sampling at Tulu Kapi South and the regional targets YUR 1-5. Assay results from this work are pending. Trenching and detailed mapping at Tulu Kapi South commenced in January 2014. Further mapping and trenching is planned at Yubdo West.

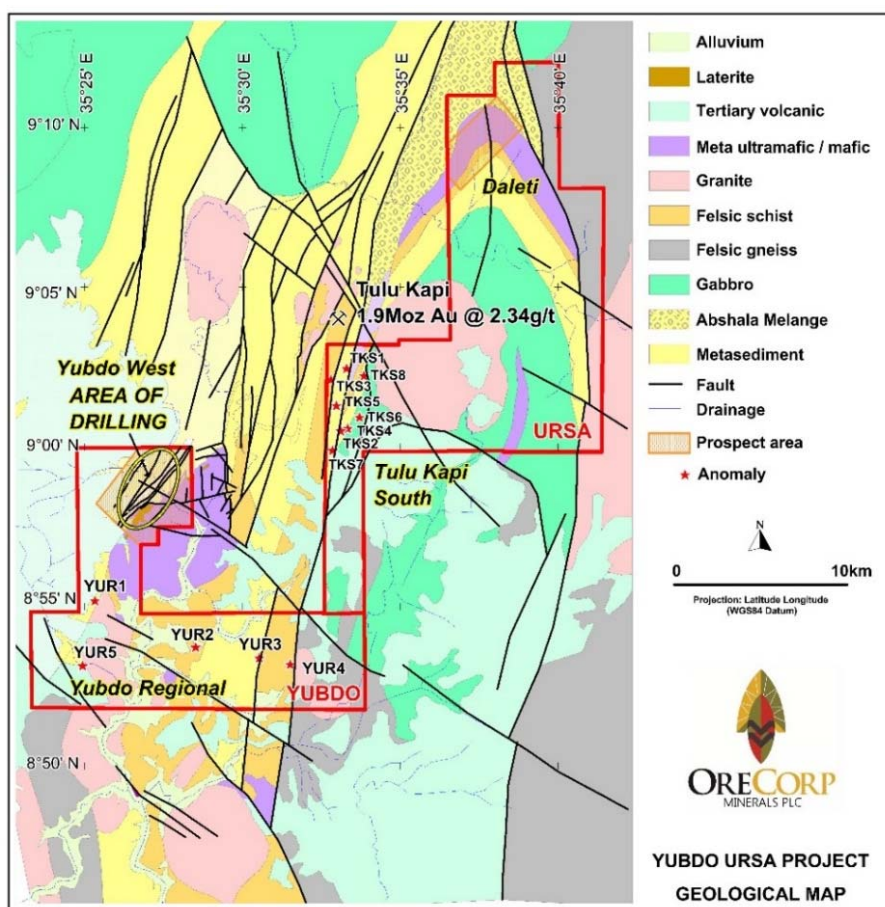


Figure 1: Yubdo - Ursa Geology with Area of Drilling and Regional Prospects

During the quarter the Ministry granted a small licence (0.47 km²) over a southern portion of the Yubdo West Prospect to a Government affiliated company, Muger Cement, for iron. This appears to be within the legal framework of the Mining Act. The Muger licence area is small, but it lies partially over the reported magnetite alteration where OreCorp have previously reported encouraging trench and RC drill results. The Company does not currently believe that this will affect operations but is monitoring the situation.

Werri River Project (Au: OreCorp 100% in Licence 254)

During the June quarter, a widely spaced (800 x 100m) soil sampling program generated two distinct areas of gold-in-soil anomalism (**Figure 2**). Infill and extension sampling, mapping and trenching was completed in these anomalous areas with a view to identifying potential drill targets. In addition, several other areas were sampled and a stream sediment survey completed over an area in the southeast of the licence.

Infill and extensional soil sampling confirmed earlier identified anomalies and outlined a new soil anomaly (WRR3). The three gold-in-soil anomalies WRR1, WRR2 and WRR3 are associated with carbonate (quartz-pyrite) alteration zones (**Table 1**) and trend north-northeast.

Table 1 – Werri River Project Summary of Soil Sampling Results

| Anomaly | Anomaly Size | No. of Samples | Au ppb Range | Au ppb Average | Comments |
|---------|--------------|----------------|--------------|----------------|--|
| WRR 1A | 3.5 x 0.5km | 14 | 20 – 142 | 59 | Carbonated, pelite and intermediate volcanic country-rock; and six rock-chip/trench values >0.1g/t ranging from 0.11-0.41 g/t gold |
| WRR 1B | 3.3 x 0.3km | 7 | 20 - 1276 | 263 | Pelite and intermediate volcanics country-rock with quartz veining; and one rock-chip/trench values of 0.23g/t gold |
| WRR 2A | 3 x 0.4km | 4 | 20 - 520 | 154 | Folded and sheared, felsic and metasedimentary units. |
| WRR 2B | 4.5 x 0.2km | 11 | 20 - 128 | 44 | Folded and sheared, felsic and metasedimentary units |
| WRR 2C | 2.0 x 0.4km | 11 | 20 - 1431 | 186 | Folded and sheared, felsic and metasedimentary units. |
| WRR 3A | 2.5x 0.2km | 3 | 20-42 | 31 | Interpreted thrusts associated with sericite-carbonate-quartz at volcanic – metasediment contact; and three rock-chip values >0.1g/t, ranging from 0.1-1.01 g/t gold |
| WRR 3B | 2.8 x 0.2km | 6 | 20-248 | 76 | Moderate to strong carbonate altered metasediments. |
| WRR 3C | 1.6 x 0.4km | 5 | 20-143 | 89 | Moderate to strong carbonate altered metasediments. |

The best results returned in the trenching were two anomalous zones of 5m @ 0.34g/t gold and 5m @ 0.39g/t gold in trench WRTR004. These were associated with veinlets, moderate carbonate and sericite alteration within ferruginous schist (**Table 2**). The anomalous trenching results were coincident with the better soil geochemistry.

Table 2 – Werri River Project Summary of Trenching Results

| Trench ID | Start Point | | Azimuth | Length | Intersection Grade | | | Grade |
|-----------|-------------|---------|---------|--------|--------------------|----|--------|-------|
| | E | N | | | From | To | Length | |
| WRTR004 | 534823 | 1552935 | 120 | 107 | 15 | 20 | 5 | 0.34 |
| | | | | | 55 | 60 | 5 | 0.39 |
| WRTR005 | 534975 | 1552875 | 116 | 89 | 44 | 49 | 5 | 0.11 |
| WRCH001 | 535073 | 1552818 | 70 | 16 | 5 | 10 | 5 | 0.17 |

Stream sediment sampling failed to identify any further gold anomalism in the southern portion of the licence. The Company is now considering its options for this project and awaits the grant of adjacent licences.

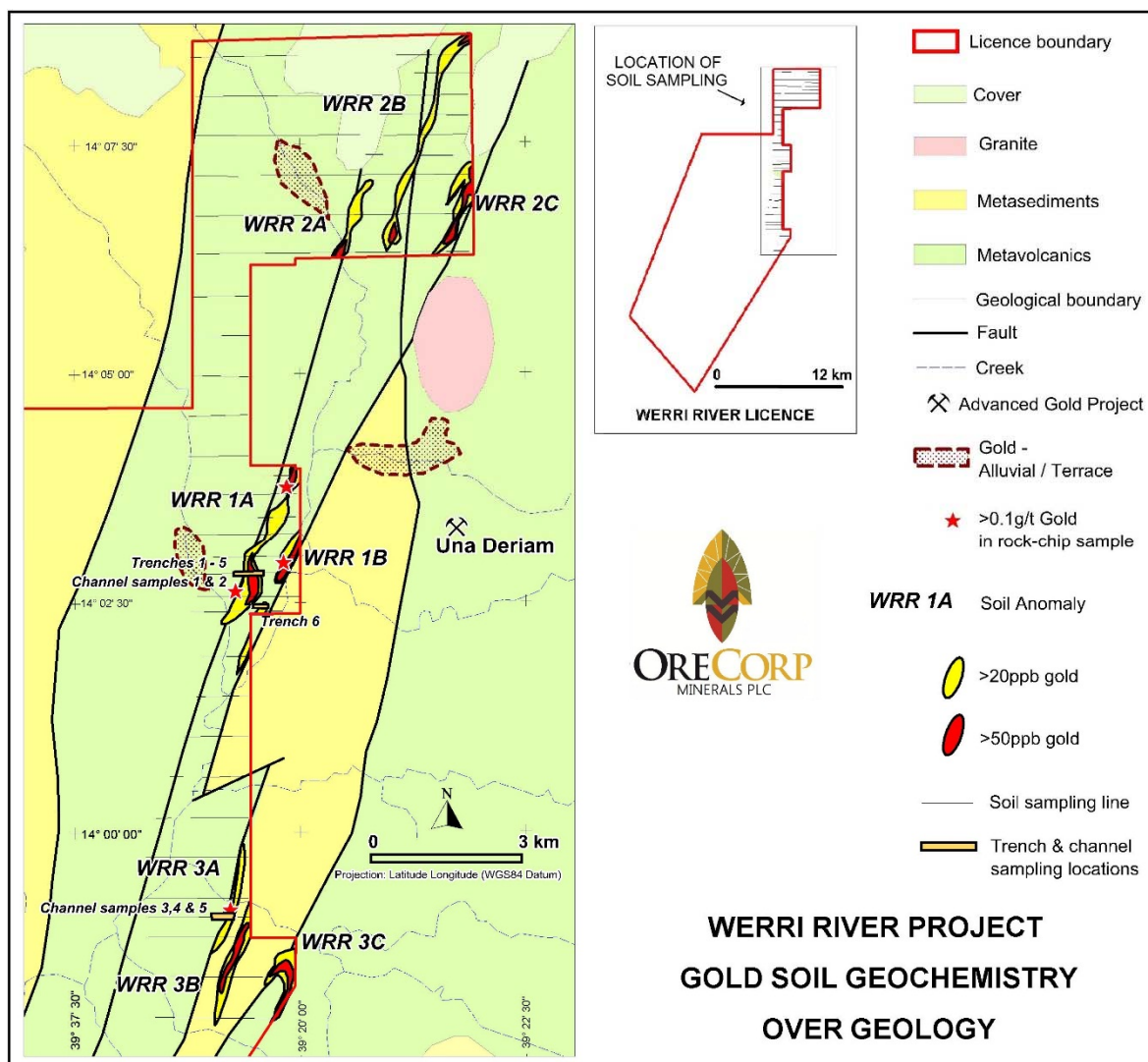


Figure 2: Werri River – Contoured Gold-in-Soil over Geology

Other Activities in Ethiopia

The Company has continued to evaluate additional projects within Ethiopia and this process is ongoing. The moratorium on new licence applications has now been partially removed and it appears that the licencing process has recommenced. The Company currently has three existing licence applications that were submitted before the moratorium. There has been no meaningful progress in these applications.

MAURITANIA

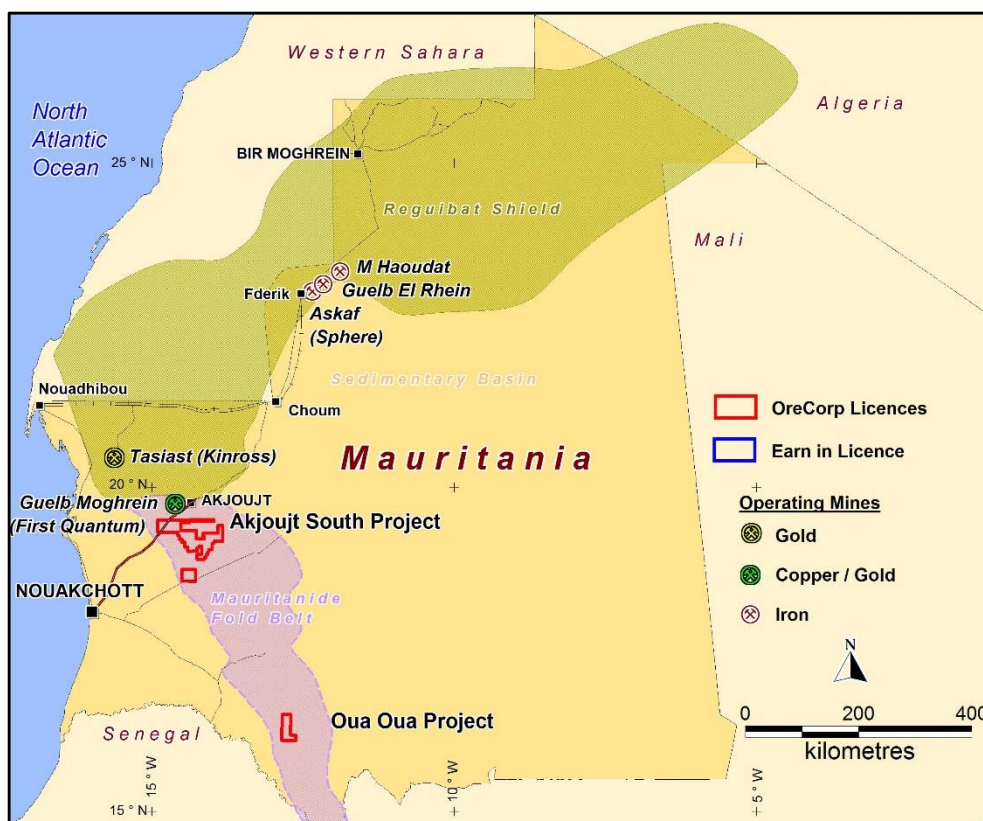


Figure 3: Location Map of Mauritanian Project Areas

Akjoujt South Project (Au-Cu: 100% in Licences 1245, 1246, 1338, 1339, 1513, 1514 & 90% in 1415 & 1416)

The Akjoujt South Project comprises eight granted licences covering 3,436km² of the Proterozoic Mauritanide Belt (**Figure 3**). No field work was completed during the quarter however compilation of the annual statutory reports commenced.

Oua Oua Project (Au-Base Metals: OreCorp 100% in Licence 1233)

OreCorp Mauritania SARL entered into a heads of agreement (**HoA**) on a package of four granted exploration licences (335, 813, 814 & 815) at the Oua Oua Project in the southern Mauritanide Belt in 2012. Under the terms of the agreement, the Company had the right to earn up to a 90% interest by meeting staged exploration expenditure and vendor payments.

As part of the Company's ongoing strategy to refine its portfolio, OreCorp withdrew from the remaining licence in the HoA (licence 335) during the quarter. The Project now comprises one wholly owned licence (1233 – Figure 3) covering 297km². No field work was completed during the quarter however compilation of the annual statutory reports commenced.

CORPORATE AND BUSINESS DEVELOPMENT

The Company pursued a number of project opportunities during the quarter.

OreCorp remains in a strong financial position with approximately \$8.8m cash and no debt.

EXPLORATION INTERESTS

As at 31 December 2013, the Company has an interest in the following projects and licences:

| Project | Licence Name | Percentage Interest | Status |
|--------------------------------------|--------------------|---------------------|---------|
| Ethiopia | | | |
| Yubdo - Ursa Project | ELA 243/2011 | 100% | Granted |
| | ELA 244/2011 | 100% | Granted |
| Werri River Project | ELA 254/2011 | 100% | Granted |
| Mauritania | | | |
| Akjoujt South Project | 1245B2 | 100% | Granted |
| | 1246B2 | 100% | Granted |
| | 1338B2 | 100% | Granted |
| | 1339B2 | 100% | Granted |
| | 1415B2 | 90% | Granted |
| | 1416B2 | 90% | Granted |
| | 1513B2 | 100% | Granted |
| | 1514B2 | 100% | Granted |
| Oua Oua Project | 1233B2 | 100% | Granted |
| | 335B2 ¹ | 0% | n/a |
| Australia | | | |
| Cheriton's East Project ² | E77/1223 | 100% | Granted |

Notes:

- 1.) During the December quarter, OreCorp elected to withdraw from the remaining licence covered by the Oua Oua Project HoA (licence 335B2). The HoA is now of no further force or effect.
- 2.) No field work was completed during the quarter at Cheriton's East.

ABOUT ORECORP LIMITED

OreCorp Limited is a Western Australian based mineral company with gold & base metal projects in Ethiopia and Mauritania and is listed on the Australian Securities Exchange (**ASX**) under the code 'ORR'. The Company has established offices in Mauritania and Ethiopia and is well funded with approximately \$8.8 million in cash and no debt as of 31 December 2013. OreCorp's key projects are the Yubdo – Ursa Project in Ethiopia, prospective for gold, nickel, chromium and platinum and the Akjoujt South Project in Mauritania, prospective for gold, nickel and copper.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Matthew Yates, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Yates is a full-time employee and beneficial shareholder of OreCorp Limited. Mr Yates has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity 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 Yates consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ORECORP LIMITED

ABN

24 147 917 299

Quarter ended ("current quarter")

31 DECEMBER 2013

Consolidated statement of cash flows

| Cash flows related to operating activities | | Current quarter \$A'000 | Year to date \$A'000 (6 months) |
|---|--|----------------------------|---------------------------------------|
| 1.1 | Receipts from product sales and related debtors | - | - |
| 1.2 | Payments for | | |
| | (a) exploration and evaluation | (323) | (1,316) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) corporate and administration | (282) | (478) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 76 | 137 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other receipts (refunds) | - | - |
| 2.7 | Other – business development | (78) | (110) |
| Net Operating Cash Flows | | (607) | (1,767) |
| Cash flows related to investing activities | | | |
| 1.8 | Payment for purchases of: | | |
| | (a) prospects | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | (4) |
| 1.9 | Proceeds from sale of: | | |
| | (a) prospects | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | - |
| 1.10 | Loans to other entities | - | - |
| 1.11 | Loans repaid by other entities | - | - |
| 1.12 | Proceeds from underwriting | - | - |
| Net investing cash flows | | - | (4) |
| 1.13 | Total operating and investing cash flows (carried forward) | (607) | (1,771) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | Current quarter \$A'000 | Year to date \$A'000 (6 months) |
|------|---|----------------------------|---------------------------------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (607) | (1,771) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issue of shares, options, etc. | - | - |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Costs associated with issue of shares | - | - |
| | Net financing cash flows | - | - |
| | Net increase/(decrease) in cash held | (607) | (1,771) |
| 1.20 | Cash at beginning of quarter/year to date | 9,282 | 10,461 |
| 1.21 | Exchange rate adjustments to item 1.20 | 103 | 88 |
| 1.22 | Cash at end of quarter | 8,778 | 8,778 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 73 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | Nil |

1.25 Explanation necessary for an understanding of the transactions

Payments include the non-executive directors' fees and the managing director's salary.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | Nil | - |
| 3.2 Credit standby arrangements | Nil | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | (275) |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration | (195) |
| Total | (470) |

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 1,794 | 1,159 |
| 5.2 Deposits at call | 2,692 | 648 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other – term deposit | 4,292 | 7,475 |
| Total: cash at end of quarter (item 1.22) | 8,778 | 9,282 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---------------------------------|----------------------------------|----------------------------------|----------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | Oua Oua Project, Mauritania 335 | Joint Venture | Nil | Nil |
| 6.2 Interests in mining tenements acquired or increased | Nil | None | | |

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|-------------------------------------|-------------------------|--|--|
| 7.1 Preference ⁺securities (description) | Nil | | | |
| 7.2 Changes during quarter | Nil | | | |
| (a) Increases through issues | | | | |
| (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 *Ordinary securities | 113,412,820 | 100,206,821 | | |
| 7.4 Changes during quarter | | | | |
| (a) Increases through issues | Nil | | | |
| (b) Decreases through returns of capital, buy-backs | Nil | | | |
| 7.5 *Convertible debt securities (description) | Nil | | | |
| 7.6 Changes during quarter | | | | |
| (a) Increases through issues | Nil | | | |
| (b) Decreases through securities matured, converted | Nil | | | |
| 7.7 Options (description and conversion factor) | 5,930,692 5,199,999 1,875,000 | 5,930,692 Nil Nil | Exercise price \$0.2667 \$0.2667 \$0.40 | Expiry date 7 May 2015 30 June 2015 22 March 2016 |
| 7.8 Issued during quarter | Nil | | | |
| 7.9 Exercised during quarter | Nil | | | |
| 7.10 Expired during quarter | Nil | | | |
| 7.11 Debentures (totals only) | Nil | | | |
| 7.12 Unsecured notes (totals only) | Nil | | | |
| Performance Based Shares | Nil | | | |
| Changes during quarter | Nil | | | |
| (a) Increases | | | | |

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 24 January 2014
(~~Director~~/Company secretary)

Print name: Luke Watson

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.