

**ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE:**

**June 2014 Quarterly Report**

The Board of OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 30 June 2014. Highlights include:

**Mauritania**

**Akjoujt South Project**

- Planning of an Induced Polarisation (**IP**) geophysical survey (dipole lines and gradient array).
- IP survey will focus on Anomaly 5, targeting disseminated nickel-copper sulphide mineralisation and is scheduled for the September quarter.
- Geochemical anomalism associated with Anomaly 5 is up to 1.6km in length with soil results of up to 0.26% nickel and 0.23% copper.
- Mineralised trench widths at Anomaly 5 of up to 160m of 0.24% nickel and 0.21% copper previously reported.

**Ethiopia**

**Yubdo - Ursa Project**

- Results from the trenching at Yubdo West and the remaining regional surface geochemistry (YUR2-5) have been received.
- The best trench results were returned from YUWTR039 (25m at 0.21g/t gold and 10m at 0.35g/t gold). The remainder of the trenches produced low-tenor results at 0.1-0.3g/t gold (0.7g/t max) over 5-10m intervals.
- Regional geochemical targets YUR2, 3, 4 and 5 have been downgraded.
- The Company is considering its options for this project.

**Corporate**

- The Company continued to aggressively pursue project and corporate opportunities in Africa and elsewhere, with an emphasis on advanced projects. Assessment of a number of opportunities is ongoing.
- The Company remains in a strong financial position with approximately \$7.3m cash and no debt.

***For further information please contact:***

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



**ASX RELEASE:**

30 July 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

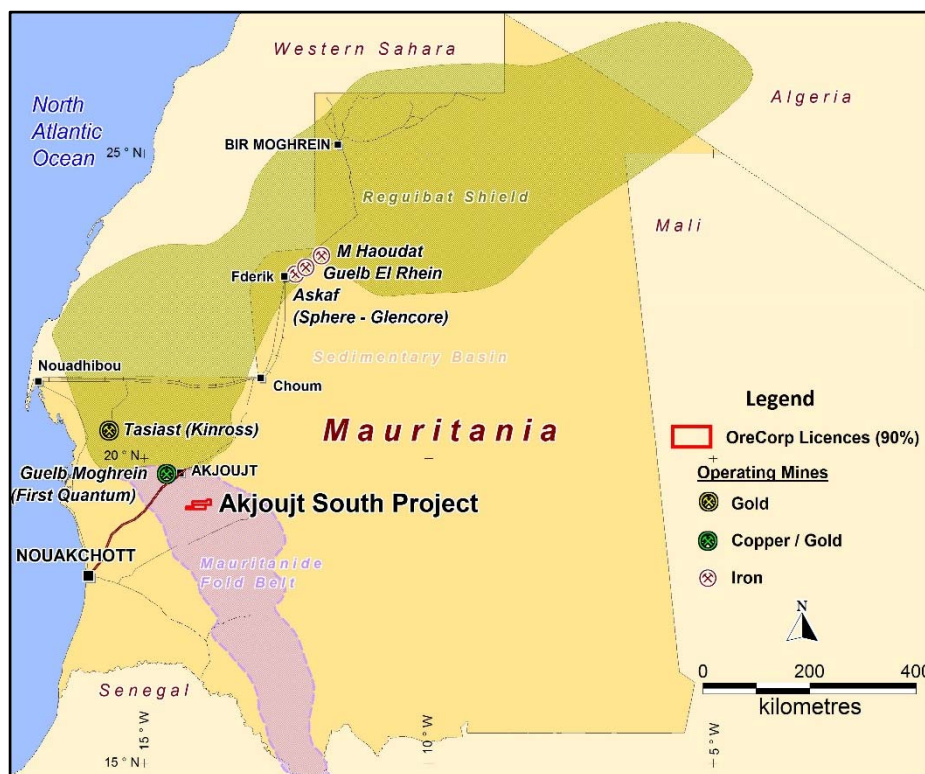
Listed Options: 5.9 million

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.

## MAURITANIA



**Figure 1: Location Map of Mauritanian Project Areas**

### **Akjoujt South Project (Au-Cu-Ni: 90% interest in Licences 1415 & 1416)**

The Akjoujt South Project comprises two licences (1415 and 1416). Renewal documentation, including a 25% reduction of the licence areas, was lodged during the March quarter for both licences. Once renewed, the licences will cover a total area of 460 km<sup>2</sup> (**Figure 1**).

Work during the quarter has included a review of the Anomaly 5 Prospect (**Figures 2 & 3**), which has the potential to host intrusion related disseminated nickel-copper mineralisation.

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 a circular intrusive body and alteration assemblage. Subsequent mapping, infill sampling and trenching has defined a zone of geochemical anomalism approximately 1.6km long. Trenching across this anomalism has intersected mineralised intervals of up to 160m in width of 0.24% nickel and 0.21% copper. Further mineralisation has been identified in Trench 9, three kilometres to the east (**Figure 2**).

The Company intends to complete an induced polarisation (IP) chargeability and resistivity survey over Anomaly 5. The survey will comprise high resolution dipole-dipole lines across the area of nickel/copper mineralisation identified from the previous trenching, as well as a regional gradient array survey covering an area to the northeast of the mapped intrusive, including the area of Trench 9 (values of up to 4m @ 0.44% nickel and 0.24% copper) and its associated geochemical anomalism. Targets identified from the gradient array survey may be followed-up with additional dipole lines.

It is anticipated that the survey will be completed in the September quarter, followed by 3-D inversions of dipole-dipole lines to refine target areas as a prelude to potential drill testing. Survey details will be finalised upon notification of the licence renewals.

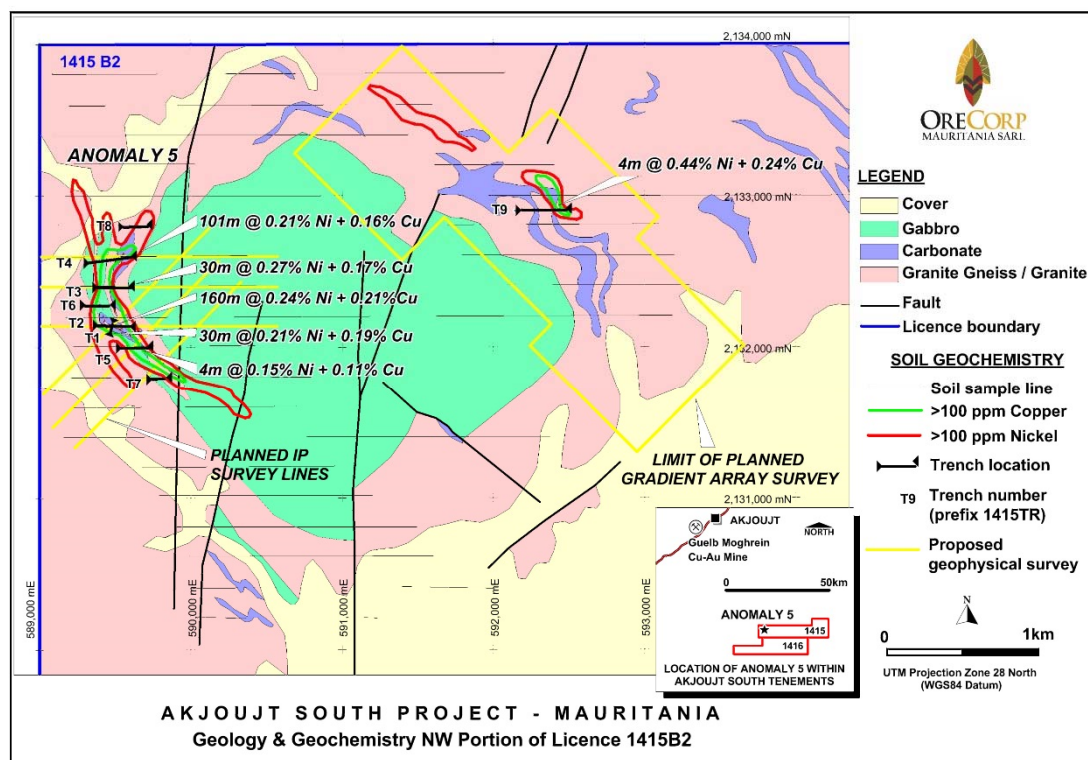


Figure 2: Akjoujt South Project - Geology and Geochemistry with Geophysical Survey Areas

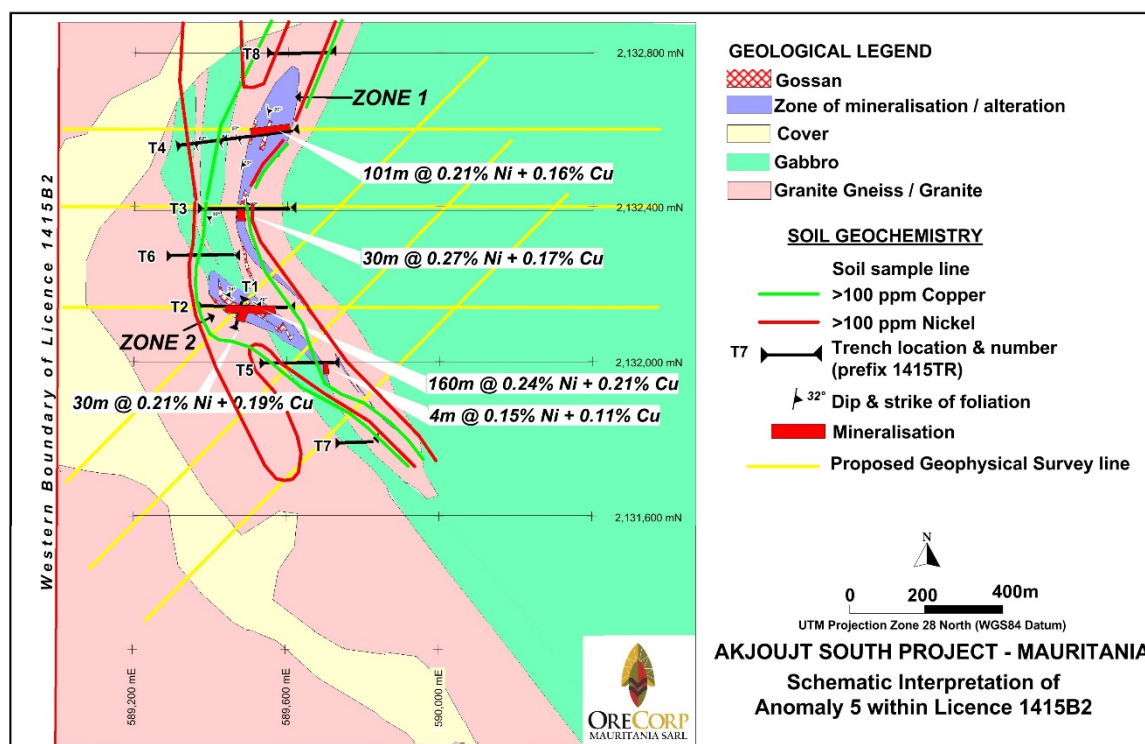


Figure 3: Akjoujt South Project Anomaly 5 - Geology and Geochemistry with IP Survey Lines

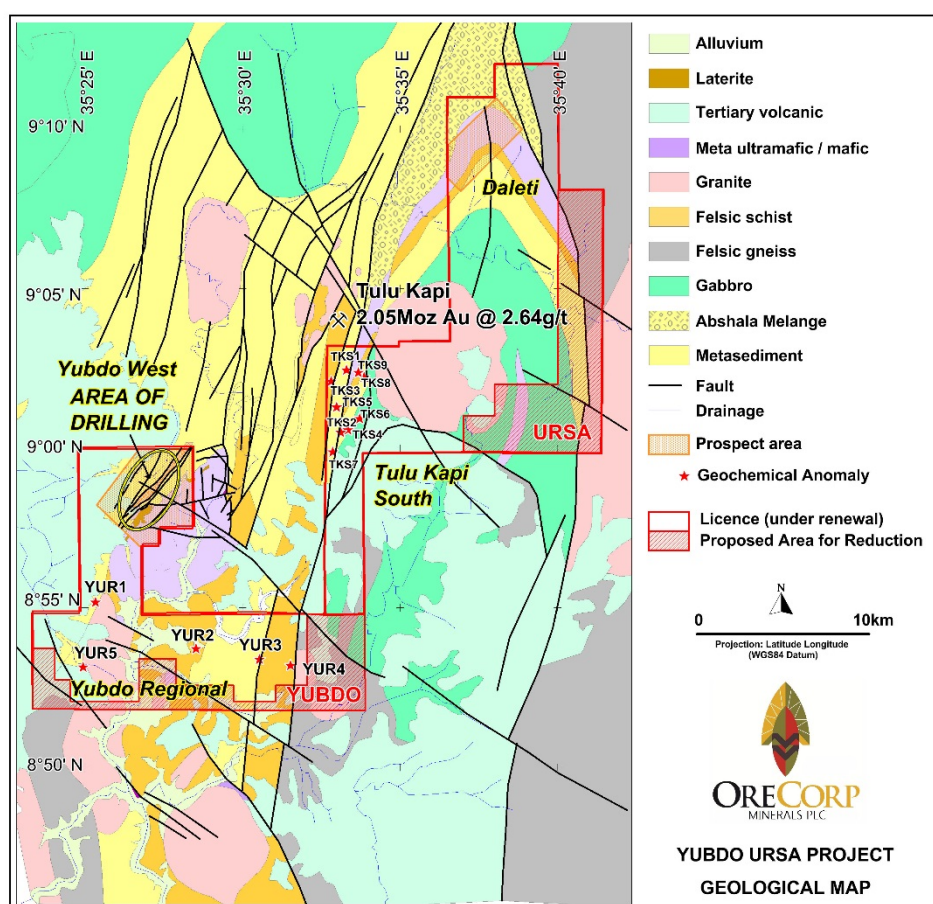


## ETHIOPIA

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

The Project covers approximately 400km<sup>2</sup> of Ethiopia's Western Greenstone Belt, adjacent to KEFI Minerals' Tulu Kapi Project (**Figure 4**), which hosts a JORC resource of 2.05 million ounces @ 2.64g/t gold (refer KEFI Minerals' AIM release dated 12 March 2014). Previous work by OreCorp has identified gold, nickel, chromium and platinum anomalism at Yubdo - Ursa.

Work completed during the quarter at the Yubdo - Ursa Project included trenching and mapping at the Yubdo West Prospect and mapping at the Daleti Prospect. The remaining results from the regional infill soil sampling and mapping program over targets YUR 2-5 were also received.



**Figure 4: Yubdo - Ursa Geology with Area of Drilling and Regional Prospects**

### Yubdo West

The trench results are summarised in **Table 1** and **Figure 5**. The tenor and widths of the intersections are typically 5-10m at 0.1-0.3g/t gold. The best intersection is in the northern area of the Yubdo West trend in Trench YUWTR039, located south of Trench YUWTR013 (2013 program). This trench returned 25m at 0.21g/t gold and 10m at 0.35g/t gold associated with felsic schist zones and minor quartz-limonite veins developed as shear zones within the host granodiorite body.

Trenches YUWTR035 and YUWTR036 (800m southwest of trench YUWTR039) generated five zones of low tenor mineralisation associated with felsic schist zones developed in the host granite-granodiorite body. These intersections explain the moderate gold-in-soil anomalism along the ridge line and the observed mineralisation style and tenor is consistent with the observations from drilling 450m to the northeast.

In the southern area, trenching confirmed a low tenor mineralisation of 0.1-0.7g/t gold over a maximum width of 9m. The best mineralisation is developed in sheared granodiorite, described as felsic schist and these are often found in proximity to massive milky quartz veins which are themselves variably mineralised. The gold-in-soil anomalism in the area of trenches YUWTR031-34 and 41 has been adequately tested and explained by the trenching program.

Trenching in the southernmost area of the Yubdo West trend failed to intersect any further anomalism. These trenches were designed to intersect shears interpreted from the aeromagnetics. There were thin zones of magnetite replacement in the trenches but these did not return any mineralised intercepts.

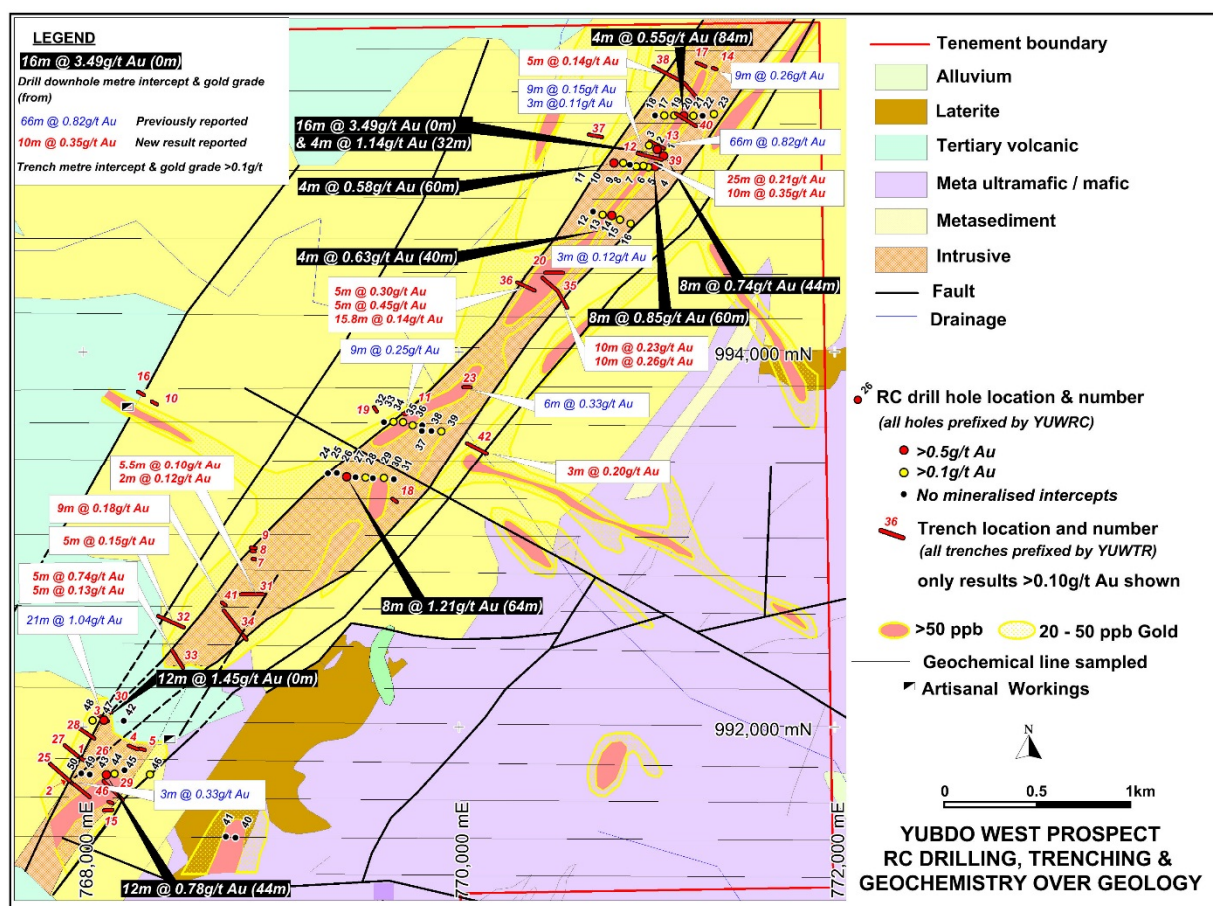


Figure 5: Yubdo West Prospect RC Drilling, Trenching and Geochemistry over Geology

**Table 1: Summary Intersections for the Yubdo West Trenching**

Trench ID	Azimuth	Start Easting	Start Northing	End Easting	End Northing	Trench Length m	Intersection			Cut off >0.1 Au ppm	Notes
							From	To	Length		
YUWTR001	120	767,974	991,842	767,989	991,829	21.3				No significant intersection	
YUWTR024	122	767,948	991,687	767,997	991,649	66.8				No significant intersection	
YUWTR025	120	767,827	991,798	767,930	991,728	122.8				No significant intersection	
YUWTR026	120	767,984	991,818	768,036	991,781	65.8				No significant intersection	
YUWTR027	120	767,896	991,890	767,972	991,842	89.2				No significant intersection	
YUWTR028	090	767,979	991,958	768,048	991,957	71.2				No significant intersection	
YUWTR029	150	768,133	991,693	768,170	991,627	77				No significant intersection	
YUWTR030	130	768,120	992,092	768,142	992,075	29				No significant intersection	
YUWTR031	94	768,848	992,701	768,954	992,700	106.2	0	5.5	5.5	0.101	FIN/QTZ Vein. Sampling gap 5.5-8m in CCO.
							8	10	2	0.118	FMS ser-qtz-feld schist on vein margin.
YUWTR032	128	768,413	992,590	768,552	992,505	168.4	45	50	5	0.153	Magnetite altered sediments and tuffs?
YUWTR033	144	768,469	992,403	768,519	992,321	97.9					FMS minor carbonate, adjacent to sheared QTZ vein
							50	55	5	0.736	
							70	75	5	0.134	FIN, weakly schistose
YUWTR034	132	768,741	992,605	768,869	992,458	197				No significant intersection	
YUWTR035	125	770,439	994,392	770,577	994,229	218	10	20	10	0.231	FMS, QTZ-LIM veins
	154						105	115	10	0.264	FMS, QTZ-TML veins
YUWTR036	112	770,312	994,357	770,399	994,323	95.8	10	15	5	0.296	FIN
							30	35	5	0.448	FIN
							80	95.8	15.8	0.138	FMS, foliation 70o/140o. Trench ends in weak mineralisation in FIN.
YUWTR037	100	770,692	995,152	770,787	995,135	96.2				No significant intersection	
YUWTR038	122	771,036	995,513	771,271	995,335	304.3	230	235	5	0.135	FMS/FIN
	114										
	116										
	110										
	130										
	140										
YUWTR039	098	770,949	995,048	771,074	995,018	130.3	35	60	25	0.209	FMS/FIN and minor QTZ-LIM vein.
							75	85	10	0.35	FMS/FIN with minor subvertical/120-150 dipping limonite stringers.
YUWTR040	122	771,186	995,252	771,259	995,193	97				Samples withheld	
YUWTR041	122	768,736	992,656	768,766	992,638	36.5	1	10	9	0.177	QTZ-TML and FMS
YUWTR042	118	770,042	993,508	770,147	993,454	113.8	12	15	3	0.195	FMS and QTZ-TML vein, minor shear

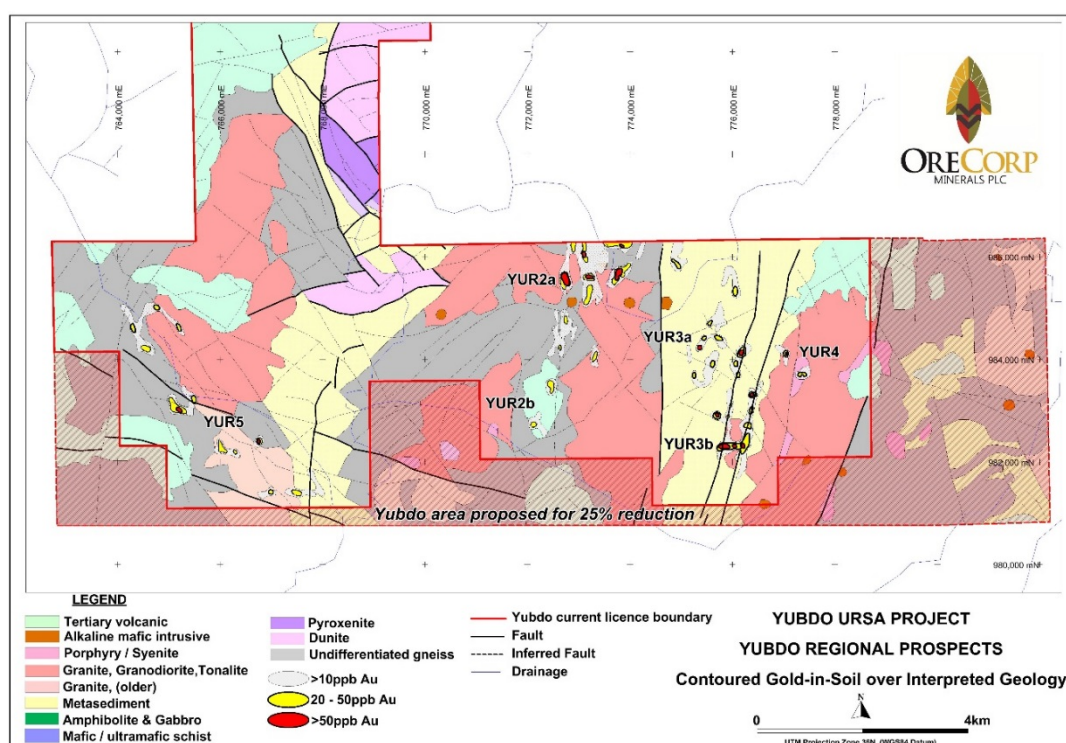
## Yubdo Regional

YUR2a is the most robust of the anomalies and comprises five distinct centres in the northern section of the anomaly. The anomaly has a dispersed tail that extends to the southeast and there are three other isolated small lower tenor anomalies situated to the south and south east. YUR2a is associated with a northwest-southeast trending structure which splays into three and is intruded at the junction by a mafic intrusive (**Figure 6**).

YUR3b is the next most coherent anomaly and follows two parallel north northeast trending faults within a sequence of felsic metasediments. There are two distinct granite bodies whose margins are controlled by the faults. Within this area soil values peaked at 1,818ppb gold.

YUR3a is a low tenor anomaly with no distinct centre. YUR4 appears to be two separate small anomalies that are coincident with NNE-trending faults. YUR5 is a broad discontinuous anomaly extending over 6km with a peak value of 156ppb gold.

The program has downgraded the majority of the anomalies, leaving two areas for possible follow-up. These are the northern cluster of anomalies at YUR2a and the 1,818 ppb gold point anomaly in YUR3b.



**Figure 6: Yubdo Regional Gold-in-Soil Anomalism over Interpreted Geology**

### Future Work

The results received to date do not warrant immediate follow up at this point and the Company is considering its options for this project, which may involve seeking a joint venture partner.

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

During the quarter, mapping and infill soil sampling were completed on the Werri River Project. The Company is considering its options for this project as it awaits the grant of adjacent licences.

### Other Activities in Ethiopia

The Company has continued to evaluate additional projects within Ethiopia. Although the moratorium on new licence applications has been partially removed, and it appears that the licencing process has recommenced with some licences issued to other parties, no meaningful progress has been made during the quarter on the grant of OreCorp licence applications.

## CORPORATE AND BUSINESS DEVELOPMENT

The Company continued to aggressively pursue a number of other project and corporate opportunities in Africa and elsewhere, with an emphasis on advanced projects. The Company is maintaining a disciplined and thorough evaluation approach to the opportunities it is assessing. Assessment of a number of opportunities is ongoing.

OreCorp remains in a strong financial position with approximately \$7.3m cash and no debt.



## EXPLORATION INTERESTS

During the June quarter, the Company had an interest in the following projects and exploration licences:

Project	Licence Number	Interest at beginning of Quarter	Interest at end of Quarter	Status
<b>Mauritania</b>				
Akjoujt South Project <sup>1</sup>	1415B2	90%	90%	Under Renewal
	1416B2	90%	90%	Under Renewal
<b>Ethiopia</b>				
Yubdo - Ursa Project <sup>2</sup>	EL 243/2011	100%	100%	Under Renewal
	EL 244/2011	100%	100%	Under Renewal
Werri River Project <sup>3</sup>	EL 254/2011	100%	100%	Under Renewal
<b>Australia</b>				
Cheriton's East Project <sup>4</sup>	E77/1223	100%	100%	Granted

### Notes:

- 1) Licence renewal dates are 21 July 2014.
- 2) Licence renewal dates are 5 August 2014 and 25 August 2014 respectively.
- 3) Licence renewal date is 25 August 2014.
- 4) No field work was completed during the quarter at Cheriton's East.

No tenements were acquired or disposed during the quarter (including beneficial interests in joint venture projects), nor were there any changes to the beneficial interest in any tenements during the quarter.

Renewal documentation for all of the licences in Mauritania and Ethiopia were lodged during the quarter, which included a 25% area reduction. There is no guarantee that the licences will be renewed.

## 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 \$7.3 million in cash and no debt as of 30 June 2014. 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")

30 JUNE 2014

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000 (12 months)
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(323)	(1,950)
	(b) development	-	-
	(c) production	-	-
	(d) corporate and administration	(216)	(888)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	14	182
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other receipts (refunds)	-	-
1.8	Other – business development	(136)	(342)
<b>Net Operating Cash Flows</b>		<b>(661)</b>	<b>(2,998)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(4)	(11)
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	-	-
<b>Net investing cash flows</b>		<b>(4)</b>	<b>(11)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(665)</b>	<b>(3,009)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

		Current quarter \$A'000	Year to date \$A'000 (12 months)
1.13	Total operating and investing cash flows (brought forward)	(665)	(3,009)
	<b>Cash flows related to financing activities</b>		
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	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase/(decrease) in cash held</b>	(665)	(3,009)
1.20	Cash at beginning of quarter/year to date	8,080	10,461
1.21	Exchange rate adjustments to item 1.20	(76)	(113)
1.22	<b>Cash at end of quarter</b>	<b>7,339</b>	<b>7,339</b>

**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 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 (including business development)	(260)
4.2 Development	-
4.3 Production	-
4.4 Corporate and administration	(185)
<b>Total</b>	<b>(445)</b>

#### 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	84	129
5.2 Deposits at call	190	307
5.3 Bank overdraft	-	-
5.4 Other – term deposit	7,065	7,644
<b>Total: cash at end of quarter (item 1.22)</b>	<b>7,339</b>	<b>8,080</b>

#### 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			
6.2	Interests in mining tenements acquired or increased			

+ 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 <b>Preference <sup>+</sup>securities</b> (description)	Nil			
7.2 Changes during quarter	Nil			
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	113,412,820	103,413,071		
7.4 Changes during quarter				
(a) Increases through issues	Nil			
(b) Decreases through returns of capital, buy-backs	Nil			
7.5 <b>*Convertible debt securities</b> (description)	Nil			
7.6 Changes during quarter				
(a) Increases through issues	Nil			
(b) Decreases through securities matured, converted	Nil			
7.7 <b>Options</b> (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 <b>Debentures</b> (totals only)	Nil			
7.12 <b>Unsecured notes</b> (totals only)	Nil			
<b>Performance Based Shares</b>	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: 30 July 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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