

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

Scoping Study Confirms Outstanding Potential of Nyanzaga Project & Delivers MRE Upgrade

OreCorp Limited (**OreCorp** or the **Company**) is pleased to announce that the Scoping Study (or **Study**) for the Nyanzaga Gold Project (Nyanzaga or the Project) in Tanzania, has confirmed the outstanding potential of the Project. Board approves Pre-Feasibility Study (**PFS**) to commence immediately.

Scoping Study Parameters – Cautionary Statements

*The Study referred to in this report is based on low accuracy level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Scoping Study will be realised. 83% of the existing Mineral Resource Estimate (**MRE**) is in the Indicated and Measured categories, with the balance of 17% classified in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself will be realised. Please refer to Annexures A - D for further details.*

*The consideration of all JORC modifying factors is well advanced, including mining studies, processing and metallurgical studies, registration of the intent to submit an Environmental and Social Impact Assessment (**ESIA**) with the responsible regulator, environmental baseline studies, key inputs into the application for a Special Mining Licence and other key permits required from the government. The Company has concluded it has a reasonable basis for providing the forward looking statements included in this announcement and believes that it has a “reasonable basis” to expect it will be able to fund the development of the Project with its JV partner (Acacia Mining plc). Please refer to Annexures A - D for further details.*

All material assumptions on which the forecast financial information is based are set out in this announcement.

Highlights

- Study indicates outstanding potential, expected to deliver a project with average gold production of 220koz per annum for the first five years of full production
- Life of mine (**LOM**) average production is expected to be 182koz per annum over 13 years for a total of ~2.4Moz
- Average Cash Cost estimated to be US\$756/oz and All-in Sustaining Cost (**AISC**) of US\$798/oz over LOM
- Pre-production capital costs including all associated project infrastructure expected to be \$248M (inclusive of contingency)
- Updated MRE of 29.8Mt @ 3.5g/t gold for 3.3Moz gold, an increase of 566koz (~19%) compared to the Maiden JORC 2012 MRE released 31 March 2016



ORECORP
LIMITED

ASX RELEASE:

10 August 2016

ASX CODE:

ORR

BOARD:

Craig Williams
Non-Executive Chairman

Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Michael Klessens
Non-Executive Director

Robert Rigo
Non-Executive Director

Luke Watson
CFO & Company Secretary

ISSUED CAPITAL:

Shares: 173.4M

Unlisted Options: 8.5M

ABOUT ORECORP:

OreCorp Limited is a Western Australian based mineral company focused on the Nyanzaga Gold Project in Tanzania & the Akjoujt South Nickel - Copper Project in Mauritania.

- The MRE averages approximately 4,200 ounces per vertical metre
- An initial open pit mine is expected to deliver approximately 1.2Moz of gold over its five year mine life
- A transition to an underground mine from year four onwards at a steady state of 1.1Mtpa, for a total period of nine years is expected to deliver a further 1.2Moz of gold.
- Average LOM open pit strip ratio (unmineralised:mineralised) of 2.5:1 (based on low grade mineralised material included in mineralised material)
- Base Case 4Mtpa Carbon in Leach (**CIL**) processing plant with gold recoveries forecast to average ~85% over the LOM
- Scoping Study optimised at US\$1,250/oz gold price

The Scoping Study, led by Lycopodium Minerals Pty Ltd (ASX: LYL; **Lycopodium**) of Perth, Western Australia, examined all facets of geology, mining, processing and supporting infrastructure at a US\$1,250/oz gold price.

The Study identified the opportunity to incorporate lower grade mineralisation not included in the JORC 2012 MRE released on 31 March 2016. This lower grade mineralisation is included in an updated MRE estimated at 29.8Mt at 3.5g/t gold for 3.3Moz gold, an increase of 566koz (~19%) see **Table 1** below.

OreCorp Limited – Nyanzaga Gold Project – Tanzania			
Mineral Resource Estimate (MRE) 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

The Study evaluated the technical and economic viability of both open pit (**OP**) and underground (**UG**) development scenarios. Processing options were considered in the context of various mining scenarios to optimise both throughput capacity utilisation and mineralised feed flexibility to enhance metallurgical outcomes.

The current preferred development option is to initially develop Nyanzaga as a 4Mtpa OP operation (**Phase 1**), transitioning in year four into an OP/UG operation (**Phase 2**). The Project is expected to deliver average annual gold production of 182koz over a 13 year LOM, peaking at 246koz in year five and totalling ~2.4Moz over the LOM. The first five years of full production are expected to average ~220koz pa. The AISC is estimated to be US\$798/oz over the LOM.

The process facility is based on a conventional flow sheet design of a semi-autogenous mill/ball mill configuration (**SABC**) comminution circuit, gravity recovery and CIL processes, utilising proven technology that has been used globally for many years.

Capital costs (determined to a nominal accuracy of +/-35%) for the process plant and associated project infrastructure are estimated at US\$248M and includes a US\$43M contingency. This does not include a mining fleet as the Study is based on a contractor mining scenario for both OP and UG.

UG development will commence in year three and generate mineralised material from year five onwards at a steady state of 1.1Mtpa, for a total period of nine years based on the current MRE. The Scoping Study indicates that the capital costs associated with the UG may be funded from cash flow generated by the OP operation. Initial UG development capital is expected to be approximately US\$18M, while ongoing UG development capital is estimated at US\$16M pa. All UG development expenditure is included in AIC.

The key operating assumptions and financial outcomes of the scoping study are set out in **Table 2** below. All costs are in US\$ and no exchange rate assumptions have been made.

Parameter	Value
Development period (Months)	18
Mine life (Years)	13
Total Mill Throughput (Mt) LOM includes low grade material	46.7
Measured & Indicated Resources	83%
Inferred Resources	17%
Annual throughput (Mtpa)	4
Strip ratio (life of pit)	2.5:1
Steady state underground mining rate (Mtpa)	1.1
Average OP direct feed mineralised material grade mined (g/t gold)	1.8 [#]
Average UG mineralised diluted grade mined (g/t gold)	3.7
Average mill feed grade LOM (g/t gold)	1.9
Gold recovery	85%
Production (Average LOM gold koz pa)	182
Open pit mining costs (US\$/t material moved)	3.4
Underground mining costs (US\$/t)	52
Processing cost (US\$/t milled)	10.6
Power cost (US\$/kWh)	0.12
General and admin (US\$/t milled)	2.3
Upfront Project capital (including US\$43M contingency, US\$M)	248
Year three UG development capital (US\$M)	18
Sustaining capital – Above Ground (US\$M pa)	7.7
Average life of UG Development capital (US\$M pa)	16
Corporate tax and royalty rates	30% and 4%
Average Cash Cost (US\$/oz)	756
AISC* LOM average (US\$/oz)	798
AIC* (All-in Cost) LOM average (US\$/oz)	874
Gold Price (US\$/oz)	1,250

[#] excluding low grade mineralised material

* AISC and AIC as per as per World Gold Council definitions

Table 2: Scoping Study Parameters

A PFS will commence immediately, primarily focusing on optimisation of OP and UG mining and the process flow sheet to enhance gold recovery through optimisation of the comminution, gravity gold, leach and elution circuits. The PFS will also provide additional definition to the Projects' infrastructure requirements such as power, water supply and logistics.

OreCorp believes there is potential to enhance the Project economics by:

- Optimising OP and UG mine designs
- Assessing contractor vs owner operator mining fleet
- Optimising metallurgical recovery through the various PFS testwork studies
- Examining the consumption rates of reagents, their transport and potential recovery to reduce operating costs

Infill, sterilisation and exploration drilling programs are scheduled to commence in the third quarter of 2016. These are being undertaken with the objective of:

- Upgrading portions of the MRE potentially mineable by OP methods in the first three years of mine life to predominantly Measured category
- Supporting the metallurgical and comminution testwork program
- Sterilisation drilling to confirm plant, associated infrastructure, waste dump and Tailings Storage Facility (TSF) locations
- Testing of exploration targets

The Directors believe that the positive results of the Scoping Study for Nyanzaga underpins the Company's strategy of focusing on near-term production and generating an early cash flow, and further demonstrates the potential of the Project to deliver significant returns for shareholders from a substantial, low cost gold operation.

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CEO & Managing Director

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1. Introduction

1.1. Summary and Project Location

OreCorp is pleased to report the results of the Scoping Study for the Nyanzaga Project in northwest Tanzania (**Figure 1**). The Study was conducted on a revision of the previous MRE announced on 31 March 2016. The revised MRE is referred to for the first time in this document. The Project is the subject of a joint venture agreement (**JVA**) with Acacia Mining Plc and under terms of the JVA, OreCorp may earn up to a 51% interest.

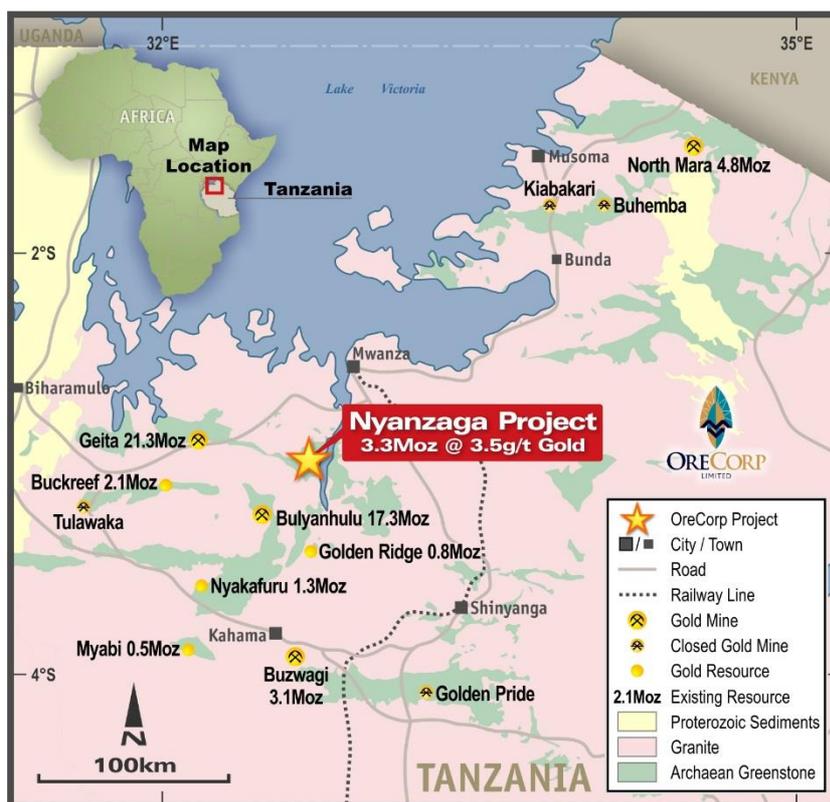


Figure 1: Lake Victoria Goldfields, Tanzania – Project Location & Existing Resources

The Study has been managed by Lycopodium Engineering Limited of Perth, Western Australia and completed by a number of industry recognised consultants engaged by the Company.

1.2. Scoping Study Parameters and Material Assumptions

The Study was completed to an overall approximate $\pm 35\%$ level of accuracy using the parameters and assumptions set out earlier in **Table 2**.

The key considerations in the Study were preferred mining and processing route, throughput rate, project life, community and environmental impacts. The minimum life of the Project is 13 years, but has the potential to be increased. The Nyanzaga deposit remains open at depth and there are a number of untested targets within close proximity of the current MRE. The Study is therefore considered as a base case scenario.

1.3. Study Consultants

Lycopodium managed the Scoping Study. During the past 18 months, Lycopodium has completed ten major feasibility studies for gold projects in Africa and is currently involved in the construction of five gold and base metals mines in Africa. Over the last 20 years, Lycopodium has built the Golden Pride, Geita and

Buzwagi gold mines in the Lake Victoria Goldfields in Tanzania. In addition, internationally recognised specialist consultants in the fields of comminution, metallurgy, mining engineering, resource estimation, and environmental and tailings management were engaged as integral members of the Study team (**Table 3**).

Study Discipline	Industry Expert
Project Managers/Engineering Group	Lycopodium (Perth)
Geology	CSA Global & OreCorp
Resource Estimation	CSA Global (Perth and London)
Mining Engineering	Mining Plus (Perth)
Comminution	Lycopodium (Perth)
Metallurgy and Process Engineering	Lycopodium (Perth)
Metallurgical Testwork Review	Lycopodium (Perth)
ESIA	MTL Consulting (Tanzania) Ltd
Tailings Management	Knight Piesold (consulting to Lycopodium)
Legal	ENS Attorneys

Table 3 – Scoping Study Team

2. Mineral Resources

The MRE was prepared and updated by independent consultants CSA Global Pty Ltd (**CSA**) and is reported in accordance with the JORC Code 2012 (**Table 1 & Annexure E**).

The updated MRE model was created by combining the high grade 31 March 2016 MRE model with the surrounding lower grade material. This approach to the MRE was considered optimal to evaluate the potential for a development scenario of an open cut progressing to an underground operation. The model honoured the interpreted lithology and fault boundaries that were treated as separate statistical domains. Grade was estimated using Ordinary Kriging (OK) for the high grade domain using a 10m x 10m x 10m estimation panel and Uniform Conditioning (**UC**) followed by a localisation step (**LUC**) to simulate the grade and tonnage distribution based on a selective mining unit (SMU) of 2.5m x 2.5m x 5m for the lower grade domain. The grade tonnage tabulation for the updated MRE is presented in **Table 4**.

Grade and Tonnage Tabulation Subcelled Model Nyanzaga Gold Project – August 2016				
Gold g/t Cut-off	Tonnage (Million)	Gold g/t	Gold koz	In Situ Dry Bulk Density
2.50	16.9	4.68	2,539	2.84
2.00	22.2	4.09	2,925	2.84
1.50	29.8	3.49	3,344	2.84
1.00	47.0	2.65	4,014	2.85
0.50	92.2	1.70	5,051	2.85

Table 4: Grade and Tonnage Tabulation - Nyanzaga Gold Project

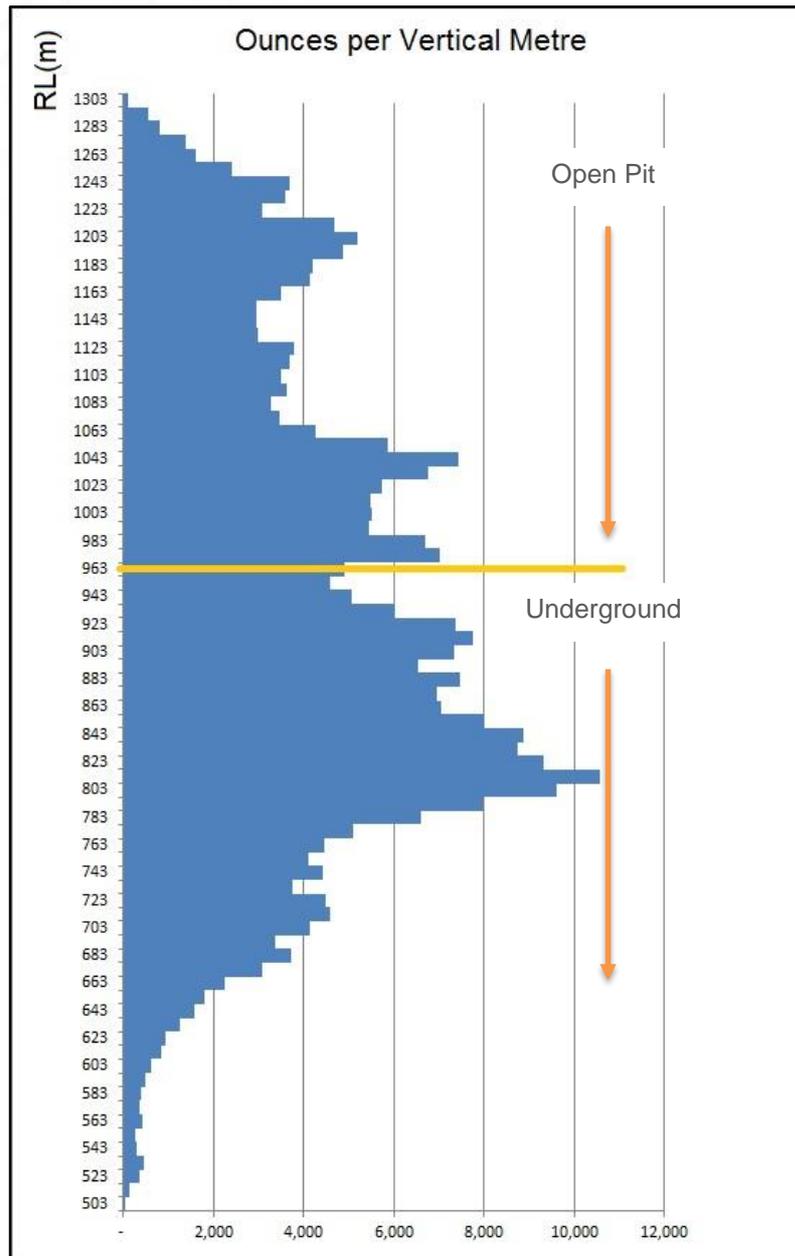


Figure 2: Ounces per Vertical Metre – Nyanzaga Deposit

The Nyanzaga Deposit contains approximately 4,200oz per vertical metre (**Figure 2**). The deposit remains open below the 800m depth vertical extent of the MRE.

3. Mining

3.1. Overview

Mining will be completed utilising both OP and UG, for a total LOM of 13 years. UG production will commence in year four and be complemented by stockpiled mineralisation from the OP through its nine year UG mine life (**Figures 3 & 4**).

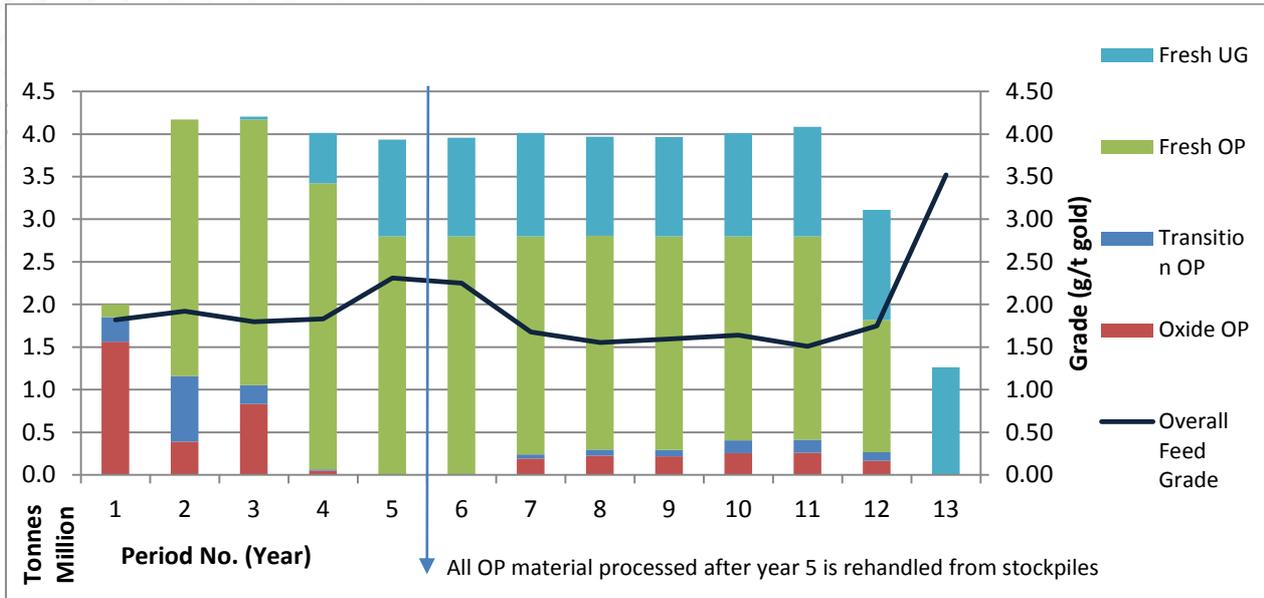


Figure 3: Mill Feed by Material Type and Source

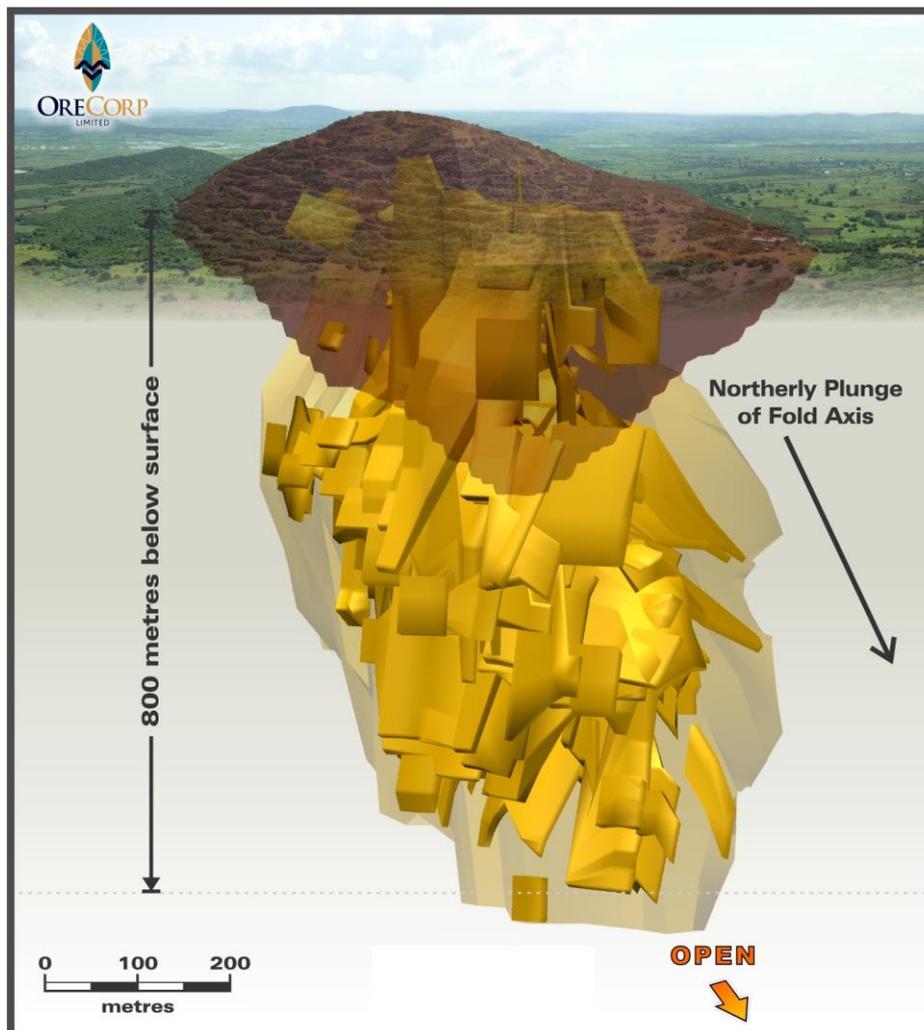


Figure 4: Nyanzaga MRE Model with Conceptual Pit

3.2. Open Pit

As part of the Scoping Study, the 31 March 2016 MRE model that was based on a 1.5g/t gold cut-off was in-filled with mineralised zones below the cut-off grade to enable open pit planning. This process resulted in the updated MRE estimate (discussed above and shown in **Table 1, page 2**).

Mining Plus, the mining engineering consultant engaged for the Study, is of the opinion that the Nyanzaga MRE block model is based on a robust geological understanding of the deposit and is an accurate representation of the input grades.

The mining of both mineralised material and low grade mineralisation is a simple process in a single OP requiring drilling and blasting. As part of the Study a series of pit optimisations, unmineralised rock dump and low grade stockpile locations and LOM mining schedules were completed to determine the optimal long term mine plan. The stripping ratio for the Project will vary from a minimum of 1.5:1 to a maximum of 3:1, averaging 2.5:1 over LOM. This includes both mineralised material and low grade mineralisation (stockpile). Final open pit depth will be 340m below surface.

Mining will be completed on bench heights of 10m and to an overall wall angle of 30° in oxide and 50° in fresh rock. Berm heights will be 20m and wall angles between the berms will be 50° in oxide and 70° in fresh rock. Access to the pit will be a dual haul road.

The basic mining fleet will comprise standard trucking equipment, in the form of 250 tonne excavators and 136 tonne rigid haul trucks. Haul road maintenance will be supported by graders and water carts, the run of mine (ROM) stockpile requires front end loaders capable of loading the haul trucks and maintenance support in the form a service truck and tyre handler. The Company is currently contemplating the mining being undertaken on a contract miner basis. The average OP mining cost is approximately US\$3.4/t of material moved.

It is estimated that the OP will generate mineralised material containing approximately 1.4Moz of gold over five years. Mineralised material which is above the 1.5g/t gold MRE cut-off grade will be fed directly to the mill while the mineralised material below this cut-off will be re-handled via stockpiles (SP) for processing at a later date and blended with the higher grade UG material (**Figure 5**).

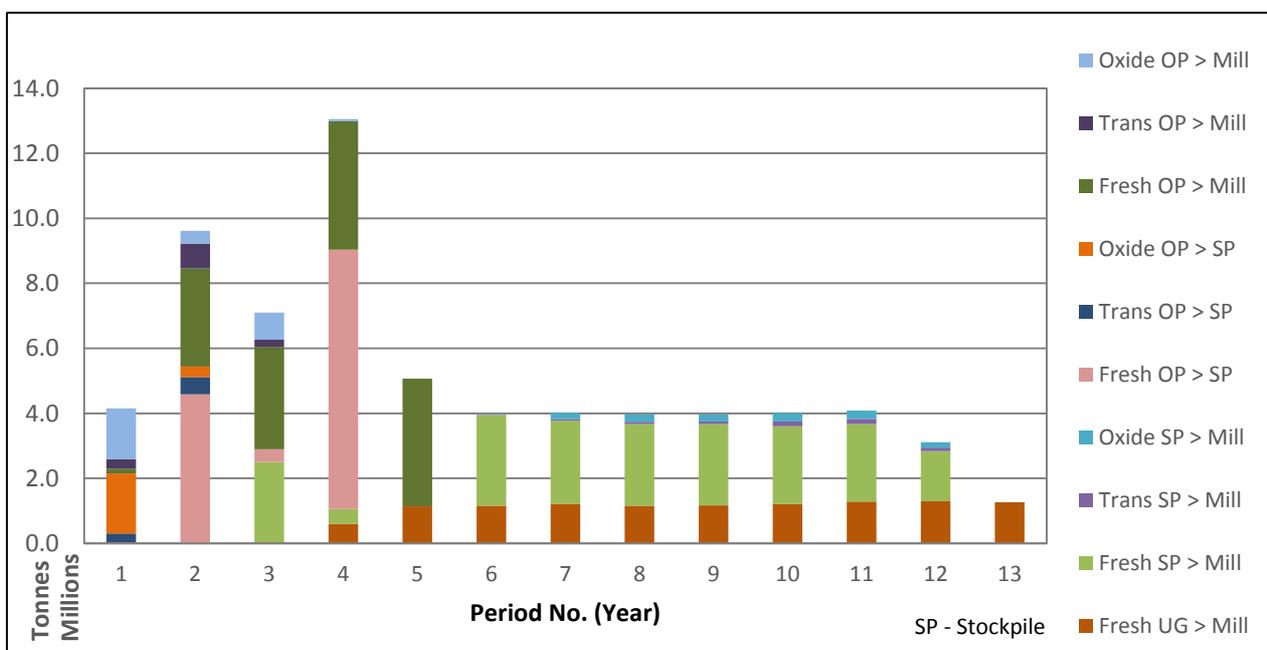


Figure 5: Mineralised Material Moved – OP & UG

The unmineralised material from the open pit will be used entirely in the construction of the TSF. The mine stockpiles derived from the OP will generally be situated between the OP and the processing plant to take advantage of the short hauls (**Figure 6**).

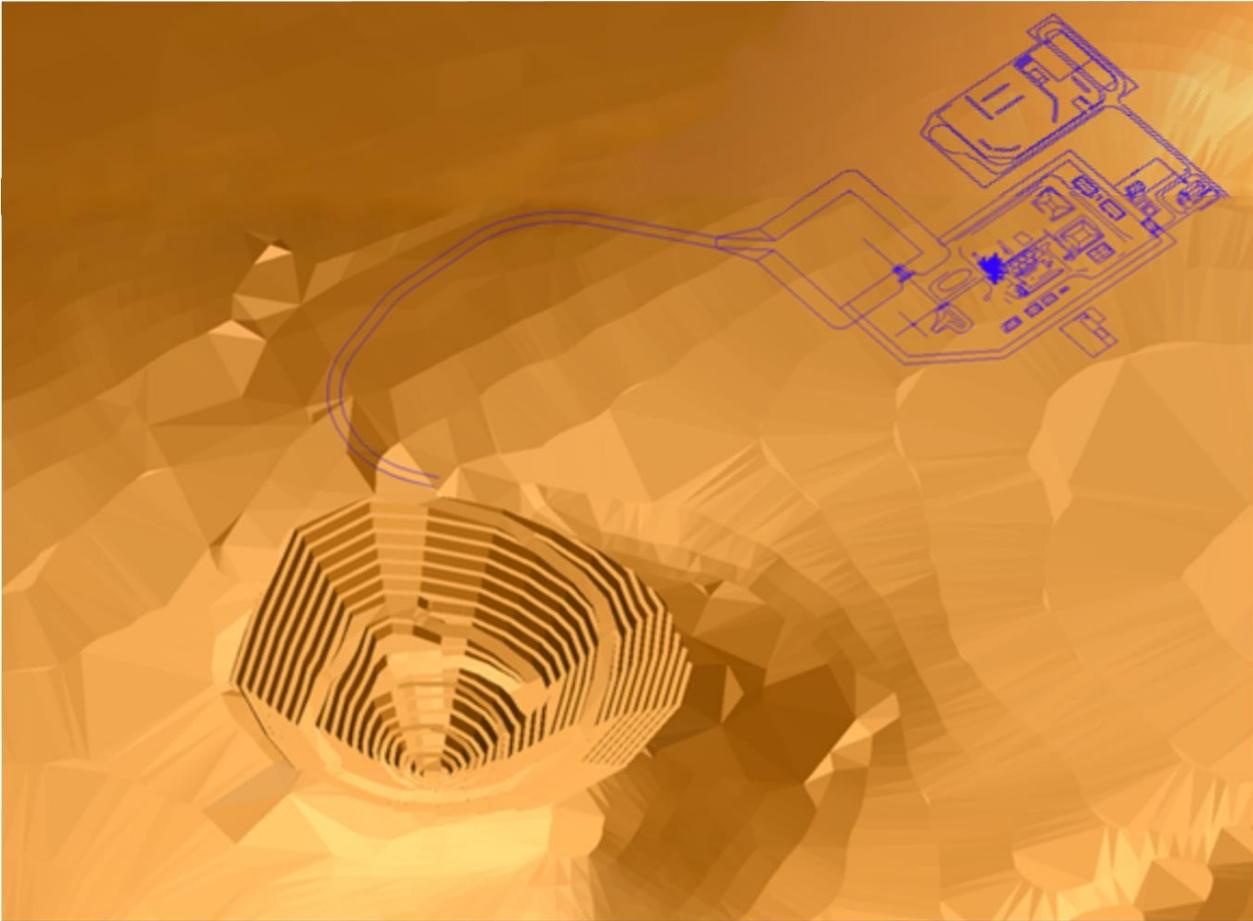


Figure 6: Plan of Conceptual Pit and Process Plant-

An infill drilling program has been planned at Nyanzaga with the objective of upgrading portions of the MRE from Indicated category to Measured category. This will predominantly cover the first three years of the anticipated OP.

3.3. Underground Mine

The UG will be accessed using a 1:7 gradient decline via a portal located within the OP, approximately at the 1140mRL (160m below pit crest). There will be less than a two year overlap between the OP and UG operations. The development will commence in year three of the Project and cost approximately US\$18M which will be funded by cash flow from the OP. It is anticipated that the first mineralised material will be accessed from the UG in year four of the Project life. From the completion of the decline, an average of US\$16M pa will be incurred in development expenditure over the UG life. This development expenditure has been included in the AIC and will be fully funded by cash flow.

All infrastructure, including intake and exhaust rises, dewatering (pumping systems and lines), reticulation of services (electrical, air, water and paste fill), advances at depth with the decline and production panels have been contemplated in the Study (**Figure 7**).

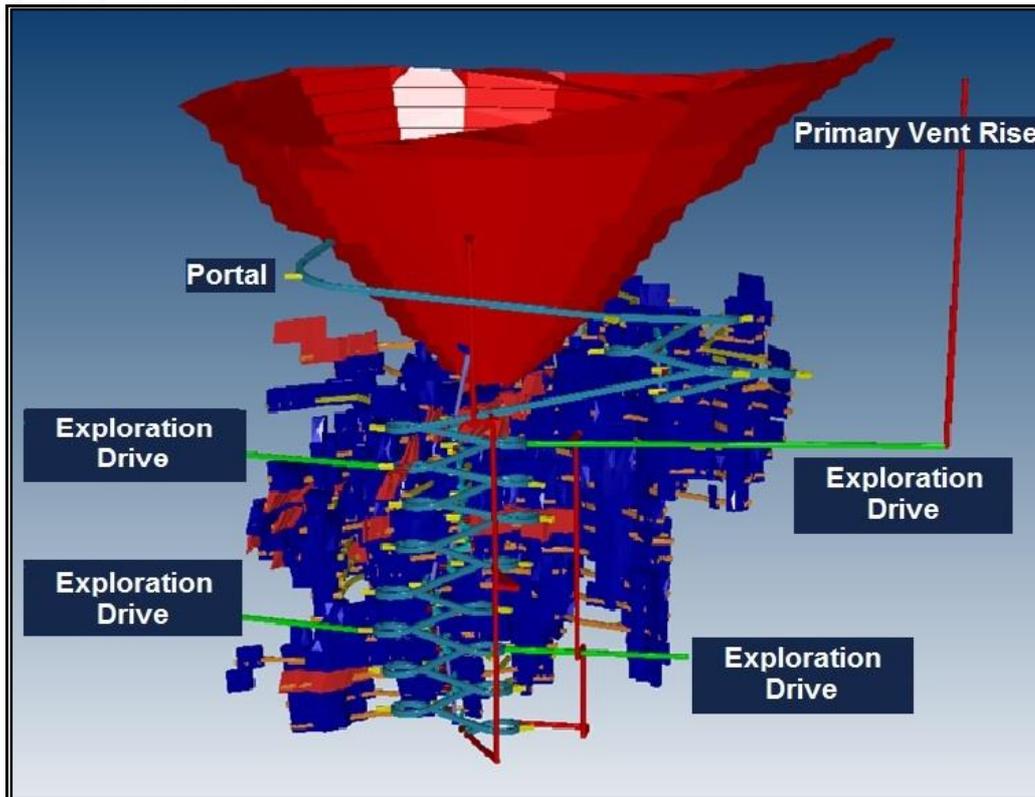


Figure 7: Concept of UG Operation with Exploration Drives, Stopes and Vent Rises

The main UG mining method used is continuous retreat sub level open stoping with paste fill. In general, the stoping may be divided into panels up to 75m high (made up of three sub levels spaced 25m apart), with each panel sequenced from the bottom up (**Figure 8**).

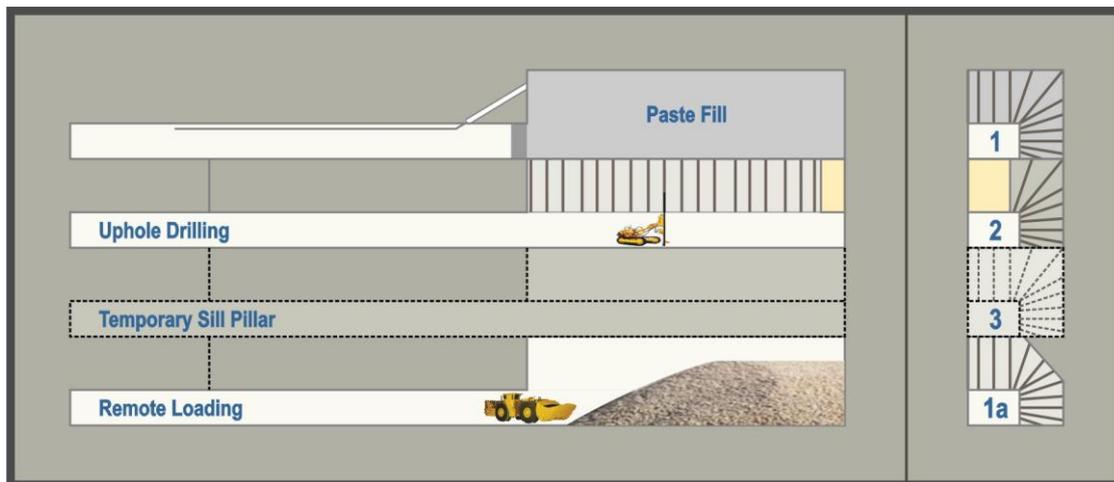


Figure 8: Typical Stoping Sequence

Due to proximity of the stoping zone to the portal entrance in the pit, the level development commences in year three and the stope production in year four. The steady state production rate of 1.1Mtpa is expected to be achieved in year three of the UG operation, and is not planned to exceed more than 1.3Mtpa over the LOM. Steady state production will be maintained for nine years (**Figure 9**). A nominal 10% dilution has been applied to the mine plan which results in a LOM UG mined grade of 3.7g/t gold at a 2g/t gold cut-off grade. A nominal allowance has been considered for the crown pillar.

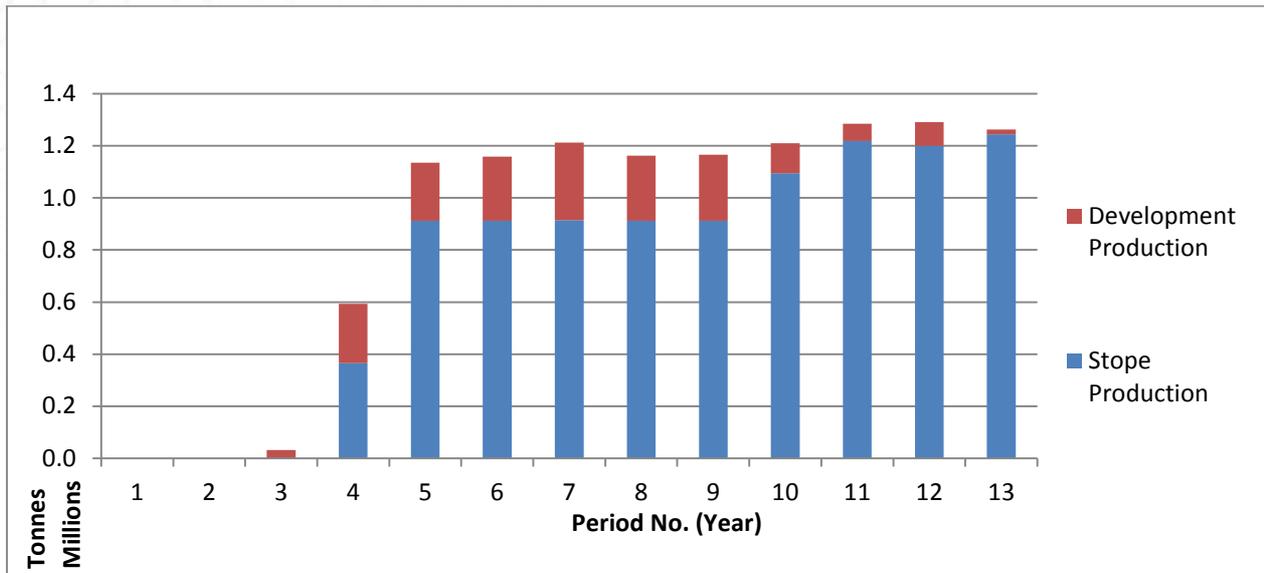


Figure 9: Underground Production by Source

The MRE extends to approximately 800m below surface, some 460m below the planned concluding depth of the OP. Drilling has intersected mineralisation beneath the MRE so potential exists for further mineral resources to be defined. It is anticipated that exploration drilling and drives will be completed from the underground workings as development progresses.

3.4. Processing

The treatment plant design incorporates the following unit process operations:

- Primary crushing with a gyratory crusher to produce a coarse crushed product
- A live surge bin with a dead stockpile from which mineralisation can be reclaimed to feed the milling circuit
- A SABC milling circuit comprised of a SAG mill in closed circuit with a pebble crusher and a ball mill in closed circuit with hydrocyclones to produce an 80% passing (P_{80}) 106 micron grind size
- Gravity concentration and removal of coarse gold and silver from the milling circuit and treatment of gravity concentrate by intensive cyanidation and electrowinning to recover gold to doré
- Pre-leach thickening of the milled slurry to increase the slurry density feeding the CIL circuit
- A CIL circuit to leach and adsorb gold and silver from the milled ore onto activated carbon in six CIL tanks providing a total of 24 hours leach time
- A conventional elution circuit, electrowinning and gold smelting to recover gold from the loaded carbon to produce doré
- A SO_2 / oxygen cyanide destruction circuit that is compliant with the International Cyanide Management Code (ICMC)
- Pumping tailings to the TSF. Subject to further testwork, some tailings may be utilised as paste fill in the UG operation.

The final site selection for both the process plant and TSF will be subject to sterilisation drilling to be completed during 2016.

The flow sheet will be optimised and finalised to DFS standard in the PFS (**Figure 10**) with a significant metallurgical test work program that aims to look at differing recoveries in the different mineralisation types and their respective oxidation states.

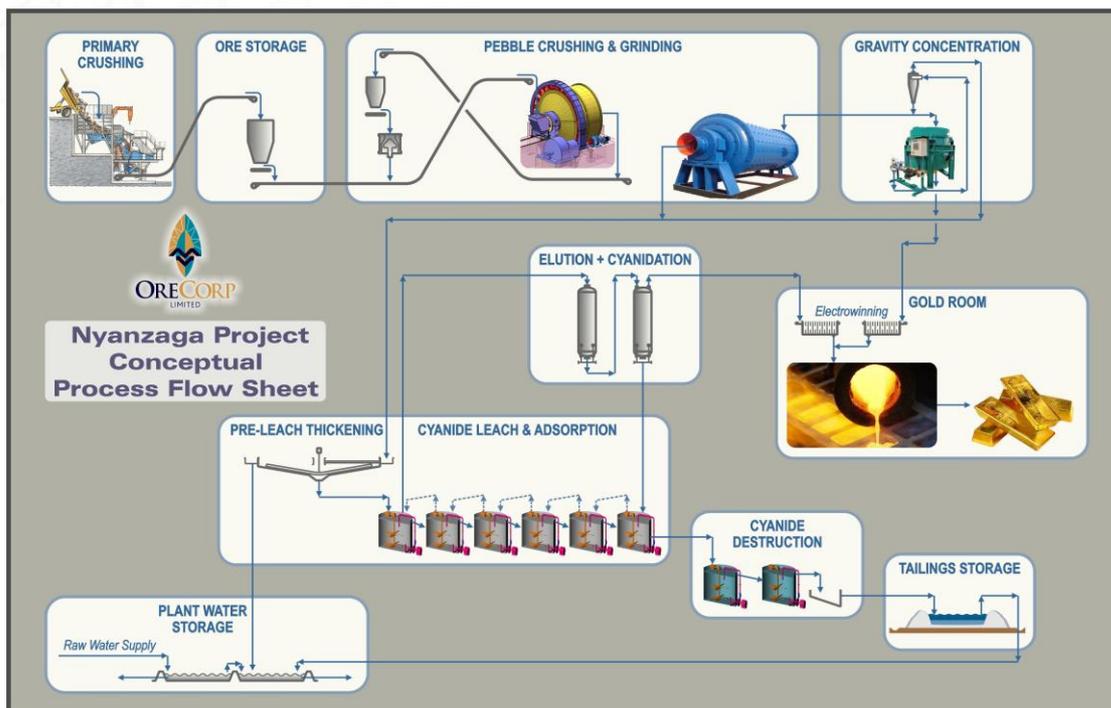


Figure 10: Conceptual Process Flow Sheet

Further test work and trade off studies to determine the optimum addition rate and economics of each reagent added to the leach will be conducted during the PFS. An overall 85% recovery, based on limited historical test work, has been applied in the Study. Extensive metallurgical test work is scheduled for the initial phase of the PFS to further validate the recovery assumptions for the Project.

4. Project Costs

4.1. Capital Costs

Capital costs (determined to a nominal accuracy of +/-35%) for the process plant, reagents and plant services and all other project infrastructure are estimated at US\$156M (excluding contingency). The Capital cost estimates do not include mining fleet capital as the Study is based on a contractor mining scenario. The Capital costs are summarised in **Table 5 and Figure 11**. Owner's costs include provision for working capital for the processing plant (first fill of reagents and consumables), plant spares, vehicles and miscellaneous equipment and relocation costs.

Capital Costs (+/- 35%)	US\$M	%
Mine Pre-strip & Pre-production	14	6
Process Plant	65	26
Reagents & Plant Services	8	3
Infrastructure	56	23
Mine Admin Building	1	<1
Contractor & Construction Services	12	5
Subtotal	156	
Management Costs	15	6
Owners Project Costs	30	12
General Working Capital	4	2
Subtotal	49	
Contingency	43	17
Project Total	248	100

Table 5 - Summary of Capital Costs (+/- 35% nominal accuracy)

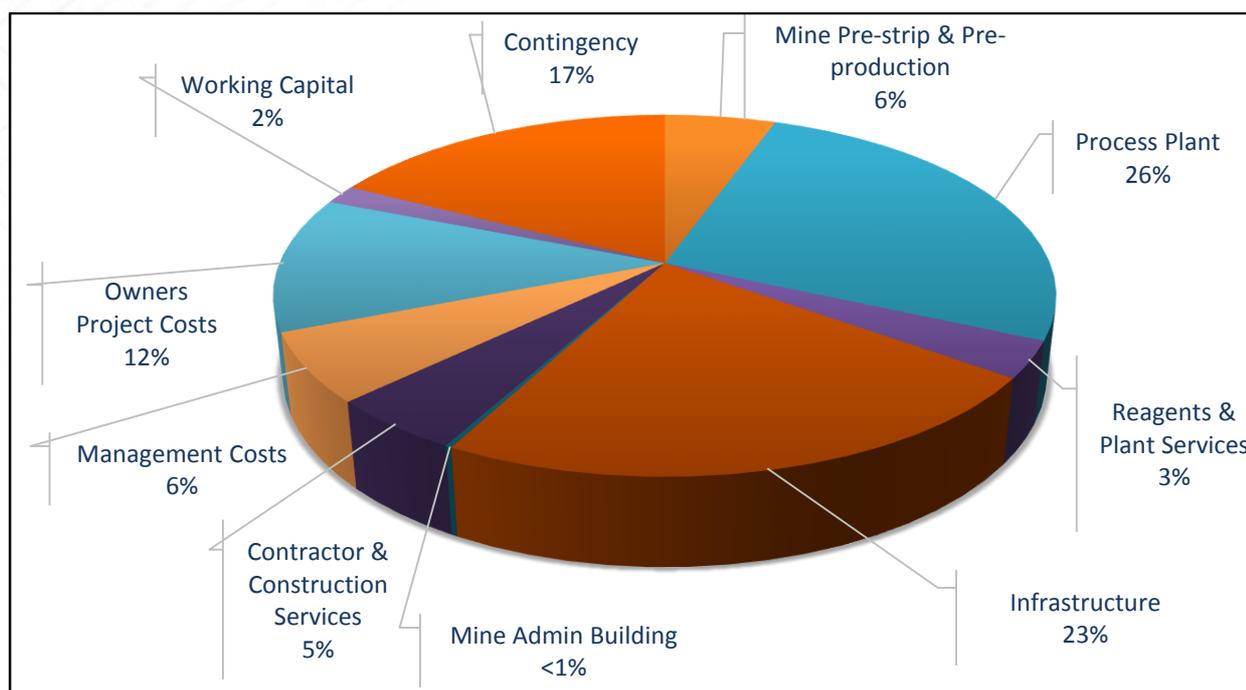


Figure 11: Summary of Capital Costs

4.1.1. Other Project Infrastructure Costs

The total power requirements for the Project are estimated at 25MW, excluding the requirements of the UG operation which will draw a further 3-4MW from year four onwards for ventilation and pumping. Power will be supplied to site via an approximately 35km long transmission line using Tanesco (state utility) power at a full supply cost of US\$0.12 per kilowatt hour.

It is planned to utilise water from Lake Victoria, seven kilometres to the east of the Project, for all process water needs. Acacia Mining's Bulyanhulu operation further to the south currently utilises water from the lake and it is expected that necessary approvals will be obtained by the Company. An all weather site access road has been provided for in the infrastructure costs.

The total cost of other project infrastructure and other capital items for the Project is estimated at US\$70M, including a 17% contingency.

4.1.2. Tailings Management

A total of US\$16M has been budgeted for the TSF as part of the infrastructure capital costs (**Table 5**). In addition, a further US\$4M pa has been provided for tailings management through the LOM, which is included in the All-in Cost. The proposed location of the TSF is proximal to the current plant site. There are a number of potential sites within the Project area and the optimal site selection will be determined following completion of the sterilisation drilling and further trade-off studies in the PFS. It is anticipated that if test work proves that the tailings are suitable to be used for paste fill, then the cost of a paste plant will be offset by the reduced amount of sustaining capital required for the TSF.

4.2. Operating Costs

In the first full year of production, the AISC is estimated to be US\$747/oz. Over the LOM the average AISC is US\$798/oz (+/- 35% nominal accuracy). The operating costs over the LOM are summarised in **Table 6 & Figure 12**. OP and UG mining costs are averaged over the LOM.

Description Cost (LOM)	US\$/oz Produced
Open Pit Mining (contract miner)	172
Underground Mining (contract miner)	252
Process Plant and Infrastructure	229
General and Administration	49
Royalties	54
Total Cash Cost	756
Sustaining Capital	43
Total AISC	798

Table 6 - Summary of Average LOM Operating Costs (+/- 35% nominal accuracy)

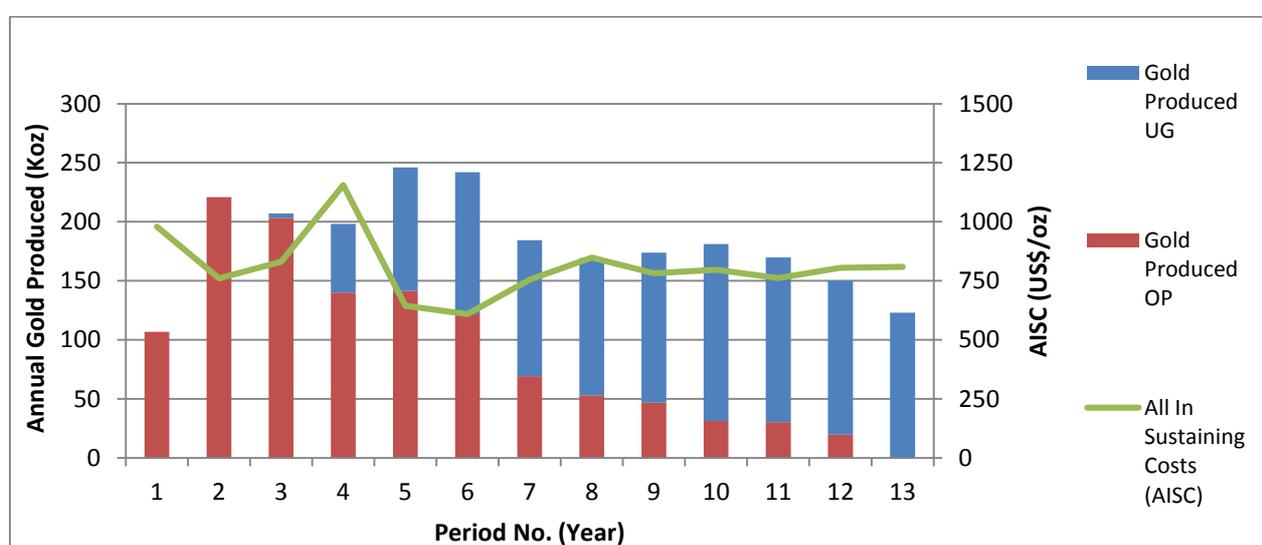


Figure 12: Gold Production by Source versus Unit Cost (AISC)

5. Permitting, Stakeholder Engagement and Employment

The JV currently holds a Prospecting Licence with an area of approximately 16.9 square kilometres, covering the Nyanzaga Prospect. Environmental and Social baseline studies have commenced. The JV has recently registered an ESIA application with the relevant authorities in Tanzania. These activities have commenced as a prelude to the application for a Special Mining Licence (SML) to cover the Prospect area, which is expected to be lodged in 2017. An Environmental Certificate is also required as a prerequisite to the grant of an SML.

Additional permitting to cover items such as power, water and aggregate, will progress as required.

The Company has and will continue to work closely with all stakeholders, including the local communities and relevant authorities, in all aspects of the work completed on the Project to date.

Employees will be largely sourced from the local community and elsewhere within Tanzania, which has over two decades of mining experience.

6. Conclusion and Recommendations

The Company will commence the PFS immediately. The sterilisation and infill drilling programs will commence in the third quarter of 2016. During the PFS phase the Company will focus on evaluating opportunities identified to reduce capital and operating costs, including:

- Confirming the metallurgical process route, focusing on the process flow sheet to enhance gold recovery through optimisation of the comminution, gravity gold, leach and elution circuits
- Optimisation of open pit and underground mine designs
- Assessing contractor vs owner operator mining fleet
- Examining the consumption rates of reagents, their transport and potential recovery to reduce operating costs
- Upgrading the resource classification of the current MRE from Inferred to Indicated and Indicated to Measured categories

About OreCorp Limited

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

On 7 October 2015, the Company announced that it had completed the first stage of its earn-in and JVA with Acacia Mining plc to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania. On 10 August 2016, the Company announced as part of the Scoping Study a Revised JORC MRE of 3.34Moz at 3.5g/t gold for the Nyanzaga Project.

ANNEXURE A FORWARD LOOKING STATEMENTS AND REASONABLE BASIS

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.

Statements regarding plans with respect to the Company’s mineral properties may contain forward-looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This announcement has been prepared in compliance with the JORC Code 2012 Edition and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any mining of mineralised material, modifying factors and production targets and financial forecasts. The following information is specifically provided in support of this belief:

(a) The Scoping Study was completed by independent engineering firm Lycopodium with oversight provided by the OreCorp’s Owner’s Team under the direction of Ernst Griebel (B Eng. (Chemical) University of Cape Town 1984,). Over the last 20 years, Lycopodium has built the Golden Pride, Geita and Buzwagi Gold Mines in the Lake Victoria Goldfields in Tanzania. As is normal for this type of study, the Scoping Study has been prepared to an overall level of accuracy of approximately +35%.

(b) The Company has a MRE for the Nyanzaga Deposit of 29.8Mt at 3.5g/t gold for 3.34Moz gold (at a 1.5 g/t gold lower cut-off grade) of which 83% of the MRE is in the Measured and Indicated categories under the JORC Code 2012.

(c) OreCorp intends to continue with an infill drilling program at Nyanzaga. This program has been designed to convert material currently included in the Inferred to Indicated and from Indicated to Measured MRE categories for the PFS. Given the size, continuity of mineralisation, geometry of the Nyanzaga MRE and infill hole design OreCorp and its Resource Consultants CSA are confident of achieving this further mineral resource classification conversion.

- (d) The Nyanzaga MRE was originally estimated in March 2016 and then revised in August 2016 as part of the Scoping Study by Mr Malcolm Titley of CSA in London, United Kingdom and is included in this announcement.
- (e) A review of historical metallurgical test work (performed by ALS Global previously known as Ammtec based in Perth) was completed by Lycopodium in Perth, Western Australia.
- (f) Mr Christopher Waller is a member of AusIMM and holds a BAppSc Applied Chemistry graduating from South Australian Institute of Technology. Mr Waller is an employee of Lycopodium, the independent engineering firm that completed the Scoping Study. Mr Waller was responsible for oversight of the Scoping Study and reviewed the metallurgical test work and conventional flow sheets.
- (g) Lycopodium prepared the process flowsheet based on metallurgical test work.
- (h) The mine planning and scheduling for the 4Mtpa Base Case were undertaken by independent mining firm Mining Plus, consisting of Mr Peter Lock and Mr David Billington (both mining engineers with a combined 47 years of mine planning and operations experience and both Members of the AusIMM) utilising the Optimisation software for open pit and underground mine planning.
- (i) Mining and Processing operating costs were based on estimates derived from similar scale operations in Africa that both Mining Plus and Lycopodium respectively have in recent years completed. These costs have been validated at a high level against existing operations in the Lake Victoria Goldfields of a similar type and scale, including mines owned and operated by the Company's joint venture partner, Acacia Mining plc. The information in this announcement that relates to Process Plant capital and operating cost estimates is based on information compiled or reviewed by Mr Chris Waller of Lycopodium.
- (j) Capital costs for the 4Mtpa option were provided by Lycopodium based on recent studies of African projects of a similar type and style.
- (k) Geotechnical Engineering utilised earlier reports completed by Golder & Associates, an industry recognised firm who specialise in geotechnical studies and work. Mining Plus and Lycopodium reviewed these reports during the Study.
- (l) Tailings storage facility options analysis and cost estimates associated with the Study was undertaken by Knight Piesold, as a consultant to Lycopodium.
- (m) The Nyanzaga Project will potentially be the first large-scale gold mine to be developed in Tanzania in approximately 10 years. As such, stakeholder engagement with the Government of Tanzania and in particular with the Ministry of Energy and Minerals (MEM) has been very positive. We therefore anticipate that given the potential size, scale and significance of the Project to Tanzania, all necessary approval processes will be prioritised and well-coordinated by key individuals within the MEM and other key Ministries and Departments.

The Company has engaged an independent legal firm in Tanzania (ENS Attorneys) to advise it on all aspects of the permitting process. A Tenement Report prepared by ENS Attorneys confirms that the licences are in good standing and all statutory requirements are up-to-date.

- (n) The Company has engaged a specialist environmental consulting firm in Tanzania, MTL Consulting Ltd, to advise it on all aspects of the ESIA process. This includes all environmental baseline studies, which commenced during the Scoping Study. The Project has been duly registered with the National Environmental Management Committee (NEMC), a pre-requisite for the environmental certification (EC) and approval process. The EC must be obtained prior to the submission of a Special Mining Licence Application (SML).

(o) The Company believes that the amount and detail of work and studies carried out for this Study exceeds what would normally be expected at a Scoping Study level.

(p) OreCorp's Board and management have had a very successful track record of developing mineral resources through greenfields and brownfields exploration across various projects in Africa and Australia over the last 30 years (refer to paragraph (t) below for further details). OreCorp is confident there is a good possibility that it will continue to increase the mineral resources at the Nyanzaga Project through exploration to extend the mine life beyond what is currently assumed in the Study. The Nyanzaga deposit is located in the Lake Victoria Goldfields which is highly prospective and hosts an exceptional endowment of gold mineralisation, with five operating (or recently operating) commercial scale gold mines nearby that collectively produced >1.2Mozs in 2014 and host >50 Mozs of gold in foreign estimates. Tanzania is the third largest gold producer in Africa (www.gold.org) with an internationally respected mining industry, a Mining Act revised in 2010 and English language based commerce.

(q) The Nyanzaga Project's positive technical and economic fundamentals provide a platform for OreCorp to advance discussions with traditional debt and equity financiers and forward sales arrangements. Recent support from key institutional shareholders in Europe and Australia resulted in the Company raising A\$16.2M and the Company now has approximately A\$17.3M (as at 30 June 2016) in treasury which enables it to fund continuing feasibility studies. A recent improvement in market conditions and an encouraging outlook for the global gold market enhance the Company's view of the fundability of the Nyanzaga Project.

Pursuant to the JV Agreement with Acacia Mining Plc, following completion of the DFS, there are a number of ways in which the Project may ultimately be developed. The JV Partner has the first right, which broadly states that if the NPV from the DFS is >US\$200M, the JV Partner will have 60 business days to notify the Company that it intends to resume management of the Project and that it will retain a 75% participating interest in the Project, in which case the Company will retain a 25% interest in the Project and be compensated by the JV Partner. This payment mechanism will result in a payment of between x3 – x6 the US\$15M the Company is required to spend on the Project in order to earn its 25% and complete the DFS. Such a payment would likely cover the majority of the Company's 25% share of the Project's Capex (which is likely to be approximately US\$63M).

Based on the above, the Board is confident the Company will be able to finance its share of the Nyanzaga JV through a combination of debt and equity, or forward sales. In addition, the Company's aim will be to avoid dilution to existing shareholders, to the greatest extent possible.

(r) The Company's JV Partner (Acacia Mining Plc) is a UK public company with its headquarters in London. The company is listed on the main market of the London Stock Exchange and is included in the FTSE250 Index. It has a portfolio of gold mines in Tanzania with a resource base of 30.1Moz, the most significant being Bulyanhulu and North Mara.

The JV Partner has significant cash reserves, low debt and a strong balance sheet. As a result, the Company is in the enviable position of already having a partner with considerable financial resources to help develop the Project and bring it into production. In addition, the fact that this is a gold project means that complicated and potentially costly off-take agreements or hybrid financing solutions are unlikely to be required.

(s) Following release of the Nyanzaga MRE in March 2016, OreCorp undertook a capital raising of A\$16.2M via a placement made largely to tier one institutional clients, including JP Morgan; Australian Super; Eley Griffiths and Westoz (all of whom have filed substantial shareholder notices). The Company is debt free and is in a very strong financial position, with approximately A\$17.3M in Treasury.

The capital raising was managed by Euroz Securities Limited (“Euroz”), one of Australia’s largest mid cap mining finance businesses with a long history in Africa. It is a wholly-owned subsidiary of the ASX-listed Euroz Limited, a diversified wealth management business with three operating divisions. Following the success of the recent capital raising, Euroz confirmed in writing that the Project had been generally evaluated to a high standard which supported the Euroz analyst’s view that the Project will be fundable through traditional debt and equity sources.

(t) The Study is based on the assumption that all gold produced will be refined at the Rand Refinery in South Africa. The Rand Refinery refines almost all gold ore bars produced in the region and since 1920, has refined nearly 50 000 tons of gold, almost one third of all the gold mined worldwide. The gold market is a highly liquid international market with no need for offtake agreements.

(u) OreCorp Board and Management team has been responsible for the exploration and development of several large and diverse mining and exploration projects in Africa and Australia, covering every facet of exploration and mining from grass roots to development. These include the development of the Lumwana Copper Mine in Zambia (Equinox Minerals Limited); North Mara Gold Project in northern Tanzania (East African Gold Mines Limited) the Mkuju River Uranium Project in southern Tanzania (Mantra Resources Limited); the Kariba Uranium Project in southern Zambia (OmegaCorp Limited) and the exploration and development of the Nimary-Jundee and Mertondale Gold deposits in Western Australia.

In summary, the Board and management of OreCorp have a demonstrated track record of success in Africa. This has been achieved through technical and financial capability to identify, acquire, define, develop and operate quality mineral assets.

(v) **For these reasons outlined above in p, q, r, s and t, the Board believes that there is a “reasonable basis” to assume that future funding will be available and securable.**

(w) **All material assumptions on which the forecast financial information is based have been included in the announcement.**

ANNEXURE B SCOPING STUDY PARAMETERS AND CAUTIONARY STATEMENTS

Mining and Modifying Factors

The Company has a MRE for the Nyanzaga Deposit of 29.8Mt at 3.5g/t gold for 3.34Moz gold (at a 1.5 g/t gold lower cut-off grade) of which 83% of the MRE is in the Indicated and Measured categories under the JORC Code 2012 (refer to Table 1 of this ASX Announcement of 10 August 2016).

In accordance with JORC 2012, the proposed “Mineralised Material” is based on the MRE, and there has been no conversion of the MRE to Ore Reserves. Furthermore, the MRE will not be classified as such until the PFS has been undertaken.

In this report the term “Mineralised Material” is used to report that part of the MRE that has been considered in the Scoping Study. The Mineralised Material does not meet the requirements of an Ore Reserve as defined under the 2012 edition of the JORC Code and should not be considered an Ore Reserve. There is no certainty that all or any part of the Mineralised Material will be converted into Ore Reserves.

Key mining parameters used in the Study are as follows:

- (i) Cut-off grade of 1.5g/t gold (excluding low grade material)
- (ii) Mining dilution has been included
- (iii) Overall pit slope angles are 30⁰ - 50⁰
- (iv) Ramp width of ~10m with a gradient of 1 in 10. Dual ramps at top of pit with single ramps towards the bottom
- (v) Batter angles range from 50⁰ - 70⁰ and berm heights of ~20m with berm widths of ~10m

Production Target

The Study referred to in this report is based on low accuracy level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Scoping Study will be realised.

As noted above, 83% of the MRE is in the Indicated and Measured categories, with the balance of 17% classified in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Measured or Indicated Mineral Resources or that the production target itself will be realised.

ANNEXURE C KEY RISKS

Key risks identified during the course of the Study include, but are not limited to:

- (i) Adverse movements in the US\$ Gold price
- (ii) Adverse movements in the US\$:TZS and US\$:AUD exchange rates
- (iii) Changes to capital and operating cost estimates
- (iv) Conversion of existing Resources to Reserves
- (v) Results of future feasibility studies are uncertain
- (vi) Project funding
- (vii) OreCorp will require various licenses, permits and approvals from various Tanzanian governmental authorities
- (viii) The Company's activities are subject to environmental laws and regulations
- (ix) OreCorp's title to its properties could be challenged
- (x) Sovereign and legal risks of Tanzania
- (xi) OreCorp depends on key management personnel and may not be able to attract and retain qualified personnel
- (xii) OreCorp's joint venture parties, contractors and agents
- (xiii) The Company may be subject to litigation
- (xiv) General economic conditions may adversely affect OreCorp's growth and profitability

ANNEXURE D JORC 2012 COMPETENT PERSONS STATEMENTS

JORC 2012 Competent Persons Statements

The information in this release that relates to “Mineral Resources” is based on information compiled by Mr Malcolm Titley, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Titley is a Principal Consultant with CSA Global (UK). Mr Titley has sufficient experience that is relevant to the style of mineralisation and type of deposit 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 Titley consents to the inclusion in this release of the Mineral Resource Estimate for the Project in the form and context in which it appears. Mr Titley confirms that the information contained in Annexure E of this release that relates to the reporting of Mineral Resource Estimates is an accurate representation of the available data and studies for the Project.

The information in this release that relates to “exploration results” for the Project is based on information compiled or reviewed by Mr Matthew Yates. Mr Yates is a full-time employee and beneficial shareholder of OreCorp Limited and is a member of the Australian Institute of Geoscientists. 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 this release of the exploration results for the Project in the form and context in which it appears.

The Scoping Study was completed by independent engineering firm, Lycopodium Minerals Pty Ltd. Lycopodium Minerals Pty Ltd has consented to the inclusion in this release of information extracted from the Scoping Study in the form and context in which it appears. Mr Waller, a member of AusIMM and an employee of Lycopodium, was responsible for oversight of the Scoping Study and reviewed the metallurgical test work and conventional flow sheets in the Scoping Study and reviewed or compiled the process plant capital and operating cost estimates. Mr Waller has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The mine planning and scheduling for the 4Mtpa Base Case included in the Scoping Study were undertaken by independent mining firm Mining Plus Pty Ltd. Mr Peter Lock and Mr David Billington are both employees of Mining Plus Pty Ltd, mining engineers with a combined 47 years of mine planning and operations experience and members of AusIMM. Mining Plus, Mr Lock and Mr Billington have consented to the inclusion in this announcement of the matters based on their information in the form and context in which it appears.

ANNEXURE E
Table 1 Appendix 5A ASX Listing Rules (JORC Code)

Section 1: Sampling Techniques and Data, Nyanzaga Deposit		
Criteria	Explanation	Comments
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>The data used for the MRE estimate has been compiled from over 20 years of recent exploration work carried out on the Nyanzaga Project area. The database used for the MRE consists of 448 drill holes (Diamond, RC, RAB and AC), for 138,613.95m drilled and 122,008 gold assays.</p> <p>Reverse Circulation (RC) drill samples were collected through a cyclone at 1m intervals for the entire length of the hole.</p> <p>Diamond (DD) drilling core samples were collected in trays. Core samples were assayed nominally at 1m intervals.</p> <p>Details of the sampling technique of Rotary Air Blast (RAB) and Aircore (AC) drilling are largely not detailed. RAB and AC samples were collected through a cyclone and composite samples were collected using a riffle splitter to make a 1.5-3kg composite sample over 3 metres. RAB drilling is open hole while AC drilling uses a face sampling blade. Selective samples were taken from generally 3m composite intervals and re-sampled over 1 metre.</p> <p>RAB and AC drilling was not used in the MRE.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>No documentation of QA/QC procedures or sample representivity was evident for work carried out pre-2004.</p> <p>Documented sampling procedures include appropriate standards, blanks and duplicates for all RC, DD and RAB/AC drilling. QA/QC procedures were implemented throughout the various exploration campaigns.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	<p>Documentation for work pre-2004 is not available, practices are assumed to have followed industry standards.</p> <p>2004 – 2006 RC Drilling - Samples were collected at 1 metre intervals in plastic bags and their weight (25-35kg) was recorded. Wet samples were collected in polythene bags and allowed to air dry before splitting. Prior to September 05, the samples were combined into 3m composites by taking a 300gm scoop from 10-15kg one meter interval, then mixing it with 300gm scoops from each of two adjacent samples. The 1kg composite sample was then submitted to SGS for preparation and analysis. The individual 1m samples were stored for gold assaying if positive results were obtained from the 3m composite. After September 2005, 1m split samples of 1kg weight were submitted directly to SGS for analysis and the remaining sample of approximately 15-20kg was stored on site. Samples were placed in plastic bags, labeled and stacked on plastic sheets. Samples were catalogued in a register so that samples could be retrieved, and sample stacks were covered with plastics and secured.</p> <p>Diamond Drilling - Core is correctly fitted in the core boxes prior to sampling to ensure that only one side of the core is consistently sampled. The core was split using a diamond saw and sampled with QA/QC samples inserted accordingly. Sample length vary between 0.5-1.0m with half of the cut core sent to lab, the remaining half is marked with a sample number and stored in racks at Nyanzaga site.</p> <p>2007 Documentation for drilling completed in 2007 is not available, practices are assumed to have followed industry standards.</p>

		<p>2009 RC Drilling - Bulk samples for every 1m interval were collected via a cyclone into a plastic bucket which was then weighed prior to sampling using a triple tier riffle splitter. Diamond Drilling - Diamond core was cut using a simple brick saw into equal halves; one half of the core was collected for each 1m interval. No sample interval was less than 20cm or exceeded 1.5m.</p> <p>2010-12 RC Drilling - All RC drill holes were sampled at 1m intervals for the entire length of the hole, where possible. Each sample was collected into a plastic bucket large enough to hold approximately 40kg of cuttings, which was held below the cyclone spigot by a drill helper. To avoid sample contamination after a drill run was completed, blow-backs were carried out at the end of each of the 6.0m runs by the driller whereby the percussion bit was lifted off the bottom of the hole and the hole blown clean. If water was encountered in the hole, the driller was directed to dry out the hole by increasing air pressure into the hole and lifting and lowering the rods prior to continuing the drilling. The sample cuttings for each meter were weighed and recorded. The sample contents from the bucket are disgorged into a Gilson riffle splitter. A sample is collected on one side of the splitter as a reject. The material collected in the residue buckets on the other side of the splitter are poured back into the splitter and a 4 to 5kg sample is collected from the second split in a pre-labeled and tagged plastic bag for dispatch to the assay laboratory. Diamond Drilling - Diamond core was extracted using standard wire line methods, with the exception of the geotechnical drilling which incorporated the triple tube system. Core runs and core blocks were placed in boxes by the drillers and verified by the geologists at the drilling rigs. The cores were transported from drilling site to camp core shed every day.</p>
<p>Drilling techniques</p>	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></p>	<p>Drilling methods employed over the Project have included RAB, AC, RC and DD drilling.</p> <p>The RAB and AC drilling was undertaken with depths ranging from 15m to 87m, with an average depth of 65.4m.</p> <p>The 2004-2006 RC drilling was undertaken using a 6" diameter hammer with the cyclone cleaned before the start of each hole. The 2010-2012 drilling used a standard 5 ½" face sampling hammer leading a 4 ½" 6m rod string. The RC drill hole depths range from 15m to 288m, with an average depth of 130.9m.</p> <p>DD core sizes range from HQ to NQ with the majority of the core being NQ. DD drill hole depths range from 75m to 1147.8m, with an average depth of 455.5m. A variety of core orientation devices have been used. These include Reflex act, Easy Mark, Spear or Ball Mark. The diamond drill core orientations were marked and measured at the drill site by the driller and subsequently checked by the geologists who then drew orientation lines on the core.</p>
<p>Drill sample recovery</p>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p>	<p>No record is evident of the quality of sample recovery in RAB or AC drilling within the supplied database.</p> <p>For the RC drilling a 1 metre sample was collected, of which 1 kg were sent to the lab for analysis. Sample recoveries are recorded in the database and are generally >90%. For further information see sampling techniques above.</p> <p>Core recovery is generally high (above 90%) in the mineralised areas. If the ore zones are intersected in the regolith core recovery can be as low as 40%, but every attempt was made to recover above 80%.</p>

	<p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	<p>Acacia continually reviewed and, when necessary, modified to improve sample integrity during the 2010/2012 drilling program. Protocols for sample collection, sample preparation, assaying generally meet industry standard practice for this type of gold deposit. All analytical data are verified by geologic staff prior to entry into the database used for modeling and resource estimation. Quality assurance protocols have passed through several cycles from the start of project in 1996 with different operating companies that worked on the area. Certified Reference Materials (CRMs) were utilised in all exploration campaigns. Improved QA/QC procedures were implemented in the campaigns. Prior to dispatch to the preparation laboratory collected field samples are stored in a secure facility at the field base camp. Pulp and coarse rejects duplicates and other non-assayed materials are stored at this facility. Sample preparation, analytical techniques and QA/QC procedures for Nyanzaga exploration campaigns has been analyzed by Acacia.</p>
	<p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>No apparent relationship has yet been recognised or documented between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>
<p>Logging</p>	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p>	<p>From 2004 to late 2005 core logging was completed on paper then digital logging was introduced concurrent with the implementation of acQuire® as the data management software system. The logs captured included lithology, alteration, structure, mineralisation and sample numbers.</p> <p>In 2009 all RC drilling was logged using the logging codes devised by BEAL. In addition to lithology and alteration, key emphasis was placed on determining base of complete oxidation (BOCO) and top of fresh rock (TOFR) for the purposes of metallurgical domaining and block modeling. Magnetic susceptibility measurements were taken for each 1 m interval of all of the holes drilled in the 2009 program, using an Exploranium KT-9 Kappameter.</p> <p>From 2010 the RC drill samples were logged at the drill site by the project geologists and the data entered directly into a logging software package. Geotechnical logging records the casing sizes, bit sizes, depths, intervals, core recovery, weathering index, RQD, fracture index, jointing and joint wall alteration, and a simple geological description. All cores were oriented with Alpha and Beta angles of fabrics recorded at point depths.</p> <p>Bulk density readings were taken at every 1m interval within the same lithology whereby a piece of core with a length of not less than 10cm is used. Density is measured using the buoyancy method. A total of 51,114 core bulk density readings were recorded.</p>
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i></p>	<p>All DD and RC drill holes were logged in 1m intervals using visual inspection of washed drill cuttings in chip trays and drill core.</p> <p>Qualitative logging of lithology, oxidation, alteration, colour, texture and grain size was carried out.</p> <p>Quantitative logging of sulphide mineralogy, quartz veining, structure, density, RQD and magnetic susceptibility was carried out. All cores were oriented with Alpha and Beta angles of fabrics recorded at point depths</p> <p>Orientated and marked up diamond core in trays was photographed, wet and dry, using a camera mounted on a framed structure to ensure a constant angle and distance from the camera. Magnetic susceptibility readings were taken after every meter. For unconsolidated cores this is measured in situ and results recorded in SI units (Kappa) in the assay log sheets.</p>

	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes appear to have been logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<p>For the diamond core a line is drawn 90 degrees clockwise from the orientation line along the length of the core to indicate where the core must be cut. This is to ensure that each half of the core will be a mirror image of the other. Where there is no orientation, a line is chosen at 90 degrees to the predominant structure so that each cut half of the core will be a mirror image.</p> <p>Core cutting by diamond saw was conducted in a dedicated core saw shed. Core is cut in half and a 1m half core is removed from the core box for assaying. Each sample interval is placed in a plastic bag with a sample ticket. The bag is labeled with the hole and sample numbers using a marker pen.</p>
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	<p>Samples post 2010 were weighed on a spring scale and the sample weight was written down immediately after being weighed. The samples collected were disgorged into the Gilson splitter. The materials collected in the residue buckets on either side of the splitter were poured back into the splitter to ensure the homogeneity of the sample. The splitter and sample collection boxes were cleaned after every meter drilled. After the 2nd split a 4 to 5kg sample was collected from one of the buckets in a small pre-labeled and tagged plastic bag. The bag was folded over several times and stapled to prevent sample leakage. The contents of the second bucket were poured into a pre-labeled plastic sample bag, containing the sample interval marked on an aluminum or plastic tag, for storage at the Nyanzaga camp.</p>
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<p>For sampling post 2010 the primary laboratory for the project was SGS Mwanza laboratory, located in Mwanza, Tanzania. The laboratory performs sample preparation and gold assaying of all drill core and trench samples. The laboratory is certified for ISO/IEC 17025:2005 for gold assaying. SGS, also received the SANAS accreditation with the accreditation number T0470. Samples that were part of pulps prepared at SGS Mwanza were shipped to ALS Chemex, OMAC laboratory in Ireland. The OMAC Laboratory facility has ISO/IEC 17025:2005 accreditation for the analytical techniques employed for the Nyanzaga samples.</p> <p>Average weight of samples accepted by the laboratory was 2kg. In the laboratory, samples were selected in batches of 220 and each batch assigned a laboratory working code prior to being logged into the laboratory database, together with the ABGE's sample numbers.</p> <p>The entire sample was emptied into a stainless steel drying tray and dried for 24 hours at 95°C +/-5°C. The sample was then crushed in a jaw crusher to 85%, -2mm, and riffle split to produce an 800g to 1kg split for pulverization and analysis. The sample was pulverized in a LM2 bowl (1 kg capacity) to 90% passing 75µ.</p> <p>A minimum of 150g to 300g was scooped into a kraft paper sample packet. All remaining pulp residues were put into new plastic sample bags and stored at the lab. The pulp in the kraft sample packet was used for assay charges, and the residual materials are kept in the packet for storage. All sample preparation equipment is pre-cleaned at the beginning of every sample with barren quartz prior to processing the samples. The laboratory provides ABGE with crush and grind size reports for every batch.</p>
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Post 2010 systematic blanks, standard and field duplicate quality control samples have been submitted at a nominal frequency of 1 in 10. Umpire quality control samples have also been systematically submitted. QA/QC protocols required monthly and quarterly review of blank, standard and duplicate quality control data using AcQuire® database management software. The failure of one standard to assay outside of ±3SD (±3 x Standard Deviation) of the certified value is considered a quality control failure and required the re-assay of 10 samples prior and 10 samples after</p>

		depending on how other standards had performed, otherwise the whole batch was re-assayed.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate /second-half sampling.</i>	Post 2010 field duplicates comprised of 1,520 RC samples and 1,128 diamond core sample which equates to about 1 duplicate for every 40 primary samples. Results for paired field duplicates were monitored by producing a series of charts, graphs, including scatter charts, relative difference graphs and Thompson-Howarth precision estimates. The precision of the duplicate field samples is quite poor attributed to a number of factors.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	For RC and DD drilling, sample sizes of around 3 to 5kg are appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>Post 2010 the primary laboratory for the project was SGS Mwanza laboratory, located in Mwanza, Tanzania. The laboratory is certified for ISO/IEC 17025:2005 for gold assaying. SGS, also received the SANAS accreditation with the accreditation number T0470. Samples that were part of pulps prepared at SGS Mwanza were shipped to ALS Chemex, OMAC laboratory in Ireland. The OMAC Laboratory facility has ISO/IEC 17025:2005 accreditation for the analytical techniques employed for the Nyanzaga samples.</p> <p>After milling, samples were weighed and for assay purposes an aliquot of 50g is split, the remainder is retained as pulps. The 50g portion is mixed with flux and fused in clay crucibles. Lead buttons produced after fusions are coupled, forming Dore pills that are digested in aqua regia. The digest is analyzed for gold using Varian AA Spectrometer. The pulps were then taken through the laboratory's round-robin programmes and proficiency test. The test involved sample decomposition by fire assay fusion, FAA505 method, utilising 50g of sample, followed by atomic absorption spectroscopic finish to determine the amount of gold in the sample.</p>
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	<p>Magnetic susceptibility readings were taken every meter using a KT9. For unconsolidated core this was measured in situ and results recorded in SI units (Kappa) in the assay log sheets.</p> <p>No geochemical instruments were used to determine any element concentrations in the Project.</p>
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<p>Post 2010 blank, standard and field duplicate quality control samples at a nominal frequency of 1 in 10 were submitted. Umpire quality control samples have also been systematically submitted.</p> <p>QA/QC protocols required monthly and quarterly review of blank, standard and duplicate quality control data using AcQuire® database management software. The failure of one standard to assay outside of $\pm 3SD$ ($\pm 3 \times$ Standard Deviation) of the certified value was considered a quality control failure and required the re-assay of 10 samples prior and 10 samples after depending on how other standards have performed, otherwise the whole batch was re-assayed.</p> <p>Laboratory QC measures include; grind checks (Crusher; report 85% passing 2mm and pulp; report 90% passing 75μ) a crusher (preparation), and pulp duplicate (AuR1) and a pulp repeat. Duplicate samples were collected from the crusher and the pulveriser at a frequency of 1 per 20 samples.</p> <p>Labs were directed to use only certified reference materials and provide certificates when requested. At least 4 internal standards covering a variable range of gold concentrations were expected to be used. At least</p>

		<p>one regent blank and one preparation blank taken from the jaw crusher were expected to be used in each assay batch. The assay results of all blanks are expected to be less than 0.05 ppm Au for normal fire assaying. Values above the criteria may constitute as a batch failure.</p> <p>In 2010/2012, umpire checks on SGS Mwanza analytical results were completed. OMAC Ireland was used for external umpire check assays. 8,717 sample pairs were compared, which represents about 9% of the data. The two labs compared very well giving precise values despite few spikes caused by the nature of the deposit. On overall, the OMAC results are a little higher. The average value (mean) of the assays from SGS Mwanza was 0.2881 while OMAC lab was 0.2951. A review of the results for standards submitted during the program indicates that SGS does have a slightly low bias relative to the OMAC results. Standards were included with the check samples and they were reasonably accurate and performed almost the same in both labs.</p> <p>Details regarding sample preparation, analysis and security for the pre-2010 drilling were not available for review.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The significant intersections have been verified by alternative company personnel and external consultants.
	<i>The use of twinned holes.</i>	There do not appear to be any recorded specifically twinned holes at Nyanzaga. However the intensity of drilling places some holes within 2 – 10 metres proximity. These show acceptable correlation, but increased variability, as grade increases.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols</i>	Procedures of historical pre-2004 primary data collection are not documented. Primary data was collected using paper and then subsequently direct electronic entry on to Toughbook recorders. Barrick entered all historical and their subsequent primary data into an acQuire® system of an electronic version of the same templates with look-up codes to ensure standard data entry. The supplied data will be checked by Geobase Australia Pty Ltd for validation and compilation into a SQL (Structured Query Language) format on the database server.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to the assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	In July 2012 Ramani Geosystems were contracted to carry out a collar/drill point survey to determine the precise and accurate X, Y, Z coordinates for all Nyanzaga drill holes and to establish ground control network points for the aerial image geo-referencing using a differential GPS system. This was an independent survey from any other previous survey and a total of 728 collar positions inclusive of RC, DD and some geotechnical, hydrology and metallurgical holes were completed.
	<i>Specification of the grid system used.</i>	The grid system is UTM Arc 1960, Zone 36S.
	<i>Quality and adequacy of topographic control.</i>	Topographic control included use of the surveyed drill collars. As the mineralisation is deep below the surface detailed topographical control is not critical to the MRE.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	<p>Reconnaissance RAB and AC drilling was undertaken in widely spaced traverses, variably spaced along lines of 800 x 300/200/100m centres designed to cross and test soil and interpreted stratigraphic and structural targets.</p> <p>Varying phases of RC drilling were designed to cross and test soil anomalism and as resource definition drilling. Drill spacing varied, with the resource area nominally drilled to 50 x 50m, 40 x 40m and 20 x 20m centres.</p>
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade</i>	The drill sections at Nyanzaga give a high degree of confidence in the geological continuity. The style of the replacement mineralisation provides

	<i>continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	evidence of grade continuity over significant distances along strike and at depth.
	<i>Whether sample compositing has been applied.</i>	No composite sampling occurred in surface geochemistry. Sample compositing was applied in the RAB and AC drilling where samples were composited over 3m intervals.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Soil samples are taken either in irregular regional grids or with the infill sampling as systematic orientated lines across the regional geological and key structural trends minimising orientation bias. The angled drilling is variable and was designed to intersect the interpreted steep north plunging mineralisation. The drill intercepts are at a moderate angle to the mineralisation. True mineralisation width is interpreted as approximately 50% to 70% of intersection length for holes drilled dipping at 60° to 90° at 220° to 280° magnetic and intersecting the eastern limb of the folded mineralised sequences. True mineralisation width is interpreted as lower, at approximately 40% to 60% of intersection length for those holes drilled on easterly azimuths intersecting the western limb of the fold closure.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No sampling bias is considered to have been introduced.
Sample security	<i>The measures taken to ensure sample security.</i>	All samples were removed from the field at the end of each day's work program. Drill samples were stored in a guarded sample farm before being dispatched to the laboratories in sealed and code locked containers.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Audit review of the various drill sampling techniques and assaying have been undertaken. The sampling methodology applied to data in the early stages of the Project follow standard industry practices. The acQuire® database is considered to be of sufficient quality to carry out resource development. A procedure of QAQC involving appropriate standards, duplicates, blanks and also internal laboratory checks were routinely employed in all sample types.

Section 2: Reporting of Exploration Results, Nyanzaga Deposit

(Criteria listed in the preceding section also apply to this section.)

Criteria	Explanation	Comments
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Project is located in north-western Tanzania, approximately 60 kilometres south-south west of Mwanza in the Sengerema District.</p> <p>The Project is made up of 27 Licences covering 285km². The Nyanzaga Deposit lies within one licence covering 16.9 km². PL 4830/2007 (100%); is current and held by Nyanzaga Mining Company Limited. An extension of the licence has been granted to 8 November 2017.</p> <p>On 22 September 2015 the Company announced that it had entered into a binding agreement with Acacia Mining plc (formerly African Barrick plc) to earn an interest in the Nyanzaga Gold Project in northwest Tanzania. OreCorp subsequently made a cash payment of US\$1M to Acacia in consideration for a 5% initial interest in the Project, and has commenced work on a staged earn-in programme to earn a 25% interest in the Project upon completion of a Definitive Feasibility Study. Please refer to the Company's ASX Announcement dated 22 September 2015 for details of all earn-in, expenditure and payments pursuant to the JV.</p> <p>Statutory royalties of 4% are payable to the Tanzanian Government, based on the gross value method. There is provision in the Mining Act 2010 for a Government carried interest, albeit that it has never been exercised by the Tanzanian Government and no precedent exists. If this is exercised it will be absorbed by OreCorp and Acacia on a pro-rata basis.</p> <p>Chalice Gold Mines Limited is entitled to a payment of A\$5M upon commercial production at Nyanzaga (PL4830/2007).</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	<p>There are no known impediments to the licence security.</p>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>1996 – Maiden Gold JV with Sub Sahara Resources – Acquired aerial photography, Landsat imagery and airborne magnetic and radiometric survey data. Completed soil and rock chip sampling, geological mapping, a helicopter-borne magnetic and radiometric geophysical survey and a small RC drill program.</p> <p>1997 to 1998 – AVGold (in JV with Sub Sahara) – Completed residual soil sampling, rock chip and trench sampling and a ground magnetic survey.</p> <p>1999 to 2001 – Anglovaal Mining Ltd (in JV with Sub Sahara) – Conducted further soil sampling, rock chip sampling, trenching, ground magnetic survey, IP and resistivity survey and limited RC and Diamond drilling.</p> <p>2002 – Placer Dome JV with Sub Sahara Resources – Completed trenching, structural mapping, petrographic studies, RAB/AC, RC and diamond drilling.</p> <p>2003 – Sub Sahara Resources – Compilation of previous work including literature surveys, geological mapping, air photo and Landsat TM analysis, geophysical surveys, geological mapping, geochemical soil and rock chip surveys and various RAB, RC and DDH drilling programs.</p> <p>2004 to 2009 – Barrick Exploration Africa Ltd (BEAL) JV with Sub Sahara Resources - Embarked on a detailed surface mapping, re-logging, analysis</p>

		<p>and interpretation to consolidate a geological model and acceptable interpretative map. They also carried out additional soil and rock chip sampling, petrographic analysis, geological field mapping as well as RAB, CBI, RC and diamond drilling. A high resolution airborne geophysical survey (included magnetic, IP and resistivity) was flown over the Nyanzaga project area totalling 400 square kilometres. In order to improve the resolution of the target delineation process, BEAL contracted Geotech Airborne Limited and completed a helicopter Versatile Time Domain Electromagnetic (VTEM) survey in August 2006. Metallurgical test work and an independent resource estimation was also completed (independent consultant).</p> <p>2009 to 2010 – Western Metals/Indago Resources – Work focused on targeting and mitigating the identified risks in the resource estimation. The main objectives were to develop confidence in continuity of mineralisation in the Nyanzaga deposit to a level required for a feasibility study. The independent consultant was retained by Indago to undertake the more recent in-pit estimate of gold resources according to JORC code for the Nyanzaga Project which was completed in May 2009. Drilling was completed on extensions and higher grade zones internal to the optimized pit shell.</p> <p>2010 to 2014 – Acacia undertook an extensive step out and infill drilling program and updated the geological and resource models.</p>
<p>Geology</p>	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<p>The Nyanzaga Project is located on the north eastern flank of the Sukumaland Archaean Greenstone Belt. It is hosted within Nyanzian greenstone volcanic rocks and sediments typical of greenstone belts of the Tanzanian craton.</p> <p>The Nyanzaga deposit occurs within a sequence of folded Nyanzian sedimentary and volcanic rocks. Current interpretation of the Nyanzaga deposit has recognised a sequence of mudstone, sandstone and chert that are interpreted to form a northerly plunging antiform.</p> <p>The Nyanzaga deposit is considered to be an orogenic gold deposit. It is hosted by a cyclical sequence of chemical and clastic sediments (chert/sandstone/siltstone) bound by footwall and hanging wall volcanoclastic units.</p> <p>Three key alteration assemblages have been identified; Stage 1, Crustiform carbonate Stockwork; Stage 2, Silica – sericite - dolomite breccia replacement overprint; and Stage 3, Silica-sulphide-gold veins.</p> <p>The distribution of the gold mineralisation is related to dilation associated with; 1) competency contrast near the sedimentary cycle boundaries; and 2) sub-vertical faulting, fracturing and brecciation related to the folding and subsequent shearing along the NE limb of the fold.</p>
<p>Drill hole Information</p>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> 	<p>All drill hole collar locations (easting and northing given in UTM 1960, Zone 36N), collar elevations (m), dip (°) and azimuth (° magnetic) of the drill holes, down hole length (m) and total hole length. This information was the subject of the 22 September 2015 ASX release.</p>

	<ul style="list-style-type: none"> • down hole length and interception depth • hole length. 	
	<p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	Not applicable.
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	All drill results were reported in the Company's 22 September 2015 ASX release.
	<p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	Not applicable.
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p>	Geological interpretation, field mapping and the drill testing of both the regional and resource areas suggest that the gold mineralisation within the Nyanzaga deposit is related to dilation associated with: 1) competency contrast near the sedimentary cycle boundaries; and 2) sub-vertical faulting, fracturing and brecciation related to the folding and subsequent shearing along the NE limb of the fold.
	<p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p>	Drilling results are quoted as downhole intersections. True mineralisation width is interpreted as approximately 50% to 70% of intersection length for holes drilled dipping at 60° to 90° at 220° to 280° magnetic and intersecting the eastern limb of the folded mineralised sequences. True mineralisation width is interpreted as lower, at approximately 40% to 60% of intersection length for those holes drilled on easterly azimuths intersecting the western limb of the fold closure.
	<p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</p>	Not applicable.
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being</p>	Suitable summary plans and type sections have been included in the body of the report.

	<i>reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Not applicable.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<p>Airborne and ground magnetics, radiometric, VTEM, gravity and IP geophysical survey work was carried out that defines the stratigraphy, structures possibly influencing mineralisation and chargeability signatures reflecting the extent of disseminated sulphide replacement at depth. Additionally, satellite imagery (Geomagery) and meta data images were procured.</p> <p>Bulk Density was carried out on over 51,114 core samples, collected every 1m interval down hole in selected DD drill holes.</p> <p>Four programmes of metallurgical and comminution test work were undertaken at AMMTEC between 2005 and 2007 with additional comminution work undertaken by JKTech in 2012. The results report a 92% recovery in oxide and 86% in sulphide at a P₈₀ grind size of 106 µm using gravity concentration and conventional cyanidation techniques. There were no indications of serious preg-robbing or other deleterious properties in the mineralised material.</p>
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling)</i>	<p>A Pre-Feasibility Study (PFS) supported by a confirmatory metallurgical test work program will commence shortly, primarily focusing on optimisation of the process flow sheet to optimise gold recovery and reduce operating and capital costs; as well as optimisation of the comminution circuit. The PFS will also provide additional definition to the projects infrastructure requirements such as power and water supply and logistics. The Company aims to finalise the PFS during the first quarter of 2017 ahead of the award and commencement of the Definitive Feasibility Study (DFS).</p> <p>OreCorp believes there is potential to further optimise the Project prior to implementation through optimising the metallurgical process, in particular target grind size, incremental gold recovery improvement and reagent optimisation.</p> <p>Infill, sterilisation and exploration drilling programs are scheduled to commence in the third and fourth quarters of 2016. These are being undertaken with the objective of:</p> <ul style="list-style-type: none"> • finalisation of an MRE suitable for both open pit and underground feasibility studies; • upgrading the portions of the MRE potentially mineable by open pit methods to predominantly the Measured category; • supporting the metallurgical and comminution testwork program; • condemnation drilling for confirming plant and infrastructure sites and • testing of exploration targets.

		<p>These drilling programs are scheduled to be concluded by December 2016, and will be followed by a revised MRE expected to be completed during the first quarter of 2017.</p>
	<p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Diagrams are within the body of the text</p>

Section 3: Estimation and Reporting of Mineral Resources, Nyanzaga Deposit (Criteria listed in the preceding section 1, and where relevant in Section 2, also apply to this section.)		
Criteria	Explanation	Comments
Database integrity	<i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i>	Various independent consultants have previously undertaken Mineral Resource Estimates for the Nyanzaga deposit since 2006. The data was provided by Acacia using acQuire® software. The database was housed on a secure server and restricted access. The database underwent external and internal reviews. OreCorp and CSA have completed verification of the Acacia database, prior to its use in estimation of the current Nyanzaga Mineral Resource.
	<i>Data validation procedures used.</i>	CSA and OreCorp have undertaken checks of the electronic sample database.
Site visits	<i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i>	Site visits and examination of the property was carried out by Mr Jim Brigden, Consulting Geologist for OreCorp, in May 2014; October-December 2015 and January to March 2016. During the site visits, sufficient opportunity was available to examine sample storage and inspect diamond drill core as well as to obtain a general overview of the property, including selected drill sites. Malcolm Titley, CP and Principal Consultant of CSA visited the Nyanzaga gold project on two occasions from the 13 to 15th November 2015 and from the 26th to 29th January 2016. The purpose of the site visits was to: validate digital data against original hard copy logs; review drill collars and surface geology on the site; review diamond core intercepts; review the geological interpretation and ensure appropriate procedures and standards were in place to complete the Nyanzaga MRE.
	<i>If no site visits have been undertaken indicate why this is the case.</i>	Not applicable.
Geological interpretation	<i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i>	Confidence in the geological interpretation is considered to be good and is based on a substantial amount of historical drilling and mapping supplemented by extensive re-logging and reinterpretation in 2015-2016 by OreCorp geologists.
	<i>Nature of the data used and of any assumptions made.</i>	Geophysics, geochemistry and geological logging have been used to assist identification of lithology and mineralisation.
	<i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i>	The Nyanzaga deposit extends over 0.6km in length. A significant amount of close spaced infill drilling has supported and refined the model and the current interpretation is considered robust.
	<i>The use of geology in guiding and controlling Mineral Resource estimation</i>	Micromine software was used to create a 3D geology model. Based on 2D interpretation of the Chert rich zone (Cycle 1), Sandstone rich zone (Cycles 2 to 4) and Siltstone/Mudstone rich zone (Cycles 5 to 9). Fault bound blocks based on N-S trending Axial and Central fault zones and NW-SE trending East and Far East faults all hosting mineralised fault breccia, are offset by later NW faults names W1 to W4. For HG mineralisation, wireframes were interpreted using drill hole composites defining at least 2 g/t gold over 4m horizontal thickness. Mineralisation was defined as either cycle lithology or fault/breccia hosted, with fault hosted overprinting sedimentary hosted. Mineralisation was interpreted on 2D sections looking north, spaced at 20m intervals. Limited zones of material with gold grades less than 2 g/t gold over 4m were included to ensure mineralisation continuity. Wireframes were extended half way between drill holes in mRL and Northings at the end of mineralisation. This resulted in roughly 20m extensions to the north

		<p>and south of mineralisation, however the varied drill spacing resulted in some wireframes being terminated at shorted distances to honour drilling.</p> <p>Mineralisation associated with sedimentary cycles 1, 4 and 9, fault breccias and a small amount of mineralisation outside the modelled cycles also exists but is characterised by lower grades, with isolated pods of higher grades, which did not meet minimum grade/width/continuity criteria to be included in the HG mineralisation wireframes.</p> <p>A wireframe was constructed to model the broad zone of lower grade mineralisation based on intercepts where Au exceeds a cut-off of approximately 0.8 g/t gold with a true thickness $\geq 4\text{m}$. This formed the basis of the extents of the broad mineralisation envelope, but in terms of the data flagged by the wireframe, approximately 0.3 g/t gold is the nominal cut-off, due to lower grade data falling within the broad mineralisation zone.</p> <p>The geology cycle interpretation was used to guide the cycle mineralisation orientation in 3D, as mineralisation is believed to be deposited/re-mobilised into dilation zones formed at lithology contacts due to competency contrast during folding.</p> <p>The Fault wireframes were used to guide the fault mineralisation in 3D. Mineralisation is associated with 2 roughly N-S trending Axial, Central; and 2 roughly NW-SE trending Eastern and Far Eastern faults.</p> <p>Cycle mineralisation was terminated against the NW trending faults (WF1 – WF4 and EF3).</p> <p>The axial fault was terminated against the Western faults, as it was offset by these faults.</p>
	<p><i>The factors affecting continuity both of grade and geology.</i></p>	<p>The Nyanzaga project has been subjected to extensive faulting. These faults have been modelled to within $\pm 20\text{m}$ as planar structures, however they are probably fault zones of varying width. Faults are thought to offset mineralisation and geology by up to 20–50m.</p>
<p>Dimensions</p>	<p><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></p>	<p>The Nyanzaga deposit area extends over a north - south strike length of 0.6km (from 9,672,735mN – 9,672,110mN), has a maximum width of 0.44km and extends 800m vertically from 1,300mRL – 500mRL.</p>
<p>Estimation and modelling techniques</p>	<p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p>	<p>A 3D HG geological model and LG mineralisation model was undertaken using Micromine™ software. The HG estimation was undertaken using Datamine Studio 3™ software using Ordinary Kriging, while the LG estimation was undertaken in ISATIS™ software using Uniform Conditioning.</p> <p>The following methodology was used for the HG MRE:</p> <p>Hard boundaries were used between the mineralisation and waste, as well as between the mineralised domains, which is consistent with the geological interpretation.</p> <p>Eight estimation domains were defined – Lower Intermediate Volcanoclastics, Chert, Sandstone, Mudstone, Axial Fault Zone, Central Fault Zone, Eastern Fault Zone and Far Eastern Fault Zone.</p> <p>Ordinary Kriging (OK) was used to estimate gold for each individual mineralised domain (ESTZON). All block estimates were based on</p>

	<p>estimation into 10mN x 10mE x 10mRL parent cells, sub-celling to 1mN x 1mE x 1mRL. Block discretisation points were set to 5(Y) x 5(X) x 5(Z) points.</p> <p>Variograms were modelled for Au within each kriging domain. Any changes in dip or dip direction was taken into account by applying dynamic anisotropy, with searches employed in comparison to variogram ranges to limit the influence of samples that were far.</p> <p>Grade was estimated in three search passes.</p> <p>The first search pass for each of the estimation domains had search ellipse ranges and minimum/maximum samples defined as follows:</p> <ul style="list-style-type: none"> • Lower Intermediate Volcanoclastics - 135 m x 75 m x 20 m; 15/35 • Chert - 100 m x 65 m x 15 m; 15/35 • Sandstone - 85 m x 40 m x 15 m; 15/40 • Mudstone - 95 m x 55 m x 20 m; 15/35 • Axial Fault Zone - 80 m x 60 m x 20 m; 15/35 • Central Fault Zone - 105 m x 45 m x 15 m; 15/30 • Eastern Fault Zone - 100 m x 50 m x 20 m; 15/35 • Far Eastern Fault Zone - 130 m x 70 m x 15 m; 15/35 <p>The second search pass used the same minimum/maximum samples, but the search ellipse was factored by 2. The third search pass expanded the search ellipse to five times the first, and relaxed the minimum/maximum samples required to 5/10.</p> <p>In all the domains, a maximum number of samples per hole was set at 5.</p> <p>The following methodology was used for the LG estimation:</p> <p>The estimation domains used in the HG MRE were retained to ensure no part of the dataset used to estimate the HG MRE was used to estimate the LG mineralisation.</p> <p>Data within the LG mineralisation envelope is within Cycles 1, 4, 9 – Chert, sandstone, mudstone respectively. There is also a small amount of mineralisation that falls outside the modelled cycles. Grade distributions between cycles and outside were assessed and the differences between non-cycle mineralisation, and the other cycles, were not considered significant, at the grade ranges of interest. Therefore, soft boundaries were used during the estimation. Preliminary contact analysis supported the soft boundary approach for most cycles, suggesting the boundaries are gradational / fuzzy. This is in contrast to the HG mineralisation because the LG mineralisation is more homogenous and continuous with less marked differences between the cycle domains.</p> <p>Variography was completed on 1m composites within the LG domain. 31 composites exceeding 9 g/t gold were excluded from the analysis because they were considered outliers and while values are real, cannot be considered representative of the underlying dataset.</p> <p>A volume block model was created in Datamine Studio 3™ using lithology, weathering, HG MRE mineralisation wireframes, and the broad mineralisation envelope limiting the extents of the lower grade mineralisation. The model was cut to below the topographic surface. Parent cell size was 10mN x 10mE x 10mRL, as per the HG MRE, and informed by Kriging Neighbourhood Analysis (KNA) results. The sub-cell size used for the model was 1mN x 1mE x 1mRL.</p> <p>Dip and dip direction parameters were estimated for dynamic anisotropy using fault and fold surfaces to inform local orientations. The block model was regularised to the parent cell (panel) size – 10mN x 10mE x 10mRL, as well as regularised to the smallest mining unit (SMU) cell size - 2.5mN x 2.5mE x 5mRL (32 SMUs in each UC panel). Both regularised models were imported into ISATIS™ software.</p>
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		<p>Au grades in the panels within the LG mineralisation zone were estimated using OK with the variance of estimated Au (variance z*) was written out to each block in the model for use in UC.</p> <p>As per the HG MRE, dynamic anisotropy was utilised to control the orientation of the search neighbourhood. The search neighbourhoods remained unchanged from that used in the HG mineralisation.</p> <p>Discretisation was set to 4(X) x 4(Y) x 5(Z).</p> <p>Estimation of recoverable resources in the LG mineralisation was completed using UC. The UC block model has the proportion of a block that exceeds a given cut-off and the grade of that block at that cut-off.</p> <p>SMU sized blocks (2.5mN x 2.5mE x 5mRL) were Kriged and the resultant SMUs were ranked from 1 to 32 (highest to lowest grade), with the actual grades being discarded and only the ranking remaining. Grades were then read off the panel grade-tonnage curve for each SMU (from highest to lowest grade) and assigned on the basis of the estimated ranking, through a process called Localised Uniform Conditioning (LUC). The result is the assignment of single grades to SMU sized blocks so that the 32 SMUs in each panel achieve a grade-tonnage tabulation matching that of the panel estimated through UC.</p> <p>An IJK number is assigned to each set of 32 SMUs in a panel, which allows the identification of the parent panel to which the 32 SMUs belong.</p> <p>The exact location of the high and low grades in each panel is an estimate based on the spatial distribution of high and low grade samples surrounding the panel but exact locations of the SMUs remains unknown.</p> <p>The LUC model was combined with the HG model In Datamine Studio 3™.</p>																				
	<p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p>	<p>The most recent publicly reported JORC compliant (2012 Edition) estimate was reported by Orecorp on 31 March 2016. The HG portion of the MRE remains the same, while the LG halo has been estimated. This has led to an increase in tonnage of 8.5 Mt and metal of 565 koz, with a corresponding decrease in grade from 4.1 g/t gold to 3.5 g/t gold.</p> <p>A comparison has been made between the HG cycle-hosted estimate using constrained wireframes and an alternative scenario which did not use the constrained wireframes, but rather the geological cycles, and estimated using Uniform Conditioning.</p> <table border="1" data-bbox="699 1400 1348 1556"> <thead> <tr> <th>Estimate</th> <th>Gold g/t Cut off</th> <th>Tonnage (Million)</th> <th>Gold g/t</th> <th>Gold Koz</th> </tr> </thead> <tbody> <tr> <td>OK</td> <td>1.5</td> <td>31.0</td> <td>3.43</td> <td>3,422</td> </tr> <tr> <td>UC</td> <td>1.5</td> <td>31.8</td> <td>3.23</td> <td>3,299</td> </tr> <tr> <td colspan="2">% Difference</td> <td>3%</td> <td>-6%</td> <td>-4%</td> </tr> </tbody> </table> <p>The close comparison achieved by very different estimation techniques, including the use of highly constrained HG wireframes, against an estimate that did not use such constraints, supports the robustness of the estimate.</p> <p>No mining reconciliation information is available as the deposit has not been mined.</p>	Estimate	Gold g/t Cut off	Tonnage (Million)	Gold g/t	Gold Koz	OK	1.5	31.0	3.43	3,422	UC	1.5	31.8	3.23	3,299	% Difference		3%	-6%	-4%
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	<p><i>The assumptions made regarding recovery of by-products.</i></p>	<p>No assumptions were made regarding recovery of by-products.</p>																				
	<p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p>	<p>Weighted head grade analysis of five core samples of primary mineralisation from Nyanzaga (with a weighted intercept grade of 2.47 g/t gold) returned 3.96 g/t gold, 5.21% S_{total} and 690 ppm As.</p>																				

<p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p>	<p>A grade estimation panel cell size of 10mE by 10mN by 10mRL was used, with sub-celling to 1mE by 1mN by 1mRL to ensure volume resolution of the mineralisation interpretation.</p> <p>The block size follows optimisation during KNA and is considered to be appropriate given the slope/kriging efficiency achieved during KNA, drill hole spacing and style of mineralisation.</p>
<p><i>Any assumptions behind modelling of selective mining units.</i></p>	<p>The mineralisation at Nyanzaga is characterised by a low grade halo around high grade units associated with fault breccias and sedimentary cycles. The HG MRE modelled the HG units that met criteria of at least 4m true thickness at a grade of at least 2 g/t gold. In the early stages of mine planning, it became apparent that mining may include an open pit resource and selectivity of the underground mining method may be lower than previously anticipated. Therefore, a model that included both HG and LG mineralisation was required.</p> <p>The LG mineralisation was estimated using an SMU size of 2.5 m x 2.5 m x 5 m. The combined LG and HG models were regularised to 2.5 m x 2.5 m x 5 m for use in mine planning.</p>
<p><i>Any assumptions about correlation between variables.</i></p>	<p>The vast majority of assay data was gold only, therefore correlation analysis was not undertaken.</p>
<p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p>	<p>The geological interpretation was used as the foundation of the mineralisation model, with HG and LG mineralisation within cycles interpreted separately to HG fault and breccia hosted mineralisation modelled within separate faults.</p> <p>For the HG MRE, the deposit mineralisation was nominally constrained by wireframes constructed using a 2.0 g/t gold cut-off grade. Lower grade mineralisation was included to ensure continuity of interpreted zones. Mineralisation wireframes were constrained to interpreted geological units, controlled by fault structures.</p> <p>The modelled surfaces were used to assign dip and dip directions to model blocks. These were applied during grade estimation through the process of dynamic anisotropy.</p> <p>Hard boundaries for estimation were used between mineralised domains.</p> <p>The lower grade mineralisation halo was modelled into blocks within a broad mineralisation shell using UC, at a range of cut-offs and using an SMU size of 2.5mN x 2.5mE x 5mRL. This shell was based on intercepts where Au exceeds a cut-off of approximately 0.8 g/t gold with a true thickness >=4m. This formed the basis of the extents of the broad mineralisation envelope, but in terms of the data flagged by the wireframe, approximately 0.3 g/t gold is the nominal cut-off, due to lower grade data falling within the broad mineralisation zone.</p> <p>Soft boundaries were used between sedimentary cycles, informed by a review of the probability plots, and contact analysis which suggested that at present there was insufficient evidence to impose hard boundaries.</p>
<p><i>Discussion of basis for using or not using grade cutting or capping.</i></p>	<p>CSA used histograms, log-transformed probability plots, percentile analysis and sensitivity analysis to identify population outliers. Spatial location of the outliers was also taken into consideration for the application of cutting of high grade assays.</p> <p>For the HG MRE, a high grade assay cut applied to the composite data for the estimation domains were as follows:</p> <ul style="list-style-type: none"> • Lower Intermediate Volcanoclastics - 25 g/t gold • Chert - 100 g/t gold • Sandstone - 150 g/t gold • Mudstone - 80 g/t gold

		<ul style="list-style-type: none"> • Axial Fault Zone - 40 g/t gold • Central Fault Zone - 40 g/t gold • Eastern Fault Zone - 60 g/t gold • Far Eastern Fault Zone - 35 g/t gold <p>For the LG estimate, composites exceeding 9 g/t gold, were used in the estimate within a distance threshold of 5m (i.e. one block extent) but were cut to 9 g/t gold for distances that exceeded 5m.</p>
	<p><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></p>	<p>Validation checks included slicing analysis (swath plots), visual inspection and average comparisons between the model and composites (top cut and declustered).</p> <p>For the HG MRE, these checks show adequate correlation for Au between estimated block grades and drill sample grades.</p> <p>For the LG estimation, the mean grade of estimated blocks and composites compared closely, and were within 3%. Spatially, the model validates well in areas of good drill support. The reliability of the Kriged grades drops off in areas of low data support. The tonnages associated with these areas are relatively small. A review of cross sections show that estimated grades reflect the grade tenor of input composite grades.</p> <p>Within the LG MRE, it was observed that when blocks and composites were compared on a cycle by cycle basis, Cycles 1 and 9 validated well and compared very closely with the composites, within 5%. However, blocks within Cycles 4 and non-cycle mineralisation tended towards overestimation of grade. On closer review, the part of Cycle 4 that seems to be over-estimated is in the southern end, where data support drops off. The estimates in these areas can be improved through infill drilling of areas with lower drill support.</p> <p>No reconciliation data is available as no mining has taken place.</p>
Moisture	<p><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></p>	<p>Tonnages have been estimated on a dry in-situ basis. No moisture values were reviewed.</p>
Cut-off parameters	<p><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></p>	<p>The Mineral Resource Estimate was reported at a cut-off of 1.5 g/t gold, which OreCorp considered appropriate given the market conditions at the time of reporting, coupled with the cost and metallurgical models developed for the deposit thus far.</p>
Mining factors or assumptions	<p><i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of</i></p>	<p>OreCorp has assumed that the deposit could potentially be mined using both open pit, underground and a combination of both mining scenarios given the thickness and grade of the resource model.</p> <p>Whilst modifying factors for mining have not been applied, the current orientation and continuity of mineralisation coupled with the high gold grade would suggest potential for both near surface open pit and deeper underground mining.</p>

	<i>the mining assumptions made.</i>	
Metallurgical factors or assumptions	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	<p>The previous Project owner carried out preliminary metallurgical test work on five core samples from Nyanzaga. These samples were sent to AMMTEC (now known as ALS) laboratory of Western Australia for metallurgical analysis.</p> <p>Standard metallurgical investigative test work, consistent with good industry practice, was carried by the metallurgical laboratory. This resulted in reports which detail metallurgical properties to a sufficient standard for OreCorp to prepare a conceptual flow sheet with indicative metal recoveries and circuit power and reagent requirements.</p> <p>The original testwork was reviewed by Competent Persons from Lycopodium, who were the Project Manager and Lead Metallurgical Advisors for the Scoping Study.</p> <p>The Scoping Study recommended gold recovery process route is to utilise conventional CIL for both the oxide and sulphide mineralisation, augmented by gravity concentration for recovery of coarse gold which will be recovered by intensive cyanide leach. Gold recovery from CIL is by conventional elution, electrowinning and smelting.</p> <p>As part of the Pre-Feasibility Study additional metallurgical test work will be completed in the areas of grind size optimisation, ore variability, mineralogy, and cyanide leach kinetics with input information being used to optimise the gold recovery flow sheet. .</p>
Environmental factors or assumptions	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	<p>OreCorp has commenced the mandatory Environmental and Social Impact Assessment (ESIA) as required by Tanzanian Law. The Scoping Phase of this assessment has commenced, and the overall programme is expected to be complete by the middle of 2017.</p> <p>No material characterisation to determine the potential for acid mine drainage on either waste rock or process tailings has been completed and this is now planned to be conducted as part of the Pre-Feasibility Study, scheduled to commence in August 2016.</p> <p>The Scoping Study has identified a range of options for both waste rock dumps and tailings storage facilities to address the impact of any potential acid generation or other deleterious chemicals that may be stored in either of such facilities.</p> <p>The project is in a region of Tanzania with a well established gold mining industry.</p> <p>The local area is already impacted by subsistence farming and the impact of the project on the local environment appears unlikely to be a barrier to development although being within the watershed of Lake Victoria will be a consideration when developing the water management plans in particular.</p> <p>There will be no to minimal relocation of the local population.</p>
Bulk density	<i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness</i>	<p>Bulk density values for the Nyanzaga area were assigned on the basis of weathering intensity, as defined by interpreted geological surfaces. The majority of drilled holes used RC pre-collars within the oxidised material resulting in limited bulk density data for the oxide and transitional weathered zones.</p>

	<i>of the samples.</i>	<p>A total of 50,117 density measurements have been reviewed. The in-situ dry bulk density values determined from the review were applied to the Mineral Resource Estimate per weathering intensity as follows:</p> <ul style="list-style-type: none"> • Oxide = 2.30 t/m³ • Transitional = 2.58 t/m³ • Fresh = 2.88 t/m³
	<i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</i>	<p>Where bulk density values were available within the oxide material it was likely to be from competent drill core and may not be totally representative of all the oxide material.</p> <p>Core samples were measured dry and measurements were separated for lithology and mineralisation.</p> <p>Density, or the specific density, is determined by the water immersion method and defined by the formula:</p> $\text{Density (g/cm}^3\text{)} = \frac{\text{Weight in air}}{\text{(Weight in air - Weight in water)}} \quad \text{(weights in grams)}$
	<i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	Data has not yet been evaluated to make this assumption.
Classification	<i>The basis for the classification of the Mineral Resources into varying confidence categories.</i>	<p>The CSA Nyanzaga Mineral Resource Estimate was classified according to guidelines defined in JORC (2012 edition).</p> <p>CSA classified blocks in the HG resource model as Measured, Indicated and Inferred Mineral Resources based on:</p> <ul style="list-style-type: none"> - Geological continuity and volume models. - Drill spacing and drill data quality. - Estimation properties including search strategy, number of composites, average distance of composites from blocks and kriging quality parameters such as slope of regression. <p>In addition to the criteria set out above for the HG MRE, classification of Indicated Mineral Resources in the LG portion of the block model was based on the following estimation statistics:</p> <ul style="list-style-type: none"> - Blocks estimated within the first search pass. - Blocks where a minimum number of 20 composites were used in the estimate. <p>A wireframe was created to broadly delineate the blocks that match the criteria. Blocks estimated, but falling outside that criteria were assumed to be of lower confidence and classified as Inferred Mineral Resources.</p>
	<i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i>	The input data is comprehensive in its coverage of the mineralisation. The definition of mineralised zones is based on a moderate level of geological understanding. Validation of the block model shows reasonable correlation of the input data to the estimated grades.
	<i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i>	The MRE appears to be a good representation of the mineralisation defined at Nyanzaga.
Audits or reviews	<i>The results of any audits or reviews of Mineral Resource estimates.</i>	In March 2016, a JORC compliant (2012 Edition) MRE was reported by Orecorp. The March 31 2016 has been updated by CSA to produce the MRE contained herein.

Discussion of relative accuracy/confidence	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></p>	<p>The majority of the Nyanzaga MRE is classified as Measured and Indicated. CSA's confidence in the MRE is reflected in the classification.</p> <p>When using the UC part of the model (MRE=0) for mine planning, the SMUs should be considered in the context of the parent cell extents so that pits and stopes do not focus specifically and unrealistically on small numbers of high grade SMUs.</p> <p>Infill and / or de-risking drilling is recommended to improve the confidence of certain areas, particularly at the extremities and at depth, with a particular focus on those isolated areas of higher grade.</p>
	<p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p>	<p>Measured and Indicated Mineral Resources is relevant for technical and economic evaluation which comprises 24.7 Mt at 3.49 g/t gold for 2,700 koz metal. For mine planning, the model was regularised to 2.5 m x 2.5 m x 5 m resulting in a certain amount of dilution (6% increase in tonnes, 9% decrease in grade for comparable metal).</p>
	<p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<p>Not applicable.</p>