



ORECORP
LIMITED

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

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IN THE UNITED STATES**

Institutional Placement to Raise A\$13.3 Million

Institutional Placement

OreCorp Limited (**OreCorp** or the **Company**) is pleased to announce the placement of 53.1 million ordinary shares of the Company at an issue price of A\$0.25 per share to domestic and overseas institutional and sophisticated investors to raise gross proceeds of A\$13.3 million (**Placement**). The Placement attracted strong interest in excess of the shares available to allocate.

The Company would like to thank and acknowledge the continued support of our existing institutional shareholders which include Westoz Funds Management and AustralianSuper who are participating in the Placement to maintain or increase their positions. The Company would like to welcome several new institutions to its register.

Euroz acted as Sole Lead Manager and Bookrunner to the Placement. The capital raising is consistent with the Company's strategy of strengthening its institutional shareholder base and increasing its profile in global financial markets.

The new shares will be allotted on Friday, 23 August 2019, in a single tranche pursuant to the Company's existing 25% placement capacity under Listing Rules 7.1 and 7.1A. The Company advises that 31,461,923 shares will be issued under Listing Rule 7.1 and 21,641,282 shares under Listing Rule 7.1A.

On completion of the Placement, OreCorp's cash position will increase to approximately A\$22 million. Proceeds from the Placement will be used to fund:

- OreCorp's acquisition of a 100% interest in the Nyanzaga Gold Project (see below for further information in this regard);
- further work on the Hobbes Project, including infill drilling at the Hobbes Prospect;
- business and corporate development opportunities; and
- general working capital and costs of the Placement.

The funds will ensure that OreCorp is in a strong position to complete the acquisition of the Nyanzaga Gold Project, to pursue exploration programs at the Company's various projects and to explore business and corporate development opportunities as and when they arise.

ASX RELEASE:
16 August 2019

ASX CODE:
Shares: ORR

BOARD:
Craig Williams
Non-Executive Chairman

Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Mike Klessens
Non-Executive Director

Robert Rigo
Non-Executive Director

Dion Loney
*Group Accountant &
Company Secretary*

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

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

The Placement price of A\$0.25 per share represents a discount of:

- 19.4% to OreCorp's last closing price of A\$0.31 per share on 13 August 2019;
- 15.9% to OreCorp's 10 day VWAP of A\$0.2974 per share;
- 15.1% to OreCorp's 15 day VWAP of A\$0.2946 per share; and
- 8.9% to OreCorp's 30 day VWAP of A\$0.2745 per share.

Chief Executive Officer and Managing Director, Mr Matthew Yates said the Board of OreCorp was delighted with the continued support received from institutional investors who are keen to be a part of the development of the Company's various projects.

Nyanzaga Gold Project

As previously announced, the Company has been working closely with the relevant Tanzanian regulatory authorities to progress, and ultimately obtain, the approvals that are required in order to allow OreCorp to move to sole ownership of the Nyanzaga Gold Project, via its acquisition of the shares in Nyanzaga Mining Company Limited (**NMCL**) that it does not already own.

In particular, as announced in the Company's June 2019 Quarterly Report (see announcement dated 15 July 2019 titled "June 2019 Quarterly Reports"), OreCorp and OreCorp Tanzania Limited (**OreCorp Tanzania**) have met with the Minister, Deputy Minister and Permanent Secretary from the Ministry of Minerals, as well as the Chief Executive of the Mining Commission, to progress the remaining approval processes.

As further announced on 22 July 2019 (see announcement titled "Update on Barrack Gold Offer for Acacia"), these discussions resulted in amendments to the Conditional Buy-Out Agreement between, among others, OreCorp and Acacia Mining plc (**Acacia**). These amendments simplified the structure of the Conditional Buy-Out Agreement and replaced the US\$15 million royalty with an additional cash payment of US\$1.5 million.

OreCorp and OreCorp Tanzania continue to work closely with the relevant Tanzanian regulatory authorities to finalise the proposed transaction to allow OreCorp Tanzania to move to 100% ownership of the Nyanzaga Gold Project. Upon grant of the SML, the Government of Tanzania (**GoT**) will become an equity holder in the Project, acquiring a free carried interest in accordance with the Tanzanian Mining Act. OreCorp looks forward to the opportunity to develop Tanzania's next large-scale gold mine with the GoT, for the benefit of all stakeholders.

For further information please contact:

Matthew Yates
CEO and Managing Director
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ABOUT ORECORP LIMITED

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

Risk Factors

Many factors, known and unknown could impact on the Company's prospects in general and in particular on the Company's potential investment in NMCL and the Nyanzaga Project. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests; risks associated with foreign operations; and governmental and environmental regulation. In relation to the Company's potential move to 100% ownership of the Nyanzaga Project and NMCL specifically, it should be noted that there is no guarantee that the necessary Tanzanian regulatory approvals will be obtained or that an SML will be granted. For a more detailed discussion of such risks and other factors that may affect the Company's prospects, see the Company's Annual Report for the year ended 30 June 2018, the Company's Prospectus dated January 2013 as well as the Company's other filings with the Australian Securities Exchange.