

## ORECORP PROGRESSES FINANCING FOR NYANZAGA GOLD PROJECT

### Highlights

- **OreCorp has received indicative debt funding proposals for the development and construction of the Nyanzaga Gold Project, with non-binding expressions of interest from European, African and Tanzanian banks for more than US\$400M, well in excess of the US\$300M debt target**
- **Discussions have commenced with potential credit funds, royalty and streaming providers as complementary funding sources to develop Nyanzaga**
- **OreCorp delivered a Definitive Feasibility Study (DFS) for Nyanzaga which estimated a pre-tax NPV<sub>5%</sub> of US\$926M and IRR of 31%, with gold production averaging 242koz pa for the first 10 years<sup>1</sup>**
- **OreCorp has identified opportunities to extend Nyanzaga's mine life beyond the DFS estimated 10.7 years<sup>2</sup>**

OreCorp Limited (**OreCorp** or the **Company**) (ASX: ORR) is pleased to announce significant progress in financing its multi-million ounce Nyanzaga Gold Project (**Nyanzaga** or **Project**) in Tanzania.

Nyanzaga delivered a robust DFS in August 2022, with the Project proposed to produce 242,000 ounces of gold per year for 10 years with a highly competitive all-in sustaining cost (**AISC**) of US\$954/oz. This high margin provides Nyanzaga with an excellent debt carrying capacity and flexibility how this is deployed.

Discussions to date with major European, African and Tanzanian banks have delivered non-binding expressions of interest to provide debt finance of more than US\$400 million for the Project, well in excess of the US\$300 million debt target set by OreCorp in consultation with its financing advisors, Auramet International LLC (**Auramet**). OreCorp, together with Auramet is continuing discussions with several other financial institutions, including global Export Credit Agencies, as the Company moves to secure syndicated debt funding for Nyanzaga.

Recent positive legislative changes in Tanzania have seen the royalty rate of 6% being reduced to 4% in certain circumstances. The Company is further considering how it may take advantage of the reduced royalty rate to implement other arrangements that may complement, enhance or partially replace the debt financing. As regards such arrangements, initial discussions with credit funds, royalty and streaming providers have indicated strong interest in the Project.

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<sup>1</sup> Based on a gold price of US\$1,750/oz. Refer OreCorp ASX announcement dated 22 August 2022 ("*Nyanzaga DFS Delivers Robust Results*"). The production target referred to in the DFS comprises 92% Probable Ore Reserves and 8% Inferred Mineral Resources. 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 Mineral Resources or that the production target itself will be realised.

<sup>2</sup> Refer OreCorp ASX announcement dated 1 November 2022 ("*OreCorp Identifies Opportunities to Extend Life of Mine at Nyanzaga Gold Project*").

The expressions of interest received by the Company are indicative, non-binding and subject to completion of formal financing documentation, satisfactory due diligence and other standard debt financing terms, including satisfactory market conditions and relevant internal approvals.

**OreCorp Executive Chairman, Matthew Yates** commented:

*"We are pleased with the strong interest we have received to date from banks with respect to financing the Project. The expressions of interest received give us further confidence in our ability to deliver on a comprehensive financing package for the Project which meets our objectives of prudently managing leverage and minimising dilution to the Company's existing shareholders. We intend to further advance discussions with banks and other capital providers to ensure we have maximum flexibility to secure financing for the Project in the prevailing market conditions."*

**Auramet's representative, Mark Tyler** commented:

*"We are extremely pleased with the overwhelming response received from financiers who have indicated interest in participating in a syndicated debt facility for the development of Nyanzaga. We look forward to working with OreCorp to finalise an optimal funding outcome that works for the Company and the Project."*

**Authorised for release on behalf of the Company by the Executive Chairman.**

### For further information please contact

Matthew Yates  
Executive Chairman  
+61 9381 9997

Maude Lacasse  
Investor Relations  
maude@nwrcommunications.com.au  
+61 (0) 416 499 856

### For more information

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## ABOUT ORECORP LIMITED

OreCorp Limited is a Western Australian based mining exploration company listed on the Australian Securities Exchange (ASX) under the code 'ORR'. The Company is well funded with no debt. OreCorp's key project is the Nyanzaga Gold Project in northwest Tanzania.

## DISCLAIMER / FORWARD-LOOKING STATEMENTS

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates, prospects and projections in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events, which as at the date of this announcement are considered reasonable, that may or may not eventuate (**Forward-Looking Statements**). Forward-Looking Statements can generally be identified by the use of forward-looking words such as, 'anticipates', 'estimates' 'will', 'should', 'could', 'may', 'expects', 'plans', 'forecast', 'target' or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also Forward-Looking Statements.

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## JORC 2012 COMPETENT PERSONS STATEMENTS

The information in this announcement relating to Mineral Resources and Ore Reserves Statements and the production target in relation to the Project is extracted from the ASX announcement dated 22 August 2022 ("*Nyanzaga DFS Delivers Robust Results*"), which is available to view on the Company's website [www.orecorp.com.au](http://www.orecorp.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the Mineral Resources and Ore Reserves Statements, and the production target and any forecast financial information derived from the production target in the original announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' (being Mr Allan Earl) findings are presented have not been materially modified from the original announcement.