12 March 2020

Companies Announcements Office
Australian Securities Exchange Limited

By electronic lodgement

ORECORP LIMITED – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

Attached is a copy of the Company's Interim Financial Report for the half-year ended 31 December 2019.

Release of market announcement authorised by:

Dion Loney
Company Secretary
+61 448 529 995

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2019

ABN 24 147 917 299

Corporate Directory

Directors	Mr Craig Williams – Non-Executive Chairman Mr Matthew Yates – CEO & Managing Director Mr Alastair Morrison – Non-Executive Director Mr Michael Klessens – Non-Executive Director Mr Robert Rigo – Non-Executive Director
Company Secretary	Mr Dion Loney
Registered and Principal Office	Suite 20, Level 1, 513 Hay Street Subiaco WA 6008 PO Box 2152 Subiaco WA 6904
Contact Details	www.orecorp.com.au Telephone: +61 8 9381 9997 Fax: +61 8 9381 9996
Share Registry	Computershare Investor Services Pty Limited Level 2, 45 St Georges Terrace Perth WA 6000 Telephone: 1300 850 505 International: +61 8 9323 2000
Stock Exchange Listing	Australian Securities Exchange ('ASX') Level 40, Central Park 152 – 158 St Georges Terrace Perth WA 6000 ASX Code: ORR – Ordinary Shares
Solicitors	Allen & Overy LLP Level 12, Exchange Plaza 2 The Esplanade Perth WA 6000
Auditor	Deloitte Touche Tohmatsu Level 9, Tower 2, Brookfield Place 123 St Georges Terrace Perth WA 6000
Bankers	Westpac Limited Level 4, Tower 2, Brookfield Place 123 St Georges Terrace Perth WA 6000

Contents

Directors' Report

The Directors of OreCorp Limited present their report on the Consolidated Entity consisting of OreCorp Limited (the **Company** or **OreCorp**) and the entities it controlled at the end of, or during the half-year ended 31 December 2019 (**Consolidated Entity** or **Group**).

Directors

The names of the directors in office at any time during the half-year and until the date of this report are:

Mr Craig Williams	Non-Executive Chairman
Mr Matthew Yates	Chief Executive Officer & Managing Director
Mr Alastair Morrison	Non-Executive Director
Mr Michael Klessens	Non-Executive Director
Mr Robert Rigo	Non-Executive Director

All Directors held their office from 1 July 2019 until the date of this report.

Principal Activities

The principal activities of the Group during the half-year consisted of mineral exploration for gold and precious metals. OreCorp's key projects are the Nyanzaga Gold Project (**Nyanzaga** or **Project**) in northwest Tanzania and the Hobbes, Jericho and Bunjarra Well Projects in the Eastern Goldfields of Western Australia (**WA**).

Review of Operations and Activities

Tanzania - Nyanzaga Gold Project
Nyanzaga is situated in the Archean Sukumaland Greenstone Belt, part of the Lake Victoria Goldfields (**LVG**) of the Tanzanian Craton. The greenstone belts of the LVG host several large gold mines (***Figure 1***).

During the half-year, the Company announced significant advancements in concluding the ownership of the Project. These advancements included the simplification of agreements (**Agreements**) with Acacia Mining plc (**Acacia**) which enable OreCorp to move to 100% ownership of Nyanzaga Mining Company Limited **(NMCL**), the owner of the Project which has applied for the Special Mining Licence (**SML**).

The advancements are recorded chronologically below:

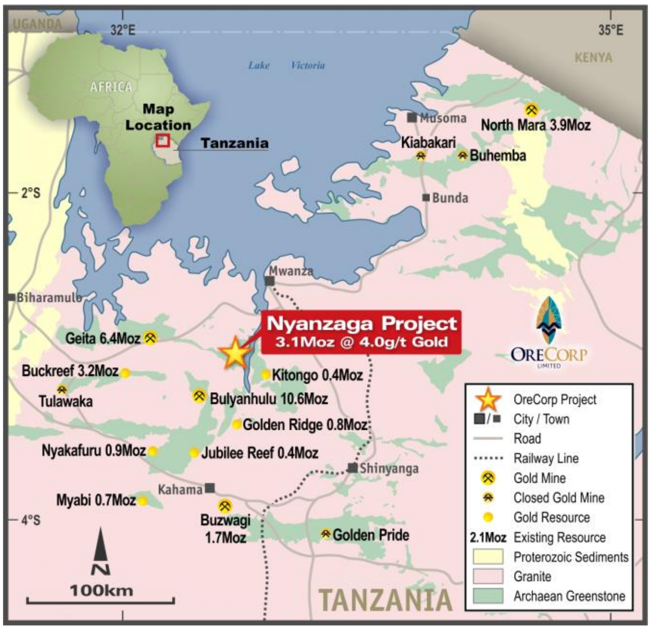
- Replacement of the royalty payable under the Agreements with a cash payment resulting in total cash consideration (**Total Consideration**) of US$11.5 million, payable upon the later of (i) the grant of the SML, and (ii) OreCorp holding 100% of the Nyanzaga Project;
- Pre-payment on behalf of Acacia of the capital gains tax (**CGT**) on the Total Consideration to enable the issuance of the Tax Clearance Certificates (**TCCs**). The pre-paid CGT of US$3.45 million is to be deducted from the Total Consideration;
- Approval from the Tanzanian Mining Commission (**TMC**) for OreCorp to acquire control of NMCL;
- Approval from the Fair Competition Commission (**FCC**) for OreCorp to acquire 100% of NMCL;
- Notification to the TMC of OreCorp's intention to move to 100% of NMCL; and
- Completion of the acquisition through the transfer of shares in NMCL, registration of 100% ownership of the shares in NMCL by the Company's subsidiaries and replacement of all directors of NMCL with OreCorp representatives.

Directors' Report (Continued)

The Company continues to pursue the grant of the SML and once received OreCorp will pay the outstanding US$8.05 million to Acacia to conclude the acquisition transaction.

In the interim, activities by the OreCorp team and key consultants have increased to enable immediate commencement of the next phase of studies. Particular focus has been on the future scale, process rate, design and implementation of the Relocation Action Plan (**RAP**), additional permitting required for the Project and optimisation of mining and plant design.

The Company continues to work with all levels of the Government of Tanzania (**GoT**) to ultimately deliver Tanzania and all its stakeholders the first large scale gold mine development in over a decade.



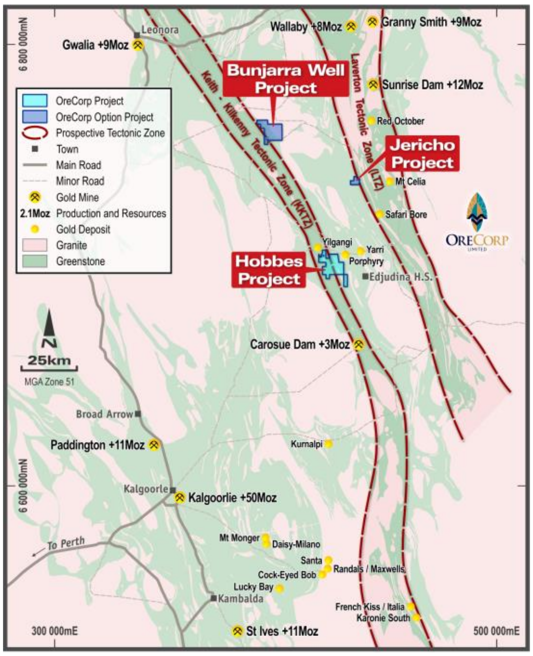


Figure 1 – Nyanzaga Project Location, Tanzania

Figure 2 - Western Australia Project Locations

Western Australia - Hobbes Project

The Hobbes Project comprises a single exploration licence (E31/1117) granted on 27 April 2017 that covers approximately 93km^2. It is located 130km northeast of Kalgoorlie within the Keith-Kilkenny Tectonic Zone (***Figure 2***).

Work completed during the half-year included aeromagnetic interpretation, soil sampling, relogging of core and drill chips from historical holes, detailed geological mapping at the Quondong Prospect and geological and alteration interpretation.

Planning has commenced for infill drilling of the higher-grade primary mineralised zones at the Hobbes Prospect and reconnaissance drilling of regional soil and historical drill geochemical targets within the wider Hobbes Project.

Directors' Report (Continued)

Western Australia – Edjudina Assets

As part of the Company's on-going targeting initiative in WA, the Company concluded an agreement with CGM (WA) Pty Ltd (**Chalice**) to acquire Chalice's 95% legal interest in E39/1976 and E39/1914 and 100% beneficial interest in P39/5600 and P39/5601 at the Jericho and Bunjarra Well Projects in the Eastern Goldfields (**Edjudina Assets**).

The Jericho Project lies 40km north-northeast of Hobbes and comprises one Exploration Licence (E39/1914) and two Prospecting Licences (P39/5600 and P39/5601), with a total area of 11.65km^2 (***Figure 2***). Previous surface geochemistry, RAB and RC drilling has defined two prospects of interest – Choirboy and Jericho. Infill and extension drilling is required to further test the Choirboy prospect. Data collation, geological mapping, infill soil and rock chip sampling is planned for the Jericho prospect.

Bunjarra Well comprises a single Exploration Licence (E39/1976) covering 75km^2 located 65km northwest of the Hobbes Project (***Figure 2***). Detailed field relogging of all historical drilling has commenced. Once completed and incorporated with the aeromagnetics, a drill program will be developed.

Mauritania – Akjoujt South Project

The Akjoujt South Project (**ASP**) comprises three licences (1415, 1416 and 2259) and covers 596km^2. The ASP is located only 60km southeast of First Quantum's Guelb Moghrein copper-gold mine and 50km from a sealed bitumen road to the capital, Nouakchott.

During the half-year, the Company completed the Notice d'Impact Environmental (**NIE**) for Licence 2259 and lodged the report with the Ministry of Petroleum, Mines and Energy.

The Company continues to seek joint venture funding for the ASP. An Information Memorandum and data room have been prepared for this purpose and several interested parties currently have access to the data. The Company will advise of any further progress as appropriate.

Operating Results and Financial Position

The operating loss of the Consolidated Entity for the half-year ended 31 December 2019 was $2,736,113 (2018: $2,624,713). This loss is largely attributable to the Consolidated Entity's accounting policy of expensing exploration and evaluation expenditure incurred by the Consolidated Entity subsequent to the initial acquisition of the rights to explore and up to the successful completion of definitive feasibility studies. During the half-year, exploration expenditure totalled $1,742,877 (2018: $2,009,081), which is inclusive of a provision for the non-recovery of VAT receivable of $61,221 (2018: $1,123,716).

In August 2019, the Company completed a placement of 53,100,000 fully paid ordinary shares at an issue price of $0.25 to raise $13,275,000 before costs.

Cash and cash equivalents were approximately $14.4m as at 31 December 2019.

Directors' Report (Continued)

Business Development

During the period, numerous business and corporate development opportunities were identified and reviewed. These included advanced projects and operating mines. Those which may enhance shareholder value will continue to be pursued.

A generative initiative in Western Australia identified several target areas in the Yilgarn and Pilbara cratons. This resulted in the Company applying for a number of licence areas. The Company will continue to refine its WA targeting initiative and acquire further opportunities through applications, joint ventures or outright purchase.

Business Strategy and Prospects

The Consolidated Entity currently has the following business strategies and prospects over the medium to long term:

- progress the Nyanzaga Project, with a focus on obtaining a SML and completing the Project Financing DFS;
- continue to undertake regional generative exploration programs at the Hobbes Gold Project in the Eastern Goldfields of Western Australia;
- continue to refine its WA targeting initiative;
- continue to review other resource opportunities which may enhance shareholder value; and
- continue to seek joint venture funding for its ASP in Mauritania.

The successful completion of these activities will assist the Group to achieve its strategic objective of making the transition from explorer to producer.

These activities are inherently risky, and the Board is unable to provide certainty that any or all of these objectives will be able to be achieved.

Significant Post-Balance Date Events

There were no significant events occurring after balance date requiring disclosure.

Auditor's Independence Declaration

The auditor's independence declaration is on page 19 of the half-year report.

This report is made in accordance with a resolution of the directors made pursuant to section 306(3) of the *Corporations Act 2001*.

For and on behalf of the Directors

MATTHEW YATES
Chief Executive Officer & Managing Director
11 March 2020

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Half-Year Ended 31 December 2019 A$	 2018 A$
Interest income	**31,037**	59,396
Foreign exchange gain / (loss)	**(64,556)**	415,998
Corporate and administration costs	**(696,190)**	(653,347)
Exploration and evaluation costs	**(1,742,877)**	(2,009,081)
Business development costs	**(263,527)**	(437,679)
Loss before tax from continuing operations	**(2,736,113)**	(2,624,713)
Income tax expense	-	-
Loss for the period	**(2,736,113)**	(2,624,713)
Other comprehensive income, net of income tax		
Items that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	**(208,035)**	(394,564)
Other comprehensive loss for the period	**(208,035)**	(394,564)
Total comprehensive loss for the period, net of income tax	**(2,944,148)**	(3,019,277)
Total comprehensive loss attributable to members of the parent	**(2,944,148)**	(3,019,277)
Earnings per share		
Weighted average number of shares	**254,117,652**	216,412,820
Basic loss per share (cents per share)	**(1.08)**	(1.21)
Diluted loss per share (cents per share)	**(1.08)**	(1.21)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

	Note	31 December 2019 A$	30 June 2019 A$
ASSETS			
Current Assets			
Cash and cash equivalents		**14,378,474**	9,994,765
Trade and other receivables	3	**155,577**	109,304
Total Current Assets		**14,534,051**	10,104,069
Non-current Assets			
Property, plant and equipment	4	**154,353**	77,417
Right of use asset	1(b)(i)	**69,419**	-
Exploration and evaluation assets	5	**18,382,823**	1,805,517
Total Non-current Assets		**18,606,595**	1,882,934
TOTAL ASSETS		**33,140,646**	11,987,003
LIABILITIES			
Current Liabilities			
Trade and other payables	6	**11,922,042**	461,984
Lease liability	1(b)(i)	**70,117**	-
Provisions		**135,083**	235,963
Total Current Liabilities		**12,127,242**	697,947
Non-current Liabilities			
Provisions		**101,029**	157,527
Total Non-current Liabilities		**101,029**	157,527
TOTAL LIABILITIES		**12,228,271**	855,474
NET ASSETS		**20,912,375**	11,131,529
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	7(a)	**68,301,361**	55,606,167
Reserves		**148,438**	326,673
Accumulated losses		**(47,537,424)**	(44,801,311)
TOTAL EQUITY		**20,912,375**	11,131,529

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity

	Issued Capital A$	Share Based Payments Reserve A$	Foreign Currency Translation Reserve A$	Accumulated Losses A$	Total Equity A$
Half-year ended 31 December 2019:					
Balance at 1 July 2019	**55,606,167**	**794,017**	**(467,344)**	**(44,801,311)**	**11,131,529**
Net loss for the period	**-**	**-**	**-**	**(2,736,113)**	**(2,736,113)**
Other comprehensive income					
Exchange differences arising on translation of foreign operations	**-**	**-**	**(208,035)**	**-**	**(208,035)**
Total other comprehensive loss	**-**	**-**	**(208,035)**	**-**	**(208,035)**
Total comprehensive loss for the period	**-**	**-**	**(208,035)**	**(2,736,113)**	**(2,944,148)**
Transactions with owners, recorded directly in equity					
Share placement	**13,275,000**	**-**	**-**	**-**	**13,275,000**
Less: cost of capital raising	**(757,953)**	**-**	**-**	**-**	**(757,953)**
Issue of shares for exploration asset	**178,147**	**-**	**-**	**-**	**178,147**
Share based payment expense	**-**	**29,800**	**-**	**-**	**29,800**
Total transactions with owners	**12,695,194**	**29,800**	**-**	**-**	**12,724,994**
Balance at 31 December 2019	**68,301,361**	**823,817**	**(675,379)**	**(47,537,424)**	**20,912,375**
Half-year ended 31 December 2018:					
Balance at 1 July 2018	55,326,167	963,895	(810,588)	(38,969,306)	16,510,168
Net loss for the period	-	-	-	(2,624,713)	(2,624,713)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	(394,564)	-	(394,564)
Total other comprehensive loss	-	-	(394,564)	-	(394,564)
Total comprehensive loss for the period	-	-	(394,564)	(2,624,713)	(3,019,277)
Transactions with owners, recorded directly in equity					
Share based payment expense	-	44,606	-	-	44,606
Total transactions with owners	-	44,606	-	-	44,606
Balance at 31 December 2018	55,326,167	1,008,501	(1,205,152)	(41,594,019)	13,535,497

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

	Note	Half-Year Ended 31 December 2019 A$	2018 A$
Cash flows from operating activities			
Interest received		**31,037**	70,195
Payments to suppliers and employees		**(3,014,151)**	(2,748,639)
Net cash outflow from operating activities		**(2,983,114)**	(2,678,444)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(120,477)**	(3,366)
Purchase of exploration and evaluation assets		**(4,919,610)**	-
Net cash outflow from investing activities		**(5,040,087)**	(3,366)
Cash flows from financing activities			
Principal elements of lease payments		**(45,581)**	-
Proceeds from issue of shares	7(a)	**13,275,000**	-
Payments for share issue transaction costs		**(757,953)**	-
Net cash inflow from financing activities		**12,471,466**	-
Net increase/(decrease) in cash and cash equivalents held		**4,448,265**	(2,681,810)
Foreign exchange movement on cash and cash equivalents		**(64,556)**	415,998
Cash and cash equivalents at the beginning of the financial year		**9,994,765**	14,562,729
Cash and cash equivalents at the end of the financial year		**14,378,474**	12,296,917

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and Forming Part of the Financial Statements

1. Summary of Significant Accounting Policies

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

OreCorp Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The interim financial report of the Company for the half-year ended 31 December 2019 was authorised for issue in accordance with a resolution of the Directors.

(a) Basis of Preparation of Half-Year Financial Report

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

At 31 December 2019, the Group had current assets of $14,534,051, including cash of $14,378,474. After allowing for current liabilities, including US$8.05 million (A$11,479,092) payable on grant of the SML for which payment timing is uncertain, the Group's net working capital would total $2,406,809. The Group does not have significant committed costs and has a history of successfully raising equity as required. As a result, the Directors are of the opinion that the Group will have sufficient funds to continue to meet its obligations as and when they fall due and that the use of the going concern basis is appropriate.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2019, other than as detailed below.

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half-year.

(b) New Standards, Interpretations and Amendments

In the current period, the Group has adopted all of the new and revised standards, interpretations and amendments that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2019.

The impact of the adoption of AASB 16 *Leases* and the new accounting policies are disclosed below. The other standards did not have any impact on the Group's accounting policies or disclosures.

AASB 16 *Leases*

The Group has adopted AASB 16 retrospectively from 1 July 2019, but has not restated comparatives, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019.

Notes to and Forming Part of the Financial Statements (Continued)

Adjustments recognised on adoption of AASB 16

On adoption of AASB 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 July 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 8%. The associated right-of-use assets for property leases have been measured at an amount equal to the lease liability.

The Company's operating lease commitments disclosed at 30 June 2019 of $121,341 have been discounted at the Company's incremental borrowing rate of 8% to determine the lease liability amount recognised at 1 July 2019. At 1 July 2019, the resulting lease liability recognised in respect of property leases and related right-of-use assets was $115,698.

At 31 December 2019, the carrying value of the Group's right of use assets was $69,419 after amortisation for the period of $46,279, and the related lease liability was $70,117.

(i) The group's leasing activities and how these are accounted for

The group leases various offices and office equipment. Rental contracts are typically made for fixed periods of 1 month to 2 years but may have extension options.

Until 30 June 2019, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments; fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that are based on an index or a rate; amounts expected to be payable by the lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

(c) Issued Standards and Interpretations Not Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the reporting period ended 31 December 2019. These are not expected to have any significant impact on the Group's financial statements.

Notes to and Forming Part of the Financial Statements (Continued)

(d) Accounting Estimates, Judgements and Assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Recoverability of exploration and evaluation assets;
- Share-based payments; and
- Recoverability of VAT receivables.

	Half-Year Ended 31 December 2019 A$	 2018 A$
2. Expenses and Losses		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
(a) Depreciation and amortisation		
Depreciation of plant and equipment	**42,570**	64,031
Amortisation of right of use asset	**46,279**	-
(b) Exploration and Evaluation Expenditure		
Provision for non-recovery of VAT receivables	**61,221**	1,123,716

Notes to and Forming Part of the Financial Statements (Continued)

	31 December 2019 A$	30 June 2019 A$
3. Current Assets – Trade and Other Receivables		
GST and VAT receivable (i)	**1,244,422**	1,161,210
Provision for non-recovery of VAT receivables (i)	**(1,196,522)**	(1,136,403)
Other receivables	**107,677**	84,497
	155,577	109,304

Notes

(i) The Group continues to fully provide for the VAT receivable balance. At reporting date, the net GST and VAT receivable carrying value relates solely to the Australian operating entities.

	31 December 2019 A$	30 June 2019 A$
4. Non-Current Assets – Plant and Equipment		
Plant and Equipment		
Cost	**637,179**	521,197
Accumulated depreciation	**(482,826)**	(443,780)
Net carrying amount	**154,353**	77,417
Reconciliation		
Carrying amount at beginning of period	**77,417**	185,495
Additions	**120,477**	6,123
Depreciation charge for the period	**(42,570)**	(119,516)
Foreign exchange movement on plant and equipment	**(971)**	5,315
Carrying amount at end of period, net of accumulated depreciation and impairment	**154,353**	77,417

Notes to and Forming Part of the Financial Statements (Continued)

	31 December 2019 A$	30 June 2019 A$
5. Non-Current Assets – Exploration and Evaluation Assets		
Exploration & Evaluation Assets		
Nyanzaga JV Project, Tanzania (i)	**17,824,676**	1,425,517
Hobbes Gold Project, Australia (ii)	**380,000**	380,000
Edjudina Assets, Australia (iii)	**178,147**	-
Net carrying amount	**18,382,823**	1,805,517
Reconciliation - Exploration & Evaluation Assets		
Carrying amount at the beginning of the period	**1,805,517**	1,354,061
Add: acquisition of exploration and evaluation assets during the period	**16,576,849**	380,000
Foreign exchange movement on exploration and evaluation assets	**457**	71,456
Carrying amount of Exploration and Evaluation Assets at the end of period, net of impairment	**18,382,823**	1,805,517

Notes

(i) The Company submitted an application for a SML over the key licence area for the Nyanzaga project in October 2017. The existing licence remains current pending grant of the SML. As at the date of this report, no decision regarding the SML application has been received. The Company continues to carry forward the capitalised exploration and evaluation assets on the basis that it retains tenure as at 31 December 2019.

During the half-year, the Group completed the acquisition of NMCL, the permit-holder of the Nyanzaga project licences. As the activities of NMCL do not constitute a business, the acquisition has been accounted for as an asset acquisition. In accordance with the Group's accounting policy of capitalising the cost of acquisition of rights to explore, the fair value of the consideration for the acquisition of US$11,500,000 has been recorded as an addition to exploration and evaluation assets in Consolidated Entity. US$3,450,000 has been paid during the half-year. At period end, the balance of US$8,050,000 remains payable upon grant of the SML and has been recorded as a current liability.

(ii) During the year ended 30 June 2019, OreCorp entered into a binding Earn-in Agreement to acquire up to an 80% interest in the Hobbes Gold Project located in the Eastern Goldfields 130km northeast of Kalgoorlie in WA.

(iii) During the half-year, the Group completed the acquisition of the Edjudina Assets, comprising the Jericho and Bunjarra Well Projects, in WA. Consideration for the acquisition was comprised of the issue of 468,809 fully paid ordinary shares recorded at market value of $0.38 each for a total fair value of $178,147, plus a 1% net smelter royalty (NSR) capped at $2,500,000. The NSR has been assessed by the Company at acquisition date to have a fair value of nil.

Notes to and Forming Part of the Financial Statements (Continued)

	31 December 2019 A$	30 June 2019 A$
6. Current Liabilities – Trade and Other Payables		
Trade and other creditors	**442,950**	461,984
Other liabilities [(i)]	**11,479,092**	-
	11,922,042	461,984

Note

(i) Other liabilities is comprised of the US$8.05m balance of consideration for the acquisition of NMCL and is payable by the Group on grant of the SML. Refer to Note 5(i) for further information.

7. Equity Securities Issued

(a) Issued and Paid Up Capital

Date	Details	Number of Shares	Issue Price A$	$
1 July 2019	Opening Balance	217,412,820	-	55,606,167
22 August 2019	Share Placement	53,100,000	0.25	13,275,000
29 November 2019	Issue of Shares (Note 4(iii))	468,809	0.38	178,147
	Capital raising costs	-	-	(757,953)
31 December 2019	**Closing Balance**	**270,981,629**		**68,301,361**

There were no issues of ordinary share capital during the half-year ended 31 December 2018.

(b) Unlisted Options

The following unlisted options, which are exercisable at $0.44 each on or before 30 July 2021, were granted under the Employee Option Acquisition Plan during the current and prior half-year periods:

- During the half-year ended 31 December 2019, the Company granted 250,000 unlisted options at a fair value of $0.119 per option; and
- During the half-year ended 31 December 2018, the Company granted 1,850,000 unlisted options with a fair value of $0.143 per option and 2,500,000 unlisted options with a fair value of $0.083 per option.

8. Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Consolidated Entity operates in one operating segment being mineral exploration.

The Group's primary geographical segment is Africa. During the year ended 30 June 2019, the Group commenced exploration activity in Western Australia however these activities do not meet the quantitative thresholds to constitute a reportable segment for the half-year ended 31 December 2019.

Notes to and Forming Part of the Financial Statements (Continued)

9. Controlled Entities

During the half-year, the Group completed the acquisition of 100% of the ordinary share capital of NMCL, a company incorporated in Tanzania. As the activities of NMCL did not constitute a business in accordance with AASB 3 *Business Combinations*, the acquisition has been accounted for as an asset acquisition. Refer to Note 5(i) for further information.

10. Interest in Other Entities

Entity	Activity	Interest at 31 December 2019	Interest at 30 June 2019
Nyanzaga Project – Tanzania [(i)]	Gold Exploration	**100%**	25%
Akjoujt South Project - Mauritania	Nickel – Copper Exploration	**90%**	90%
Hobbes Gold Project - WA [(ii)]	Gold Exploration	**0%**	0%
Jericho and Bunjarra Well Projects – WA (refer Note 5(iii))	Gold Exploration	**95 - 100%**	0%

Notes

(i) The Nyanzaga Project was the subject of an unincorporated earn-in and joint venture agreement with Acacia**.** During the half-year, the group acquired 100% of NMCL, the company which owns the Nyanzaga Project. NMCL is now included in the Company's controlled entities at Note 9.

(ii) During the half-year, the Group completed the first phase of the earn-in for the Hobbes Gold Project entitling the group to move to a 40% interest in the project. The Group is in the process of completing stamping and registration.

11. Commitments for Expenditure

From 1 July 2019, in accordance with AASB 16 *Leases*, the Group has recognised right-of-use assets for office leases, except for short-term and low-value leases.

	Half-Year Ended 31 December 2019 A$	2018 A$
Within one year	-	4,319,673
	-	4,319,673

The majority of the commitments at 31 December 2018 related to US$3 million (A$4.3 million) payable to the Acacia Group to acquire an additional 26% ownership in NMCL. This payment was conditional upon approval from the TMC. At 31 December 2019, amounts payable to the Acacia Group in connection with the acquisition of NMCL have been recorded as liabilities in the Statement of Financial Position. Refer to Note 6.

12. Contingent Liabilities

The Group has no known contingent liabilities requiring disclosure as at 31 December 2019.

The contingent liabilities relating to the acquisition of NMCL as disclosed in the Annual Report for the year ended 30 June 2019 have now been paid or recorded as a liability in the Group's financial statements.

13. Significant Post Balance Date Events

There were no significant events occurring after balance date requiring disclosure.

Directors' Declaration

In accordance with a resolution of the Directors of OreCorp Limited:

The Directors declare that:

(a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of Consolidated Entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Board

MATTHEW YATES
Chief Executive Officer & Managing Director

11 March 2020

Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the members of OreCorp Limited

We have reviewed the accompanying half-year financial report of OreCorp Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2019, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the OreCorp Limited's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of OreCorp Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of OreCorp Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of OreCorp Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations* 2001.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Skelton
Partner
Chartered Accountants
Perth, 11 March 2020

Deloitte Touche Tohmatsu
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The Directors
OreCorp Limited
Suite 20, Level 1
513 Hay Street
Subiaco, WA 6008

11 March 2020

Dear Board Members,

OreCorp Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of OreCorp Limited.

As lead audit partner for the review of the half-year financial report of OreCorp Limited for the half year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Skelton
Partner
Chartered Accountants