



**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2021**

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

Ms Jessica O’Hara

Registered and Principal Office

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Stock Exchange Listing

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Perth WA 6000

ASX Code: ORR – Ordinary Shares

Solicitors

Allen & Overy LLP
Level 12, Exchange Plaza
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Auditor

Deloitte Touche Tohmatsu
Level 9, Tower 2, Brookfield Place
123 St Georges Terrace
Perth WA 6000

Bankers

Westpac Limited
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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 2021 (**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 2021 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 base metals. OreCorp's key projects are the Nyanzaga Gold Project (**Nyanzaga** or **Project**) in northwest Tanzania and the Yarri, Kalgoorlie, Yundamindra and Ponton 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).

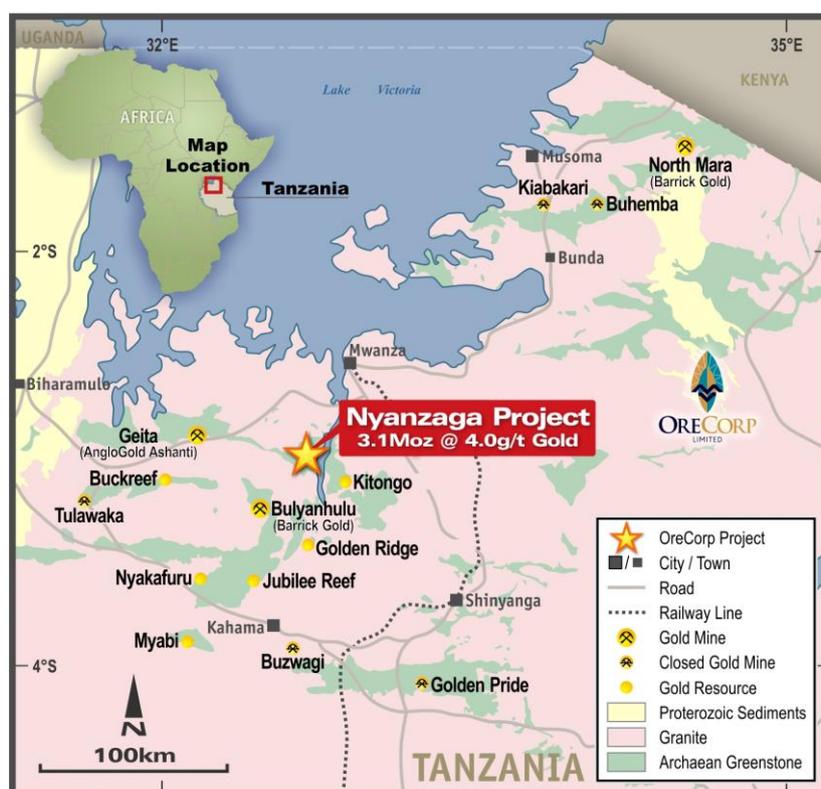


Figure 1 – Nyanzaga Project Location, Tanzania

Directors' Report (Continued)

During the half-year, the Company continued to pursue the grant of the Special Mining Licence (SML) that covers the key area of Nyanzaga. OreCorp received notification of the grant of the SML on 9 December 2021 and subsequently attended a signing ceremony on 13 December 2021 at which the SML was issued, and the Framework and Shareholders Agreements were signed.

The SML was granted to the new joint venture company, Sotta Mining Corporation Limited (**Sotta**), for an initial term of fifteen years. OreCorp holds an 84% interest in Sotta through its subsidiary, Nyanzaga Mining Company Limited (**NMCL**). The Treasury Registrar holds the 16% free carried interest (**FCI**) of the Government of Tanzania (**GoT**) in accordance with the Mining Act [CAP. 123 R.E. 2019].

The Framework and Shareholders Agreements between NMCL and the GoT specify the key rights and obligations of the parties, as shareholders of Sotta, with respect to the development and management of the Project. The Company now has tenure under the Mining Act to develop and operate the Project and is pleased to be working with the GoT on the development of Nyanzaga.

Subsequent to the grant of the SML, OreCorp paid the final US\$8,050,000 consideration to Barrick Gold Corporation (**Barrick**) for the acquisition of NMCL. The Company is pleased to have now satisfied all of its obligations in relation to the acquisition of the Project.

Nyanzaga Definitive Feasibility Study (**DFS**) activities continued during the period, which remains on-track for completion in the second quarter of 2022. A major drilling campaign comprising the Kilimani deposit (**Kilimani**) infill resource drilling, regional exploration, hydrogeological, sterilisation and geotechnical drill was successfully completed with final assay and test results pending.

Australia – Eastern Goldfields, Western Australia

The Company's WA interests comprise four Project areas, being Yarri (including Hobbes), Kalgoorlie, Yundamindra and Ponton (Figure 2).

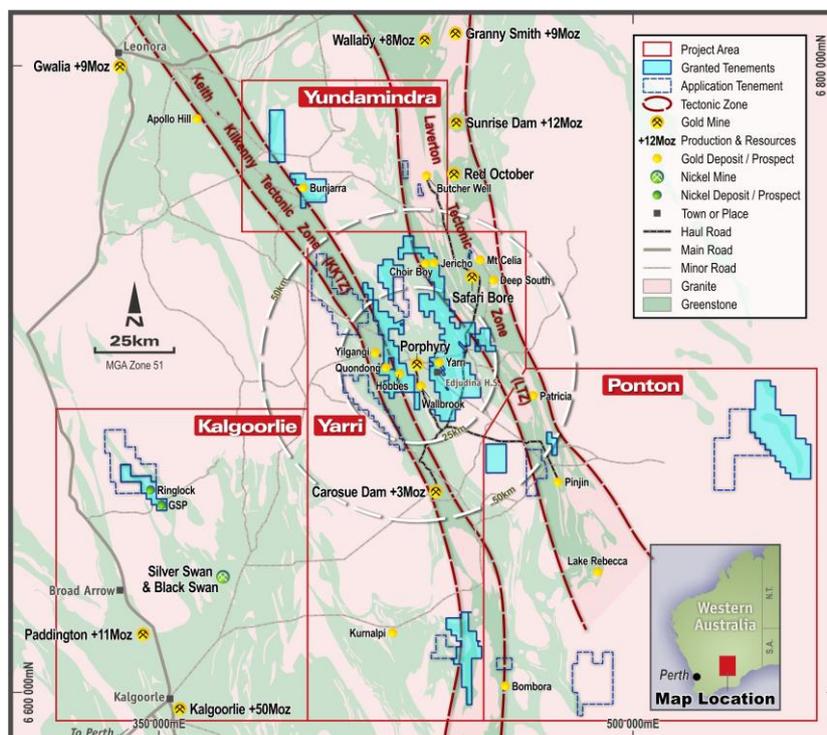


Figure 2 - Western Australia Project Locations

Directors' Report (Continued)

A number of exploration projects within the WA goldfields were reviewed during the half-year with a view to acquisition. These reviews resulted in the acquisition of a 100% legal and beneficial interest in six granted exploration licences (E28/2583, E28/2650, E31/1236, E31/1245, E39/2214, and E39/2215), and one prospecting licence (P31/2134). The Company also completed the acquisition of an 80% legal and beneficial interest in exploration licence E29/1087, and subsequent to period end acquired the remaining 20% interest. During the period OreCorp was successful in the ballot process for one licence application (E28/3092), which is located in the southeast of the Yarri Project area. OreCorp believes all of the newly acquired licences are under-explored in the context of modern exploration and further expand its footprint in a region of highly prospective geology. The Company now has granted licences and applications in the Eastern Goldfields covering approximately 2,694km².

Work completed in WA during the half-year included:

- Reconnaissance field exploration commenced at the Ringlock Dam Licence (E29/1087), which covers >10 strike kilometres of the Black Swan Komatiite Complex and includes the advanced GSP nickel sulphide prospect. Historical drill core samples which intersected a number of significant komatiite hosted nickel sulphide mineralised zones have been acquired and stored at the Company's Kalgoorlie base;
- The Company commenced a large aeromagnetic survey to cover portions of the Project areas. The survey will comprise approximately 16,000 line kilometres and was 45% complete at the end of December 2021; and
- Reconnaissance field exploration commenced at the Nippon Licence within the Ponton Project, with UltraFine fraction -2µm soil sampling completed over aeromagnetic targets.

Mauritania – Akjoujt South Project

The Akjoujt South Project (**ASP**) comprises three licences (1415, 1416 and 2259) and covers 596km². 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.

The Company continued to seek joint venture funding for the ASP during the period. An Information Memorandum and data room were 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 net loss of the Consolidated Entity for the half-year ended 31 December 2021 was \$12,762,278 (2020: \$4,476,603). 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 \$10,708,478 (2020: \$2,189,068). The increase in exploration expenditure was due to increased DFS activities at Nyanzaga including the infill RC drilling and geotechnical programs, as well as exploration activities at the Company's WA prospects with the addition of several exploration personnel in the current period.

Corporate and administration costs increased from the previous period due to an increase in the number of personnel required to oversee the increased exploration activities. Corporate and administration costs includes \$428,741 for share based payments (2020: \$79,512) which are recognised over the vesting period.

A foreign exchange gain of \$451,650 (2020: loss of \$1,357,739) was incurred during the half-year as a result of the impact of currency changes on the Company's USD cash holdings. Cash and cash equivalents were approximately \$50.2m as at 31 December 2021 (30 June 2021: \$66.3m).

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.

The generative initiative in WA has resulted in the Company entering into new acquisition agreements to complement its Eastern Goldfields initiative. OreCorp has announced its intention to demerge its WA assets through the demerger of its subsidiary, Solstice Minerals Limited (**Solstice**). The Company believes the WA assets are undervalued within the current company structure and is pursuing the demerger to unlock the value of the WA assets for the benefit of OreCorp shareholders.

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 completing the DFS;
- pursue the demerger of its WA assets and ASX listing of Solstice Minerals Limited; and
- continue to review other resource opportunities which may enhance shareholder value.

The successful completion of these activities will assist the Consolidated Entity 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.

COVID-19

OreCorp continues to monitor the advice from the Australian and Tanzanian authorities with regards to restrictions imposed due to the COVID-19 pandemic. The Company has implemented measures and protocols to maintain the health, safety and security of staff and consultants in both Australia and Tanzania. The Company remains well represented in Tanzania and despite the challenges of travel with the COVID-19 pandemic believes that it is making steady progress in advancing the interests of all stakeholders. At this stage, the impact on our business and results has not been significant and based on our experience to date we expect this to remain the case.

Significant Changes in the State of Affairs

In June 2021, the Company undertook a placement of 70,000,000 fully paid ordinary shares at an issue price of \$0.80 to raise \$56,000,000 before costs. On 25 June 2021, the Company issued 65,500,000 fully paid ordinary shares at an issue price of \$0.80 with the remaining 4,500,000 shares issued on 2 July 2021 to complete the placement.

During the half-year, a total of 2,265,671 fully paid ordinary shares were issued in consideration for the acquisition of mineral tenements; and a total of 4,125,000 shares were issued to the Board, the CEO and Managing Director and employees upon the exercise of unlisted options. A total of 250,000 \$0.44 unlisted options expiring 30 July 2021 lapsed unexercised on the same date.

During the half-year the Company made a number of key management appointments. Ms Tania Cheng was appointed Chief Financial Officer effective 22 July 2021. Mr Henk Diederichs was appointed Chief Operating Officer effective 11 October 2021. Ms Jessica O'Hara was appointed joint Company Secretary effective 6 December 2021 and is the sole Company Secretary after Mr Dion Loney resigned as joint Company Secretary effective 31 January 2022.

Directors' Report (Continued)

Significant Post-Balance Date Events

Subsequent to the end of the period:

- On 17 January 2022, OreCorp announced its intention to demerge Solstice Minerals Limited from the OreCorp Group, subject to shareholder and other requisite approvals. Further details to date include:
 - On 7 February 2022, OreCorp provided an update in respect of the intended demerger, announcing that it was proposing to lodge a notice of meeting seeking shareholder approval for the demerger to occur by way of a capital reduction and in-specie distribution (**Demerger**).
 - In conjunction with the Demerger, Solstice intends to undertake an initial public offering (**IPO**) and will make an application for admission to the Official List of the ASX. The IPO will be undertaken through the issue of a minimum of 25,000,000 Solstice shares and a maximum of 60,000,000 Solstice shares via a pro rata priority offer to eligible OreCorp shareholders at an issue price of \$0.20 per Solstice share, to raise a minimum of \$5,000,000 and a maximum of \$12,000,000 (before costs) (**Pro Rata Priority Offer**).
 - Any entitlements not taken up in the Pro Rata Priority Offer will form the Shortfall Offer, available to eligible OreCorp shareholders and new investors.
 - Participants in the Pro Rata Priority Offer and Shortfall Offer will receive one free attaching listed Solstice option for every four Solstice shares subscribed for under the IPO, with an exercise price of \$0.20 and an expiry date four years from the date of issue (**Listed Options**). Solstice intends to apply to the ASX for quotation of the Listed Options.
 - A prospectus in relation to the IPO will be lodged by Solstice and made available to eligible OreCorp shareholders and new investors on a website to be established by Solstice.
 - On 8 March 2022, OreCorp lodged the notice of meeting and explanatory memorandum with ASX and despatched it to shareholders.
- On 19 January 2022 174,039 \$1.001 unlisted options expiring 25 November 2024 and 71,470 performance rights expiring 22 November 2026 lapsed and were cancelled.
- On 21 January 2022 125,091 \$1.001 unlisted options expiring 25 November 2024 and 51,978 performance rights expiring 22 November 2026 lapsed and were cancelled.
- On 28 January 2022, in preparation for the proposed demerger, OreCorp Resources Pty Ltd sold its legal and beneficial interest in the entire issued share capital of Solstice, being one fully paid ordinary share, to OreCorp for a nominal consideration of \$1.00.
- On 17 February 2022, Solstice and OreCorp entered into an amendment to the existing earn-in agreement with Crosspick Resources Pty Ltd (**Crosspick**), providing for OreCorp to issue 1,200,000 fully paid ordinary shares to Crosspick (or its nominee) (**New Shares**). This issue of shares is being made as consideration for removal from the earn-in agreement of the contractual obligation to issue 2,000,000 OreCorp fully paid ordinary shares to Crosspick upon OreCorp announcing a JORC 2012 Code compliant mineral resource at the Hobbes Project of at least 500,000oz Au with a lower cut-off of at least 0.5 g/t Au. The New Shares will be issued to Crosspick (or its nominee) within 10 days after the record date for the Demerger (and will not carry any right to participate in the in-specie distribution or pro-rata priority offer) unless the record date has not occurred by 31 May 2022, in which case the shares will be issued by 15 June 2022. As part of the amendment, Solstice also agreed for Crosspick to transfer its 20% interest in the Hobbes Project, and its rights and obligations under the earn-in agreement to Garry Warren Pty Ltd.
- On 18 February 2022, OreCorp issued 1,000,000 fully paid ordinary shares to silaTEC Pty Ltd, in consideration for the acquisition by Solstice's wholly owned subsidiary, GreenCorp Metals Pty Ltd, of the remaining 20% interest in an exploration tenement located at Ringlock Dam, Western Australia.

Auditor's Independence Declaration

The auditor's independence declaration is on page 22 of the half-year report.

Directors' Report (Continued)

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

A handwritten signature in blue ink, appearing to read "Matthew Yates".

MATTHEW YATES

Chief Executive Officer & Managing Director

10 March 2022

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Half-Year Ended 31 December	
		2021 A\$	2020 A\$
Interest income		80,322	15,385
Other income	2(a)	-	230,978
Foreign exchange gain / (loss)		451,650	(1,357,739)
Corporate and administration costs		(2,542,824)	(1,008,001)
Exploration and evaluation costs		(10,708,478)	(2,189,068)
Business development costs		(42,948)	(168,158)
Loss before tax from continuing operations		(12,762,278)	(4,476,603)
Income tax expense		-	-
Loss for the period		(12,762,278)	(4,476,603)
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		98,693	(682,781)
Other comprehensive income/(loss) for the period		98,693	(682,781)
Total comprehensive loss for the period, net of income tax		(12,663,585)	(5,159,384)
Total comprehensive loss attributable to members of the parent		(12,663,585)	(5,159,384)
Earnings per share			
Weighted average number of shares		395,713,469	317,305,317
Basic loss per share (cents per share)		(3.23)	(1.41)
Diluted loss per share (cents per share)		(3.23)	(1.41)

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 2021 A\$	30 June 2021 A\$
ASSETS			
Current Assets			
Cash and cash equivalents		50,165,637	66,302,250
Trade and other receivables	3	254,348	413,624
Total Current Assets		50,419,985	66,715,874
Non-current Assets			
Property, plant and equipment	4	797,936	267,468
Right of use asset		260,307	242,325
Exploration and evaluation assets	5	21,392,121	19,582,047
Total Non-current Assets		22,450,364	20,091,840
TOTAL ASSETS		72,870,349	86,807,714
LIABILITIES			
Current Liabilities			
Trade and other payables	6	4,108,282	12,165,810
Lease liability		151,510	105,752
Provisions		309,046	321,638
Total Current Liabilities		4,568,838	12,593,200
Non-current Liabilities			
Lease liability		121,049	147,042
Provisions		25,550	17,106
Total Non-current Liabilities		146,599	164,148
TOTAL LIABILITIES		4,715,437	12,757,348
NET ASSETS		68,154,912	74,050,366
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	7(a)	139,153,332	132,813,942
Reserves		483,293	(8,391)
Accumulated losses		(71,481,713)	(58,755,185)
TOTAL EQUITY		68,154,912	74,050,366

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 2021:					
Balance at 1 July 2021	132,813,942	1,071,039	(1,079,430)	(58,755,185)	74,050,366
Net loss for the period	-	-	-	(12,762,278)	(12,762,278)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	98,693	-	98,693
Total other comprehensive loss	-	-	98,693	-	98,693
Total comprehensive loss for the period	-	-	98,693	(12,762,278)	(12,663,585)
Transactions with owners, recorded directly in equity					
Capital raising	3,600,000	-	-	-	3,600,000
Less: cost of capital raising	(205,610)	-	-	-	(205,610)
Exercise of options	1,815,000	-	-	-	1,815,000
Value of expired options taken to accumulated losses	-	(35,750)	-	35,750	-
Securities issued for acquisition of exploration assets	1,130,000	-	-	-	1,130,000
Share based payment expense	-	428,741	-	-	428,741
Total transactions with owners	6,339,390	392,991	-	35,750	6,768,131
Balance at 31 December 2021	139,153,332	1,464,030	(980,737)	(71,481,713)	68,154,912
Half-year ended 31 December 2020:					
Balance at 1 July 2020	81,320,949	501,850	(564,215)	(49,519,877)	31,738,707
Net loss for the period	-	-	-	(4,476,603)	(4,476,603)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	(682,781)	-	(682,781)
Total other comprehensive loss	-	-	(682,781)	-	(682,781)
Total comprehensive loss for the period	-	-	(682,781)	(4,476,603)	(5,159,384)
Transactions with owners, recorded directly in equity					
Share placement	60,000	-	-	-	60,000
Less: cost of capital raising	(14,203)	-	-	-	(14,203)
Issue of shares for exploration asset	93,083	-	-	-	93,083
Securities issued for acquisition of exploration assets	1,780,000	28,000	-	-	1,808,000
Share based payment expense	-	79,512	-	-	79,512
Total transactions with owners	1,918,880	107,512	-	-	2,026,392
Balance at 31 December 2020	83,239,829	609,362	(1,246,996)	(53,996,480)	28,605,715

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	
		2021 A\$	2020 A\$
Cash flows from operating activities			
Interest received		80,322	10,332
Receipt of government grants and other tax refunds		-	230,978
Payments to suppliers and employees		(10,046,498)	(3,076,072)
Net cash outflow from operating activities		(9,966,176)	(2,834,762)
Cash flows from investing activities			
Payments for property, plant and equipment		(623,896)	(167,486)
Payments for exploration and evaluation assets		(11,135,472)	-
Net cash outflow from investing activities		(11,759,368)	(167,486)
Cash flows from financing activities			
Principal elements of lease payments		(72,109)	(43,984)
Proceeds from issue of shares	7(a)	3,600,000	60,000
Proceeds from exercise of options	7(a)	1,815,000	-
Payments for share issue transaction costs		(205,610)	(7,590)
Net cash inflow from financing activities		5,137,281	8,426
Net decrease in cash and cash equivalents held		(16,558,263)	(2,993,822)
Foreign exchange movement on cash and cash equivalents		451,650	(1,357,739)
Cash and cash equivalents at the beginning of the financial period		66,302,250	24,800,403
Cash and cash equivalents at the end of the financial period		50,165,637	20,448,842

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 2021 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.

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 2021, other than as detailed below.

(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 2021. These did not have any significant impact on the Group's financial statements.

(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 2021. 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	
	2021 A\$	2020 A\$
2. Other Income, Expenses and Losses		
Loss from ordinary activities before income tax expense includes the following specific other income and expenses:		
(a) Other income		
Government grants – cashflow boost and payroll tax	-	55,000
Refund of GST ⁽ⁱ⁾	-	175,978
	-	230,978
(b) Depreciation and amortisation		
Depreciation of plant and equipment	99,205	30,646
Amortisation of right of use asset	73,892	50,802
(c) Exploration and evaluation expenditure		
Provision for non-recovery of VAT receivables (Refer Note 3)	370,830	36,633
(d) Share based payment expense		
Share based payments expense	428,741	79,512

Notes

- (i) The refund of GST relates to previously unrecovered GST in relation to capital raisings which have been subsequently recovered under the Financial Acquisitions Threshold.

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

	31 December 2021 A\$	30 June 2021 A\$
3. Current Assets – Trade and Other Receivables		
GST and VAT receivable ⁽ⁱ⁾	1,815,099	1,273,772
Provision for non-recovery of VAT receivables ⁽ⁱ⁾	(1,608,856)	(1,194,972)
Other receivables	8,544	5,476
Other assets ⁽ⁱⁱ⁾	39,561	329,348
	254,348	413,624

Notes

- (i) The Group continues to fully provide for the VAT receivable balance. Refer to Note 3(a) for reconciliation of the provision movements during the period. At reporting date, the net GST and VAT receivable carrying value relates solely to the Australian operating entities.
- (ii) The Group has entered into agreements to acquire tenements subject to certain conditions being met. At the reporting date, the conditions have not yet been satisfied, the Company does not have tenure over the tenements and accordingly the costs that have been incurred have been recorded as other assets. Once the Group has acquired the rights to the tenements, the costs will be transferred to exploration and evaluation assets.

	31 December 2021 A\$	30 June 2021 A\$
(a) Reconciliation of provision for non-recovery of VAT receivables		
Opening balance	(1,194,972)	(1,228,097)
Provision for non-recovery of VAT receivables	(370,830)	(70,303)
Foreign exchange movement on provision	(43,054)	103,428
	(1,608,856)	(1,194,972)

	31 December 2021 A\$	30 June 2021 A\$
4. Non-Current Assets – Plant and Equipment		
<i>Plant and Equipment</i>		
Cost	1,484,611	835,829
Accumulated depreciation	(686,675)	(568,360)
Net carrying amount	797,936	267,468
<i>Reconciliation</i>		
Carrying amount at beginning of period	267,468	135,574
Additions	623,896	216,008
Depreciation charge for the period	(99,205)	(77,668)
Foreign exchange movement on plant and equipment	5,777	(6,446)
Carrying amount at end of period, net of accumulated depreciation and impairment	797,936	267,468

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

	31 December 2021 A\$	30 June 2021 A\$
5. Non-Current Assets – Exploration and Evaluation Assets		
<i>Exploration & Evaluation Assets</i>		
Nyanzaga JV Project, Tanzania ⁽ⁱ⁾	17,214,951	16,653,188
Eastern Goldfields, Western Australia - Yarri	3,005,685	2,774,630
Eastern Goldfields, Western Australia - Kalgoorlie	1,017,256	-
Eastern Goldfields, Western Australia - Yundamindra	154,229	154,229
Net carrying amount	21,392,121	19,582,047
<i>Reconciliation - Exploration & Evaluation Assets</i>		
Carrying amount at the beginning of the period	19,582,047	19,078,830
Add: acquisition of exploration and evaluation assets during the period ⁽ⁱⁱ⁾	1,248,311	2,020,712
Foreign exchange movement on exploration and evaluation assets	561,763	(1,517,495)
Carrying amount of Exploration and Evaluation Assets at the end of period, net of impairment	21,392,121	19,582,047

Notes

- (i) The SML for Nyanzaga was issued on 13 December 2021 to Sotta. OreCorp holds an 84% interest in Sotta through its subsidiary NMCL.
- (ii) During the half-year, the Group acquired additional tenements in the Eastern Goldfields through the issue of shares to the value of \$1,130,000 (refer Note 7(a)), payment of cash and execution of royalty deeds.
- (iii) Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

	31 December 2021 A\$	30 June 2021 A\$
6. Current Liabilities – Trade and Other Payables		
Trade and other creditors	4,108,282	1,441,156
Other liabilities ⁽ⁱ⁾	-	10,724,654
	4,108,282	12,165,810

Note

- (i) The prior period other liabilities balance is comprised of the US\$8.05m balance of consideration related to the acquisition of NMCL. The payment was made in December 2021 to satisfy the final obligations in relation to the acquisition of the Nyanzaga Gold Project.

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

7. Equity Securities Issued

(a) Issued and Paid Up Capital

Date	Details	Number of Shares	Issue Price A\$	A\$
1 July 2021	Opening Balance	385,906,947		132,813,942
1 July 2021	Placement shares	4,500,000	0.800	3,600,000
8 July 2021	Exercise of Unlisted Options	3,475,000	0.440	1,529,000
19 July 2021	Exercise of Unlisted Options	400,000	0.440	176,000
29 July 2021	Exercise of Unlisted Options	250,000	0.440	110,000
29 July 2021	Issue of Shares for Exploration Asset	64,103	0.780	50,000
11 August 2021	Issue of Shares for Exploration Asset	201,508	0.744	150,000
9 September 2021	Issue of Shares for Exploration Asset	2,000,000	0.465	930,000
31 December 2021	Capital raising costs			(205,610)
31 December 2021	Closing Balance	396,797,558		139,153,332
1 July 2020	Opening Balance	316,923,158		81,320,949
23 July 2020	Issue of Shares in settlement of salary	189,483	0.491	93,083
23 July 2020	Placement shares acquired by the Chairman ⁽ⁱ⁾	200,000	0.300	60,000
23 December 2020	Issue of Shares for Exploration Asset	1,000,000	0.680	680,000
31 December 2020	Issue of Shares for Exploration Asset	238,096	0.630	150,000
31 December 2020	Issue of Shares for Exploration Asset	184,615	0.650	120,000
31 December 2020	Issue of Shares for Exploration Asset	46,154	0.650	30,000
31 December 2020	Issue of Shares for Exploration Asset	1,167,883	0.685	800,000
	Capital raising costs	-	-	(14,203)
31 December 2020	Closing Balance	319,949,389		83,239,829

Note

- (i) These shares were applied for by, and issued to, the Chairman subsequent to approval by shareholders at the Extraordinary General Meeting in July 2020, on the same terms as the Placement completed in May 2020.

(b) Unlisted Securities

During the half-year ended 31 December 2021, the Company had the following movements and closing balances in its unlisted securities:

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

Unlisted Options

Unlisted Options	Opening	Issued	Exercised	Lapsed or Expired	Closing
Unlisted Options at \$0.44 expiring 30 July 2021	4,375,000	-	(4,125,000)	(250,000)	-
Unlisted Options at \$0.808 expiring 25 May 2022	1,100,000	-	-	-	1,100,000
Unlisted Options at \$0.859 expiring 25 November 2022	1,100,000	-	-	-	1,100,000
Unlisted Options at \$0.917 expiring 25 November 2024	1,150,000	-	-	-	1,150,000
Unlisted Options at \$1.001 expiring 25 November 2024	3,943,977	-	-	(704,352)	3,238,625

Performance Rights

Performance Rights	Opening	Issued	Exercised	Lapsed or Expired	Closing
Unlisted Performance Rights expiring 22 November 2026	-	2,213,538	-	(123,448)	2,090,090

The unlisted performance rights were granted to employees in accordance with the Company's Long Term Incentive Plan.

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 Consolidated Entity operates in two geographical segments; Africa and WA.

Half-year ended 31 December 2021	Africa A\$	WA A\$	Total segment A\$	Corporate and other A\$	Foreign exchange gain A\$	Total reported A\$
Segment loss	(6,602,963)	(4,014,612)	(10,617,575)	(2,596,353)	451,650	(12,762,278)
Segment assets	17,900,637	4,177,170	22,077,807	50,792,542	-	72,870,349

Half-year ended 31 December 2020	Africa A\$	WA A\$	Total segment A\$	Corporate and other A\$	Foreign exchange loss A\$	Total reported A\$
Segment loss	(1,233,803)	(970,016)	(2,203,819)	(915,045)	(1,357,739)	(4,476,603)
Segment assets	16,218,074	2,716,147	18,934,221	21,135,652	-	40,069,873

The Consolidated Entity does not have revenues from external customers nor inter-segment revenues.

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

9. Controlled Entities

During the half-year, the Group incorporated Sotta Mining Corporation Limited (**Sotta**), a new Tanzanian company in which OreCorp's subsidiary, NMCL, holds an 84% interest and the GoT holds a 16% FCI. Sotta was incorporated to receive the SML for Nyanzaga which was issued on 13 December 2021, at the same time that the Framework and Shareholders Agreements were signed. The Framework and Shareholders Agreements between NMCL and the GoT specify the key rights and obligations of the parties, as shareholders of Sotta, with respect to the development and management of the Project.

At 31 December 2021, there were a number of matters outstanding relating to Sotta's incorporation and business registration which require completion in order to facilitate the commencement of Sotta's business activities and operations, primarily relating to the appointment of the Sotta Board including additional representatives from both OreCorp and the GoT.

OreCorp is working closely with the GoT to conclude the outstanding incorporation and business registration matters whilst continuing to progress the Nyanzaga DFS.

10. Interests in Projects

Project	Activity	Interest at 31 December 2021	Interest at 30 June 2021
Akjoujt South Project - Mauritania	Nickel – Copper Exploration	90%	90%
Hobbes Gold Project - WA	Gold Exploration	80%	80%
Ringlock Dam Project - WA	Gold & Base Metals Exploration	80%	-
Jericho and Bunjarra Well Projects - WA	Gold Exploration	95 - 100%	95 - 100%

11. Commitments and Contingent Liabilities

As a condition of retaining the current rights to tenure to exploration tenements, the Group is required to pay an annual rental charge and meet minimum expenditure requirements for each tenement. These obligations are not provided for in the financial statements and are at the sole discretion of the Group. Minimum expenditure requirements for the current licence period are as per the following:

	2021 \$
Commitments for exploration expenditure	
Not longer than 1 year	938,883
Longer than 1 year and shorter than 5 years	2,832,310
Longer than 5 years	1,847,027
	5,618,220

Note

The Group also has royalty obligations as part of the agreements for the acquisition of its WA assets.

These obligations are not provided for in the financial statements as the current likelihood of any payment is remote due to the early stage nature of the exploration assets.

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

12. Significant Post Balance Date Events

Subsequent to the end of the period:

- On 17 January 2022, OreCorp announced its intention to demerge Solstice Minerals Limited from the OreCorp Group, subject to shareholder and other requisite approvals. Further details to date include:
 - On 7 February 2022, OreCorp provided an update in respect of the intended demerger, announcing that it was proposing to lodge a notice of meeting seeking shareholder approval for the demerger to occur by way of a capital reduction and in-specie distribution (**Demerger**).
 - In conjunction with the Demerger, Solstice intends to undertake an initial public offering (**IPO**) and will make an application for admission to the Official List of the ASX. The IPO will be undertaken through the issue of a minimum of 25,000,000 Solstice shares and a maximum of 60,000,000 Solstice shares via a pro rata priority offer to eligible OreCorp shareholders at an issue price of \$0.20 per Solstice share, to raise a minimum of \$5,000,000 and a maximum of \$12,000,000 (before costs) (**Pro Rata Priority Offer**).
 - Any entitlements not taken up in the Pro Rata Priority Offer will form the Shortfall Offer, available to eligible OreCorp shareholders and new investors.
 - Participants in the Pro Rata Priority Offer and Shortfall Offer will receive one free attaching listed Solstice option for every four Solstice shares subscribed for under the IPO, with an exercise price of \$0.20 and an expiry date four years from the date of issue (**Listed Options**). Solstice intends to apply to the ASX for quotation of the Listed Options.
 - A prospectus in relation to the IPO will be lodged by Solstice and made available to eligible OreCorp shareholders and new investors on a website to be established by Solstice.
 - On 8 March 2022, OreCorp lodged the notice of meeting and explanatory memorandum with ASX and despatched it to shareholders.
- On 19 January 2022 174,039 \$1.001 unlisted options expiring 25 November 2024 and 71,470 performance rights expiring 22 November 2026 lapsed and were cancelled.
- On 21 January 2022 125,091 \$1.001 unlisted options expiring 25 November 2024 and 51,978 performance rights expiring 22 November 2026 lapsed and were cancelled.
- On 28 January 2022, in preparation for the proposed demerger, OreCorp Resources Pty Ltd sold its legal and beneficial interest in the entire issued share capital of Solstice, being one fully paid ordinary share, to OreCorp for a nominal consideration of \$1.00.
- On 17 February 2022, Solstice and OreCorp entered into an amendment to the existing earn-in agreement with Crosspick Resources Pty Ltd (**Crosspick**), providing for OreCorp to issue 1,200,000 fully paid ordinary shares to Crosspick (or its nominee) (**New Shares**). This issue of shares is being made as consideration for removal from the earn-in agreement of the contractual obligation to issue 2,000,000 OreCorp fully paid ordinary shares to Crosspick upon OreCorp announcing a JORC 2012 Code compliant mineral resource at the Hobbes Project of at least 500,000oz Au with a lower cut-off of at least 0.5 g/t Au. The New Shares will be issued to Crosspick (or its nominee) within 10 days after the record date for the Demerger (and will not carry any right to participate in the in-specie distribution or pro-rata priority offer) unless the record date has not occurred by 31 May 2022, in which case the shares will be issued by 15 June 2022. As part of the amendment, Solstice also agreed for Crosspick to transfer its 20% interest in the Hobbes Project, and its rights and obligations under the earn-in agreement to Garry Warren Pty Ltd.
- On 18 February 2022, OreCorp issued 1,000,000 fully paid ordinary shares to silaTEC Pty Ltd, in consideration for the acquisition by Solstice's wholly owned subsidiary, GreenCorp Metals Pty Ltd, of the remaining 20% interest in an exploration tenement located at Ringlock Dam, Western Australia.

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 2021 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

10 March 2022

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

Conclusion

We have reviewed the half-year financial report of OreCorp Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2021, and the condensed consolidated statement of profit and 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 7 to 19.

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 the Group is not in accordance with the Corporations Act 2001, including:

- Giving a true and fair view of the Group's financial position as at 31 December 2021 and of 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.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year Financial Report section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

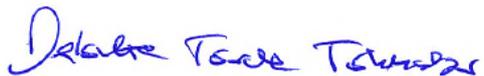
Directors' Responsibilities for the Half-year Financial Report

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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 Group's financial position as at 31 December 2021 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.

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.



DELOITTE TOUCHE TOHMATSU



David Newman
Partner
Chartered Accountants
Perth, 10 March 2022

The Directors
OreCorp Limited
Suite 22, Level 1
513 Hay Street
Subiaco WA 6008

10 March 2022

Dear Board Members

Auditor's Independence Declaration to 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 financial statements of OreCorp Limited for the half-year ended 31 December 2021, 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



David Newman
Partner
Chartered Accountants