

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

December 2018 Quarterly Report

OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 31 December 2018.

Tanzania - Nyanzaga Gold Project (Nyanzaga or Project)

Following the Tanzanian Fair Competition Commission (**FCC**) approval in early September for OreCorp Tanzania Limited (**OreCorp Tanzania**) to increase its interest in Nyanzaga Mining Company Limited (**NMCL**) to 51%, the Company continues to work closely with the relevant authorities to complete the approval process. The increase in ownership remains subject to: (i) the approval of the Mining Commission, the application for which was lodged at the same time as the application for the FCC approval; and (ii) the payment of US\$3 million to the Acacia Group.

OreCorp and OreCorp Tanzania have entered into a Completion Agreement with Acacia Mining plc (**Acacia**) and other members of the Acacia Group to allow OreCorp Tanzania to move to 100% ownership of NMCL, and thereby 100% ownership of the Nyanzaga Gold Project (**Project**) by making a further payment of US\$7 million. The increase to 100% ownership of NMCL is conditional on Tanzanian regulatory approvals and the grant of the Special Mining Licence (**SML**) in respect of the Project. The SML application has been reviewed by the Mining Commission and is progressing through the approvals process. Following completion, Acacia will retain a net smelter return production royalty over the Project, capped at US\$15 million.

OreCorp believes that a simplified ownership structure of NMCL is beneficial to the future development of the Project and enables it to provide significant benefits to Tanzania and all stakeholders.

Work also continued on the Project Financing DFS and other preparatory work ahead of the anticipated grant of the SML and the conclusion of the ownership.

Corporate and Business Development

- OreCorp completed the quarter with approximately A\$12.3M cash and no debt.
- The Company continued to review various business development opportunities including advanced projects and operating mines.
- Additionally, a generative initiative has resulted in the Company applying for a number of licence areas in Western Australia.
- The Company has decided to seek Joint Venture (JV) funding for its Akjoujt South Project in Mauritania and will use the upcoming conferences in Cape Town to identify suitable partners.

For further information please contact:

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CEO & Managing Director



ORECORP
LIMITED

ASX RELEASE:
23 January 2019

ASX CODE:
Shares: ORR

BOARD:
Craig Williams
Non-Executive Chairman

Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Mike Klessens
Non-Executive Director

Robert Rigo
Non-Executive Director

Luke Watson
CFO & Company Secretary

ISSUED CAPITAL:
Shares: 216.4 million
Unlisted Options:
14.0 million

ABOUT ORECORP:
OreCorp Limited is a Western Australian based mineral company focussed on the Nyanzaga Gold Project in Tanzania & the Akjoujt South nickel - copper - cobalt Project in Mauritania.

TANZANIA
Nyanzaga Project (Gold)

Nyanzaga hosts a JORC 2012 compliant Mineral Resource Estimate (MRE) of 3.1 million ounces at 4.0 g/t gold (Table 1).

Table 1: Nyanzaga Project - Mineral Resource Estimate, Reported at a 1.5g/t Au cut-off

OreCorp Limited – Nyanzaga Gold Project – Tanzania Mineral Resource Estimate (MRE) as at 12 September 2017			
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
Sub-Total M & I	20.80	4.06	2.715
Inferred	2.90	3.84	0.358
Total	23.70	4.03	3.072

Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with subcell block modelling. Gold grade for high grade portion estimated using Ordinary Kriging using a 10 x 10 x 10m estimation panel. Gold grade for lower grade sedimentary cycle hosted resources estimated using Uniform Conditioning using a 2.5 x 2.5 x 2.5m SMU. Totals may not add up due to appropriate rounding of the MRE.

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). The Geita Gold Mine lies approximately 60km to the west of the Project along the strike of the greenstone belt and the Bulyanhulu Gold Mine is located 36km to the southwest of the Project. The Nyanzaga Project comprises 20 contiguous Prospecting Licences (PLs) and two applications covering a combined area of 211km². An SML application has been lodged over the Nyanzaga deposit and parts of the surrounding licences covering 23.4km². In addition to the Nyanzaga deposit, there are a number of other exploration prospects within the Project licences.



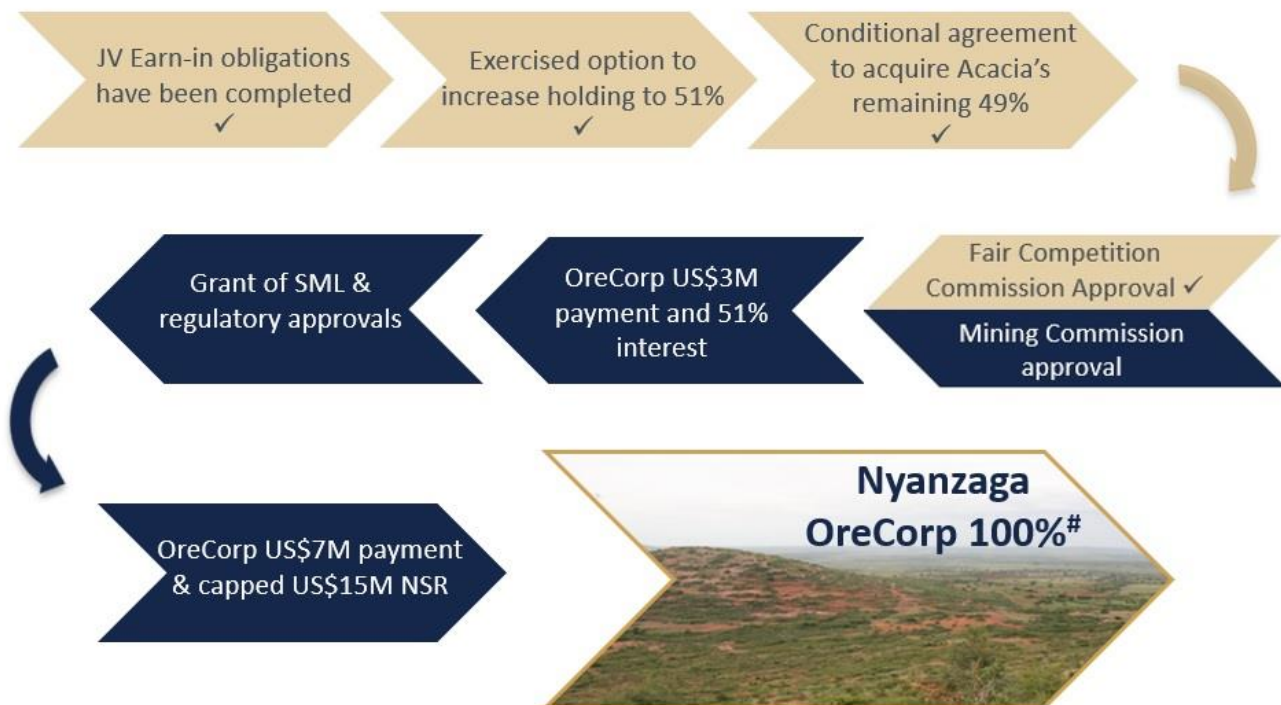
Figure 1: Lake Victoria Goldfields, Tanzania – Existing Resources

Project Update

Nyanzaga Earn-in Agreement

Following the FCC approval in September for OreCorp Tanzania to increase its interest in NMCL to 51%, the Company has worked closely with other relevant Tanzanian Authorities to conclude the approval process. This increase in ownership still remains subject to: (i) the approval of the Mining Commission, the application for which was lodged at the same time as the application for FCC approval; and (ii) the payment of US\$3 million to the Acacia Group.

OreCorp and OreCorp Tanzania have entered into a conditional Completion Agreement with Acacia and other members of the Acacia Group to allow OreCorp Tanzania to move to 100% ownership of NMCL and thereby 100% ownership of the Project by making a further payment of US\$7 million (see ASX release dated 6 September 2018). The increase to 100% ownership of NMCL is also conditional on Tanzanian regulatory approvals, including from the FCC and the grant of the SML in respect of the Project. Following completion, Acacia will retain a net smelter return production royalty over the Project, capped at US\$15 million.



Notes: ✓ Completed, # 16% FCI to Government of Tanzania

Figure 2: Nyanzaga Deal Structure

Permitting & Project Licences

Following lodgement of the SML Application in October 2017 and the grant of the Environmental Certificate, additional information to ensure compliance with the new Mining Regulations was requested by the Mining Commission. OreCorp Tanzania subsequently lodged a Local Content Plan in accordance with the Mining (Local Content) Regulations, 2018 and the Integrity Pledge in accordance with the Mining (Integrity Pledge) Regulations, 2018. The Regulations and Integrity Pledge are on the Company website.

OreCorp has been advised that the Mining Commission has completed its review of the SML Application and it is currently listed on the Mining Commission website as "recommended for grant". Whilst this progression does not constitute the final approval of the SML for the Project, it indicates that the approval process is progressing. The Company understands that the next and final step for the SML Application is its review and approval by the Tanzanian Cabinet of Ministers. This status has not changed in the December 2018 quarter and the Company will provide further updates as appropriate.

The grant of the SML will be required before the Project Financing DFS can be completed and any financing for the construction of the Project can be undertaken. Upon grant of the SML, the Government of Tanzania (**GoT**) will become an equity holder in the Project, acquiring a free carried interest of not less than 16% in NMCL in accordance with the Tanzanian Mining Act. OreCorp looks forward to the opportunity to develop Tanzania's next large-scale gold mine with the GoT, for the benefit of all stakeholders.

Project Financing Definitive Feasibility Study

All Project Financing DFS site-based activities have been completed and no further drilling is currently planned on or around the immediate environment of the Nyanzaga deposit prior to completion of the Project Financing DFS. The MRE was updated in September 2017 by CSA Global following completion of the 2016/2017 infill drilling program which achieved its stated objectives to lift the MRE categories and improve grade.

During the quarter a mining study review commenced which aims to identify opportunities that may potentially enhance project economics. Once complete, these identified opportunities will be further assessed and integrated as the Project Financing DFS moves towards completion. The Company continued to complete other preparatory works ahead of the anticipated grant of the SML. It is anticipated that the Project Financing DFS will conclude in 2019.

Future Work

The Company will continue to progress the Project Financing DFS over the coming months, together with ongoing stakeholder engagement (which the Company regards as a key priority), as the Company advances towards the potential grant of the SML.

Regional exploration is continuing with a view to delineating and refining exploration targets.

In Country Tanzania

On January 8 2019 his Excellency the President John P Magufuli announced a mini cabinet reshuffle in which he appointed The Honourable Angela Kairuki the Minister of State in the Prime Minister's office responsible for investment. The Honourable Angela Kairuki was the Minister for Minerals. The Honourable Dotto Biteko has been appointed as the new Minister for Minerals from his role as Deputy Minister for Minerals. The Company wishes both Ministers all the best in their new appointments.

The Company has noted several press articles relating to the comments made by the new CEO of Barrick Gold in regard to the settlement of the ongoing tax dispute between Acacia and the GoT and will continue to monitor the situation and update shareholders as appropriate.

MAURITANIA

Akjoujt South Project (Nickel – Copper - Cobalt: 90% interest in Licences 1415 & 1416, granted)

The Akjoujt South Project (**ASP**) comprises two licences (1415 and 1416) and covers 460km². An application has been lodged covering 136km² immediately to the north of licence 1415 and Anomaly 5. The ASP is only 60km southeast of First Quantum's Guelb Moghrein copper-gold mine and 50km from a sealed bitumen road to the capital, Nouakchott (**Figure 3**).

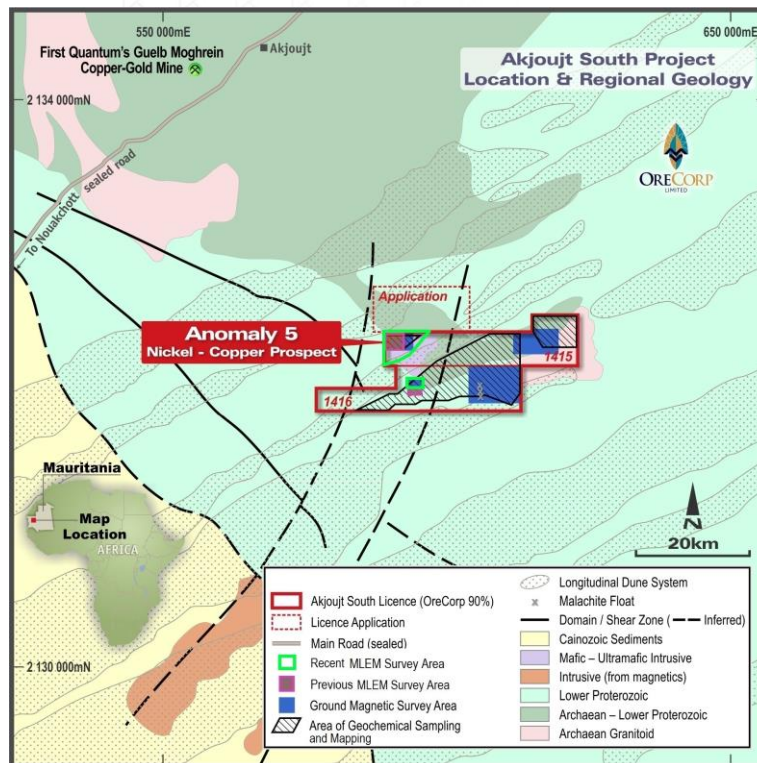


Figure 3: Location of the Akjoujt South Project, Mauritania

No field work has been completed this quarter. The second renewal approval fees and annual rents have been paid for the two ASP licences (1415 and 1416) and the final decree letters are pending. The Company has continued to monitor the progress of the northern licence application.

The Company has decided to seek JV funding for the ASP. An Information Memorandum and data room have been prepared for this purpose. It is anticipated that the up coming conferences in Cape Town may provide an opportunity to introduce the ASP to potential partners.

Future Work

Subject to securing a funding partner, further work at the Akjoujt South Project will include:

- extending soil geochemistry, rock-chip sampling and trenching over untested gossans or remodelled geophysical targets; and
- program development and target generation in preparation for the granting of the northern licence application.

CORPORATE AND BUSINESS DEVELOPMENT

Financial and Corporate

OreCorp completed the quarter with approximately A\$12.3M cash and no debt.

Business Development

During the quarter, 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. Both Craig Williams and Matthew Yates will be attending the Arlington Pre-Daba and the 121 Conferences in Cape Town in early 2019 to promote the Company, its interests and identify suitable new business opportunities.

A generative initiative in Western Australia identified several target areas around the margins of the Yilgarn and Pilbara cratons. This resulted in the Company applying for a number of licence areas. The Company will continue to refine its Western Australian Targeting Initiative and will advise of its progress in due course.

Issue of Unlisted Options

At the annual general meeting held on 26 November 2018, shareholder approval was obtained for the renewal of the Employee Option Acquisition Plan, the grant of options under that plan and the grant of options to the Non-Executive Directors. Subsequently, the Company granted 500,000 options under the plan to the Company's CEO and Managing Director and a total of 2,000,000 options to the Non-Executive Directors.

The total number of options prior to the new issue was 11,535,000. After the new issue, the total number of options outstanding is 14,035,000.

EXPLORATION INTERESTS

During the quarter, the Company had an interest in the following projects and exploration licences:

Mining Tenements Held

Project	Licence Number	Expiry Date	Status	Period	Interest at beginning of Quarter	Interest at end of Quarter
Tanzania						
<i>Nyanzaga Project</i>	PL10911/2016	22/09/2020	Active	Initial	100%	100%
	PL10877/2016	06/10/2020	Active	Initial	100%	100%
Mauritania						
<i>Akjoujt South Project</i>	1415B2	29/07/2018	Under Renewal	Pending Second Renewal	90%	90%
	1416B2	29/07/2018	Under Renewal	Pending Second Renewal	90%	90%

Mining Tenements Acquired/Disposed

Project	Licence Number	Expiry Date	Status	Period	Interest at beginning of Quarter	Interest at end of Quarter
Acquired						
<i>Nyanzaga Project</i>	PL11186/2018	25/10/2022	Active	Initial	0%	100%
Disposed						
Nil						

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements

Project	Licence Number	Expiry Date ³	Status	Period	Interest at beginning of Quarter	Interest at end of Quarter
Tanzania <i>Nyanzaga Project</i> ¹	PL 4830/2007	08/11/2017 ²	Active ²	Extension	25%	25%
	SML00602/2017	-	Application	-	-	-
	PL 6922/2011	27/02/2018	Under Renewal	Pending Second Renewal	25%	25%
	PL 7129/2011	02/08/2018	Under Renewal	Pending Second Renewal	25%	25%
	PL 8592/2012	23/12/2016	Under Renewal	Pending First Renewal	25%	25%
	PL 8635/2012	23/12/2016	Under Renewal	Pending First Renewal	25%	25%
	PL 9016/2013	26/03/2020	Active	First Renewal	25%	25%
	PL 9065/2013	26/03/2020	Active	First Renewal	25%	25%
	PL 9236/2013	30/06/2020	Active	First Renewal	25%	25%
	PL 9237/2013	30/06/2020	Active	First Renewal	25%	25%
	PL 9446/2013	31/10/2020	Active	First Renewal	25%	25%
	PL 9656/2014	31/03/2018	Under Renewal	Pending First Renewal	25%	25%
	PL 9661/2014	31/03/2018	Under Renewal	Pending First Renewal	25%	25%
	PL 9662/2014	31/03/2021	Active	First Renewal	25%	25%
	PL 9663/2014	31/03/2021	Active	First Renewal	25%	25%
	PL 9664/2014	31/03/2021	Active	First Renewal	25%	25%
PL 9770/2014	04/06/2018	Under Renewal	Pending First Renewal	25%	25%	
PL 9919/2014	07/07/2018	Under Renewal	Pending First Renewal	25%	25%	

Notes:

- 1) Pursuant to a whole of company earn-in agreement with Acacia Mining plc, under which the Company has contractual rights to earn beneficial interests in the tenements and, upon completion of a DFS, acquire shares in the direct holding company of the tenements.
- 2) Under Section 67 of the Mining Act when the holder applies for a renewal of a current mineral right the current licence shall remain in force until the date of renewal or grant, or until the application is refused.
- 3) Current period expiry date.

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed

Project	Licence Number	Status	Period	Interest at beginning of Quarter	Interest at end of Quarter
Acquired					
Nil					
Disposed					
<i>Nyanzaga Project</i>	PL7476/2011	Expired		25%	0%

Other than as disclosed above, no other tenements were acquired or disposed during the quarter (including beneficial interests in joint venture projects), nor were there any further changes to the beneficial interest in any tenements.

ABOUT ORECORP LIMITED

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

Nyanzaga hosts a JORC 2012 compliant Mineral Resource Estimate (MRE) of 3.1 million ounces at 4.0 g/t gold. The MRE is the foundation of a Definitive Feasibility Study for project financing purposes (Project Financing DFS) currently underway. Upon grant of the SML, the Government of Tanzania (GoT) will become an equity holder in the Project, acquiring a free carried interest in accordance with the Tanzanian Mining Act. OreCorp looks forward to the opportunity to develop Tanzania's next large-scale gold mine with the GoT, for the benefit of all stakeholders.

JORC 2012 Compliance Statements

The information in this report relating to the Nyanzaga Project is extracted from the ASX Announcements dated; 6 September 2018 titled "Nyanzaga Project Update - FCC Approval Obtained and Completion Agreement to acquire 100% of the Project Signed", 20 July 2018 titled "Nyanzaga Project Update – Completion of Earn-in Phase and Execution of Conditional Heads of Agreement to acquire 100% of the Project", 25 June 2018 titled "Further update regarding discussions between Barrick and the Government of Tanzania", 30 April 2018 titled "March 2018 Quarterly Report", 19 February 2018 titled "Acacia Press release to LSE Dated 16 February 2018", 14 February 2018 titled "Grant of Environmental Certificate for the Nyanzaga Gold Project", 12 September 2017 titled "Mineral Resource Estimate Update for the Nyanzaga Project in Tanzania Increasing Category and Grade", 10 July 2017 titled "Further Update on Proposed Legislative Changes in Tanzania", 30 June 2017 titled "Proposed Tanzanian Legislative Changes, Infill Drilling Results and Project Update at Nyanzaga", 11 May 2017 titled "Infill Drilling Results Further Demonstrate Outstanding Potential of Nyanzaga Project" and 13 March 2017 titled 'Pre-Feasibility Study Demonstrates Significant Potential of Nyanzaga Gold Project', which are available to view on the Company's website '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 Announcements referred to above and, in the case of (i) estimates of Mineral Resources, (ii) Metallurgical Testwork and Results, and (iii) Exploration Results in relation to the Nyanzaga Project (Project Results), that all material assumptions and technical parameters underpinning the Project Results in the original announcements referred to above continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original announcements referred to above.

Risk Factors

Many factors, known and unknown could impact on the Company's potential investment in NMCL and the Project itself. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests; risks associated with foreign operations; and governmental and environmental regulation. For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward looking statements contained in this report, see the Company's Annual Report for the year ended 30 June 2017, the Company's Prospectus dated January 2013 as well as the Company's other filings with the Australian Securities Exchange.

Forward Looking Statements

This release contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to pre-feasibility and definitive feasibility studies, the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Prospectus dated January 2013.

This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.

Cautionary Statements

The Pre-Feasibility Study in respect of the Nyanzaga Project referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements is based on moderate accuracy level technical and economic assessments. The PFS is at a lower confidence level than a Feasibility Study and the Mineral Resource Estimate (MRE) which forms the basis for the PFS is not sufficiently defined to allow conversion to an Ore Reserve or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the PFS will be realised. The PFS includes a financial analysis based on reasonable assumptions on the Modifying Factors, among other relevant factors, and a competent person has determined that, based on the content of the PFS, none of the Mineral Resources may be converted to an Ore Reserve at this time. Further, the financial analysis in the PFS is conceptual in nature and should not be used as a guide for investment.

88% of the existing MRE in respect of the Nyanzaga Project is in the Indicated and Measured categories, with the balance of 12% classified in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements will be realised.

The consideration of the application of all JORC modifying factors is well advanced, including mining studies, processing and metallurgical studies, grant of the EC, lodgement of the Special Mining Licence Application and other key permits required from the government. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the Project.

All material assumptions on which the forecast financial information is based, are referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements.