



4 March 2024

Market Announcements Office  
ASX Limited  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Attention: Nicholas Mountain, Adviser, ASX Listings Compliance

**TARGET'S STATEMENT - TAKEOVER OFFER FROM PERSEUS MINING LIMITED FOR ORECORP LIMITED**

In accordance with item 14 of section 633(1) of the *Corporations Act 2001* (Cth), please find attached a copy of the Target's Statement issued by OreCorp Limited (**OreCorp**) in response to the off-market takeover offer from Perseus Mining Limited (**Perseus**) for all of the OreCorp shares not already owned by Perseus (**Perseus Offer**).

The Target's Statement was lodged today with the Australian Securities and Investments Commission and sent to Perseus.

In accordance with section 110D and item 12 of section 633(1) of the *Corporations Act 2001* (Cth), the Target's Statement is being despatched to OreCorp shareholders today by the following means:

1. OreCorp shareholders with an electronic address for the purposes of receiving electronic copies of shareholder communications will, unless they have validly elected to receive hard copies of shareholder communications, receive an email with a letter providing a link to an electronic copy of the Target's Statement (**Shareholder Letter**); and
2. OreCorp shareholders who do not have an electronic address for the purposes of receiving electronic copies of shareholder communications, and OreCorp shareholders who have validly elected to receive hard copies of shareholder communications, will be sent a hard copy of the Shareholder Letter to their registered postal address.

A copy of the Shareholder Letter is attached to this announcement.

This announcement has been approved and authorised for release by the Board of OreCorp Limited.

Yours sincerely

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

Matthew Yates  
Executive Chairman  
**OreCorp Limited**

4 March 2024

Dear Shareholder

**TARGET'S STATEMENT - TAKEOVER OFFER FROM PERSEUS MINING LIMITED FOR ORECORP LIMITED**

OreCorp Limited (**OreCorp** or the **Company**) refers to previous ASX announcements regarding the off-market takeover offer from Perseus Mining Limited (**Perseus**) for all of the OreCorp shares not already owned by Perseus or its associates (**Perseus Offer**).

**This letter sets out how you can access OreCorp's Target's Statement. It is an important document and requires your immediate attention. The Target's Statement sets out OreCorp's formal response to the Perseus Offer.**

On 16 February 2024, Perseus released its replacement Bidder's Statement in relation to the Perseus Offer. The replacement Bidder's Statement contains the detailed terms of the Perseus Offer and was sent to all OreCorp shareholders on 19 February 2024.

The purpose of this letter is to inform you that OreCorp has now released its Target's Statement in response to the Perseus Offer and, in accordance with section 110D of the *Corporations Act 2001* (Cth), to provide instructions as to how you can access it. The Target's Statement sets out OreCorp's formal response to, and important information about, the Perseus Offer, including the OreCorp directors' unanimous recommendation to **REJECT** the Perseus Offer and the reasons for that recommendation.

**HOW TO ACCESS THE TARGET'S STATEMENT**

You can access the Target's Statement on OreCorp's website at the following link:

<https://www.orecorp.com.au/investor-centre/asx-announcements>

If you are in any doubt as to the contents of this letter or the Target's Statement please contact your legal, financial or other professional adviser.

Please note that OreCorp will not be sending you a hard copy of the Target's Statement. However, you may request a hard copy via email to [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au) or by calling the OreCorp Information Line on 1300 441 602 (within Australia) or +61 (2) 9934 0529 (from outside Australia). If you request a hard copy of the Target's Statement, it will be printed and mailed to you as follows:

1. if the holder is in Australia – by pre-paid ordinary post or by courier; or
2. if the holder is outside Australia – by pre-paid airmail post or by courier.

Thank you for your continued support of OreCorp.

Yours sincerely



Matthew Yates  
Executive Chairman  
**OreCorp Limited**



**ORECORP**  
LIMITED

ACN 147 917 299

## Target's Statement

**in response to the off-market takeover bid by Perseus  
Mining Limited ACN 106 808 986 (ASX/TSX: PRU)  
to acquire all of your ordinary shares in OreCorp Limited  
for A\$0.55 per OreCorp Share**

**Your directors unanimously recommend that you**

**REJECT**

**the Perseus Offer**

**BY TAKING NO FURTHER ACTION**

**This is an important document and requires your immediate attention and should be read in its entirety. If you are in any doubt as to how to deal with it, you should consult your financial, legal or other professional adviser as soon as possible.**

Financial Adviser



Legal Adviser

**ALLEN & OVERY**

## **Important notices**

### **Date of this Target's Statement**

This Target's Statement is dated 4 March 2024.

### **Defined Terms**

Capitalised terms and certain abbreviations used in this Target's Statement have the defined meanings set out in section 11 (*Definitions and interpretation*).

### **Purpose of this Target's Statement**

This Target's Statement is given by OreCorp Limited ACN 147 917 299 (**OreCorp**) to its shareholders under Part 6.5 Division 3 of the Corporations Act 2001 (Cth) (**Corporations Act**) in response to the Perseus Offer made by Perseus Mining Limited ACN 106 808 986 (ASX: PRU) (**Perseus**) in its Bidder's Statement. This Target's Statement contains a recommendation as to how to respond to the Perseus Offer, the reasons for that recommendation, and certain other disclosures required by the Corporations Act. You should read this Target's Statement in its entirety before deciding whether or not to accept the Perseus Offer.

### **Role of ASIC**

A copy of this Target's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 4 March 2024. Neither ASIC nor any of its officers takes any responsibility for the contents of this Target's Statement.

### **Risk Factors**

OreCorp Shareholders should note that there are a number of risk factors attached to their investment in OreCorp and other risks which apply in the event the Perseus Offer is accepted. Section 8 of this Target's Statement sets out further information regarding those risks.

### **Forward looking statements**

Certain statements in this Target's Statement relate to the future. The forward-looking statements in this Target's Statement are not based on historical facts, but rather reflect the current views and expectations of OreCorp concerning future events and circumstances. These statements may generally be identified by the use of forward-looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", qualifiers such as "may", "should", "likely" or "potential" or derived or similar words. Similarly, statements that describe the expectations, goals, objectives, plans or targets of Perseus or OreCorp are or may be forward looking statements.

These forward-looking statements are based on certain assumptions regarding the operations of OreCorp, Perseus and the economic and regulatory environments in which OreCorp and Perseus operate and will operate in the future. They are subject to known and unknown risks and uncertainties that could cause the actual outcomes, and the actual performance or results of OreCorp and Perseus to be materially different from the outcomes, or the performance or results of OreCorp and Perseus expressed or implied by such statements, including, among other things, general economic conditions, changes in law, regulation or government policy and certain other operational and financial risks and uncertainties associated with carrying on business in the mining industry. All forward-looking statements should be read in light of such risks and uncertainties.

None of OreCorp and its respective officers, employees and advisers makes any representation or warranty that any outcome, performance, or result expressed in or implied by any forward-looking statement in this Target's Statement will actually occur. You should treat all forward-looking statements with caution and not place undue reliance on them.

Any forward-looking statements in this Target's Statement reflect the assumptions and expectations of OreCorp as at the date of this Target's Statement. Except as required by law, OreCorp and its officers, employees and advisers disclaim any obligation to revise or update any forward-looking statements after the date of this Target's Statement to reflect any change in the assumptions or expectations on which those statements are based.

### **Important information regarding OreCorp Directors' recommendation**

You should note when considering the OreCorp Directors' recommendations regarding the Perseus Offer and the Silvercorp Offer as set out in this Target's Statement that Mr Yates (Executive Chairman), Mr Diederichs (CEO and Managing Director), Mr Morrison (Non-Executive Director) and Mr Klessens (Non-Executive Director) will each be receiving a benefit if either of Silvercorp or Perseus obtains Effective Control (see sections 10.3 and 10.4).

As at the date of this Target's Statement, Mr Yates holds 1,060,208 OreCorp Performance Rights and Mr Diederichs holds 804,274 OreCorp Performance Rights that will vest upon a change of control resulting, upon exercise, in the issue of 1,060,208 OreCorp Shares (with a value of \$583,114.40 under the Perseus Offer) to Mr Yates and 804,274 OreCorp Shares to Mr Diederichs (with a value of \$442,350.70 under the Perseus Offer) (see sections 5.4(c) and 10.3). Despite these interests in the outcome of the Perseus Offer, Mr Yates and Mr Diederichs consider that, given the importance of the Perseus Offer and their respective roles as Executive Chairman and CEO and Managing Director of OreCorp, it is important and appropriate for them to provide a recommendation to OreCorp Shareholders in relation to the Perseus Offer. Additionally, the OreCorp Board (excluding Mr Yates and Mr Diederichs) also considers that it is appropriate for each of Mr Yates and Mr Diederichs to make a recommendation on the Perseus Offer given their respective roles in the management and operations of OreCorp.

As at the date of this Target's Statement, Mr Yates holds 1,059,603 OreCorp Options, Mr Morrison holds 250,000 OreCorp Options and Mr Klessens holds 250,000 OreCorp Options. In accordance with the terms of the Perseus Offer as detailed in the Bidder's Statement, Perseus contemplates entering into an Option Purchase Deed with each holder of OreCorp Options to acquire their OreCorp Options in exchange for the Purchase Amount applicable to the relevant OreCorp Option (see sections 5.4(b) and 10.3). Despite these interests in the outcome of the Perseus Offer, Mr Yates, Mr Morrison and Mr Klessens consider that, given the importance of the Perseus Offer and their respective roles, it is important and appropriate for them to provide a recommendation to OreCorp Shareholders in relation to the Perseus Offer. Additionally, the OreCorp Board (excluding Mr Yates, Mr Morrison and Mr Klessens) also considers that it is appropriate for each of Mr Yates, Mr Morrison and Mr Klessens to make a recommendation on the Perseus Offer given their respective roles within OreCorp.

### **Foreign Jurisdictions**

The release, publication and distribution of this Target's Statement may be restricted by law or regulation in some jurisdictions outside Australia. Accordingly, persons outside Australia who come into possession of this Target's Statement should seek advice and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with law and regulations outside Australia.

## **Privacy and personal information**

OreCorp and Perseus and their respective share registries may collect personal information in the process of distributing this Target's Statement including the names and addresses of OreCorp Shareholders and details of their holdings of OreCorp Shares. The personal information may include the names, contact details and bank account details of OreCorp Shareholders and details of their holdings of OreCorp Shares. Individuals in respect of whom personal information is collected have certain rights to access the personal information collected in relation to them. Such individuals should in the first instance contact the OreCorp Registry on 1300 441 602 or hello@automicgroup.com.au if they wish to request access to that personal information.

The personal information referred to above is collected for the primary purpose of distributing this Target's Statement including the names and addresses of OreCorp Shareholders and details of their holdings of OreCorp Shares and may also be used for the purposes of calling OreCorp Shareholders in relation to their holdings of OreCorp Shares or the Perseus Offer. The personal information referred to above may be disclosed to the share registries of OreCorp and Perseus, to securities brokers, to third party service providers, including professional advisers and print and mail service providers, to Related Bodies Corporate of OreCorp and Perseus and each of their agents and contractors, and to ASX and other regulatory authorities. It may also be disclosed where required or permitted by law or where the individual OreCorp Shareholder has consented to such disclosure.

## **Investment decisions**

This Target's Statement does not constitute financial product advice and has been prepared without reference to your individual investment objectives, financial situation or other circumstances. This Target's Statement should not be relied upon as the sole basis for any decision as to whether or not to accept the Perseus Offer and you should consider seeking independent financial, legal or other professional advice before making any such investment decision.

## **Effect of rounding**

Certain amounts or figures in this Target's Statement, including those in respect of the Perseus Offer, are subject to the effect of rounding. Accordingly, the actual calculation of these amounts or figures may differ from the amounts or figures set out in this Target's Statement.

## **References to currency**

All references to:

- \$, A\$, AUD, dollars or cents in this Target's Statement are to Australian currency, unless otherwise specified; and
- US\$, USD or US dollars in this Target's Statement are to the currency of the United States of America.

## **Charts and diagrams**

Unless stated otherwise, all data included in diagrams, charts, graphs and tables is based on information available as at the date of this Target's Statement.

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## Key dates

<b>Event</b>	<b>Date</b>
Announcement of the Perseus Offer	22 January 2024
Perseus lodges with ASIC, and provides to OreCorp and ASX, a copy of the original Bidder's Statement	29 January 2024
Perseus lodges with ASIC, and provides to OreCorp and ASX, a copy of the replacement Bidder's Statement	16 February 2024
Commencement and completion of despatch of Bidder's Statement and commencement of Offer Period	19 February 2024
OreCorp lodges with ASIC, and provides to Perseus and ASX a copy of the Target's Statement	4 March 2024
Offer Period ends (unless extended or withdrawn)	7.00pm (Sydney time) 19 March 2024

*NOTE: future dates in this timetable are indicative only and may be subject to change subject to the requirements of the Corporations Act 2001 (Cth) and the ASX Listing Rules*



## Chairman's letter

Dear OreCorp Shareholder

### **PERSEUS OFF-MARKET TAKEOVER OFFER FOR ORECORP**

On 22 January 2024, Perseus announced its intention to make an off-market takeover offer to acquire 100% of the OreCorp Shares on issue that Perseus (and its Associate Centash) does not already own (the **Perseus Offer**). Perseus is offering A\$0.55 cash for each OreCorp Share you hold. Prior to receiving the Perseus Offer, Silvercorp and OreCorp had entered into the Bid Implementation Deed pursuant to which Silvercorp offered to acquire 100% of the OreCorp Shares for a combination of \$0.19 cash and 0.0967 Silvercorp Shares per OreCorp Share (**Silvercorp Offer**). The Silvercorp Offer replaced the previously proposed Scheme. The terms and conditions of the Silvercorp Offer are outlined in the Silvercorp Bidder's Statement.

Perseus released its original Bidder's Statement on 29 January 2024, and amended it by supplementary Bidder's Statement released on 12 February 2024. The replacement Bidder's Statement, replacing and incorporating all the substantive information contained in the original Bidder's Statement and the supplementary Bidder's Statement, was released by Perseus on 16 February 2024 and dispatched to OreCorp Shareholders on 19 February 2024. The Bidder's Statement outlines the terms and conditions of the Perseus Offer.

This Target's Statement sets out your OreCorp Directors' response to the Perseus Offer and contains their recommendation, reasons for that recommendation, and other important information you should consider when deciding whether to accept or not accept the Perseus Offer.

### **THE ORECORP DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU REJECT THE PERSEUS OFFER AND ACCEPT THE SILVERCORP OFFER.**

The OreCorp Directors do not consider the Perseus Offer to be superior to the Silvercorp Offer and unanimously recommend that OreCorp Shareholders **REJECT** the Perseus Offer **and ACCEPT** the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders). The OreCorp Directors have accepted the Silvercorp Offer in respect of all OreCorp Shares in which they have a Relevant Interest.

The OreCorp Directors recommend that you **REJECT** the Perseus Offer for the following reasons:

- The Perseus Offer, while subject to a limited number of conditions, remains conditional on Tanzanian regulatory approval which has not yet been obtained;
- The Perseus Offer Consideration is insufficient given the greater uncertainty associated with the Perseus Offer; and
- The Perseus Offer, while offering certain value in the form of cash, denies you the opportunity to participate in the potential upside resulting from successful development of Nyanzaga.

Each of the above reasons to **REJECT** the Perseus Offer are further detailed in section 1.2 of this Target's Statement. The reasons for the Board's considerations and conclusions in relation to the Silvercorp Offer and the Perseus Offer are further detailed throughout this Target's Statement, as well as the Silvercorp Target's Statement released by OreCorp on 2 February 2024.

## **WHAT SHOULD YOU DO?**

To **REJECT** the Perseus Offer, simply **DO NOTHING**.

However, you should read this Target's Statement and the Bidder's Statement carefully, and in their entirety, as they will assist you in making an informed decision in respect to the Perseus Offer. If you are in any doubt as to what you should do, I encourage you to seek advice from independent and appropriately licensed financial, legal, taxation and other professional advisers before making your decision in relation to your OreCorp Shares.

If you have any further queries in relation to the Perseus Offer, please consult your professional adviser or contact the OreCorp information line on 1300 441 602 (within Australia) or +61 (2) 9934 0529 (from outside Australia).

On behalf of the OreCorp Directors, I thank you for your continued support.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Matthew Yates', is positioned above the printed name and title.

**Matthew Yates**  
**Executive Chairman**  
**OreCorp Limited**

# 1. Key considerations relating to the Perseus Offer

## 1.1 OreCorp Directors' recommendation

The OreCorp Directors do not consider the Perseus Offer is superior to the Silvercorp Offer. The OreCorp Directors have considered the advantages and disadvantages of the Perseus Offer and unanimously recommend that you **REJECT** the Perseus Offer and **ACCEPT** the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders).

In reaching a decision on whether to accept or reject the Perseus Offer, OreCorp Shareholders should carefully consider section 8 of this Target's Statement which summarises relevant key risks and section 2 of the Bidder's Statement which summarises the Perseus Offer.

The key reasons for the OreCorp Directors' recommendation to reject the Perseus Offer are set out below:

(a)	The Perseus Offer, while subject to a limited number of conditions, remains subject to Tanzanian regulatory approval and other Offer Conditions
(b)	The Perseus Offer Consideration is insufficient given the greater uncertainty associated with the Perseus Offer
(c)	The Perseus Offer, while offering certain value in the form of cash, denies you the opportunity to participate in the potential upside resulting from successful development of Nyanzaga
(d)	You may consider that there is a possibility that a proposal that is superior to the Perseus Offer could emerge in the foreseeable future

In accordance with the terms of the Bid Implementation Deed, each OreCorp Director has accepted the Silvercorp Offer in respect of all OreCorp Shares in which they have a Relevant Interest. As at the date of this Target's Statement, this represents in total approximately 18.5 million OreCorp Shares or 3.9% of the total number of OreCorp Shares on issue.<sup>1</sup>

The OreCorp Directors acknowledge that the Perseus Offer has a number of advantages and disadvantages which may affect OreCorp Shareholders in different ways depending on their individual circumstances. OreCorp Shareholders should seek professional advice on their particular circumstances, as appropriate.

Section 1.2 sets out in more detail the reasons why OreCorp Shareholders may wish to reject the Perseus Offer, but should be read in conjunction with section 1.3 which sets out the reasons why OreCorp Shareholders may wish to accept the Perseus Offer.

You should read this Target's Statement in full before deciding whether to accept or reject the Perseus Offer.

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<sup>1</sup> Note that the OreCorp Directors' holdings referred to in this paragraph do not include the OreCorp Performance Rights held by Messrs Yates and Diederichs. As noted on page 3 of this Target's Statement, Mr Yates holds 1,060,208 OreCorp Performance Rights and Mr Diederichs holds 804,274 OreCorp Performance Rights that will vest upon a change of control resulting, upon exercise, in the issue of an additional 1,060,208 OreCorp Shares to Mr Yates and an additional 804,274 OreCorp Shares to Mr Diederichs.

## 1.2 Reasons to reject the Perseus Offer

### (a) **The Perseus Offer, while subject to a limited number of conditions, remains conditional on Tanzanian regulatory approval and the other Offer Conditions.**

The Perseus Offer is, by virtue of the “*no regulatory action*” condition, subject to merger approval for the acquisition of control of OreCorp from the Tanzanian Fair Competition Commission (FCC). FCC approval requires lodgement of extensive documentation, initial review by the FCC, a 14 day public notice period and provided no public objection, up to a further 90 day period during which the application is assessed by the FCC. FCC approval also requires consent from various government entities including the Tanzania Mining Commission and the Treasury Registrar.

As announced by OreCorp on 2 February 2024, the FCC has provided Silvercorp with the relevant merger approval for the Silvercorp Offer. OreCorp understands that was provided within an expedited timeframe in light of the previous merger control approval which had been granted by the FCC to Silvercorp in November 2023 with respect to the Scheme.

Perseus stated in its Bidder’s Statement that, based on its discussions to date with various Tanzanian government officials, Perseus believes that it is likely to obtain unconditional merger control approval for the proposed change of control of OreCorp associated with the Perseus Offer before the end of February 2024. As at close of business on Friday 1 March 2024, there is no indication that Perseus has received such approval and Perseus has not provided any update as to the status of the FCC approval or any updated timeframe for when it believes that its FCC approval is likely to be obtained.

Perseus states in the Bidder’s Statement that the Perseus Offer will remain open until at least 19 March 2024 (to allow the FCC to make a determination in relation to the Perseus Offer).

OreCorp is concerned that the period until 19 March 2024 may not be sufficient for the FCC to provide a determination in relation to the Perseus Offer (on the basis that Perseus does not have an existing approval, the FCC requires a 14 day public notice period and up to a further 90 day assessment period and that the FCC has not provided its approval within the timeframe that Perseus stated it believed it was likely to obtain the approval, being before the end of February 2024). This concern is reflected in Perseus’ Bidder’s Statement, where it states “*[i]f the FCC does not approve Perseus’s application by the end of February, there is a risk that Perseus may not extend its offer period beyond 19 March 2024.*”

Accordingly, Perseus has not committed to extend the Perseus Offer, if required, to allow for the FCC approval to be obtained in accordance with the FCC approval process described above. If the FCC has not provided its approval by 19 March 2024, and the Perseus Offer is not extended, the Perseus Offer will not proceed and any acceptances of the Perseus Offer made by OreCorp Shareholders will be returned. OreCorp Shareholders who accept the Perseus Offer before it becomes unconditional will be unable to sell their OreCorp Shares on market or to accept the Silvercorp Offer or any other proposal that may emerge for their OreCorp Shares unless and until the Perseus Offer closes without becoming or being declared unconditional or a right to withdraw acceptance arises under the Corporations Act.

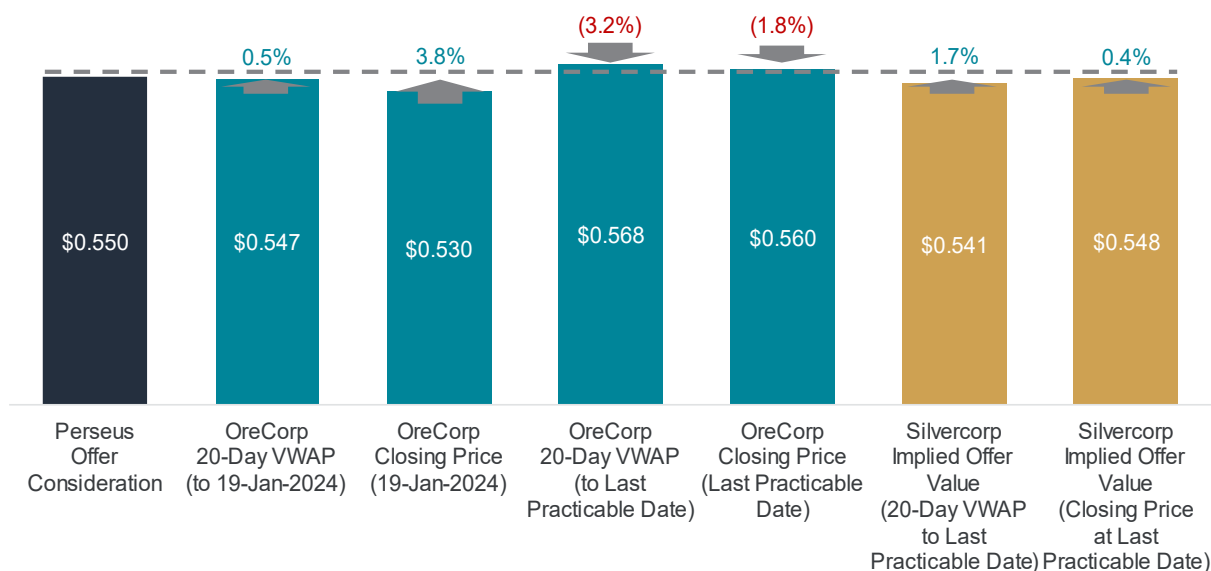
In addition, the Perseus Offer is subject to the other Offer Conditions summarised in section 2.2 of this Target’s Statement. In accordance with the Bid Implementation Deed, Silvercorp is required to waive all conditions (other than any condition in respect of which Silvercorp has publicly announced a breach or suspected breach) within 3 business days after the 50.1% minimum acceptance condition is satisfied. This provides OreCorp Shareholders with certainty that, once the minimum acceptance condition has been satisfied, the Silvercorp Offer will be unconditional and they will be paid the Silvercorp Offer Consideration within 10 business days.

Unlike Silvercorp, Perseus has not undertaken to waive any remaining conditions within 3 business days after the FCC approval has been obtained and the Minimum Acceptance Condition has been satisfied. Accordingly, with the Perseus Offer, there remains a risk that, even once the FCC approval has been obtained and the Minimum Acceptance Condition has been satisfied, the Perseus Offer remains conditional and, whilst it remains conditional, completion and payment of the Perseus Offer Consideration may be at risk.

(b) **The Perseus Offer Consideration is insufficient given the uncertainty associated with the Perseus Offer**

The Perseus Offer Consideration of A\$0.55 in cash per OreCorp Share represents:

- a 1.8% discount to the closing price of OreCorp Shares on the Last Practicable Date of A\$0.560;
- a 3.2% discount to the 20-day VWAP of OreCorp Shares for the period up to and including the Last Practicable Date of A\$0.568;
- a 0.4% premium to the implied value of the Silvercorp Offer of A\$0.548 based on the last closing price of Silvercorp Shares on the NYSE American on the Last Practicable Date of US\$2.41 and the AUD:USD exchange rate of 1.536;
- a 1.7% premium to the implied value of the Silvercorp Offer of A\$0.541 based on the 20-day VWAP of Silvercorp Shares of US\$2.36 on the NYSE American and the average AUD:USD exchange rate of 1.534 for the period up to and including the Last Practicable Date;
- a 3.8% premium to the closing price of OreCorp Shares of A\$0.53 on 19 January 2024, being the last trading day prior to the Offer Announcement Date; and
- a 0.5% premium to 20-day VWAP of OreCorp Shares of A\$0.547 up to and including 19 January 2024, being the last trading day prior to the Offer Announcement Date.



While the Perseus Offer represents a slight premium to the implied value of the Silvercorp Offer (based on the Silvercorp trading prices and periods reflected in the above bullets), the OreCorp Directors do not believe the premium adequately compensates OreCorp Shareholders for the uncertainty represented by the operation of the Offer Conditions attached to the Perseus Offer. The risks associated with this uncertainty have been set out in paragraph (a) above. Importantly, the Silvercorp Offer has already received FCC approval, which removes a significant source of uncertainty attached to the Perseus Offer.

(c) **The Perseus Offer, while offering certain value in the form of cash, denies you the opportunity to participate in the potential upside resulting from successful development of Nyanzaga**

The Perseus Offer provides OreCorp Shareholders with certain value in the form of cash. However, the Perseus Offer denies OreCorp Shareholders the opportunity to participate in the value which may be created from the successful development of the Nyanzaga Project. Whilst OreCorp Shareholders could take the cash consideration received through accepting the Perseus Offer and acquire Perseus shares, this may have unfavourable tax consequences.<sup>2</sup>

(d) **You may consider that there is a possibility that a proposal that is superior to the Perseus Offer could emerge in the foreseeable future**

It remains possible that a proposal that is superior to the Perseus Offer and the Silvercorp Offer could arise in the foreseeable future.

If a competing proposal is received, this will be considered by the OreCorp Board in accordance with the provisions in the Bid Implementation Deed (while the Silvercorp Offer remains on foot) and their directors' duties. Depending on the circumstances, where OreCorp terminates the Bid Implementation Deed because it determines that a Competing Proposal constitutes a Superior Proposal and should be accepted, and this Competing Proposal completes, OreCorp may be required to pay Silvercorp a break fee of A\$2,840,976.

### **1.3 Reasons why you may consider accepting the Perseus Offer**

(a) **You may hold different views to the OreCorp Directors**

Notwithstanding the unanimous recommendation of the OreCorp Board as set out in section 1.2, you may hold a different view and believe that the Perseus Offer is in your individual best interest.

(b) **You may wish to no longer remain an OreCorp Shareholder or have any exposure to the Nyanzaga Project**

If you accept the Perseus Offer, you will no longer be exposed to the future financial and operational performance of OreCorp, nor have any exposure to the Nyanzaga Project.

(c) **You may hold different views to the OreCorp Directors with regard to the risks associated with the timing and likelihood of satisfaction of the Tanzanian regulatory approval condition and waiver of the other Offer Conditions attached to the Perseus Offer.**

Notwithstanding the concerns held by the OreCorp Directors regarding the timeline and likelihood of satisfying the Tanzanian regulatory approval condition attached to the Perseus Offer as set out above

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<sup>2</sup> OreCorp Shareholders should carefully read and consider the potential Australian taxation consequences of accepting the Perseus Offer as set out in section 9 of this Target's Statement. However, OreCorp Shareholders should not rely on the general outline of Australian taxation considerations but seek their own specific professional tax advice as to the taxation implications applicable to your circumstances.

in section 1.2(a), you may hold the view that Perseus will receive FCC approval within a reasonable timeframe.

You may also hold the view that Perseus will either waive the outstanding Offer Conditions once it receives FCC approval and satisfies its Minimum Acceptance Condition (to remove the additional conditionality associated with the Perseus Offer) and / or close the Perseus Offer in a timely manner such that OreCorp Shareholders who accept the Perseus Offer will receive the Perseus Offer Consideration within a reasonable timeframe.

- (d) **You may prefer the certainty of value associated with the wholly cash Perseus Offer Consideration, rather than the consideration being offered by Silvercorp which is a combination of cash and Silvercorp Shares.**

The Perseus Offer provides OreCorp Shareholders with certainty of value in the form of a fixed amount of A\$0.55 per OreCorp Share in cash. OreCorp Shareholders with a short-term view of their investment and lower risk investment profile may find the certainty of A\$0.55 cash per OreCorp Share attractive.

Under the Silvercorp Offer, you will receive A\$0.19 per OreCorp Share in cash, plus 0.0967 Silvercorp Shares for each OreCorp Share that you hold. This ratio will not change, even if the value of the Silvercorp Shares decreases or the value of OreCorp Shares increases, or vice versa, before the Silvercorp Shares are issued to you.

The implied value of the Silvercorp Offer Consideration will vary over time depending on the trading price of Silvercorp Shares and the AUD:USD exchange rate, including up until the Silvercorp Shares are issued. There can be no certainty as to the price at which any Silvercorp Shares issued as scrip consideration under the Silvercorp Offer will trade on the TSX and NYSE American.

- (e) **You may wish to no longer remain an OreCorp Shareholder or have any exposure to the Nyanzaga Project**

If you accept the Perseus Offer, you will no longer be exposed to the future financial and operational performance of OreCorp, nor have any exposure to the Nyanzaga Project. This may suit certain OreCorp Shareholders.

## 2. Overview of the Perseus Offer

### 2.1 Background

On 22 January 2024, Perseus announced its intention to make an off-market takeover offer to acquire all of the OreCorp Shares on issue that Perseus, and its Associate Centash, does not already own. On 29 January 2024, Perseus lodged its original Bidder's Statement, which was later amended by a supplementary Bidder's Statement released on 12 February 2024. The replacement Bidder's Statement, replacing and incorporating all the substantive information contained in the original Bidder's Statement and the supplementary Bidder's Statement, was released by Perseus on 16 February 2024 and dispatched to OreCorp Shareholders on 19 February 2024. You should have recently received the Bidder's Statement from Perseus, containing the full terms and conditions of the Perseus Offer, together with other information material to your decision whether or not to accept the Perseus Offer.

Under the terms of the Perseus Offer, Perseus has offered to acquire all of your OreCorp Shares and all Rights attaching to them, for the Perseus Offer Consideration, being A\$0.55 cash per OreCorp Share, on the terms and subject to the conditions set out in the Bidder's Statement (including the Offer Conditions summarised in section 2.2 of this Target's Statement and set out in full in section 10.12 of the Bidder's Statement). You may only accept the Perseus Offer in respect of all, and not some, of your OreCorp Shares. If you accept the Perseus Offer, you undertake to transfer to Perseus not only your OreCorp Shares, but also all Rights attached to them.

The Perseus Offer is open for acceptance until 7.00pm (Sydney time) on 19 March 2024, unless Perseus extends the Offer Period in accordance with the Corporations Act or the Offer Period is automatically extended under section 624(2) of the Corporations Act, in which case the Perseus Offer will remain open for acceptance until the end of the Offer Period as so extended.

### 2.2 Offer Conditions

The Perseus Offer is subject to a number of conditions:

- (a) **(Minimum Acceptance Condition)** during, or at the end of, the Offer Period, Perseus has a Relevant Interest in greater than 50.1% (on a fully diluted basis, by number) of OreCorp Shares;
- (b) **(no regulatory action)** before the end of the Offer Period:
  - (i) there is not in effect any preliminary or final decision, order or ruling issued by any Government Agency;
  - (ii) no application is made to any Government Agency; and
  - (iii) no action or investigation is announced, commenced or threatened by any Government Agency in connection with the Perseus Offer,

which could reasonably be expected to retrain, impede, prohibit or otherwise have a material adverse effect on the making of the Perseus Offer, the acquisition by Perseus of OreCorp Shares or any other transaction contemplated by the Perseus Offer, excluding an application to or determination by ASIC or the Takeovers Panel in the exercise of the powers and discretions conferred by the Corporations Act;



- (c) **(no Material Adverse Change)** before the end of the Offer Period, there not having occurred, been announced or become known to Perseus (whether or not becoming public) any event, occurrence, action, proceeding, fact, circumstance or change in circumstance that has, will or is reasonably likely to result in a Material Adverse Change in the business, assets, liabilities (whether actual or contingent), financial position, trading position, performance, profitability (before or after tax) or prospects of the OreCorp Group (being OreCorp and its Related Bodies Corporate) since the Offer Announcement Date, including as a result of the making of the Perseus Offer or the acquisition of OreCorp Shares under the Perseus Offer; and
- (d) **(no Prescribed Occurrences)** between the Offer Announcement Date and the end of the Offer Period, no Prescribed Occurrence occurs.

Subject to the Corporations Act, Perseus may free the Perseus Offer and any contract resulting from your acceptance of the Perseus Offer from all or any of the Offer Conditions by giving written notice to OreCorp and ASX in accordance with section 650F of the Corporations Act. Any such notice (except for in relation to the Offer Condition of no Prescribed Occurrences occurring) must be given not less than 7 days before the end of the Offer Period.

As at close of business on Friday 1 March 2024, Perseus has not given notice that any of the Offer Conditions have been fulfilled or waived. If the Offer Conditions are not satisfied or waived, then the Perseus Offer will not proceed and any acceptances will be returned.

### **2.3 Offer Period and extension**

Unless the Perseus Offer is extended, it is open for acceptance from 19 February 2024 until 7.00pm (Sydney time) on 19 March 2024. Perseus has noted in the Bidder's Statement that, if the FCC does not provide its approval by the end of February 2024, there is a risk that Perseus may not extend its Offer Period beyond 19 March 2024. Accordingly, if the FCC has not finally determined the FCC's approval of the Perseus Offer by 19 March 2024, and if Perseus does not extend the Offer Period, the Perseus Offer will terminate.

If, within the last 7 days of the Offer Period, either of the following events occurs:

- (a) the Perseus Offer is varied to improve the consideration offered; or
- (b) Perseus's voting power in OreCorp increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

### **2.4 Effect of accepting the Perseus Offer and withdrawal**

The effect of acceptance of the Perseus Offer is set out in section 10.9 of the Bidder's Statement. You should read that section of the Bidder's Statement in full to understand the effect that accepting the Perseus Offer will have on your ability to deal with your OreCorp Shares, and the representations and warranties which you give by accepting the Perseus Offer. In particular, it is important you understand that if you accept the Perseus Offer whilst it remains subject to one or more of the Offer Conditions then:

- (a) Perseus will not be obliged to acquire your OreCorp Shares, and you will not receive the Perseus Offer Consideration, unless and until such Offer Conditions are satisfied or waived; and

- (b) you will be unable to sell your shares on market or to accept the Silvercorp Offer or any other proposal that may emerge for your OreCorp Shares unless and until the Perseus Offer closes without becoming or being declared unconditional or a right to withdraw your acceptance arises under the Corporations Act.

If you accept the Perseus Offer you may not withdraw that acceptance unless a right to withdraw your acceptance arises under the Corporations Act. This applies even if the Perseus Offer is still subject to one or more of the Offer Conditions described in section 2.2 at the time that you accept. A right to withdraw your acceptance under the Corporations Act will only arise if Perseus varies the Perseus Offer in a way that postpones for more than one month the time by which it must meet its obligations under the Perseus Offer.

## **2.5 Payment of Perseus Offer Consideration**

Perseus has set out in the supplementary bidder's statement dated 12 February 2024 the timing of the provision of the consideration to OreCorp Shareholders who accept the Perseus Offer. In general terms, provided you have validly accepted the Perseus Offer and all Offer Conditions have been fulfilled or waived, you will receive the consideration to which you are entitled on acceptance of the Perseus Offer by the end of whichever of the following periods ends earlier:

- (a) one month after the contract resulting from acceptance of the Perseus Offer becomes unconditional; and
- (b) 21 days after the end of the Offer Period.

## **2.6 Increased Perseus Offer Consideration**

If Perseus improves the Perseus Offer Consideration during the Offer Period, any OreCorp Shareholder who had previously accepted the Perseus Offer will be entitled to receive the improved Perseus Offer Consideration.

## **2.7 Notice on status of Offer Conditions**

Section 10.17 of the Bidder's Statement states that Perseus will give a notice on the status of the Offer Conditions required by section 630(1) of the Corporations Act on 12 March 2024 (subject to any extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

Perseus is required to set out in its notice on the status of the Offer Conditions:

- (a) whether the Perseus Offer is free of all Offer Conditions;
- (b) whether, so far as Perseus knows, any of the Offer Conditions have been fulfilled; and
- (c) Perseus's voting power in OreCorp.

If the Offer Period is extended before the time by which the notice on the status of the Offer Conditions is to be given, the date for giving the notice on the status of the Offer Conditions will be taken to be postponed for the same period. In the event of such an extension, Perseus is required, as soon as practicable after the extension, to give notice to ASX and OreCorp that states the new date for giving the notice on the status of the Offer Conditions.

If an Offer Condition is fulfilled or waived (so that the Offer becomes free of that Offer Condition) during the Offer Period but before the date for giving the notice on the status of the Offer Conditions is required to be given, Perseus must, as soon as practicable, give ASX and OreCorp a notice that states that the particular Offer Condition has been fulfilled or waived.

As at close of business on Friday 1 March 2024, Perseus has not given notice that any of the Offer Conditions have been fulfilled or waived.

## **2.8 Compulsory acquisition**

If during, or at the end of the Offer Period:

- (a) Perseus and its Associates collectively have Relevant Interests in at least 90% (by number) of the OreCorp Shares; and
- (b) Perseus and its Associates have acquired at least 75% (by number) of the OreCorp Shares for which the offers are made under the Perseus Offer,

Perseus will be entitled to compulsorily acquire all outstanding OreCorp Shares and has indicated that it intends to do so, by giving a notice pursuant to Part 6A.1 of the Corporations Act to compulsorily acquire all outstanding OreCorp Shares, even if the OreCorp Shares to which those notices relate are issued:

- (a) after the Perseus Offer closes but before notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- (b) on exercise of OreCorp Options or OreCorp Performance Rights, up to 6 weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

If it is required to do so under section 662A and section 663A of the Corporations Act, Perseus intends to give notices to OreCorp Shareholders and holders of OreCorp Performance Rights and OreCorp Options offering to acquire their OreCorp Shares and OreCorp Performance Rights and OreCorp Options in accordance with section 662B and section 663B of the Corporations Act.

Any OreCorp Shares that Perseus acquires under these compulsory acquisition provisions will be acquired for the Perseus Offer Consideration and otherwise on the same terms as OreCorp Shares acquired under the Perseus Offer. Shareholders whose OreCorp Shares are acquired in accordance with these provisions may not receive payment for them until 2 months or more after the end of the Offer Period.

Following completion of such compulsory acquisition process, OreCorp would be a wholly-owned subsidiary of Perseus and Perseus would be entitled to exercise its rights as the sole shareholder of OreCorp.

## **2.9 Consequences of Perseus acquiring a Relevant Interest in 50.1% or more and less than 90% of the OreCorp Shares**

If Perseus acquires 50.1% or more but less than 90% of the OreCorp Shares then, assuming all other Offer Conditions are satisfied or waived by Perseus, Perseus will acquire a majority shareholding in OreCorp. In those circumstances OreCorp Shareholders who do not accept the Perseus Offer will be minority shareholders in OreCorp. This has a number of possible implications, including:

- (a) Perseus will be in a position to cast a majority of votes at a general meeting of OreCorp. This will enable Perseus to control the appointment of the directors of OreCorp. Any director appointed by Perseus would be required to act in the best interests of OreCorp as a whole; and
- (b) the liquidity of OreCorp Shares may be lower than at present, especially if OreCorp is delisted from the ASX.

If Perseus acquires 75% or more of the OreCorp Shares it will be able to pass a special resolution of OreCorp. This will enable Perseus, among other things, to change OreCorp's constitution which sets out the general rules for the governance of OreCorp by the OreCorp Board. The Constitution deals with the rights and obligations of OreCorp Shareholders, as well as OreCorp's policies and processes relating to, among other things, decision-making structure and Board composition, nature and extent of OreCorp Shareholder liability, business objectives and activities, further issue of equity capital, OreCorp Board and OreCorp Shareholder meeting process and procedure.

Further, Perseus has stated in the Bidder's Statement that, if Perseus acquires control of OreCorp but is not entitled to or does not acquire the remaining OreCorp Shares on issue, OreCorp will be responsible for paying any applicable capital gains tax that may be payable in Tanzania, in accordance with section 56 of the *Income Tax Act 2004*. Such tax is payable where the ultimate share ownership of a Tanzanian entity changes by more than 50%. Perseus is offering to acquire all of the OreCorp Shares that it (and its Associate Centash) does not already own (including all Rights attaching to those OreCorp Shares), which if successful will extend to 100% ownership of OreCorp's Tanzanian subsidiaries, OreCorp Tanzania and NMCL and an 84% effective ownership of SMCL. The remaining 16% of SMCL is owned by the Government of Tanzania. This meets the change of control test for the purposes of Tanzanian capital gains tax because the ultimate share ownership of these entities will change by more than 50%.

The tax is levied on the notional capital gain arising from the difference between the risk adjusted expected cost base and the market value of the consideration at the 30% Tanzanian corporate income tax rate. The application of capital gains tax will only be known upon completion of the transaction.

Perseus has not provided any estimate of the capital gains tax which may become payable, but OreCorp anticipates that the quantum of the capital gains tax payable if Perseus was to reach Effective Control of OreCorp would not be materially different to that payable should Silvercorp reach Effective Control of OreCorp (although the application of this tax is uncertain).

## **2.10 Consequences of Perseus acquiring a Relevant Interest in less than 50.1% of the OreCorp Shares**

If Perseus waives its Minimum Acceptance Condition and acquires a Relevant Interest in less than 50.1% of the OreCorp Shares, the trading price of OreCorp Shares may be higher or lower than the Perseus Offer Consideration. If you remain an OreCorp Shareholder in these circumstances you will continue to enjoy the rewards, and be subject to the risks, of being an OreCorp Shareholder.

Perseus has stated in the Bidder's Statement that it has no current intention to waive the Minimum Acceptance Condition (but it reserves the right to do so).

## **2.11 Further developments**

Should there be any developments during the Offer Period which would alter the OreCorp Directors' recommendation in relation to the Perseus Offer, OreCorp Shareholders will be notified through a supplementary Target's Statement.

## **2.12 Taxation Consequences**

In making a decision whether to accept the Perseus Offer, OreCorp Shareholders should also have regard to the fact that the disposal of OreCorp Shares may have taxation consequences. OreCorp Shareholders should carefully read and consider the potential Australian taxation consequences of accepting the Perseus Offer as set out in section 9 of this Target's Statement.

### 3. Questions and Answers

This section provides summary answers to a number of questions that you may have in relation to the Perseus Offer and refers you to other sections of this Target's Statement where you will find more information on the subjects mentioned. This section does not provide all information that may be relevant. You should read the Bidder's Statement and this Target's Statement in full before deciding whether or not to accept the Perseus Offer. You may also wish to seek independent financial, legal or other professional advice in relation to the action that you should take in relation to the Perseus Offer and your OreCorp Shares.

If you have any further questions about the Perseus Offer or how to accept it, please contact the OreCorp information line on 1300 288 664 (within Australia) or +61 (2) 9698 5414 (from outside Australia).

Question	Summary answer	Further information
<b>What is the Bidder's Statement?</b>	The Bidder's Statement is the document setting out the terms of the Perseus Offer. Perseus lodged the original Bidder's Statement with ASIC on 29 January 2024, a supplementary Bidder's Statement on 12 February 2024 and the replacement Bidder's Statement with ASIC on 16 February 2024. Perseus dispatched the replacement Bidder's Statement to OreCorp Shareholders on 19 February 2024.	N/A
<b>What is this Target's Statement?</b>	This Target's Statement is OreCorp's formal response to the Perseus Offer, including the recommendation of your OreCorp Directors.	N/A
<b>What is the Perseus Offer?</b>	<p>Perseus is offering to buy all of the OreCorp Shares it, and its Associate Centash, do not already own (including all Rights attaching to those OreCorp Shares) by way of an off-market takeover bid.</p> <p>If you accept the Perseus Offer, and the Perseus Offer is declared or becomes unconditional, you will receive the Perseus Offer Consideration for each OreCorp Share you own, being A\$0.55 cash.</p> <p>The Perseus Offer relates to all OreCorp Shares that exist on the Register Date, other than the OreCorp Shares owned by Perseus and its Associates. The Perseus Offer also extends to all OreCorp Shares that are issued during the Offer Period due to conversion of any OreCorp Performance Rights that exist at the Register Date.</p>	Section 2

<b>Question</b>	<b>Summary answer</b>	<b>Further information</b>
<b>Who is Perseus?</b>	Perseus (ASX/TSX: PRU) is an ASX and TSX listed mining company. Refer to section 3 of the Bidder's Statement and section 6 of this Target's Statement for information on Perseus.	Section 6
<b>When does the Perseus Offer close?</b>	The Perseus Offer is currently scheduled to close at 7.00 pm (Sydney Time) on 19 March 2024, unless extended or withdrawn in accordance with the Corporations Act.	See 'Key dates' on page 6
<b>Does Perseus have a Relevant Interest in any OreCorp shares?</b>	According to the most recent notice of change of substantial holding released by Perseus, Perseus, through its Associate Centash, held a Relevant Interest in 93,412,369 OreCorp Shares, being 19.9% of the OreCorp Shares.	Section 6.3
<b>What choices do I have as an OreCorp Shareholder?</b>	<p>You can do any of the following:</p> <ul style="list-style-type: none"> <li>• accept the Silvercorp Offer (unless you have already accepted the Perseus Offer);</li> <li>• accept the Perseus Offer (unless you have already accepted the Silvercorp Offer);</li> <li>• reject the Perseus Offer and the Silvercorp Offer, in which case you simply do nothing; or</li> <li>• sell your OreCorp Shares on market - the price at which you are able to sell on the market may be higher or lower than the Perseus Offer Consideration (unless you have already accepted the Perseus Offer or the Silvercorp Offer).</li> </ul> <p>You should carefully consider the OreCorp Directors' recommendation and other important information set out in this Target's Statement before deciding what to do.</p>	Section 4
<b>What is the Silvercorp Offer?</b>	The Silvercorp Offer is the off-market takeover bid being made in accordance with Part 6.5 of the Corporations Act under which Silvercorp is offering to acquire all OreCorp Shares it does not already own (including all Rights to those OreCorp Shares) for consideration of A\$0.19 cash and 0.0967 of a Silvercorp Share for every OreCorp Share, and otherwise on the terms set out in the Silvercorp Bidder's Statement.	Silvercorp Bidder's Statement and Silvercorp Target's Statement

Question	Summary answer	Further information
	<p>OreCorp’s response to the Silvercorp Offer is set out in the Silvercorp Target’s Statement. The OreCorp Directors unanimously recommend that OreCorp Shareholders <b>ACCEPT</b> the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders).</p> <p>Further information on the Silvercorp Offer is set out in the Silvercorp Bidder’s Statement lodged by Silvercorp and the Silvercorp Target’s Statement lodged by OreCorp.</p>	
<p><b>What do your Directors recommend?</b></p>	<p>The OreCorp Directors unanimously recommend that you <b>REJECT</b> the Perseus Offer and <b>ACCEPT</b> the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Offer is reasonable to OreCorp Shareholders).<sup>3</sup></p>	<p>Chairman’s letter on pages 7-8 and section 1.1</p>
<p><b>Does this Target’s Statement contain an Independent Expert’s Report?</b></p>	<p>No, this Target’s Statement does not contain an independent expert’s report. An independent expert’s report is only required to be included in a target’s statement where the bidder’s voting power in the target is 30% or more, or if a director of the target company is a bidder or a director of the bidder company. This requirement does not apply to the Perseus Offer.</p> <p>The Silvercorp Target’s Statement included the Independent Expert’s Report which was prepared by BDO for the purposes of the Silvercorp Offer.</p>	<p>N/A</p>
<p><b>What interests do the OreCorp Directors have in relation to the Perseus Offer?</b></p>	<p>Mr Yates (Executive Chairman) and Mr Diederichs (CEO and Managing Director) will each be receiving a benefit if Perseus obtains Effective Control of OreCorp because of their respective holdings of OreCorp Performance Rights.</p> <p>Further, if Perseus obtains Effective Control, Mr Yates, Mr Morrison and Mr Klessens may receive a cash payment in respect of the proposed acquisition by Perseus of their respective holdings of OreCorp Options.</p> <p>Full details of these personal benefits are set out on page 3 of this Target’s Statement in the paragraph titled “Important</p>	<p>See “Important information regarding OreCorp Directors’ recommendation” on page 3 and sections 10.3 and 10.4.</p>

<sup>3</sup> In respect of the recommendation of the OreCorp Directors, OreCorp Shareholders should have regard to the fact that, if either of Perseus or Silvercorp obtains Effective Control, certain OreCorp Directors will receive personal benefits as further detailed on page 3 of this Target’s Statement in the paragraph titled “Important information regarding OreCorp Directors’ recommendation”.



Question	Summary answer	Further information
	<p>information regarding OreCorp Directors' recommendation".</p> <p>Note that certain benefits will apply with respect to each of the Silvercorp Offer and the Perseus Offer.</p>	
<b>What have the OreCorp Directors done?</b>	In accordance with the terms of the Bid Implementation Deed, each OreCorp Director who holds OreCorp Shares has accepted the Silvercorp Offer in relation to those OreCorp Shares in which they have a Relevant Interest.	Section 1.1
<b>How do I accept the Perseus Offer?</b>	To accept the Perseus Offer, you must follow the instructions in the Bidder's Statement.	Section 4.1(b)
<b>How do I reject the Offer?</b>	If you do not wish to accept the Perseus Offer you should do nothing with the documents you have received from Perseus.	Section 4.1(d)
<b>When do I have to make a decision?</b>	If you wish to accept the Perseus Offer, you must do this before its scheduled closing date. Perseus has stated that the Offer remains open until 7.00pm (Sydney time) on 19 March 2024. Perseus may extend the Offer Period in accordance with the Corporations Act. In addition, the Offer Period may be extended automatically in certain circumstances. See section 10.2 of the Bidder's Statement for details of circumstances in which the Offer Period can be extended. You should not assume that the Offer Period will be extended.	'Key dates' on page 6
<b>What are the Offer Conditions of the Perseus Offer?</b>	The Perseus Offer is currently subject to the Offer Conditions summarised in section 2.2 and set out in full in section 10.12 of the Bidder's Statement.	Section 2.2
<b>What happens if I accept the Perseus Offer while it is still subject to one or more of the Offer Conditions?</b>	<p>If you accept the Perseus Offer whilst it remains subject to one or more of the Offer Conditions then:</p> <ul style="list-style-type: none"> <li>Perseus will not be obliged to acquire your OreCorp Shares, and you will not receive the Perseus Offer Consideration, unless and until such Offer Conditions are satisfied or waived; and</li> </ul>	Section 4

Question	Summary answer	Further information
	<ul style="list-style-type: none"> <li>• you will be unable to sell your OreCorp Shares on market or to accept the Silvercorp Offer or any other competing offer that may emerge for your OreCorp Shares unless and until the Perseus Offer closes without becoming or being declared unconditional or a right to withdraw your acceptance arises under the Corporations Act.</li> </ul> <p>You may only withdraw your acceptance under the Corporations Act if Perseus varies the Perseus Offer in a way that postpones for more than one month the time by which it must meet its obligations under the Perseus Offer.</p>	
<p><b>What happens if I do nothing?</b></p>	<p>You will remain an OreCorp Shareholder.</p> <p>If Perseus acquires a Relevant Interest in between 50.1% and 90% of OreCorp Shares and the Perseus Offer becomes unconditional, you will be a minority shareholder in OreCorp. The same will apply if Silvercorp acquires a Relevant Interest in between 50.1% and 90% of OreCorp Shares and the Silvercorp Offer becomes unconditional.</p> <p>Further, if either Perseus or Silvercorp acquires 90% or more of the OreCorp Shares and becomes entitled to compulsorily acquire your OreCorp Shares, your OreCorp Shares will be acquired by the successful bidder and you will receive either the Perseus Offer Consideration or the Silvercorp Offer Consideration, as applicable.</p>	<p>Sections 2.8 and 2.9</p>
<p><b>Can I sell my OreCorp Shares on market?</b></p>	<p>You can sell your OreCorp Shares on market unless you have accepted the Perseus Offer or the Silvercorp Offer in respect of those OreCorp Shares. If you sell your OreCorp Shares on market:</p> <ul style="list-style-type: none"> <li>• you will not benefit from any possible increase in the value of OreCorp Shares; and</li> <li>• you will not benefit from any possible increase in the consideration that may be provided under the Perseus Offer, the Silvercorp Offer or any other offer, should one be made.</li> </ul>	<p>Section 4.1(e)</p>

<p><b>Can I be forced to sell my OreCorp Shares?</b></p>	<p>You cannot be forced to sell your OreCorp Shares unless either Perseus or Silvercorp becomes entitled to compulsorily acquire your OreCorp Shares. Perseus or Silvercorp will become entitled to do this if either of them acquires more than 90% of the OreCorp Shares and the relevant offer becomes unconditional. In this situation, you will be paid the same consideration as is payable by:</p> <ul style="list-style-type: none"> <li>• Perseus under the Perseus Offer, if Perseus acquires your OreCorp Shares; or</li> <li>• Silvercorp under the Silvercorp Offer, if Silvercorp acquires your OreCorp Shares.</li> </ul>	<p>Section 2.8</p>
<p><b>What happens if the Perseus Offer Consideration is increased?</b></p>	<p>The Directors will carefully consider any revised Perseus Offer and advise you accordingly. If you have already accepted the Perseus Offer, you will be entitled to any increase in the Perseus Offer Consideration (assuming all Offer Conditions are satisfied or waived).</p>	<p>N/A</p>
<p><b>Can I withdraw my acceptance?</b></p>	<p>Under the terms of the Perseus Offer which are set out section 10 of the Bidder's Statement, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Perseus Offer, Perseus varies the Offer in a way that postpones, for more than one month, the time when Perseus has to meet its obligations under the Perseus Offer (for example, if Perseus extends the Perseus Offer for more than 1 month while the Perseus Offer remains conditional).</p>	<p>Section 2.4</p>
<p><b>When will I be paid if I accept the Perseus Offer?</b></p>	<p>If you accept the Perseus Offer and all of the Offer Conditions are fulfilled or waived, Perseus will pay you the Perseus Offer Consideration by the end of whichever of the following periods end earlier:</p> <ul style="list-style-type: none"> <li>(a) 21 days after the end of the Offer Period; and</li> <li>(b) one month after the contract resulting from acceptance of the Perseus Offer becomes unconditional.</li> </ul>	<p>Section 2.5</p>
<p><b>Are there any risks of accepting the Perseus Offer?</b></p>	<p>There are a number of risk factors associated with accepting the Perseus Offer.</p>	<p>Section 8.2</p>

<p><b>What happens if I do not accept the Perseus Offer?</b></p>	<p>If you do not accept the Perseus Offer and Perseus acquires a Relevant Interest in at least 90% of OreCorp Shares and the other Offer Conditions are satisfied or waived, Perseus intends to proceed to compulsorily acquire outstanding OreCorp Shares. If this occurs, you will receive the Perseus Offer Consideration for each of your OreCorp Shares at the conclusion of this process. You will receive the Perseus Offer Consideration sooner if you accept the Perseus Offer, rather than being compulsorily acquired.</p> <p>If the Perseus Offer becomes or is declared unconditional but Perseus does not become entitled to compulsorily acquire your OreCorp Shares, you will remain a shareholder of OreCorp. In these circumstances and, depending on the number of OreCorp Shares acquired by Perseus, as a result of the Perseus Offer you may be a minority shareholder in what may be a less liquid stock. Perseus will seek to have OreCorp delisted from the ASX if the relevant conditions required by ASX are met. If delisting occurs, your OreCorp Shares will no longer be quoted or able to be traded on the ASX.</p>	<p>Section 2.8 and section 8.3</p>
<p><b>What are the tax implications of accepting the Perseus Offer?</b></p>	<p>If you accept the Perseus Offer, there may be tax consequences for you which will vary depending on a number of factors, including your place of residence for tax purposes and your individual tax circumstances.</p> <p>You should consult with your own tax adviser regarding the consequences of the Perseus Offer in light of current tax laws and your particular circumstances.</p>	<p>Section 9</p>
<p><b>Do I pay brokerage if I accept?</b></p>	<p>Perseus has stated in the Bidder's Statement that no brokerage or stamp duty will be payable as a result of your acceptance of the Perseus Offer.</p>	<p>N/A</p>
<p><b>How can I get further information?</b></p>	<p>Announcements made to ASX by OreCorp and other information relating to the Perseus Offer can be obtained from OreCorp's website at <a href="http://www.orecorp.com.au">www.orecorp.com.au</a>. You can also get updates on OreCorp's share price from ASX's website at <a href="http://www.asx.com.au">www.asx.com.au</a>.</p> <p>You may also contact the OreCorp information line on 1300 441 602 (within Australia) or +61 2 9934 0529 (from outside Australia) if you have any questions in relation to the Perseus Offer. If you are in any doubt as to what to do, you should consult your financial, legal or other professional adviser immediately.</p>	<p>N/A</p>

## 4. Your choices in relation to the Perseus Offer

### 4.1 Your choices

#### (a) Overview

As an OreCorp Shareholder you have four choices currently available to you (unless you have already accepted the Silvercorp Offer or the Perseus Offer):

- accept the Silvercorp Offer;
- accept the Perseus Offer;
- reject both the Perseus Offer and the Silvercorp Offer by taking no action; or
- sell some or all of your OreCorp Shares on market.

If you are in any doubt as to what to do, the OreCorp Directors recommend that you consult with your investment, financial, taxation or other professional adviser.

#### (b) Accept the Silvercorp Offer

You can accept the Silvercorp Offer by taking no action in relation to the Perseus Offer and accepting into the Silvercorp Offer by following the instructions set out in the Silvercorp Bidder's Statement.

The OreCorp Directors unanimously recommend that OreCorp Shareholders **ACCEPT** the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders). For details as to how to accept the Silvercorp Offer, please refer to the Silvercorp Bidder's Statement.

#### (c) Accept the Perseus Offer

Although the OreCorp Directors unanimously recommend that OreCorp Shareholders **REJECT** the Perseus Offer and **ACCEPT** the Silvercorp Offer, OreCorp Shareholders should consider their individual circumstances in determining whether or not to accept the Perseus Offer.

To accept the Perseus Offer, follow the instructions detailed in section 10.5 of the Bidder's Statement and on the Acceptance Form accompanying the Bidder's Statement. Details of the consideration you will receive are outlined in section 2.5 of this Target's Statement and in section 10.11 of the Bidder's Statement. You will only receive the Perseus Offer Consideration if the Offer Conditions are either satisfied or waived. The Perseus Offer is subject to a number of conditions. Refer to paragraph 10.12 of the Bidder's Statement for full details of the Offer Conditions.

The consequences of accepting the Perseus Offer are discussed in section 10.9 of the Bidder's Statement. If you accept the Perseus Offer, you will not be able to sell your OreCorp Shares on market unless you have the right to withdraw your acceptance and you have exercised that right. The circumstances in which acceptances of the Perseus Offer may be withdrawn are detailed in section 10.20 of the Bidder's Statement.

If you accept the Perseus Offer, you may be liable for capital gains tax or income taxes as a result of your acceptance. An overview of the taxation consequences for OreCorp Shareholders of accepting the Perseus Offer is provided in section 9 of this Target's Statement. OreCorp encourages you to

consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your OreCorp Shares.

(d) **Reject both the Perseus Offer and the Silvercorp Offer by taking no action**

If you do not wish to accept the Perseus Offer or the Silvercorp Offer or sell your OreCorp Shares on-market, you can choose to do nothing.

If you choose to reject the Perseus Offer and the Silvercorp Offer, do not take any action in relation to documents sent to you by Perseus or Silvercorp. By doing nothing you will continue to remain an OreCorp Shareholder. OreCorp Shareholders should note that if either of Perseus or Silvercorp acquires at least 90% of OreCorp Shares during or at the end of the respective offer periods, Perseus or Silvercorp, as relevant will be entitled to compulsorily acquire the OreCorp Shares they do not already own (refer to section 2.8 of this Target's Statement for more details). OreCorp Shareholders should also note that there are risks associated with remaining an OreCorp Shareholder (see section 8 of this Target's Statement for more details)

(e) **Sell your OreCorp Shares on market**

If you have not already accepted the Perseus Offer or the Silvercorp Offer you can still sell your OreCorp Shares on market for cash. The closing price of OreCorp Shares on ASX on the Last Practicable Date was A\$0.56, a 1.8% premium to the Perseus Offer Consideration of A\$0.55. The latest price of OreCorp Shares may be obtained from the ASX website [www.asx.com.au](http://www.asx.com.au).

OreCorp Shareholders who sell their OreCorp Shares on market:

- may be liable for capital gains tax or income tax on the sale;
- may incur a brokerage charge; and
- will not receive the benefits of any potential higher offer from Silvercorp or Perseus or any potential higher competing offer for OreCorp Shares.

If you wish to sell your OreCorp Shares on market you should contact your broker.

## 4.2 **Directors' assessment of the Offer**

The Directors of OreCorp as at the date of this Target's Statement are:

- (a) Matthew Yates;
- (b) Hendrik (Henk) Diederichs;
- (c) Alastair Morrison;
- (d) Michael Klessens; and
- (e) Michael Davis.

Further details in relation to the Directors are set out in section 5.5(a) of this Target's Statement.

In accordance with section 638(3) of the Corporations Act, this Target's Statement must contain a statement by each Director recommending whether or not OreCorp Shareholders should accept the Perseus Offer and giving reasons for that recommendation.

In order to make a recommendation in relation to the Offer your Directors have assessed the Perseus Offer having regard to a number of considerations, including the information set out in the Bidder's Statement and the information set out in this Target's Statement.

### 4.3 Directors' recommendation

As a result of the assessment described above, and for the reasons described in section 1 of this Target's Statement, your Directors unanimously recommend that you **REJECT** the Perseus Offer and **ACCEPT** the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders).

## 5. Information on OreCorp and the OreCorp Group

### 5.1 Overview

OreCorp is a West Australian based mineral development company which has been listed on the ASX under the code “ORR” since 2013. OreCorp’s key project is the multi-million ounce Nyanzaga Project in northwest Tanzania. A Definitive Feasibility Study (**DFS** or **Study**) has been completed outlining a high margin, low cost gold producer with a production profile of 242,000 ounces per annum over 10 years.<sup>4</sup>

The Special Mining Licence (**SML**) for the Project was granted to SMCL on 13 December 2021. SMCL is a joint venture company in which OreCorp holds an 84% interest through its wholly-owned subsidiary NMCL, and the Treasury Registrar of the Tanzanian Government holds a 16% free carried interest in accordance with the Tanzanian Mining Act.

Further information on OreCorp can be obtained from OreCorp’s website at [www.orecorp.com.au](http://www.orecorp.com.au).

### 5.2 Business and operations

#### *Nyanzaga Project Overview*

The Nyanzaga Project is located within the Archean Greenstones of the Lake Victoria Goldfields, northwest Tanzanian (refer below). The Nyanzaga Project comprises SML 653/2021 (23.4km<sup>2</sup>) and other surrounding prospecting licences and applications covering an additional 164km<sup>2</sup> (refer below).

Nyanzaga is within the Sengerema District of the Mwanza Region and is accessed from Mwanza (Tanzania’s second largest city) via the sealed Mwanza-Geita Highway, crossing Smith Sound by ferry at Busisi, then turning southwest to Ngoma Village, refer below. A bridge crossing Smith Sound is currently under construction and due for completion in 2024 which will significantly improve access to the Nyanzaga Project.

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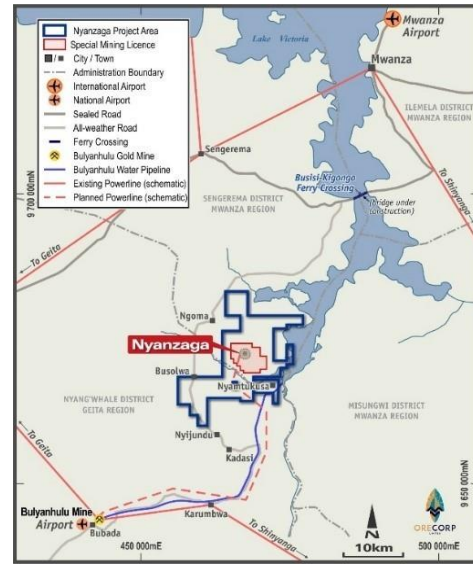
<sup>4</sup> **Cautionary Statement - The production target referred to in the DFS and this Target’s Statement comprises 92% Probable Ore Reserves and 8% Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources, and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.**



## Lake Victoria Goldfields, Tanzania



## Nyanzaga Project Licences



As announced in August 2022, the DFS expects the Nyanzaga Project to deliver an average gold production of 234 koz pa over a 10.7 year Life of Mine (LOM), with >242 koz pa (average) for the first 10 years peaking at 295 koz pa in Year 6 delivering a total of approximately 2.5 Moz of gold produced over the LOM.<sup>5</sup>

The DFS evaluated the technical and economic viability of various open pit and underground development scenarios and was optimised considering mining, processing and economic factors. The Study delivered an optimal development scenario of 4 Mtpa with concurrent development of both the open pit and underground operations.

Highlights of the DFS are as follows:

- Maiden Probable Ore Reserve (stated at US\$1,500/oz) of 40.08Mt @ 2.02g/t gold for 2.60 Moz gold.

Nyanzaga Gold Project Probable Ore Reserve As of 22 August 2022			
Area	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Nyanzaga Open Pit	25.63	1.35	1.11
Kilimani Open Pit	2.04	1.05	0.07
Nyanzaga Underground	12.42	3.57	1.42
<b>Total</b>	<b>40.08</b>	<b>2.02</b>	<b>2.60</b>

<sup>5</sup> Cautionary Statement - The production target referred to in the DFS and this Target's Statement comprises 92% Probable Ore Reserves and 8% Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources, and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

- Combined open pit and underground production target of 42.51 Mt @ 2.07 g/t gold for 2.83 Moz contained gold comprising the Probable Ore Reserve plus Inferred Mineral Resources of 2.42 Mt at 2.95 g/t for 0.23 Moz contained gold.<sup>6</sup>
- Peak gold production of 295 koz pa; averaging 250 koz pa for the first eight years; 242 koz pa for the first ten years.
- LOM average gold production of 234 koz pa over 10.7 years.
- Concurrent open pit and underground mine schedule delivers the optimal economic outcome for the Project.
- Pre-production capital cost of US\$474 million includes underground development, open pit pre-strip, plant and associated project infrastructure and US\$36 million contingency.
- High margin project with low all-in sustaining cost (AISC) of US\$954/oz.
- Pre-tax NPV5% of US\$926 million and IRR of 31%; post-tax NPV5% of US\$618 million and IRR of 25% based on a US\$1,750/oz gold price.
- Short payback period of 3.7 years (post-tax).
- Detailed DFS metallurgical test work confirmed average LOM gold recovery of 88% through a conventional 4 Mtpa Carbon in Leach (CIL) processing plant.

#### *Geology and Mineral Resource Estimate*

The Nyanzaga and Kilimani Mineral Resource Estimates (**MRE**) were reported by OreCorp in September 2017<sup>7</sup> and May 2022,<sup>8</sup> respectively and included drilling undertaken by OreCorp, as well as historical drilling since the early 1990's. The entire Nyanzaga Project drilling database includes 3,492 drillholes, totalling 325,242m. The two MREs form the basis for the DFS and are supported by extensive interpretive geological and geostatistical work completed by or on behalf of OreCorp.

The MRE for the Nyanzaga deposit is reported at a cut-off grade of 1.5 g/t gold and is classified in accordance with the JORC Code, as reported in the table below.

<b>OreCorp Limited – Nyanzaga Deposit, Nyanzaga Project Mineral Resource Estimate as of 12 September 2017</b>			
<b>Classification</b>	<b>Tonnes (Mt)</b>	<b>Gold Grade (g/t)</b>	<b>Gold Metal (Moz)</b>
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
<b>Sub-Total M &amp; I</b>	<b>20.80</b>	<b>4.06</b>	<b>2.715</b>
Inferred	2.90	3.84	0.358
<b>Total</b>	<b>23.70</b>	<b>4.03</b>	<b>3.072</b>

Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with sub cell block modelling. Gold grade for lower grade sedimentary cycle hosted resources estimated using Uniform Conditioning using a 2.5m x 2.5m x 2.5m SMU. Totals may not add up due to appropriate rounding of the MRE. Assuming gold price of US\$1,250.

<sup>6</sup> Based on a gold price of US\$1,750/oz. Refer OreCorp ASX announcement dated 22 August 2022 (“Nyanzaga DFS Delivers Robust Results”).

<sup>7</sup> OreCorp ASX announcement dated 12 September 2017 (“MRE Update for the Nyanzaga Project Increasing Category and Grade”).

<sup>8</sup> OreCorp ASX announcement dated 5 May 2022 (“DFS Completion and Kilimani Mineral Resources Estimate Update”).

The MRE for Kilimani is reported at a cut-off grade of 0.4 g/t Au and is classified in accordance with the JORC Code, as shown in the table below.

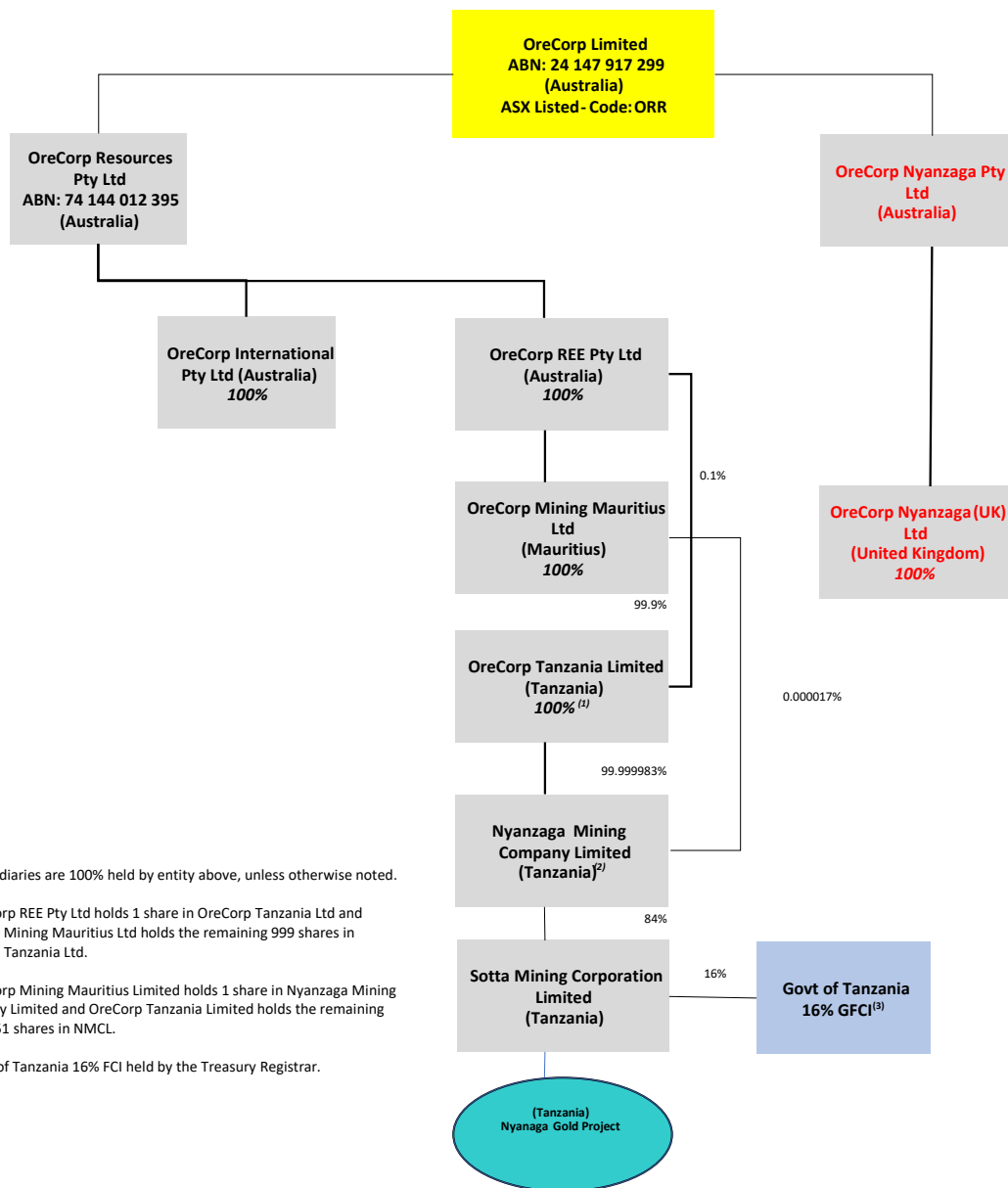
<b>Kilimani Gold Deposit, Nyanzaga Project Mineral Resource Estimate as of 2 May 2022</b>			
<b>Classification</b>	<b>Tonnes (Mt)</b>	<b>Gold Grade (g/t)</b>	<b>Gold Metal (koz)</b>
Indicated	3.4	1.09	119
Inferred	2.9	1.02	94
<b>Total</b>	<b>6.3</b>	<b>1.06</b>	<b>213</b>
Reported at a cut-off grade of 0.40 g/t Au and classified in accordance with the JORC Code MRE defined by 3D wireframe interpretation with sub-cell block modelling to honour volumes. Gold grade estimated using Ordinary Kriging using a 5 m x 5 m x 2 m parent cell. Totals may not add up due to appropriate rounding of the MRE (nearest 5,000 t and 1,000 oz Au). Reasonable prospects for eventual economic extraction supported by a conceptual pit optimisation generated using a gold price of US\$1,500.			

### *Project Development*

Over the past 12 months, OreCorp has been progressing with key activities for the development of the Nyanzaga Project, including but not limited to:

- Award of Early Contract Involvement (**ECI**) contracts, awarded in parallel to Ausenco Services Pty Ltd and DRA Global Limited, to deliver a detailed costs estimate, execution schedule, design deliverables and execution plans. The ECI process has been completed and includes a comprehensive optimisation review of the process design, equipment specification and site layout. The ECI process indicated cost savings of 4% to 6% of the pre-production capital cost estimate set out in the DFS, as well as an improvement of the DFS execution schedule by approximately 14 weeks.
- Resettlement of communities currently within the SML boundary in accordance with the Resettlement Action Plan. Compensation agreements with affected households have been executed and compensation payments in accordance with those agreements are almost complete. The tender process for the construction of resettlement housing tender process is well progressed.
- Initial review completed of open pit mining contract tenders.
- Site access road, including the Ngoma town bypass, design completed by in-country engineering company Nimeta Consult (T) Ltd, in preparation for submission to Tanzanian Rural and Urban Roads Agency.
- Preliminary engagement with Tanzanian and international contractors for major works packages, including civil works, SMP works and electrical works.
- Signing a non-binding Memorandum of Understanding with Tanzania Electric Supply Company Limited (TANESCO) to extend grid power to Nyanzaga which will bring competitively priced power, with a significant portion from sustainable sources, that include hydro power to the Nyanzaga Project.

### 5.3 Corporate structure



### 5.4 Capital structure

#### (a) OreCorp Shares

As at the date of this Target’s Statement, there were 469,408,892 OreCorp Shares on issue (of which, according to the most recent notice of change of substantial holding released by Perseus, Perseus through its Associate Centash had a Relevant Interest in 93,412,369 OreCorp Shares).

#### (b) OreCorp Options

As at the date of this Target’s Statement, OreCorp had 3,725,257 OreCorp Options on issue, comprising 2,575,257 OreCorp Options each with an exercise price of \$0.9906 (**OreCorp \$0.9906 Options**) and 1,150,000 OreCorp Options each with an exercise price of \$0.9066 (**OreCorp \$0.9066 Options**). All of the OreCorp Options have an expiry date of 25 November 2024.

The OreCorp \$0.9906 Options were issued to employees under OreCorp's Long Term Incentive Plan as part of remuneration arrangements. The OreCorp \$0.9066 Options were issued outside the terms of OreCorp's Long Term Incentive Plan to non-executive directors, as well as to a third party (and their nominee) who received OreCorp \$0.9066 Options as part consideration for the sale of mining tenements to OreCorp several years ago.

As noted in section 9.4 of the Bidder's Statement, Perseus is not acquiring any OreCorp Options under the Perseus Offer. Perseus has stated that it will seek to acquire, subject to satisfaction of the Perseus Offer becoming unconditional, all of the OreCorp Options for the Purchase Amount by entering into an Option Purchase Deed with each holder of OreCorp Options. Perseus has further noted that if an Option Purchase Deed is executed between Perseus and the relevant holder of OreCorp Options, the acquisition of the relevant OreCorp Options must be completed within 21 days from the later of the date of the Perseus Offer becoming unconditional and the date Perseus receives the relevant Option Purchase Deed.

(c) **OreCorp Performance Rights**

As at the date of this Target's Statement, OreCorp had 4,012,106 OreCorp Performance Rights on issue, comprising 1,562,106 OreCorp Performance Rights with an expiry date of 22 November 2026 and 2,450,000 OreCorp Performance Rights with an expiry date of 26 August 2027. All of the OreCorp Performance Rights were issued under OreCorp's Long Term Incentive Plan as part of remuneration arrangements.

As noted in section 10.3 of this Target's Statement, in accordance with the terms on which the OreCorp Performance Rights were granted, the Perseus Offer will constitute a change of control event, as a result of which all of the OreCorp Performance Rights will vest and be exercisable by the holder.

Perseus is not making a separate offer to holders of any OreCorp Performance Rights. However, Perseus has stated that the Perseus Offer extends to all OreCorp Shares that are issued or otherwise come into existence before the end of the Offer Period as a result of the vesting and exercise or conversion of any OreCorp securities on issue at the Register Date. This means that holders of OreCorp Performance Rights that vest will be able to accept the Perseus Offer in respect of the OreCorp Shares issued during the Offer Period as a result of their conversion.

## **5.5 Board and senior management**

(a) **OreCorp Board**

The members of the OreCorp Board are as follows:

**Matthew Yates**

Executive Chairman  
B.Sc. (Hons), MAIG

Mr Yates is a geologist with over 30 years' industry experience, covering most facets of exploration from generative work to project development. Prior to founding OreCorp, he was the Managing Director of OmegaCorp Limited and then Joint Managing Director of Mantra Resources Limited and was instrumental in the acquisition of a number of uranium projects, including Mkuju River (Tanzania), Kariba (Zambia) and Mavuzi (Mozambique). He has worked in Australia and southern, east and west Africa, Central Asia and the Gulf Region. He managed exploration teams in Western Australia and Tanzania respectively. Mr Yates has an applied technical background and has held senior positions for over 25 years, including resident Exploration Manager in Tanzania for Tanganyika Gold Limited.

Mr Yates joined the OreCorp Board as a Director on 27 February 2013. He was in the role of CEO & Managing Director until 16 November 2022 when he moved into the role of Executive Chairman.

**Henk Diederichs**

CEO & Managing Director  
B.Eng (Mech), MAusIMM

Mr Diederichs is an engineer with over 20 years of experience in the mining industry with extensive expertise in project development and operations. He was formerly the Senior Vice President Operations for West African producer Allied Gold Corp, which operates the Bonikro, Agbaou and Sadiola gold mines. Mr Diederichs formed an integral part in the successful development and operation of Equinox Minerals' Lumwana Copper Mine in Zambia. During this time Lumwana was developed into one of Africa's largest open cut copper mines at a capital cost exceeding US\$800m. He initially joined OreCorp as Vice President Project Development in late 2016 and was instrumental in leading the Nyanzaga Project through the Scoping and pre-Feasibility Study phases.

Mr Diederichs was appointed Chief Operating Officer in October 2021 and then moved into the role of CEO & Managing Director on 16 November 2022.

**Alastair Morrison**

Non-Executive Director  
M.Sc (Hons), Grad Dip App Fin & Inv, MAIG, GAICD

Mr Morrison is a geologist with more than 30 years' experience in mineral exploration and investment. He initially worked for more than six years in Australia as an exploration geologist in Western Australia, then for North Flinders Mines in the Northern Territory during the development of the +5 million ounce Callie gold deposit. From 1996 to 2003 he worked in Tanzania for East African Gold Mines Limited at the North Mara Gold Project. He was responsible for the management of exploration, overseeing the delineation of more than 5 million ounces of resources, including the discovery of the high-grade Gokona gold deposit. In later years, he had additional responsibilities for all in-country development activities, through feasibility and permitting until the commencement of construction. East African Gold Mines was acquired by Placer Dome Inc. in mid-2003 for US\$252 million. Since 2004, he has worked as a portfolio manager for a family office investment fund.

Mr Morrison joined the OreCorp Board as a Director on 27 February 2013.

**Michael Klessens**

Non-Executive Director  
B.Bus., CPA

Mr Klessens is a CPA with over 30 years' practical financial and management experience, particularly within the resources industry. This experience has involved all areas of corporate and treasury management, project financing, capital raisings, mergers and acquisitions, dual listings, feasibility studies and establishment of systems and procedures for new mining operations. From 2002 – 2011, Mr Klessens was Vice President – Finance and Chief Financial Officer of Equinox Minerals Limited where he was responsible for finance, debt and equity financings, treasury and all financial functions of the company and its operations. Prior to Equinox, Mr Klessens held senior positions in mid-tier Australian resource companies primarily focused on gold.

Mr Klessens joined the OreCorp Board as a Director on 27 February 2013.

**Michael Davis**

Non-Executive Director  
B.Eng (Chemicals and Materials), FAusIMM

Mr Davis is an engineer with 33 years' experience in the design and operation of mineral processing projects. He has had extensive experience with the full project life cycle from discovery, definition, design, commissioning and operation through to closure. Mr Davis has global mining experience on studies, projects and operations in Australia, Africa, Asia, and the Americas as both an in-house consultant and senior management with several engineering consulting companies. He has been involved in the development or operation of more than 35 gold and copper/gold projects in Africa including 6 projects in Tanzania and is currently a Director and Principal Consultant at MineScope Services Pty Ltd.

Mr Davis joined the OreCorp Board as a Director on 12 October 2022.

**(b) Senior management**

Together with the executive Directors referred to above, the following persons make up the senior management team of OreCorp:

**Greg Hoskins**

Chief Financial Officer  
BCom, CA

Mr Hoskins is a chartered accountant with more than 20 years' experience across a range of sectors including resources, education and financial services. After commencing his career with international accounting firm Ernst & Young, Mr Hoskins has gained extensive financial and corporate experience in both Australia and internationally, within the areas of corporate and treasury management, acquisitions, mine development and establishment of systems and procedures for new mining operations. More recently Mr Hoskins was the Group Finance Manager at Base Resources Limited and was integral in establishing the finance function at the Kwale operation in Kenya, which has since achieved consistently strong results.

Mr Hoskins joined OreCorp as Chief Financial Officer on 27 February 2023.

**Brad Walker**

Project Director  
B.Eng (Hons) (Mech), Macc

Mr Walker is a mechanical engineer with over 20 years of mining and minerals processing experience in Australia and Africa. He commenced his career in precious and base metals with a number of roles including Western Mining Corporation and BHP Group Limited. His career includes several in-house roles across Africa and Australia in both mine development and operations. Mr Walker spent a number of years working in West Africa, in particular Ghana and Mali.

Mr Walker joined OreCorp as Project Director in June 2022.

**Jessica O'Hara**

Company Secretary and Senior Legal Counsel  
LLB, BCom

Ms O'Hara is a corporate lawyer with extensive experience advising clients on general corporate law and regulatory/compliance issues. She has previously held senior positions at both Clayton Utz and

Allen & Overy and more recently, had experience acting as in-house legal counsel. Ms O’Hara has advised a significant number of ASX-listed clients with operations in Australia and overseas, with specific experience within the mining and resources sectors.

Ms O’Hara joined OreCorp as legal counsel in August 2021 and was appointed joint company secretary on 6 December 2021 (and subsequently became sole company secretary as from 31 January 2022).

## **5.6 Current trading**

The current price of OreCorp Shares on ASX can be obtained from the ASX website ([www.asx.com.au](http://www.asx.com.au)).

## **5.7 Recent OreCorp share price performance**

OreCorp Shares are listed on ASX under the trading symbol “ORR”.

The entry into the Scheme Implementation Deed with Silvercorp was announced to the market on 6 August 2023. The last recorded closing price for OreCorp Shares on the ASX before that announcement was A\$0.435 (on 4 August 2023). The Bid Implementation Deed with Silvercorp was announced to the market on 27 December 2023. The last recorded closing price for OreCorp Shares on the ASX before that announcement was A\$0.510 on 22 December 2023.

The Perseus Offer was announced to the market on 22 January 2024. The last recorded closing price for OreCorp Shares on the ASX before that announcement was A\$0.53 on 19 January 2024.

## **5.8 Litigation and investigation**

OreCorp currently has several threatened litigation matters and several pending litigation matters in which it and certain of its Tanzanian subsidiaries have been named as defendant(s). These matters relate to the resettlement activities being undertaken in Tanzania, including claims for compensation based on unspecified pieces of land, alleged value of certain trees and plants and compensation for the elevated landforms (being the hills).

During the resettlement process, OreCorp has complied with all Government of Tanzania directives, including in relation to compensation not being payable for elevated landforms. Some landowners have given notice that they intend to take action against the Government of Tanzania as well as SMCL and other related defendants, claiming compensation for the elevated landforms. The matters are at an early stage and OreCorp intends to work with the Government of Tanzania to the extent necessary to defend any such claims.

If a claim were to eventuate and not be resolved in favour of SMCL and the Government of Tanzania, OreCorp may be required to pay compensation in relation to the elevated landforms. However, it is anticipated that any such additional compensation which may become payable by OreCorp would fall within the contingency contemplated in the DFS for the aggregate resettlement costs.

OreCorp Tanzania, OreCorp’s wholly-owned Tanzanian subsidiary, has been subject to a tax audit exercise undertaken by the Tanzanian Revenue Authority (**TRA**) for the years of income 2016-2021. The TRA issued a notice of audit findings, to which OreCorp responded, following input from OreCorp’s professional tax advisors in Tanzania, with detailed explanations, supporting documentation and reference to relevant Tanzanian tax legislation. Based on the professional tax advisors’ representation that there is no basis for each finding, OreCorp will continue to object to these findings made by the TRA.



## **5.9 Publicly available information about OreCorp**

OreCorp is a disclosing entity for the purposes of the Corporations Act and is subject to periodic reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. These obligations require OreCorp to notify ASX of information about specified matters and events as they arise for the purpose of ASX making that information available to participants in the market.

Once OreCorp becomes aware of any information concerning it which a reasonable person would expect to have a material effect on the price or value of an OreCorp Share, OreCorp must (subject to limited exceptions) immediately notify the ASX of that information. Additionally, ASIC maintains a record of documents OreCorp has lodged with it, which may be obtained or inspected at any office of ASIC.

Publicly disclosed information about all ASX-listed entities, including OreCorp, is available on the ASX website at <https://www.asx.com.au>. OreCorp's annual and interim reports and public announcements are also available on the OreCorp website at <https://www.orecorp.com.au/investor-centre>.

## **5.10 Additional material information**

Certain additional material information in relation to OreCorp and OreCorp Shares is set out in section 10 of this Target's Statement.

## **6. Information on Perseus**

### **6.1 Disclaimer**

The information on Perseus in this Target's Statement has been prepared by OreCorp using publicly available information and has not been independently verified by OreCorp. Accordingly, subject to the Corporations Act, OreCorp does not make any representation (express or implied) as to the accuracy or completeness of such information. The information on Perseus in this Target's Statement should not be considered comprehensive. Further information about Perseus is set out in the Bidder's Statement.

### **6.2 Overview of Perseus**

Perseus (ASX/TSX: PRU) is an ASX and TSX listed mining company. Perseus is a multi-mine African gold producer, developer and explorer. Perseus currently operates three gold mines in West Africa, including Yaouré and Sissingué in Côte d'Ivoire and Edikan in Ghana and has been preparing for the development of a fourth mine (Meyas Sand Gold Project) in Sudan.

Further details regarding Perseus are set out in section 3 of the Bidder's Statement and are available on its website [www.perseusmining.com](http://www.perseusmining.com).

Perseus does not have representation on the OreCorp Board.

### **6.3 Perseus's interest in OreCorp**

According to the most recent notice of change of substantial holding released by Perseus, Perseus, through its Associate Centash, had a Relevant Interest in 93,412,369 OreCorp Shares and had voting power in OreCorp of 19.9%.

### **6.4 Perseus's intentions in respect of OreCorp**

Section 4 of the Bidder's Statement sets out Perseus's intentions in respect of the future business and operations of OreCorp (assuming that the Perseus Offer results in Perseus acquiring OreCorp Shares).

OreCorp Shareholders should carefully consider these intentions when deciding whether to accept the Perseus Offer (noting that these are statements of current intention only and may change).

## 7. Financial information in relation to OreCorp

### 7.1 Overview and basis of preparation

This section provides a summary of the financial information in relation to OreCorp for the purpose of this Target's Statement. The information has been extracted from OreCorp's audited financial statements for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

The financial information contained in this section is presented in abbreviated form and does not contain all the disclosures, presentation, statements or comparatives that are usually provided in the annual report prepared in accordance with the Corporations Act. The financial information has not been subject to further review by an independent accountant. This financial information should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the note to those financial statements.

Further details on OreCorp's financial performance and financial statements for the year ended 30 June 2023 are set out in the 2023 Annual Report announced to the ASX on 25 September 2023.

### 7.2 Historical consolidated statements of profit or loss

Below is a summary of OreCorp's consolidated statements of profit or loss for the years ended 30 June 2021, 30 June 2022 and 30 June 2023.

	OreCorp consolidated		
	2021	2022	2023
	A\$	A\$	A\$
Interest income	30,932	151,700	474,984
Foreign exchange (loss) / gain	(1,073,560)	465,469	(104,797)
Corporate and administration costs	(2,575,994)	(5,857,403)	(7,012,265)
Exploration and evaluation costs	(4,648,001)	(16,483,246)	(13,358,671)
Business development costs	(309,575)	(120,868)	-
Other income	230,978	-	-
<b>Loss before tax from continuing operations</b>	<b>(8,345,220)</b>	<b>(21,844,348)</b>	<b>(20,000,749)</b>
Income tax expense	-	-	-
<b>Loss after tax from continuing operations</b>	<b>(8,345,220)</b>	<b>(21,844,348)</b>	<b>(20,000,749)</b>
Loss from discontinued operations	(890,088)	(5,008,469)	-
<b>Loss for the year</b>	<b>(9,235,308)</b>	<b>(26,852,817)</b>	<b>(20,000,749)</b>
<b>Loss attributable to:</b>			
- Members of the parent	(9,235,308)	(26,852,822)	(19,348,279)
- Non-controlling interest	-	5	(652,470)
	(9,235,308)	(26,852,817)	(20,000,749)

### 7.3 Historical consolidated statements of financial position

Below is a summary of OreCorp's consolidated statements of financial position for the years ended 30 June 2021, 30 June 2022 and 30 June 2023.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
<b>Current assets</b>			
Cash and cash equivalents	66,302,250	31,853,665	13,462,027
Other current assets	413,624	266,078	633,659
<b>Total current assets</b>	<b>66,715,874</b>	<b>32,119,743</b>	<b>14,095,686</b>
<b>Non-current assets</b>			
Plant and equipment	267,468	602,906	631,885
Right of use assets	242,325	140,153	40,021
Exploration and evaluation assets	19,582,047	18,138,900	18,968,070
<b>Total non-current assets</b>	<b>20,091,840</b>	<b>18,881,959</b>	<b>19,639,976</b>
<b>Total assets</b>	<b>86,807,714</b>	<b>51,001,702</b>	<b>33,735,662</b>
<b>Current liabilities</b>			
Trade and other payables	12,165,810	1,757,573	2,850,777
Lease liabilities	105,752	115,629	43,159
Provisions	321,638	358,658	478,756
<b>Total current liabilities</b>	<b>12,593,200</b>	<b>2,231,860</b>	<b>3,372,692</b>
<b>Non-current liabilities</b>			
Lease liabilities	147,042	35,182	-
Provisions	17,106	32,429	59,410
<b>Total non-current liabilities</b>	<b>164,148</b>	<b>67,611</b>	<b>59,410</b>
<b>Total liabilities</b>	<b>12,757,348</b>	<b>2,299,471</b>	<b>3,432,102</b>
<b>Net assets</b>	<b>74,050,366</b>	<b>48,702,231</b>	<b>30,303,560</b>
<b>Equity</b>			
Issued capital	132,813,942	136,727,471	137,193,571
Reserves	(8,391)	1,692,013	2,485,485
Accumulated losses	(58,755,185)	(89,717,258)	(108,717,731)
<b>Equity attributable to equity holders of the Company</b>	<b>74,050,366</b>	<b>48,702,226</b>	<b>30,961,325</b>
Non-controlling interest	-	5	(657,765)
<b>Total equity</b>	<b>74,050,366</b>	<b>48,702,231</b>	<b>30,303,560</b>

#### 7.4 Historical consolidated statements of cash flows

Below is a summary of OreCorp's consolidated statements of cashflows for the years ended 30 June 2021, 30 June 2022 and 30 June 2023.

	<b>OreCorp consolidated</b>		
	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<b>A\$</b>	<b>A\$</b>	<b>A\$</b>
<b>Cashflows from operating activities</b>			
Interest received	30,932	151,700	467,652
Receipt of government grants and other tax refunds	230,978	-	-
Interest and other costs of finance paid	-	(13,278)	(530,547)
Payments to suppliers and employees	(7,251,744)	(23,251,572)	(17,836,526)
<b>Net cash outflow from operating activities</b>	<b>(6,989,834)</b>	<b>(23,113,150)</b>	<b>(17,899,421)</b>
<b>Cashflows from investing activities</b>			
Purchase of property, plant and equipment	(216,008)	(746,298)	(311,080)
Purchase of WA exploration and evaluation assets	-	(118,311)	-
Final payment for the acquisition of Nyanzaga	-	(11,047,218)	-
Net cash outflow from the demerger of Solstice	-	(5,000,000)	-
<b>Net cash outflow from investing activities</b>	<b>(216,008)</b>	<b>(16,911,827)</b>	<b>(311,080)</b>
<b>Cashflows from financing activities</b>			
Proceeds from issue of shares	52,460,000	3,600,000	-
Proceeds from exercise of options	99,000	1,815,000	-
Payments for share issue transaction costs	(2,689,202)	(213,275)	-
Payment of principal portion of lease liabilities	(88,549)	(106,323)	(107,652)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>49,781,249</b>	<b>5,095,402</b>	<b>(107,652)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>42,575,407</b>	<b>(34,929,575)</b>	<b>(18,318,153)</b>
Foreign exchange movement on cash and cash equivalents	(1,073,560)	480,990	(73,485)
<b>Cash and cash equivalents at beginning of financial year</b>	<b>24,800,403</b>	<b>66,302,250</b>	<b>31,853,665</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>66,302,250</b>	<b>31,853,665</b>	<b>13,462,027</b>

## **8. Risk factors**

### **8.1 Introduction**

In considering the Perseus Offer, OreCorp Shareholders should be aware that there are a number of risk factors associated with either accepting or rejecting the Perseus Offer.

The risk factors presented in this section 8 are not an exhaustive list of all risks and risk factors related to OreCorp, Perseus and the Perseus Offer. Additional risks and uncertainties not currently known to OreCorp may also have an adverse impact on OreCorp, Perseus and/or the Perseus Offer.

This section does not take into account the investment objectives, financial situation, position or particular needs of OreCorp Shareholders. Each OreCorp Shareholder should consult their legal, financial, taxation or other professional adviser if they have any queries.

### **8.2 Risks associated with accepting the Perseus Offer**

#### **(a) The Perseus Offer is currently subject to conditions, including regulatory approvals in Tanzania, and therefore it is not certain that the Perseus Offer will proceed**

If the Offer Conditions are not satisfied or waived within the relevant timeframes for satisfaction or waiver of those Offer Conditions, the Perseus Offer will lapse. In this circumstance, if you have already accepted the Perseus Offer, your acceptance will be void and of no effect, you will not receive the Perseus Offer Consideration for your OreCorp Shares, and you will remain an OreCorp Shareholder.

Furthermore, OreCorp Shareholders who accept the Perseus Offer now may have to wait a lengthy period before receiving the Perseus Offer Consideration, depending on the time required for the relevant Offer Conditions to be satisfied or waived by Perseus. OreCorp Shareholders will be unable to deal with their OreCorp Shares during that time.

Please refer to section 1.1(a) of this Target's Statement for further detail on the risk posed by the required FCC approval. If the FCC has not provided the necessary approval by the scheduled end of the Offer Period (being 19 March 2024), Perseus may not extend the Offer Period and there will be only very limited time remaining to accept the Silvercorp Offer, which is now scheduled to close on 22 March 2024. OreCorp Shareholders will be left with no liquidity opportunity if the Perseus Offer Period is not extended and the Silvercorp Offer closes before they are able to accept it.

#### **(b) Uncertainty in relation to “no Material Adverse Change” Offer Condition**

The Offer Condition in section 10.12(c) of the Bidder's Statement contains quantitative monetary thresholds. However, it is also, in subparagraph (d) of the definition of “Material Adverse Change” in section 13 of the Bidder's Statement, referable to what “*has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the OreCorp Group taken as a whole*”. This subparagraph is therefore subject to subjective thresholds as it does not provide for a specific quantitative threshold that it can be measured against. Accordingly, it is possible that there could be a dispute over the existence of an alleged material adverse change. This could result in the Offer Condition not being satisfied.

(c) **You will be unable to accept the Silvercorp Offer or any other proposal that may emerge**

If you accept the Perseus Offer you will be unable to accept into the Silvercorp Offer or any other Competing Proposal that may emerge unless you are able to withdraw your acceptance (refer to section 2.4 of this Target's Statement for further details about the ability to withdraw an acceptance of the Perseus Offer). As at close of business on Friday 1 March 2024, aside from the Silvercorp Offer, the OreCorp Directors are not aware of any proposal that may become available to OreCorp Shareholders.

If a further proposal for your OreCorp Shares arises, this will be considered by the OreCorp Board in accordance with the provisions in the Bid Implementation Deed (while the Silvercorp Offer remains on foot) and their directors' duties. They will advise OreCorp Shareholders of whether such proposal affects their recommendation in this Target's Statement.

(d) **You will have no interest in OreCorp's assets and operations**

If you accept the Perseus Offer and the Perseus Offer is or becomes unconditional, you will no longer be an OreCorp Shareholder.

This will mean that you will have no interest in any potential upside associated with the Nyanzaga Project, including any increase in the OreCorp Share price or any benefits that may ultimately be realised by OreCorp.

(e) **You will no longer be able to sell your OreCorp Shares on-market**

If you accept the Perseus Offer, you will no longer be able to trade your OreCorp Shares on market. The OreCorp Share price has exceeded the Perseus Offer Consideration at certain times during the Offer Period and may continue to do so. Refer to section 2.4 of this Target's Statement in relation to the effect of accepting the Perseus Offer.

(f) **You will give up your right to otherwise deal with your OreCorp Shares**

If you accept the Perseus Offer, you may be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you and you may be unable to withdraw your OreCorp Shares from the Perseus Offer or otherwise deal with your OreCorp Shares. Refer to section 2.4 of this Target's Statement in relation to the effect of accepting the Perseus Offer.

(g) **Taxation consequences of accepting the Offer**

The taxation consequences of disposing of your OreCorp Shares pursuant to the Perseus Offer depend on a number of factors and your particular circumstances. A general outline of certain Australian tax considerations of such a disposal is set out in section 9 of this Target's Statement. However, you should not rely on the general outline of Australian taxation considerations but seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

### **8.3 Risks associated with rejecting the Perseus Offer and continuing as an OreCorp Shareholder**

In considering whether to accept the Perseus Offer, OreCorp Shareholders should be aware of the risks relating to OreCorp, its business and assets as well as the general risks associated with an investment in securities markets. These risks include those specific to the industry in which OreCorp operates and general economic conditions which may affect the future operating and financial performance of OreCorp. Set out below in section 8.5 of this Target's Statement is a summary of some, but not all, of the more material risks OreCorp believes may impact it and its prospects.

Other risks in not accepting the Perseus Offer are set out below:

(a) **No premium**

OreCorp Shareholders who do not accept the Perseus Offer may not receive any premium offered by Perseus. Refer to section 1.2(d) for details of the various premiums and discounts represented by the Perseus Offer Consideration as compared to the OreCorp Share price over various reference periods. Further, in the absence of the Perseus Offer (and potentially the Silvercorp Offer), the price of OreCorp Shares on ASX may potentially reduce to the levels at which it was trading before announcement of the Scheme in August 2023.

(b) **Minority Ownership**

See section 2.9 of this Target's Statement.

(c) **OreCorp Share price may fall**

If the Perseus Offer (and potentially the Silvercorp Offer) are unsuccessful and no other offers emerge, OreCorp's Share price may fall below the current trading price and OreCorp Shareholders will be exposed to the ongoing risks associated with an investment in OreCorp, as set out in section 8.5.

(d) **Potential for future less favourable offer**

If the Perseus Offer (and potentially the Silvercorp Offer) are unsuccessful and there is a subsequent decline in the price of OreCorp Shares, there may exist potential for opportunistic or hostile offers, which may be less advantageous to OreCorp Shareholders, to emerge in the future. This could expose OreCorp to heightened risk and reduced negotiating leverage in potential future transactions, potentially compromising OreCorp Shareholders' long-term return on investment.

(e) **Uncertain that OreCorp will receive similar or superior offers in the future**

If the Perseus Offer (and potentially the Silvercorp Offer) are unsuccessful, there is a risk that OreCorp Shareholders may not receive an offer of similar or superior value in the future. There is no guarantee that OreCorp will attract bids with comparable benefits or premiums. This could result in a missed opportunity for OreCorp Shareholders, potentially impacting their long-term financial prospects and overall returns on investment.

(f) **If you do not accept the Perseus Offer and Perseus acquires Effective Control of OreCorp**

Liquidity in OreCorp Shares may be significantly reduced, or Perseus may be entitled to remove OreCorp from the official list of the ASX and Perseus may be entitled to acquire your OreCorp Shares through compulsory acquisition. Refer to section 4 of the Bidder's Statement for more information regarding Perseus's intentions in relation to OreCorp, including at different levels of ownership.

#### **8.4 Risks specific to certain Perseus Offer outcomes**

(a) **Perseus meets 90% compulsory acquisition threshold**

Perseus has indicated that if, as a result of the Perseus Offer, it and its Associates obtain a Relevant Interest in at least 90% of the OreCorp Shares, Perseus intends to proceed with a compulsory acquisition of the outstanding OreCorp Shares. If such compulsory acquisition occurs, OreCorp Shareholders who have their OreCorp Shares compulsorily acquired will not receive the Perseus Offer Consideration until after the compulsory acquisition notices are despatched to them.



Refer to section 2.8 of this Target's Statement for further information.

(b) **Perseus obtains Effective Control of OreCorp**

If Perseus acquires a Relevant Interest in at least 50.1% but less than 90% of the OreCorp Shares on issue, it will be able to control the outcome of ordinary resolutions of OreCorp Shareholders (including resolutions relating to the composition of OreCorp's Board).

If Control of OreCorp passes to Perseus, but Perseus does not meet the conditions to proceed to compulsory acquisition of the remaining OreCorp Shares, the remaining OreCorp Shareholders (who have not accepted the Perseus Offer) will become minority shareholders in OreCorp. If this occurs, there may be additional factors that need to be considered, alongside the OreCorp Directors' recommendation. These factors may include:

- (i) Perseus will be in a position to cast the majority of votes at a general meeting of OreCorp. This will enable it to control the composition of the OreCorp Board and senior management and control the strategic direction of OreCorp's business;
- (ii) the OreCorp Share price may fall immediately following the end of the Offer Period, and it is unlikely that OreCorp's Share price will contain any takeover premium;
- (iii) liquidity of OreCorp Shares may be lower than at present;
- (iv) if the number of OreCorp Shares or OreCorp Shareholders is less than that required by the ASX Listing Rules to maintain an ASX listing, then Perseus may seek to have OreCorp removed from the official list of the ASX. If this occurs, OreCorp Shares will not be able to be bought or sold on the ASX, and will only be able to be bought or sold privately;
- (v) Perseus may not be able to implement its stated intentions in relation to OreCorp's business as set out in section 4 of the Bidder's Statement; and
- (vi) if Perseus acquires 75% or more of OreCorp's Shares it will be able to pass a special resolution of OreCorp. This will enable Perseus, amongst other things, to change OreCorp's constitution and may enable Perseus to seek to have OreCorp removed from the official list of the ASX.

**8.5 Risks specific to OreCorp**

If the Perseus Offer is not successful or if you decide not to accept the Perseus Offer and retain your OreCorp Shares (subject to Perseus not being able to compulsorily acquire your OreCorp Shares, as referenced in section 2.8), you will continue to be exposed to the risks associated with being an OreCorp Shareholder. The following summary represents some of the major risk factors which affect OreCorp.

(a) **Transaction costs will not be recoverable**

If the Perseus Offer is not successful, the costs that OreCorp has incurred in respect of the Perseus Offer will not be recoverable and will be borne by OreCorp alone. Refer to section 10.13 for further details of estimated transaction costs.

(b) **Future capital requirements**

OreCorp has no operating revenue and is unlikely to generate any operating revenue unless and until production commences at the Nyanzaga Project. The future capital requirements of OreCorp will depend on many factors including its business development activities.

In order to successfully develop the Nyanzaga Project and for production to commence, OreCorp will require further financing in the future. Additional funding may be raised via issues of equity, debt or a combination of debt and equity or asset sales. Any additional equity financing may be dilutive to OreCorp Shareholders, may be undertaken at lower prices than the market price at that time, or may involve restrictive covenants which limit OreCorp's operations and business strategy. Debt financing, if available on acceptable terms, may involve restrictions on financing and operating activities, including the grant of security over the assets of the OreCorp Group or imposition of a range of restrictive covenants. Although the OreCorp Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to OreCorp or at all. If OreCorp is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities, and this could have a material adverse effect on OreCorp's activities including resulting in the permits being subject to forfeiture and could affect OreCorp's ability to continue as a going concern.

OreCorp may undertake additional offerings of securities in the future. The increase in the number of OreCorp Shares issued and outstanding and the possibility of sales of such OreCorp Shares may have a depressive effect on the price of OreCorp Shares. In addition, as a result of such additional OreCorp Shares, the voting power of existing OreCorp Shareholders will be diluted.

(c) **New projects and acquisitions**

Although OreCorp's focus will remain on the Nyanzaga Project, as with most mining entities, it will pursue and assess new business opportunities in the resource sector over time that complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence.

There can be no guarantee that any proposed acquisition will be completed or be successful. If a proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on OreCorp. If an acquisition is completed, the OreCorp Directors will need to reassess at that time the funding allocated to the Nyanzaga Project and new projects, which may result in OreCorp reallocating funds from the Nyanzaga Project and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project and business activities will remain.

Further, OreCorp may not be able to make attractive acquisitions or investments, successfully form joint ventures or integrate acquired businesses or assets and any inability to do so may disrupt OreCorp's business and cause its operations to incur additional costs.

(d) **Risks relating to the development of the Nyanzaga Project**

OreCorp's operations are currently in early development stages and its future prospects for success are dependent upon its ability to develop the Nyanzaga Project by beginning and maintaining production at the site and capitalising on any additional opportunities that may eventuate. There are various risks

associated with the development of the Nyanzaga Project, and, accordingly, there is no guarantee that it will meet its anticipated outcomes or that sustainable revenue will be achieved.

There are multiple factors that may contribute to delays, increased costs, or potential non-completion of the development of the Nyanzaga Project. These are not limited to, but include: (i) regulatory changes; (ii) third party contractors failing to meet their obligations; (iii) not being able to attract, train and retain the requisite number of employees; (iv) changes in environmental compliance requirements; (v) inclement or severe weather conditions, including fires, storms or explosions, noting that Tanzania is a geographical area that can be subject to severe climatic conditions, including flooding from torrential rain and extreme summer temperatures; (vi) insufficient funds meaning planned development is delayed or prevented, occurring from an unforeseen increase in predicted development costs, construction delays, or currency fluctuations; (vii) extraction costs increasing, including energy, material and labour costs; (viii) availability shortages concerning mining equipment and any associated exploration services (particularly in light of the high levels of activity in the resources industry at present); (ix) interruption or impairment of equipment or processes; (x) lower than expected efficiency or output from the plant and its supporting operations; (xi) taxes and imposed royalties, (xii) labour unrest, strikes or sabotage; and (xiii) pandemics, disease and other health-related events. Some of these factors are exacerbated in developing countries such as Tanzania as compared with more developed jurisdictions. For example, operational risks are likely to be higher due to more limited access to services, skilled employees and infrastructure.

Any of these factors could result in OreCorp having to delay or cease the development of the Nyanzaga Project, which could have a material adverse effect on OreCorp's business and financial condition.

(e) **Title, grant and approvals risk**

The success of OreCorp will depend (among other things) on its ability to maintain title to the Nyanzaga Project and secure the various additional governmental approvals required to develop the Project. Interests in all permits in Tanzania are governed by state legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. As such, OreCorp could be exposed to additional costs, have its ability to explore or mine the permits reduced, or lose title to or its interest in the permits if licence conditions are not met, if the Nyanzaga Project is not developed in a timely manner or if insufficient funds are available to meet expenditure commitments. In particular, if the SML is not maintained or renewed, OreCorp may suffer significant damage through the loss of opportunity to develop and discover mineral resources on the SML. There is also a risk that permits will not be renewed when required, or that future mineral licence applications may not be approved. A similar risk applies in relation to the other governmental approvals OreCorp requires to carry out its business.

(f) **Resource estimation risk**

The calculation and interpretation of mineral resource estimates are, by their nature, expressions of judgment based on knowledge, experience and industry practice. Such estimates are imprecise and may prove to be inaccurate. As such, estimates relating to the Nyanzaga Project or future projects OreCorp may be involved, in which were valid when originally calculated, may alter significantly through additional fieldwork or when new information or techniques become available. This may result in alterations to development and mining plans, which may in turn adversely affect OreCorp's operations.

(g) **Reporting in accordance with the JORC Code**

The mineral resource estimates in this Target's Statement and the ASX announcements made by OreCorp have been prepared in compliance with the JORC Code. Such estimates may not comply with the relevant reporting guidelines in other countries. Information describing OreCorp's mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of other countries.

Accordingly, it should not be assumed that quantities reported as "resources" by OreCorp will be converted to reserves under the JORC Code or any other reporting regime or that OreCorp will be able to legally and economically extract them.

(h) **Mineral and currency price volatility**

Any future revenue derived through any future sales of gold exposes the potential income of OreCorp to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by numerous factors, as outlined in paragraph (o) below, which are beyond the control of OreCorp.

OreCorp reports its financial statements in Australian dollars. The functional currency of its Tanzanian subsidiaries and all intermediate holding companies is the US dollar. OreCorp is exposed to foreign exchange risk when OreCorp undertakes transactions and holds assets and liabilities in currencies other than its functional currencies. The fluctuation of the exchange rate between the reporting currency and its functional currencies may materially and adversely affect OreCorp's financial position.

(i) **Competition risk**

The resources industry is competitive in all phases. Many of OreCorp's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis, and as a result may be in a better position to compete for future business opportunities. Although OreCorp will undertake all reasonable due diligence in its business decisions and operations, it will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Nyanzaga Project.

(j) **Tanzanian Government free carried interest**

The Government of the United Republic of Tanzania is entitled to a non-dilutable free carried interest of not less than 16% in the capital of a Tanzanian mining company that conducts mining operations under a mining licence or special mining licence. As explained in section 5.1 above, the Tanzanian Government holds a 16% free carried interest in SMCL, a joint venture company which holds the SML for the Nyanzaga Project. OreCorp holds the remaining 84% interest in SMCL through its wholly-owned subsidiary, NMCL. Accordingly, OreCorp's interest in, and potential economic benefit from, the Nyanzaga Project is proportionately reduced. OreCorp is also required to fund the Tanzanian Government's share of the development and other costs for Nyanzaga in accordance with the terms of its free carried interest.

In addition, the Government of Tanzania has a right to acquire up to 50% of the share capital of SMCL, determined by the total value of the tax expenditures enjoyed by SMCL. However, any increase in ownership or economic participation rights by the Government of Tanzania in addition to the 16% free carried interest shares will be by written agreement between the parties.

(k) **Substantial shareholders**

On 27 November 2023, Perseus announced that it had acquired a Relevant Interest in 19.9% of the OreCorp Shares. There is no guarantee that Perseus will remain an OreCorp Shareholder if the Perseus Offer is not successful and the sale of OreCorp Shares held by it may have an adverse effect on the price of OreCorp Shares. In the event that Perseus remains as an OreCorp Shareholder, its substantial interest may act as a deterrent to potential further transactions with third parties whether by way of merger, takeover or otherwise.

Silvercorp holds a Relevant Interest in 15.74% of the OreCorp Shares (excluding any acceptances received under the Silvercorp Offer).<sup>9</sup> Similarly, there is no guarantee that Silvercorp will remain an OreCorp Shareholder if the Silvercorp Offer is not successful and the sale of OreCorp Shares held by it may also have an adverse effect on the price of OreCorp Shares.

(l) **Environmental matters**

The operations and proposed activities of OreCorp are subject to various environmental laws and regulations. If such laws are not complied with OreCorp may be required to suspend its activities or may be subject to significant liability, including fines and other penalties.

As with most mining projects, OreCorp's activities are expected to have an impact on the environment, particularly in respect of mine development. It is OreCorp's intention to conduct its activities to the highest standard and to comply with its legal obligations, including compliance with all environmental laws and relevant authorisations. Although OreCorp believes that it is in compliance in all material respects with all applicable environmental laws and regulations and authorisations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which may expose OreCorp to extensive liability.

OreCorp may require approval from government authorities and officials prior to commencing activities that are likely to have an adverse impact on the environment. Where such authorisations are not obtained, OreCorp will be delayed or prevented from undertaking such activities.

The impact of additional environmental laws and regulations, which may be adopted in the future cannot be predicted or anticipated by OreCorp, including whether any such laws or regulations would materially increase OreCorp's cost of doing business or affect its operations in any area. It is possible that new environmental laws, regulations or stricter enforcement policies, once implemented, will require OreCorp to incur significant expenses and undertake significant investments which could have a material adverse effect on OreCorp's business, financial condition and results of operations.

OreCorp will also face ongoing obligations regarding reclamation and rehabilitation costs. The current prospecting and exploration operations conducted by OreCorp are subject to reclamation costs that will be incurred once mining development and its associated activities are commenced. Any estimates concerning reclamation and rehabilitation costs are subject to change depending on the operations actually incurred. If actual costs are significantly higher than estimated there may be a material adverse effect on OreCorp's financial condition.

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<sup>9</sup> According to the Notice of change of interests of substantial holder (Form 604) dated 8 February 2024 Silvercorp had received acceptances under the Silvercorp Offer in relation to 20,481,327 (or 4.36% of the OreCorp Shares), giving it a Relevant Interest in 94,370,334 OreCorp Shares (or 20.10% of the OreCorp Shares)

(m) **Country risk (Tanzania)**

Given the location of the Nyanzaga Project, OreCorp is subject to the risks associated with operating in a foreign country (particularly, Tanzania). Any material changes in government policies or legislation that affect ownership, mineral exploration, development or mining activities or other matters such as taxation, labour conditions, exchange control and the ability to repatriate income – may adversely affect OreCorp’s activities in the future. The Tanzanian Government has previously experienced, and may in future experience, instability and economic and fiscal issues, some or all of which could directly and indirectly affect the Tanzanian economy and, in turn, OreCorp. In addition, Tanzania has enacted substantive changes in its mining laws in recent years, and the full impact of these is yet to be demonstrated in practice.

OreCorp’s ability to realise the value from its assets may also be affected by a number of broader political and social issues, for example divergent political agendas and decision making, environmental and social policy and the impact of bribery and corruption. Additionally, the media, non-government organisations and other activists may play an increasing role at local, national and international levels to influence political policy, the perceptions of society and community actions, which have the ability to negatively impact OreCorp’s reputation.

There are other risks associated with operating in a developing country such as Tanzania which are not necessarily present in a developed country like Australia or Canada including (i) hyperinflation, currency non-convertibility or instability; (ii) government control over natural resources or government regulations that require the employment of local staff or contractors or the provision of other benefits to local residents and (iii) the possibility of assets being nationalised or expropriated.

Tanzania’s legal system is also less developed than more established countries (including with respect to the degree of experience held by the judiciary) which could give rise to difficulties in obtaining effective legal redress against governmental entities or private parties. There may also be a higher degree of discretion held by various government officials or agencies, a lack of political or administrative guidance on implementing applicable law and regulations (particularly in relation to taxation and property rights) and inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

Relatedly, there is a risk that local businesses, government officials and the judiciary will not adhere to the legal terms of negotiated agreements and authorisations including those granted in respect of the Nyanzaga Project. Such agreements and authorisations may be open to revision or cancellation and legal redress may be uncertain or delayed, undermining their effectiveness.

There is also a risk that the government and regulatory environment will not remain conducive to foreign investment, which would negatively impact OreCorp’s ability to carry out its activities as currently contemplated.

Additionally, when conducting activities in respect of assets located in foreign countries and within emerging markets such as Tanzania, ASX listed entities may face a number of additional risks that companies with assets and activities located wholly within Australia may not have to address. This includes in relation to the implementation and maintenance of an effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the OreCorp Board from the location of the Nyanzaga Project and the resulting need to rely on consultants and professional advisers in those jurisdictions.

(n) **Reliance on key personnel**

OreCorp is reliant on the knowledge, experience and skills of a number of key personnel and consultants, including members of the OreCorp Board. The loss of one or more of these key contributors could have an adverse impact on the business of OreCorp. Further, failure to recruit and retain key personnel with appropriate experience and expertise may have an adverse effect on the performance of OreCorp and its activities. It may be particularly difficult for OreCorp to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of OreCorp, compared with other industry participants.

(o) **Conflicts of interest**

Some OreCorp Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. The OreCorp Directors are aware of their fiduciary duties in respect of situations that may arise in which they would have obligations to, or interests in, OreCorp which may conflict with their obligations to, or interests in, such other companies. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to OreCorp in the first instance.

In the event that an actual or potential conflict of interest were to arise, any conflicted OreCorp Director will ensure they comply with their duties as a director of OreCorp, including disclosure of any perceived or actual conflict to the OreCorp Board. The OreCorp Board will then follow procedures and protocols appropriate for a transaction involving a conflict of interest.

(p) **Market conditions, operational barriers and third party arrangements**

Market conditions, operational barriers or availability of adequate processing or transportation arrangements with third parties may adversely impact OreCorp's access to resource markets, delay its development and production at the Nyanzaga Project or increase operating costs.

(q) **External risks applicable to the mining industry generally**

OreCorp is subject to the risks and hazards outlined in this section 8.5, together with the risks of war and terrorist attacks, which are applicable across the mining industry generally. Such events may result in a decline in global economic conditions or economic conditions in a particular region of the world, which could have an adverse effect on the business, financial condition or performance of OreCorp.

(r) **Bribery and corruption**

The mining industry has historically faced higher risks of corrupt or unethical practices, and some jurisdictions are more prone to fraud, bribery and corruption than others. OreCorp has taken steps to mitigate and detect these issues, such as implementing codes of conduct and bribery policies and other safeguards. However, OreCorp has many different employees, agents, sub-contractors and joint venture partners across different jurisdictions, and it may not be able to detect every instance of fraud, bribery and corruption across these locations. Should any incidents occur, OreCorp could face civil and criminal penalties and reputational harm, which could have a material adverse impact on its business, financial condition and results of operations.

(s) **Litigation risk**

OreCorp is exposed to possible litigation risks, including tenure disputes, land access disputes, environmental claims, occupational health and safety claims and employee claims. Further, OreCorp may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may adversely impact on OreCorp's operations, financial performance and financial position. Refer to section 5.8 for further detail of current litigation matters.

(t) **Cyber risk**

OreCorp relies on various computer systems, data repositories and interfaces with networks and other systems to conduct its activities. Failure of, or security breaches in relation to, these systems (including by way of virus and hacking attacks) have the potential to materially impact OreCorp's activities. Additionally, OreCorp has no control over the cyber security plans, systems and processes of third parties with which it may interface or upon whose services it relies.

(u) **Insurance risk**

OreCorp intends to insure its operations in accordance with industry practice. However, in certain circumstances, OreCorp's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of OreCorp. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(v) **Application of and changes in taxation law**

The application of and changes in relevant taxation laws, or the way taxation laws are interpreted, may have an adverse impact on the financial performance of OreCorp or any member of its group, and the returns for OreCorp Shareholders (including the level of dividend franking / conduit foreign income). This may relate to changes in the level or basis of company income tax, or other taxes (for example, income tax, good and services tax and stamp duties (or equivalent)), either in Australia or overseas.

(w) **Inability to pay dividends or make other distributions or potential for dividend not to be franked or attached conduit foreign income.**

There is no guarantee that dividends will be paid on OreCorp Shares in the future, as this is a matter to be determined by the OreCorp Board in its discretion and the OreCorp Board's decision will have regard to, amongst other things, OreCorp's future development and production operations, financial results and condition, contractual restrictions, capital expenditure and working capital requirements.

Moreover, to the extent that OreCorp pays any dividends, OreCorp may not have sufficient franking credits in the future to frank dividends or sufficient conduit foreign income in the future to declare an unfranked dividend (or the unfranked portion of a partially franked dividend) to be conduit foreign income. Alternatively, the franking system and/or the conduit foreign income system may be subject to review or reform. The extent to which a dividend can be franked will depend on OreCorp's franking account balance (which is expected to be nil immediately following completion of the Offer) and its level of distributable profits.

OreCorp's franking account balance is contingent on OreCorp making Australian taxable profits and will depend on the amount of Australian income tax paid by OreCorp on those Australian taxable profits. OreCorp's Australian taxable profits may fluctuate, making the payment of franked dividends unpredictable. The extent to which an unfranked or partially franked dividend can be declared to be



conduit foreign income will depend on OreCorp's conduit foreign income balance (which will be nil immediately following completion of the Offer) and its level of distributable profits. OreCorp's conduit foreign income balance will depend on its operations overseas and the level of non-Australian income tax paid by OreCorp on those operations.

It is noted that, based on present activities, future unfranked dividends paid by OreCorp are to be paid out of conduit foreign income. The value or availability of franking credits and conduit foreign income to an OreCorp Shareholder will differ depending on the shareholder's particular tax circumstances. OreCorp Shareholders should also be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year will depend on the individual tax position of each OreCorp Shareholder. No assurances can be given by any person, including the OreCorp Directors, about payment of any dividend and the level of franking or conduit foreign income on any such dividend.

## 9. Australian taxation implications

This section sets out a general summary of the key Australian income tax, goods and services tax (GST) and stamp duty consequences generally applicable to an OreCorp Shareholder who disposes of OreCorp Shares by accepting the Perseus Offer. The purpose of the summary is to assist OreCorp Shareholders to understand the potential Australian tax consequences of disposing of their OreCorp Shares. The comments set out below are also relevant to those OreCorp Shareholders who do not accept the Perseus Offer to the extent that Perseus proceeds to compulsorily acquire their OreCorp Shares following Perseus having a Relevant Interest in at least 90% of OreCorp Shares on issue at the time during the Offer Period.

The summary is intended as a general guide and is based on the Australian tax laws, regulations and administrative practices in effect as at the Last Practicable Date. OreCorp Shareholders should be aware that any changes (with either prospective or retrospective effect) to the Australian tax laws, regulations or administrative practices may affect the taxation treatment of the OreCorp Shareholders as described in this summary.

The Australian tax consequences outlined below are relevant to OreCorp Shareholders who are individuals, companies, trusts and complying superannuation funds that hold their OreCorp Shares on capital account for Australian income tax purposes. Further, it solely relates to:

- (i) OreCorp Shareholders who:
  - (A) are, and have always been a tax resident of, and only of, Australia for Australian income tax purposes;
  - (B) do not hold, and have never held, their OreCorp Share as part of a permanent establishment outside of Australia for Australian income tax purposes (**Australian Holders**); and
- (ii) OreCorp Shareholders who:
  - (A) are not, and have never been, a tax resident of Australia for Australian income tax purposes;
  - (B) do not hold, and have never held, their OreCorp Share as part of a permanent establishment in Australia for Australian income tax purposes (**Non-Australian Holders**).

This summary does not consider the Australian tax implications arising in respect of any OreCorp Shareholders who:

- (i) hold their OreCorp Shares as trading stock, as part of a profit-making undertaking or scheme, under an arrangement which qualifies as an employee share or rights plan for Australian tax purposes, or otherwise on revenue account;
- (ii) may be subject to special rules, such as banks, insurance companies, tax exempt organisations, certain trusts, superannuation funds (unless otherwise stated) or dealers in securities;
- (iii) are partnerships or individuals who are partners of such partnerships;
- (iv) are under a legal disability;

- (v) are subject to the “taxation of financial arrangements” rules in Division 230 of the Income Tax Assessment Act 1997 (Cth) (**Tax Act**);
- (vi) are ‘temporary residents’ as that term is defined in section 995-1(1) of the Income Tax Assessment Act 1997 (Cth);
- (vii) change their tax residence whilst holding OreCorp Shares; or
- (viii) are subject to the Investment Manager Regime under Subdivision 842-I of the Income Tax Assessment Act 1997 (Cth) in relation to their OreCorp Shares.

Except where expressly referred to below in “Other Australian tax comments” this overview is confined to Australian income tax issues and is only one of the matters an OreCorp Shareholder needs to consider when making a decision about their investments. Any persons who may be subject to tax in any jurisdiction outside Australia should obtain independent professional advice on their particular circumstances.

This overview is based on the current provisions of the income tax laws of Australia and the current published administrative policies of the Australian Taxation Office (**ATO**). OreCorp has not sought a class ruling from the ATO in respect of the tax consequences of the Perseus Offer for OreCorp Shareholders. The laws are complex and subject to change periodically as is their interpretation by the courts and the ATO. By its nature, the comments in this summary will not necessarily be beyond challenge by the taxation authorities. This summary does not take into account or anticipate any changes in law (unless otherwise expressly stated), whether by legislative, governmental or judicial decision or action, or any changes in the administrative policies of the ATO. Unless otherwise defined or the context otherwise requires, terms used in this overview have the same meaning as the term has under the current income tax laws of Australia.

This overview is of a general nature only and is not intended to be legal or tax advice or representations to any particular OreCorp Shareholder. This summary is not exhaustive of all Australian tax considerations applicable to OreCorp Shareholders. Accordingly, OreCorp Shareholders should consult their own tax advisors for advice with respect to the tax consequences for them, on implementation of the Perseus Offer, and of holding and disposing of OreCorp Shares which are acquired as part of the Perseus Offer, having regard to their own particular circumstances.

## **9.1 Disposal of OreCorp Shares by Australian Holders**

### **(a) Capital Gains or Losses**

The disposal of OreCorp Shares by Australian Holders pursuant to the Perseus Offer will result in a capital gains tax (**CGT**) event (**CGT event**) happening for Australian Holders for Australian income tax purposes. For OreCorp Shareholders who accept the Perseus Offer, the date of the CGT event will be the date the contract to dispose of OreCorp Shares is formed, being the date the Perseus Offer is accepted and becomes unconditional. If OreCorp Shares are compulsorily acquired, the date of the CGT event will be the date when Perseus becomes the owner of the OreCorp Shares.

Australian Holders will *prima facie* derive a capital gain for Australian income tax purposes as a result of that CGT event happening to the extent that the capital proceeds received for Australian income tax purposes exceeds the cost base for Australian income tax purposes of their OreCorp Shares. Conversely, Australian Holders will make a capital loss as a result of that CGT event happening to the extent that the capital proceeds are less than the reduced cost base (for Australian income tax purposes) of their OreCorp Shares.

The cost base of OreCorp Shares held by each Australian Holder for Australian income tax purposes will generally include the consideration paid to acquire them plus certain related costs of acquisition,

including any incidental costs of acquisition such as brokerage fees and duty. The reduced cost base for Australian income tax purposes is determined similarly, though there are some limitations on including certain related costs. The cost base and reduced cost base of the OreCorp Shares may be impacted by previous arrangements under which those assets were acquired, such as any previous roll-over chosen for Australian income tax purposes, and certain corporate transactions, such as any capital reductions.

Each Australian Holder should seek specific tax advice to confirm the cost base or reduced cost base of their OreCorp Shares (and therefore whether a capital gain or capital loss arises on the relevant CGT event happening).

To the extent any capital gain that arises to an Australian Holder from the CGT event related to the disposal of their OreCorp Shares pursuant to the Perseus Offer, then subject to:

- (i) any eligible recoupment of any current and/or prior year capital losses to offset some or all of that capital gain (and any other capital gains arising to the Australian Holder in the same income year); and
- (ii) the application of any other applicable CGT discount (as discussed below), concession or exemption,

that capital gain will be aggregated with any other capital gains or capital losses that the OreCorp Shareholder may have in that income year, and any net capital gain included in calculating the assessable income of the Australian Holder.

An Australian Holder who is an individual, complying superannuation entity or trustee of a trust may be entitled to a CGT discount where the OreCorp Shares have been held by that Australian Holder for at least 12 months (excluding the days of acquisition and disposal) at the time of the CGT event. Subject to certain exceptions, the CGT discount for individuals and trusts is 50%, and for complying superannuation entities is 33.33%. There is no CGT discount for Australian Holders who are companies (or treated like companies for Australian income tax purposes).

To the extent that a capital loss arises to an Australian Holder, such capital loss may generally be applied to reduce other capital gains arising in the same income year or, in certain circumstances and subject to satisfaction of the relevant rules, may be carried forward to reduce future capital gains derived by the Australian Holder.

**(b) Foreign resident CGT withholding**

Subject to certain exceptions, a foreign resident CGT withholding applies to any transaction involving the acquisition of the legal ownership of an asset that is an “indirect Australian real property interest” from a “relevant foreign resident”. The current withholding tax rate is 12.5%. It is not anticipated that an OreCorp Share will represent an “indirect Australian real property interest” at the time of their disposal under the Perseus Offer (i.e. on the basis that it is not expected that a OreCorp Share will pass the “principal asset test” as referred to below at “Disposal of OreCorp Shares by Non-Australian Holders”).

Accordingly, there should be no legal requirement for Perseus to withhold 12.5% of the capital proceeds from any Australian Holder in respect of the Perseus Offer.

To the extent that the OreCorp Shares satisfy the “principal asset test”, Perseus is obligated to withhold an amount equal to 12.5% of the Perseus Offer Price Consideration under section 14-200(3) of

Schedule 1 to the Taxation Administration Act in relation to foreign resident capital gains withholding, subject to certain exceptions.

We note that the Acceptance Form dated 19 February 2024 released by Perseus includes a CGT Declaration at Step 3. Perseus may withhold 12.5% of the Perseus Offer Consideration, otherwise payable to enable the payment withholding tax to the ATO, from OreCorp Shareholders who declare that they are:

- (i) a foreign tax resident OreCorp Shareholder; and
- (ii) that, together with their associates, have held more than 10% or more of the OreCorp Shares at the time of accepting the Perseus Offer or for a continuous 12-month period during the two-year period preceding that time.

This withholding tax will not be a final tax, and impacted OreCorp Shareholders may be entitled to a credit when they lodge their income tax return.

These rules may apply to the Perseus Offer if Perseus:

- (i) knows or reasonably believes that the OreCorp Shareholder is a foreign resident; or
- (ii) does not reasonably believe that the OreCorp Shareholder is an Australian resident; and either:
  - (A) the OreCorp Shareholder has an address outside Australia; or
  - (B) Perseus is authorised to provide a related financial benefit to a place outside Australia (whether to the OreCorp Shareholder or to anyone else).

Any OreCorp Shareholders that are unsure of how to complete the Acceptance Form should seek specific tax advice. If the declaration in the Acceptance Form is not validly completed, 12.5% of the Perseus Offer Consideration may be withheld and remitted to the ATO.

## **9.2 Disposal of OreCorp Shares by Non-Australian Holders**

### **(a) Capital Gains Tax**

OreCorp Shareholders that are non-residents of Australia for Australian income tax purposes, and who, together with their associates, hold a less than 10% interest in OreCorp should be able to disregard a capital gain or capital loss arising from the disposal of their OreCorp Shares as their OreCorp Shares should not constitute an indirect Australian real property interest.

Broadly, an interest in OreCorp will be an “indirect Australian real property interest” for a Non-Australian Holder if the following criteria are satisfied:

- (i) OreCorp satisfies the “principal asset test”; and
- (ii) the Non-Australian Holder holds a “non-portfolio interest” in OreCorp.

Broadly, OreCorp would satisfy the principal asset test if the market value of OreCorp’s direct and indirect interests in relevant Australian land, including leases and mining rights, is more than the market value of its other assets at the Last Practicable Date. At the date of the Target’s Statement, OreCorp management has determined that less than 50% of the aggregate market value of OreCorp’s assets are attributable to direct or indirect interests in relevant Australian land and does not anticipate

this to change at the Last Practicable Date. Accordingly, OreCorp is not expected to satisfy the “principal asset test” at the Last Practicable Date.

Broadly, a Non-Australian Holder will have a non-portfolio interest in OreCorp if, either at the time the CGT event occurs (see section 9.1(a) above) or throughout a 12 month period in the two years before the date of the relevant CGT event, the Non-Australian Holder and its associates directly hold 10% or more of the issued shares in OreCorp (by reference to the paid up share capital, certain voting rights and rights to dividend and capital distributions, including those that the Non-Australian Holder and associates actually hold and those that they are entitled to acquire).

As a result of the position outlined above, Non-Australian Holders are not expected to be subject to Australian CGT on the disposal of their OreCorp Shares.

**(b) Foreign resident CGT withholding**

Subject to certain exceptions, a foreign resident CGT withholding applies to any transaction involving the acquisition of the legal ownership of an asset that is an “indirect Australian real property interest” from a “relevant foreign resident”. The current withholding tax rate is 12.5%.

It is not anticipated that an OreCorp Share will comprise an “indirect Australian real property interest” at the time of their disposal under the Perseus Offer (i.e. on the basis that it is not expected that an OreCorp Share will pass the “principal asset test”). Accordingly, there should be no legal requirement for Perseus to withhold 12.5% of the capital proceeds from any Non-Australian Holder in respect of the Perseus Offer.

Please refer to our additional comments regarding the Acceptance Form dated 19 February 2024 released by Perseus, under the heading, “Disposal of OreCorp Shares by Australian Holders”. Any Non-Australian Holders that are unsure of how to complete the Acceptance Form should seek specific tax advice. If the declaration in the Acceptance Form is not validly completed, 12.5% of the Offer Price may be withheld and remitted to the ATO.

**9.3 Other Australian Tax comments**

**(a) Australian Stamp Duty**

No Australian stamp duty should be payable by OreCorp Shareholders on their disposal of any OreCorp Shares. .

**(b) Australian Goods and Services Tax (GST)**

No GST should be payable by OreCorp Shareholders in respect of the disposal of their OreCorp Shares, regardless of whether or not the OreCorp Shareholder is registered for GST.

OreCorp Shareholders may not be entitled to claim full input tax credits in respect of any GST included in the costs they have incurred in connection with their disposal of the OreCorp Shares. Separate GST advice should be sought by OreCorp Shareholders in respect to their particular circumstances.

## 10. Additional information

### 10.1 Silvercorp Offer

On 27 December 2023, OreCorp announced that it had entered into the Bid Implementation Deed with Silvercorp pursuant to which Silvercorp offered to acquire all of the OreCorp Shares on issue which it did not already own (the **Silvercorp Offer**). The Silvercorp Offer comprises A\$0.19 cash and 0.0967 Silvercorp Shares for each OreCorp Share held. A copy of the Bid Implementation Deed was released to the market by OreCorp on 27 December 2023 and a summary of the Bid Implementation Deed is included in both the Silvercorp Bidder's Statement lodged by Silvercorp and the Silvercorp Target's Statement lodged by OreCorp.

The Silvercorp Offer replaced the previously proposed Scheme between OreCorp and its shareholders under which, subject to satisfaction and/or waiver of various conditions (including OreCorp Shareholder approval), all of the issued shares in OreCorp (other than the OreCorp Shares held by Silvercorp) were to be transferred to Silvercorp.

The consideration being offered under the Silvercorp Offer is the same as the consideration which was being offered under the Scheme. The OreCorp Board were of the view that the revised mechanism of the Silvercorp Offer provided shareholders with the ability to realise value for their OreCorp Shares in circumstances where the high voting threshold for the Scheme was unlikely to be achieved.

The Silvercorp Offer is subject to a limited number of conditions, including a 50.1% minimum acceptance condition, as set out in Appendix 2 of the Silvercorp Bidder's Statement. In accordance with the Bid Implementation Deed, within 3 business days after the 50.1% minimum acceptance condition is satisfied, Silvercorp is required to waive all conditions other than any condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. This provides OreCorp Shareholders with certainty that, once the minimum acceptance condition has been satisfied, the Silvercorp Offer will be unconditional and they will be paid the Silvercorp Offer Consideration within 10 Business Days.

As previously noted, each OreCorp Director does not consider the Perseus Offer to be superior to the Silvercorp Offer and accordingly, recommends that OreCorp Shareholders **REJECT** the Perseus Offer and **ACCEPT** the Silvercorp Offer (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Silvercorp Offer is reasonable to OreCorp Shareholders). Full details of the Silvercorp Offer and the OreCorp Board's response to the Silvercorp Offer are set out in the Silvercorp Bidder's Statement and the Silvercorp Target's Statement.

### 10.2 OreCorp securities

As at the date of this Target's Statement, OreCorp has on issue:

- (a) 469,408,892 OreCorp Shares (of which, according to the most recent notice of change of substantial holding released by Perseus, Perseus through its Associate Centash holds 93,412,369);
- (b) 3,725,257 OreCorp Options, comprising 2,575,257 OreCorp \$0.9906 Options and 1,150,000 OreCorp \$0.9066 Options. All of the OreCorp Options are vested and have an expiry date of 25 November 2024; and

- (c) 4,012,106 OreCorp Performance Rights, comprising 1,562,106 OreCorp Performance Rights with an expiry date of 22 November 2026 and 2,450,000 OreCorp Performance Rights with an expiry date of 26 August 2027.

### 10.3 Arrangements with respect to OreCorp Options and Performance Rights

As noted in section 9.4 of the Bidder's Statement, Perseus is not acquiring any OreCorp Options under the Perseus Offer. Perseus has stated that it will seek to acquire, subject to satisfaction of the Perseus Offer becoming unconditional, all of the OreCorp Options for the Purchase Amount by entering into an Option Purchase Deed with each holder of OreCorp Options. Perseus has further noted that if an Option Purchase Deed is executed between Perseus and the relevant holder of OreCorp Options, the acquisition of the relevant OreCorp Options must be completed within 21 days from the later of the date of the Perseus Offer becoming unconditional and the date Perseus receives the relevant Option Purchase Deed.

The OreCorp Performance Rights that exist on the Register Date will vest upon the change of control event arising as a result of the Perseus Offer and be able to be exercised. Perseus is not making a separate offer to holders of any OreCorp Performance Rights. However, the Perseus Offer extends to all OreCorp Shares that are issued or otherwise come into existence before the end of the Offer Period as a result of the vesting and exercise or conversion of any OreCorp securities on issue at the Register Date. This means that holders of OreCorp Performance Rights that vest will be able to accept the Perseus Offer in respect of the OreCorp Shares issued during the Offer Period as a result of their conversion.

### 10.4 Interests of Directors in OreCorp securities

The OreCorp Directors and the number of OreCorp Shares, OreCorp Options and OreCorp Performance Rights held by or on behalf of each of them at the date of this Target's Statement are set out below:

Name	OreCorp Shares	OreCorp Options	Consideration payable for acquisition of Options (based on the Purchase Amount)	OreCorp Performance Rights	Value of OreCorp Performance Rights under the Perseus Offer
Matthew Yates	10,590,998	1,059,603 <sup>10</sup>	A\$21,192.06	1,060,208	A\$583,114.40
Henk Diederichs	250,000	-	-	804,274	A\$442,350.70
Alastair Morrison	5,137,597	250,000 <sup>11</sup>	A\$7,500	-	-
Michael Klessens	2,509,365	250,000 <sup>12</sup>	A\$7,500	-	-
Michael Davis	-	-	-	-	-

<sup>10</sup> OreCorp \$0.9906 Options

<sup>11</sup> OreCorp \$0.9066 Options

<sup>12</sup> OreCorp \$0.9066 Options



## 10.5 Interests of OreCorp Directors in Perseus securities

As at the date of this Target's Statement, no OreCorp Director holds any interest in any securities of Perseus.

## 10.6 Payments and other benefits to directors, secretary and executive officers of OreCorp

Except as set out in this section 10.6, no payment or other benefit is proposed to be made or given to any director, secretary or executive officer of OreCorp (or any of its Related Bodies Corporate), as compensation for loss of, or as consideration for or in connection with his or her retirement from office or position with OreCorp (or any of its Related Bodies Corporate) as a result of accepting the Perseus Offer, other than as a result of them receiving the Perseus Offer as an OreCorp Shareholder.

If an OreCorp executive's employment is terminated at any stage (including following the acceptance of the Perseus Offer), the relevant executive will have such entitlements (including in respect of compensation for loss of office) as are contemplated by their existing employment agreements.

In addition to their respective contracts of engagement, OreCorp has entered into deeds of indemnity, insurance and access with the OreCorp Directors and various executive officers on customary terms. OreCorp pays premiums in respect of a directors and officers insurance policy for the benefit of OreCorp Directors and executive officers.

### (a) Retention payments

OreCorp makes an annual grant of OreCorp performance rights to its employees which forms part of their remuneration. In 2023, in light of a potential control transaction (as a result of which all granted OreCorp performance rights would vest) the Board did not make a grant of OreCorp performance rights to employees but instead resolved to make a cash payment to certain employees, in lieu of OreCorp performance rights and as a retention payment. OreCorp expects to pay retention payments, in an aggregate amount not exceeding A\$1.9 million (on the basis of the current timetable),<sup>13</sup> to retain the services of certain employees in the OreCorp Group during the control transaction process and in recognition of the work that they have undertaken and will be required to undertake in connection with the process (in addition to the normal responsibilities of their roles).

The aggregate payments include the following payments to OreCorp's two executive Directors:

Name	Role	Additional Payment
Matthew Yates	Executive Chairman	A\$418,641
Henk Diederichs	Chief Executive Officer & Managing Director	A\$388,430

### (b) Participation in the Perseus Offer

No OreCorp Director has agreed to receive, or is entitled to receive, any benefit in connection with, or conditional on, the outcome of the Perseus Offer, other than as set out in this Target's Statement.

<sup>13</sup> This aggregate amount is calculated by reference to eligible employees' current base salary, the anticipated award of performance rights under OreCorp's existing Long Term Incentive Plan, and the anticipated time period over which the control transaction will continue to run.

(c) **Arrangements in respect of OreCorp Performance Rights**

OreCorp operates the Long Term Incentive Plan, pursuant to which unlisted OreCorp performance rights may be offered to employees as an incentive and to reward such persons for performance.

OreCorp executive Directors have previously received, and as at the date of this Target's Statement continue to hold, the OreCorp Performance Rights detailed in section 10.4. See section 10.3 for details of the impact of the Offer on the OreCorp Performance Rights.

No OreCorp Performance Rights are held by Alastair Morrison, Michael Klessens or Michael Davis.

(d) **Arrangements in respect of OreCorp Options**

OreCorp Directors have previously received, and as at the date of this Target's Statement continue to hold, the OreCorp Options detailed in section 10.4. See section 10.3 for details of the impact of the Offer on the OreCorp Options.

No OreCorp Options are held by Henk Diederichs or Michael Davis.

**10.7 Interests of OreCorp Directors in contracts entered into by Perseus**

OreCorp Director, Mr Michael Davis, is a shareholder and director of MineScope Services Pty Ltd (**MineScope**). MineScope has an existing contract with Perseus for the provision of consulting services in relation to design and construction of a water treatment plant at Perseus' Edikan project in Ghana.

Except as set out above and in the remainder of this Target's Statement, no OreCorp Director has any interest in any contract entered into by Perseus.

**10.8 Other agreement or arrangements with OreCorp Directors**

Except as set out in this Target's Statement there are no agreements or arrangements between any OreCorp Director and any other person, including Perseus in connection with or conditional upon the acceptance of the Perseus Offer.

**10.9 Substantial holders**

As at the Last Practicable Date, the following persons had notified OreCorp that they had a Relevant Interest in 5% or more of OreCorp Shares on issue:

<b>Name</b>	<b>Number of OreCorp Shares</b>	<b>Percentage</b>
Silvercorp Metals Inc <sup>14</sup>	94,370,334	20.10%
Perseus Mining Limited <sup>15</sup>	93,412,369	19.9%
Rollason Pty Ltd (Giorgetta Super Plan)	49,136,589	10.47%
Timothy R B Goyder	24,125,756	5.14%

<sup>14</sup> Silvercorp had a Relevant Interest in 73,889,007 OreCorp Shares (or 15.74% of the OreCorp Shares) prior to the Silvercorp Offer. According to the Notice of change of interests of substantial holder (Form 604) dated 8 February 2024 Silvercorp had received acceptances under the Silvercorp Offer in relation to 20,481,327 (or 4.36% of the OreCorp Shares), giving it a Relevant Interest in 94,370,334 OreCorp Shares (or 20.10% of the OreCorp Shares)

<sup>15</sup> According to the most recent notice of change of substantial holding released by Perseus, Perseus, through its Associate Centash, has a Relevant Interest in 93,412,369 OreCorp Shares.

## **10.10 Material change in financial position**

As at the date of this Target's Statement, to the knowledge of the OreCorp Directors and other than as disclosed in this Target's Statement or announced on the ASX, there have been no material changes to the financial position of OreCorp since 30 June 2023, being the date of OreCorp's consolidated financial report, other than the issuance of 70,411,334 OreCorp Shares to Silvercorp at an issue price of A\$0.40 per share for aggregate proceeds of A\$28,164,533.60.

## **10.11 Confidentiality Agreement**

OreCorp and Perseus entered into a confidentiality agreement on 26 March 2020, as amended by letter of variation dated 31 January 2022, allowing for the disclosure of confidential information by each party to the other to facilitate the evaluation and possible conclusion of a transaction (**Confidentiality Agreement**). The Confidentiality Agreement terminates on the earlier of execution of relevant transaction documentation and 26 March 2024.

## **10.12 Consents and disclaimers**

### **(a) Consents**

Each of the following persons has given and has not before the date of this Target's Statement withdrawn its written consent to be named in this Target's Statement in the form and context in which it is named:

- Allen & Overy as legal adviser to OreCorp in relation to the Perseus Offer;
- BDO as the Independent Expert appointed to opine on the Silvercorp Offer;
- Automic as share registry to OreCorp; and
- CIBC Capital Markets as financial adviser to OreCorp in relation to the Perseus Offer.

PricewaterhouseCoopers has given and has not before the date of this Target's Statement withdrawn its written consent to be named in this Target's Statement and to the inclusion in this Target's Statement of the information contained in section 9 (Australian taxation implications) of this Target's Statement and the references to that section elsewhere in this Target's Statement, in each case in the form and context in which they are included.

### **(b) Disclaimers of responsibility**

Each person named in section 10.12(a):

- has not authorised or caused the issue of this Target's Statement;
- does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based other than as specified in section 10.12(a); and
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for any part of, this Target's Statement other than a reference to its name and any statement or report which has been included in this Target's Statement with the consent of that person referred to in section 10.12(a).

(c) **OreCorp Directors**

Each of the OreCorp Directors has given and not withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named; and
- statements attributable to them being included in this Target's Statement in the form and context in which they appear.

(d) **Other**

ASIC has published various forms of relief that modify or exempt parties from compliance with the operation of various provisions of Chapter 6 of the Corporations Act. OreCorp has relied on this relief.

As permitted by *ASIC Corporations (Takeover Bids) Instrument 2023/683*, this Target's Statement contains statements that are made by Perseus, or based on statements made by Perseus, in documents lodged with ASIC or given to the operator of a prescribed financial market in compliance with the listing rules of the prescribed financial market (including ASX). Pursuant to this Instrument, the consent of Perseus to which such statements are attributed is not required for the inclusion of those statements in this Target's Statement.

In accordance with *ASIC Corporations (Takeover Bids) Instrument 2023/683*, any OreCorp Shareholder who would like to receive a copy of those documents (or relevant extracts from those documents) during the Offer Period may obtain a copy free of charge and within two business days by contacting OreCorp on +61 (8) 9381 9997 from Monday to Friday between 9.00am and 5.00pm (Perth time).

Additionally, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Target's Statement may include or be accompanied by certain statements that:

- fairly represent what purports to be a statement by an official person; or
- are a correct and fair copy, or extract from, what purports to be a public official document; or
- are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

Pursuant to this Instrument, the consent of persons such statements are attributed to is not required for inclusion of those statements in this Target's Statement.

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Target's Statement also contains trading data obtained from FactSet and the ASX without consent.

### **10.13 Transaction costs and expenses associated with the Perseus Offer**

The Perseus Offer will result in OreCorp incurring fees and expenses that would not otherwise have arisen. The costs and expenses to OreCorp associated with the Perseus Offer (including, without limitation, fees of external professional advisers to OreCorp and costs of printing and despatch of this Target's Statement) are estimated to be up to A\$200,000 in aggregate. There is also a fee payable to OreCorp's financial adviser, CIBC, being approximately A\$3 million upon Perseus initiating the compulsory acquisition process.

#### **10.14 Competent Person Statement**

The information in this Target's Statement relating to OreCorp's Exploration Results, estimates of Mineral Resources, Ore Reserves Statements and the production target in relation to Nyanzaga is extracted from the ASX announcements dated 22 August 2022 (*Nyanzaga DFS Delivers Robust Results*), 5 May 2022 (*DFS Completion and Kilimani Mineral Resources Estimate Update*) and 12 September 2017 (*MRE Update for the Nyanzaga Project Increasing Category and Grade*) which are available to view on OreCorp's website [www.orecorp.com.au](http://www.orecorp.com.au).

OreCorp confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and, in the case of Exploration Results, estimates of Mineral Resources, Ore Reserves Statements and the production target in relation to Nyanzaga, that all material assumptions and technical parameters underpinning the Exploration Results, estimates of Mineral Resources, Ore Reserves Statements and the production target in relation to Nyanzaga (and any forecast financial information derived from the production target) in the original announcements continue to apply and have not materially changed. OreCorp confirms that the form and context in which the relevant competent persons' findings are presented have not been materially modified from the original announcements.

#### **10.15 Information included in this Target's Statement**

As required by section 638(2) of the Corporations Act, in deciding what information should be included in this Target's Statement, the OreCorp Directors have had regard to:

- (a) the nature of the OreCorp Shares;
- (b) the matters that shareholders may reasonably be expected to know, including because it is included in the Bidder's Statement;
- (c) the fact that certain matters may reasonably be expected to be known to OreCorp Shareholders' professional advisers; and
- (d) the time available to OreCorp to prepare this Target's Statement.

Unless expressly indicated in this Target's Statement, for the purposes of preparing this Target's Statement the OreCorp Directors have assumed that the information in the Bidder's Statement and other information disclosed by Perseus to ASX in relation to the Perseus Offer is accurate. However, the Target Directors do not take any responsibility for the contents of the Bidder's Statement or such other information and do not endorse any statements contained in it.

#### **10.16 No other material information**

There is no information known to OreCorp or any of the OreCorp Directors that OreCorp Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer except for:

- (a) the information contained in the Bidder's Statement;
- (b) the information contained in OreCorp's releases to ASX, and in the documents lodged by OreCorp with ASIC before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

# 11. Definitions and interpretation

## 11.1 Definitions

In this Target's Statement, unless the context requires otherwise:

**ASIC** means the Australian Securities and Investments Commission;

**Associate** has the meaning given in section 12(2) of the Corporations Act;

**ASX** means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

**ASX Listing Rules** means the official listing rules of ASX, modified to the extent of any express written waiver by ASX;

**Bidder's Statement** means the bidder's statement of Perseus, being the replacement statement of Perseus under Part 6.5 Division 2 of the Corporations Act (as modified by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*) relating to the Perseus Offer;

**Bid Implementation Deed** means the bid implementation deed between OreCorp and Silvercorp dated 27 December 2023 (as may be amended from time to time);

**Centash** means Centash Holdings Pty Ltd ACN 141 361 373.

**Competing Proposal** has the meaning given to that term in the Bid Implementation Deed, being any proposal, offer, expression of interest, agreement, arrangement or transaction (whether by way of takeover bid, scheme of arrangement, reverse takeover, capital reduction, buy-back, sale, lease, purchase or assignment of assets, sale or issue of securities, strategic alliance, joint venture, partnership, dual listed companies structure, economic or synthetic merger or combination or other transaction or arrangement) which, if entered into or completed, would result in a person other than Silvercorp or any of its related entities, whether alone or together with an associate:

- (a) directly or indirectly acquiring or being entitled to acquire a Relevant Interest or any other direct or indirect interest (including but not limited to, a long position under the Takeover Panel Guidance Note 20) in more than 20% of the shares of OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group;
- (b) directly or indirectly acquiring or being entitled to acquire an interest in more than 20% of the Nyanzaga Project; or
- (c) acquiring Control of OreCorp or merging or amalgamating with OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group,

or which would otherwise prejudice or jeopardise, or might reasonably be expected to prejudice or jeopardise the Silvercorp Offer;

**Confidentiality Agreement** has the meaning given in section 10.11;

**Control** has the meaning given in section 50AA of the Corporations Act;

**Corporations Act** means the *Corporations Act 2001* (Cth);

**DFS or Study** has the meaning given in section 5.1;

**ECI** has the meaning given in section 5.2;

**Effective Control** means a party having a Relevant Interest in at least 50.1% of OreCorp Shares (on a fully diluted basis) and the relevant offer (i.e. the Perseus Offer or the Silvercorp Offer) having become or been declared unconditional;

**FCC** means the Tanzanian Fair Competition Commission;

**Government Agency** means any foreign or Australian government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of the Commonwealth of Australia or any State, any other federal, state, provincial, or local government, and including any self-regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and includes the FCC, ASIC, The Australian Taxation Office, The Tanzanian Mining Commission, the Business Registrations and Licencing Agency of Tanzania, the ASX or any other stock exchange;

**GST** has the meaning given in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

**Independent Expert** or **BDO** means BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045;

**Independent Expert's Report** means the report prepared by the Independent Expert in respect of the Silvercorp Offer, a copy of which was set out in Annex 1 to the Silvercorp Target's Statement;

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time;

**Last Practicable Date** means 29 February 2024, being the last practicable date to prepare information before the date of this Target's Statement;

**LOM** means life-of-mine;

**Material Adverse Change** has the meaning given in section 13 of the Bidder's Statement;

**Minimum Acceptance Condition** means the Offer Condition set out in section 10.12(a) of the Bidder's Statement;

**NMCL** means Nyanzaga Mining Company Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 60002;

**Nyanzaga Project** means the Nyanzaga gold project in the Sengerema District, Mwanza region, northwest Tanzania;

**NYSE American** means the NYSE American stock exchange;

**Offer Announcement Date** means 22 January 2024, being the date on which Perseus announced details of the Perseus Offer to ASX;

**Offer Conditions** means the conditions to the Perseus Offer set out in section 10.12 of the Bidder's Statement;

**Offer Period** means the period commencing on 19 February 2024 and (unless the Perseus Offer is withdrawn) ending at 7.00pm (Sydney time) on 19 March 2024, or such later date to which the Perseus Offer has been extended;

**Option Purchase Deed** means a deed between Perseus and each holder of OreCorp Options for the acquisition of OreCorp Options held by that person by Perseus for payment of the Purchase Amount;

**OreCorp** means OreCorp Limited ACN 147 917 299;

**OreCorp \$0.9066 Options** has the meaning given in section 5.4(b);

**OreCorp \$0.9906 Options** has the meaning given in section 5.4(b);

**OreCorp Board** means the board of directors of OreCorp;

**OreCorp Directors** means the directors of OreCorp as at the date of this Target's Statement, whose names are set out in section 4.2;

**OreCorp Group** means OreCorp and its Related Entities;

**OreCorp Options** means the 3,725, 257 options to subscribe for new OreCorp Shares outstanding as at the Offer Announcement Date;

**OreCorp Performance Rights** means an entitlement granted by OreCorp for the holder to be allocated an OreCorp Share subject to the satisfaction of applicable vesting conditions, as further described in section 10.3;

**OreCorp Registry** means Automic Pty Ltd or such other person nominated by OreCorp to maintain the OreCorp Share Register;

**OreCorp Share** means a fully paid ordinary share in the issued capital of OreCorp;

**OreCorp Shareholder** means a person who is registered in the OreCorp Share Register as the holder of one or more OreCorp Shares from time to time;

**OreCorp Share Register** means the register of OreCorp Shares maintained by the OreCorp Registry on behalf of OreCorp;

**OreCorp Tanzania** means OreCorp Tanzania Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 105422;

**Oz** means an ounce;

**Perseus** means Perseus Mining Limited (ACN 106 808 986);

**Perseus Offer** means the off-market bid in accordance with Part 6.5 of the Corporations Act under which Perseus offers to acquire all OreCorp Shares it, and its Associate, Centash do not already own (including all Rights to those OreCorp Shares) for cash consideration of A\$0.55 per OreCorp Share, as announced by Perseus on 22 January 2024 and set out in the Bidder's Statement;

**Perseus Offer Consideration** means A\$0.55 cash for each OreCorp Share;

**Prescribed Occurrence** has the meaning given in section 13 of the Bidder's Statement;



**Purchase Amount** means:

- (a) in relation to the OreCorp \$0.9066 Options, A\$0.03 per OreCorp \$0.9066 Option; and
- (b) in relation to the OreCorp \$0.9906 Options, A\$0.02 per OreCorp \$0.9906 Option;

**Register Date** means 7.00pm (Sydney time) on 29 January 2024, being the date set by Perseus under section 633(2) of the Corporations Act as set out in the Bidder's Statement;

**Related Entity** has the meaning given to that term under the Corporations Act;

**Related Body Corporate** has the meaning given in the Corporations Act;

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act, as modified by any class order or other instrument executed by ASIC that applies to OreCorp;

**Rights** means all accretions, rights or benefits of whatever kind attaching to or arising from OreCorp Shares directly or indirectly after the Offer Announcement Date (including all dividends and distributions and all rights to receive them and rights to receive or subscribe for OreCorp Shares, notes, bonds, options or other shares declared, paid or issued by any OreCorp Group member). Rights do not include any franking credits attached to any dividend;

**Scheme** means the previously proposed scheme of arrangement under Part 5.1 of the Corporations Act under which all of the OreCorp Shares (except for the OreCorp Shares held by Silvercorp) were proposed to be transferred to Silvercorp, such scheme being terminated as from 27 December 2023;

**Scheme Implementation Deed** means the scheme implementation deed entered into between OreCorp and Silvercorp on 5 August 2023 as amended and restated on 23 November 2023 and terminated on 27 December 2023;

**Silvercorp** means Silvercorp Metals Inc. BN 131033920 / ARBN 671 900 020;

**Silvercorp Bidder's Statement** means the replacement bidder's statement of Silvercorp dated 16 January 2024 relating to the Silvercorp Offer, as amended by the second supplementary bidder's statement dated 2 February 2024;

**Silvercorp Offer** means the off-market takeover bid in accordance with Part 6.5 of the Corporations Act under which Silvercorp offers to acquire all OreCorp Shares it does not already own (including all Rights to those OreCorp Shares) on the terms set out in the Silvercorp Bidder's Statement;

**Silvercorp Share** means a fully paid common share in the capital of Silvercorp listed on TSX and NYSE American;

**Silvercorp Target's Statement** means the target's statement dated 2 February 2024 issued by OreCorp in response to the Silvercorp Bidder's Statement in accordance with the Corporations Act;

**SML** has the meaning given in section 5.1;

**SMCL** means Sotta Mining Corporation Limited, a joint venture company incorporated by the Government of the United Republic of Tanzania and NMCL under the laws of the United Republic of Tanzania with registered number 154374027;

**Superior Proposal** means has the meaning given to that term in the Bid Implementation Deed, being a written bona fide Competing Proposal received after the date of the Bid Implementation Deed that:

- (a) does not result from a breach by OreCorp of any of its obligations under clause 6 of the Bid Implementation Deed or from any act by any member of the OreCorp Group which, if done by OreCorp, would constitute a breach of clause 6 of the Bid Implementation Deed by OreCorp; and
- (b) the OreCorp Board determines, acting in good faith and after having taken advice from its external financial and legal advisers:
  - (i) is reasonably capable of being valued and implemented within a reasonable timeframe in accordance with its terms; and
  - (ii) would, if completed substantially in accordance with its terms, be more favourable to OreCorp Shareholders than the Silvercorp Offer or the Silvercorp Counterproposal (as the case may be),

taking into account (as a whole), all aspects of the Competing Proposal and Silvercorp Offer or the Silvercorp Counterproposal (as the case may be), including their respective conditions precedent, the identity and reputation of the person making the Competing Proposal and all relevant legal, regulatory and financial matters (including the value and type of consideration, funding, any timing considerations, any conditions precedent or other matters affecting the probability of the proposal being completed);

**Target's Statement** means this target's statement issued by OreCorp in response to the Bidder's Statement in accordance with the Corporations Act;

**TSX** means the Toronto Stock Exchange; and

**VWAP** means volume-weighted average price.

## 11.2 Interpretation

In this Target's Statement, unless the context requires otherwise:

- (a) any reference, express or implied, to any legislation in any jurisdiction includes:
  - (i) that legislation as amended, extended or applied by or under any other legislation made before or after the date of this Target's Statement;
  - (ii) any legislation which that legislation re-enacts with or without modification; and
  - (iii) any subordinate legislation made before or after the date of this Target's Statement under that legislation, including (where applicable) that legislation as amended, extended or applied as described in section 11.2(a)(i), or under any legislation which it re-enacts as described in 11.2(a)(ii);
- (b) references to persons or entities include natural persons, bodies corporate, partnerships, trusts and unincorporated associations of persons;
- (c) references to an individual or a natural person include his estate and personal representatives, successors or assigns;

- (d) a reference to a section or annex is a reference to a section of or annex to this Target's Statement (and the annexes form part of this Target's Statement);
- (e) a reference to any instrument or document includes any variation or replacement of it;
- (f) a reference to an Offer Condition being waived, or to the waiver of an Offer Condition, is to Perseus freeing the Perseus Offer and any contract resulting from acceptance of the Perseus Offer from that Offer Condition in accordance with section 650F of the Corporations Act;
- (g) unless otherwise indicated, a reference to any time is a reference to that time in Sydney, Australia;
- (h) singular words include the plural and vice versa;
- (i) a word of any gender includes the corresponding words of any other gender;
- (j) if a word or phrase is defined, other grammatical forms of that word have a corresponding meaning;
- (k) a term that is defined in the Corporations Act and is not otherwise defined in this Target's Statement has the meaning given to it in the Corporations Act (and where any such term has a special meaning for the purposes of chapter 6 or 6A of the Corporations Act has that special meaning);
- (l) general words must not be given a restrictive meaning just because they are followed by particular examples intended to be embraced by the general words; and
- (m) the headings do not affect interpretation.

## 12. Approval of Target's Statement

This Target's Statement has been approved by a resolution of the OreCorp Directors.

Signed by Matthew Yates, a director of OreCorp duly authorised by resolution of the directors of OreCorp



Signature.....

Dated 4 March 2024

## Corporate directory

OreCorp Limited	Suite 22, Level 1, 513 Hay St Subiaco, Western Australia 6008
Financial adviser	CIBC Capital Markets Level 45 Gateway 1 Macquarie Place Sydney, New South Wales 2000
Legal adviser	Allen & Overy Level 12, Exchange Plaza 2 The Esplanade Perth, Western Australia 6000
Share registry	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth, Western Australia 6000 Telephone: 1300 441 602 International: +61 2 9934 0529