

## **ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE**

### **December 2016 Quarterly Report**

OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 31 December 2016.

#### **Tanzania – Nyanzaga Gold Project**

- In August 2016, the scoping study (**Scoping Study** or **Study**) for the Nyanzaga Project (**Nyanzaga** or **Project**) was completed and indicated the outstanding potential of the Project.
- The Pre-Feasibility Study (**PFS**) is well advanced and will be completed during Q1 2017. OreCorp anticipates that it will immediately progress to a Definitive Feasibility Study (**DFS**).
- The PFS has focussed on:
  - Metallurgy and comminution aimed at optimising metallurgical recoveries; reagent and power consumption and confirming detailed plant design;
  - Open pit and underground optimisation;
  - Tailings storage facility location, construction and capital cost; and
  - Site layout and Project infrastructure.
- Sterilisation and infill RC and diamond drilling commenced at Nyanzaga during the quarter. The Company currently has three rigs on site to accelerate the conclusion of this program.
- Regional exploration drilling has delivered excellent first pass results at Bululu, six kilometres south of Nyanzaga. This drilling aimed to identify shallow mineralisation proximal to Nyanzaga. Better intercepts include:
  - BULRC001 - 16m @ 2.84g/t gold from 48m, including 8m @ 4.01 g/t gold from 56m;
  - BULAC026 - 8m @ 1.51g/t gold from 24m;
  - BULAC061 - 4m @ 0.75 g/t gold from 16m and 9m @ 0.88 g/t gold from 28m to the end of hole;
  - BULAC024 - 4m @ 1.10 g/t gold from surface; and
  - BULAC023 - 8m @ 0.79g/t gold from 4m.

#### **Mauritania – Akjoujt South Project**

- Assays received from the reconnaissance regional soil program.
- Follow up mapping, regional and infill soil sampling, trenching and a further three ground magnetics surveys were completed. The results did not identify any additional targets, so future work will continue to focus on Anomaly 5.
- Ground based and down hole electromagnetic (**EM**) surveys will commence on Anomaly 5 in Q1 2017 ahead of further drilling.

#### **Corporate**

- OreCorp finished the quarter with approximately \$12.3m cash and no debt.

#### **For further information please contact:**

Matthew Yates

+61 417 953 315

**CEO & Managing Director**



**ORECORP**  
LIMITED

#### **ASX RELEASE:**

30 January 2017

#### **ASX CODE:**

Shares: ORR

#### **BOARD:**

Craig Williams

*Non-Executive Chairman*

Matthew Yates

*CEO & Managing Director*

Alastair Morrison

*Non-Executive Director*

Michael Klessens

*Non-Executive Director*

Robert Rigo

*Non-Executive Director*

Luke Watson

*CFO & Company Secretary*

#### **ISSUED CAPITAL:**

Shares: 173.4 million

Unlisted Options: 9.8 million

#### **ABOUT ORECORP:**

OreCorp Limited is a Western Australian based company focused on the development of the Nyanzaga Gold Project in Tanzania & the Akjoujt South Nickel - Copper Project in Mauritania.

## TANZANIA

### Nyanzaga Project (Gold) [OreCorp Earning up to 51%]

On 22 September 2015, the Company announced that it had entered into a binding earn-in and joint venture (JV) agreement with Acacia Mining plc (**Acacia**) to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania (**Figure 1**).

The Nyanzaga Project comprises 27 contiguous Prospecting Licences covering a combined area of 271km<sup>2</sup>. In addition to the Nyanzaga deposit, there are a number of other exploration prospects within the JV tenements.



**Figure 1: Lake Victoria Goldfields, Tanzania – Existing Resources**

### Pre-Feasibility Study (PFS)

The PFS is progressing well and is on schedule to be completed in the March quarter 2017. Lycopodium Minerals Pty Ltd (**Lycopodium**) is leading the Study that is utilising a suite of consultants to complete the various PFS disciplines. The Study Team is summarised in **Table 1** and a brief summary of the work completed during the quarter by the key disciplines is presented below.

Study Discipline	Industry Expert
Project Managers/Engineering Group	Lycopodium (Perth)
Geology	CSA Global & OreCorp
Resource Estimation	CSA Global (Perth and London)
Mining Engineering	Mining Plus (Perth)
Metallurgy Testwork	SGS Perth
Metallurgical Testwork Supervision & Review	Lycopodium (Perth)
Metallurgy and Process Engineering	Lycopodium (Perth)
Comminution	Lycopodium (Perth)
Tailings Management	Knight Piesold (consulting to
Paste Fill Consultant	Quattro PE (consulting to Mining Plus)
Hydrogeology/Hydrology	AQ2
ESIA	MTL Consulting (Tanzania) Ltd
Legal	ENS Attorneys (Tz), Allen & Overy

**Table 1: PFS Study Team**

### **Geology and Resource Estimation**

An infill RC and diamond drilling program of approximately 12,500m commenced in the quarter. The program is approximately 25% completed and it is anticipated that drilling will be concluded in Q1 2017. The PFS will therefore utilise the current Mineral Resource Estimate (MRE) and a revised MRE will be completed once the infill drilling has concluded and all assay results have been received. A sterilisation RC and Aircore drilling program totalling 12,659m has been substantially completed to confirm the positions of critical surface infrastructure. Final assay results are awaited.

### **Mining Engineering**

Mining Plus has made significant progress in line with the PFS schedule requirements. The key activities for the quarter included:

- Completion of a geotechnical review with a view to finalising wall angles for the open pit;
- Design of a geotechnical drilling program that will be undertaken as part of the DFS;
- Open pit/underground trade-off study and pit selection, assessing the depth of the open pit and the timing for commencement of underground mining;
- Development of a combined (open pit and underground) mining schedule, detailed by ore type; and
- Preparation of mining capital and operating cost estimates.

### **Metallurgy Testwork, Process Engineering and Comminution**

Lycopodium continued with the following key study aspects:

- Metallurgical Testwork - a detailed metallurgical testwork programme commenced during the quarter, focussing on the following:
  - Bulk leach extractable gold (BLEG) testwork.
  - Ore type composite tests were performed on oxide as well as the three main primary ore types (sandstone, mudstone and chert). The program included detailed head assay analysis, grind establishment, diagnostic leach, preg robbing, grind optimisation and flotation tests. Further optimisation testwork will be performed on the ore type composites during the completion of the PFS, followed by master composite and variability testwork.
  - Tailings samples were prepared for further testing by Knight Piesold for purposes of the Tailings Storage Facility (TSF) design and Quattro PE for the proposed pastefill design.
- Comminution Design - Orway Mineral Consultants (OMC), appointed by Lycopodium, completed the comminution design. The design aims to provide power modelling and major equipment selection for a 4mtpa (500tph) plant, examining different grind sizes.



## Tailings and Surface Water Management

Knight Piesold completed design, cost estimate and site selection for the TSF. The TSF design is based on an ultimate capacity of approximately 45-50 million tonnes.

## Hydrogeology

The hydrogeology study review has been completed and further hydrogeological investigations are scheduled for Q1 2017, including a hydrogeological field investigation, further de-watering/depressurisation assessments and a hydrogeological regional impact assessment. Several additional monitoring bores will also be drilled.

## Environmental Social Impact Assessment (ESIA)

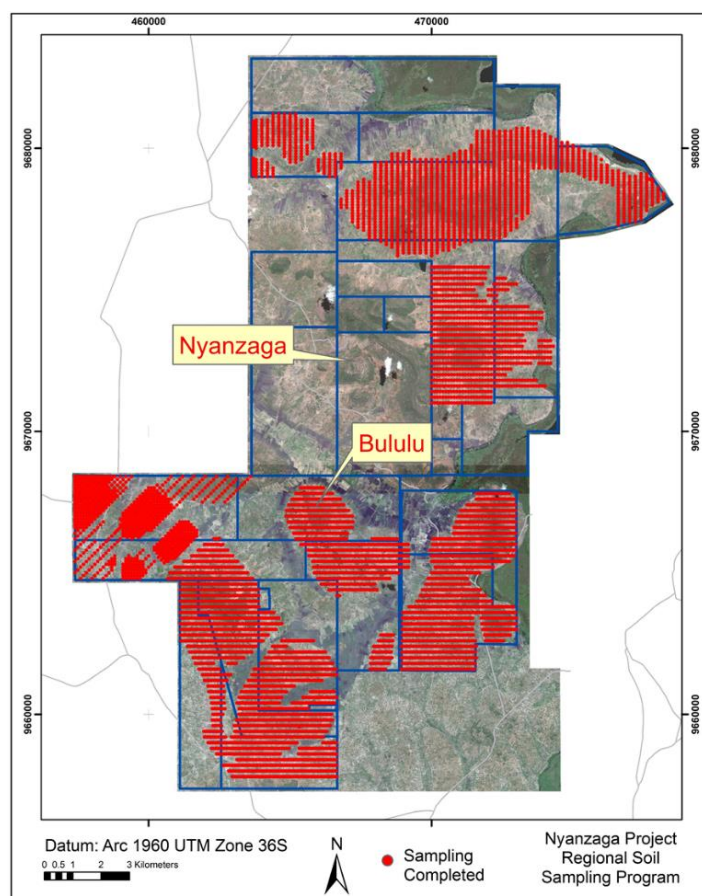
The ESIA is being undertaken by MTL Consulting (Tanzania) Ltd in two phases: Scoping Phase (Phase 1) and the Environmental Impact Assessment Phase (Phase 2). During the quarter the Scoping Report and Terms of Reference for the ESIA were finalised and submitted to the National Environment Management Council (NEMC). Preparations and planning for the commencement of the wet season baseline studies in the March quarter are in place.

## Regional Targets & Prospectivity

Exploration has identified gold mineralisation at a suite of prospects on the JV tenements within a 13km radius of the Nyanzaga Deposit.

## Bululu

Exploration drilling was undertaken at Bululu, located approximately six kilometres south of Nyanzaga (**Figure 2**). Historical work had intersected shallow high grade gold mineralisation in three holes; 3m @ 9.1g/t gold from 27m (BULD0006), 6m @ 2.2g/t gold from 21m (BULD0001), and 2m @ 1.0g/t gold from 46m and 2m @ 1.5g/t gold from 65m (BULD0002). Refer to ASX release dated 16 December 2016.



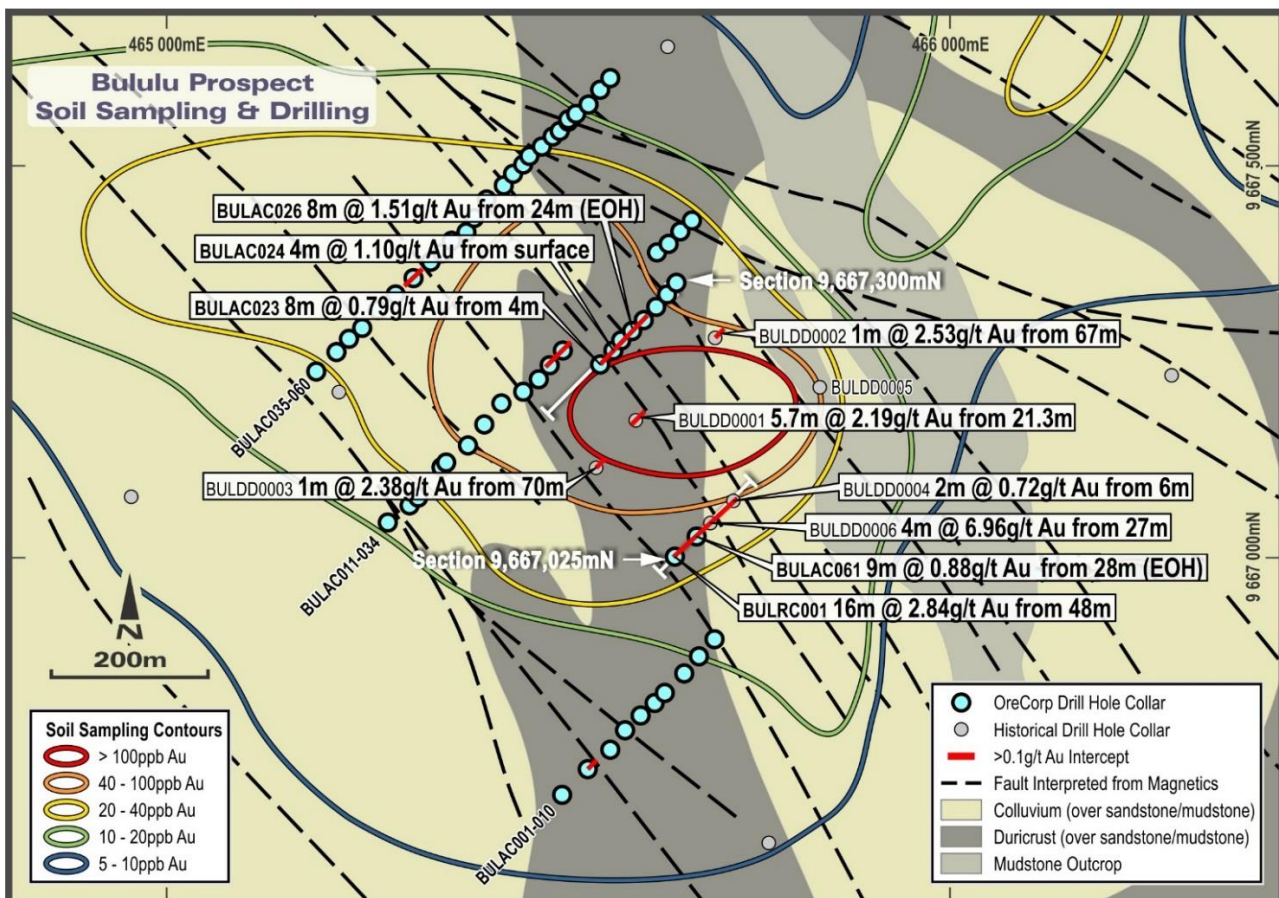
**Figure 2: Bululu Prospect Location Plan with 2016 Regional Soil Sampling**

A total of 61 angled aircore holes and 1 reverse circulation hole were drilled on four northeast-southwest orientated sections covering 600m of strike and up to 120m down-dip (total program 3,026 metres).

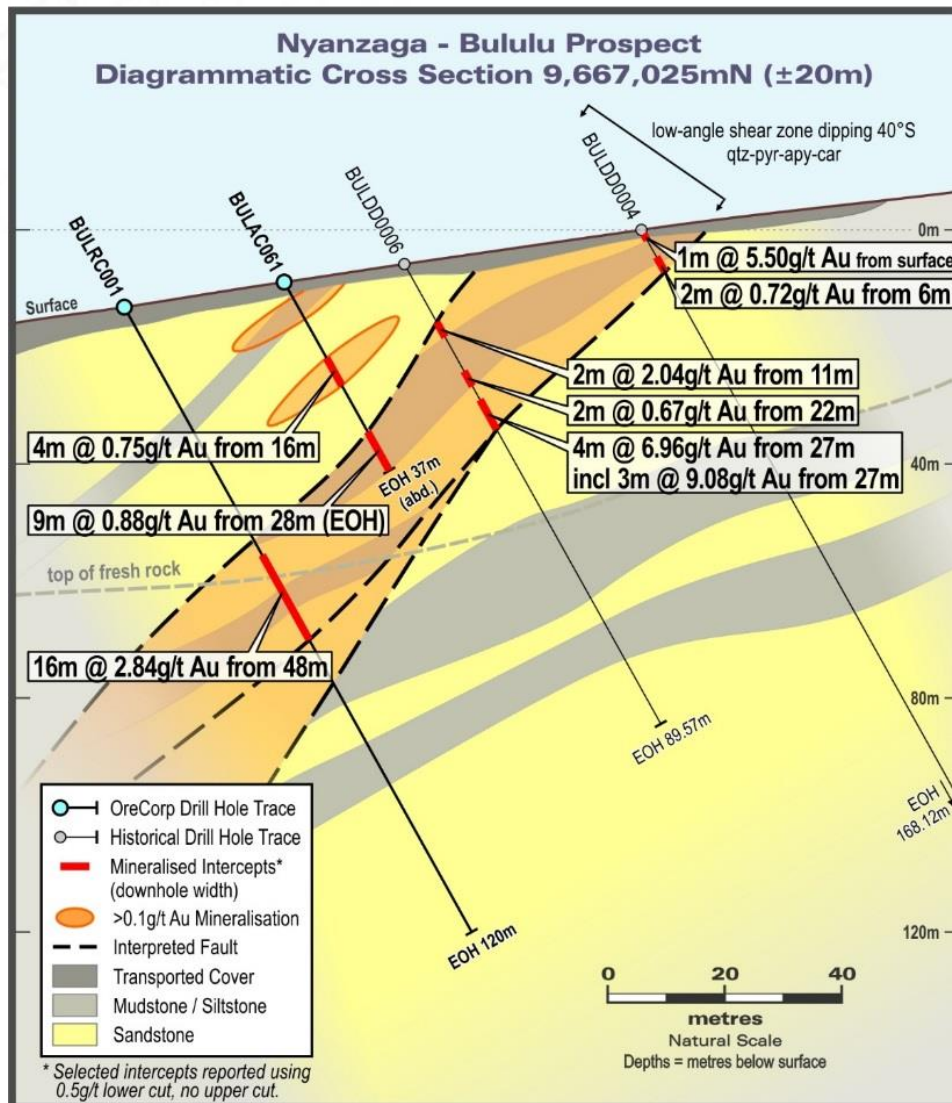
Two holes, BULAC061 and BULRC001 were drilled on the section of the historical diamond holes BULDD004 and BULDD006. Holes BULAC001-060 were drilled on three section lines to test both across and along the corridor (**Figure 3**).

The drilling intersected significant gold mineralisation at shallow depths over broad widths. The highlights of the drilling are as follows:

- Gold mineralisation identified from surface and at shallow depths;
- Drill intercepts up to 16m down hole width, with a peak gold value of 5.35g/t gold;
- Mineralisation confirmed over a 250m strike length within a shallowly dipping shear zone, and open to the south-west on section;
- Better drill intercepts include:
  - BULRC001 - 16m @ 2.84g/t gold from 48m, including 8m @ 4.01 g/t gold from 56m (**Figure 4**)
  - BULAC026 - 8m @ 1.51g/t gold from 24m
  - BULAC061 - 4m @ 0.75 g/t gold from 16m and 9m @ 0.88 g/t gold from 28m to the end of hole (**Figure 4**)
  - BULAC024 - 4m @ 1.10 g/t gold from surface
  - BULAC023 - 8m @ 0.79g/t gold from 4m;
- Extends mineralisation 80m down-dip of historical diamond drilling intercepts in BULDD006 and is still open; and
- Supports the Company strategy of targeting shallow high grade mineralisation proximal to Nyanzaga.



**Figure 3: Bululu Prospect – Soil Geochemistry and Drilling Completed (Current Program Holes in blue)**



**Figure 4: Bululu Prospect – Section 9,667,025mN**

### Regional Soil Sampling Results

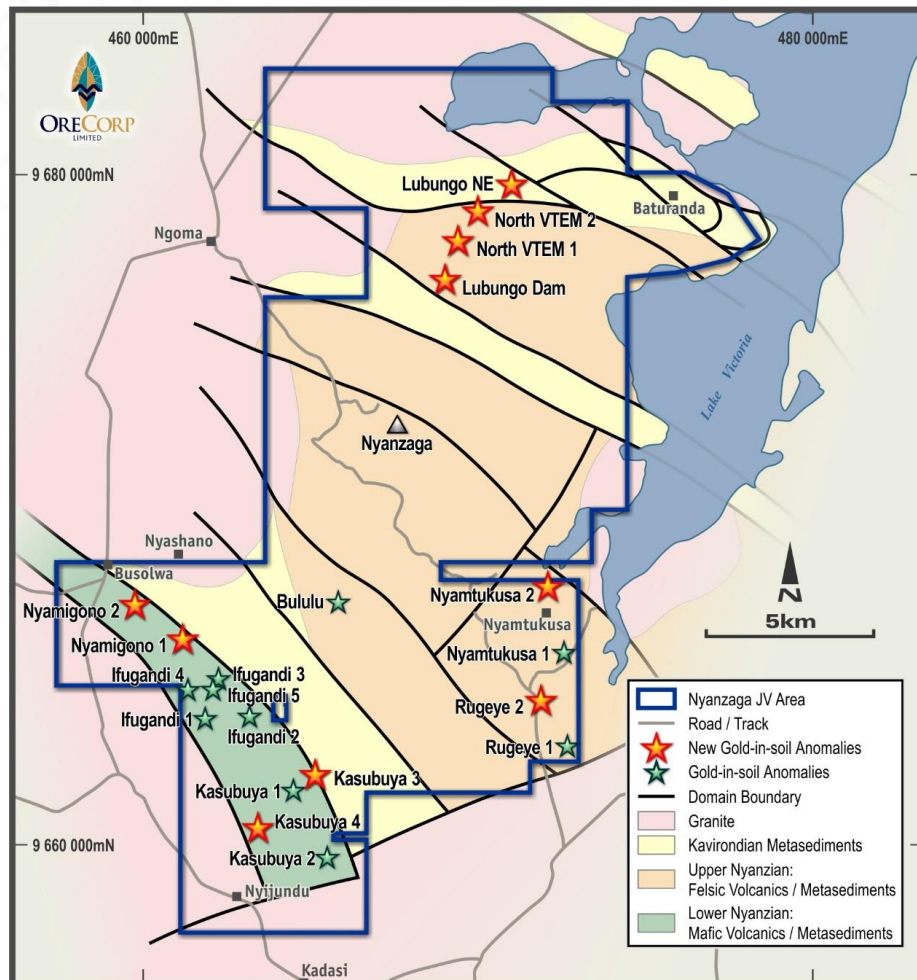
During 2016 OreCorp completed a regional soil sampling program collecting a total of 8,836 soils (including QAQC samples). The sampling aimed to infill existing anomalism and provide coverage over otherwise unsampled areas within the Project (refer to ASX release dated 20 January 2017).

Highlights from the program include:

- Twenty distinct gold-in-soil anomalies delineated in the Project area, including ten previously undefined anomalies (**Figure 5**);
- Peak gold-in-soil value of 4.96 g/t gold recorded;
- Six anomalies identified have strike extents of greater than 1km long at gold-in-soil values of greater than 20ppb; and
- The Nyamigono-Ifugandi-Kasubuya trend in the southwest of the Project has continuous gold-in-soil anomalism confirmed over 10km of strike.

This is an encouraging set of prospects, which OreCorp will rank and prioritise for drill testing in the 2017 dry season.





**Figure 5: Nyanzaga Soil Sampling Results**

### Future Work

The Company is focussed on concluding the PFS in Q1 2017, with the aim of immediately progressing to the DFS. This will be complemented with infill RC and diamond drilling for a further revision of the current MRE.

As part of the feasibility studies, geotechnical and hydrogeological drilling will be completed. The sterilisation drilling will be concluded in H1 2017, to confirm the positions of critical surface infrastructure. The company will also complete the wet season environmental work ahead of lodging the ESIA report in H1 2017.

Regional exploration will continue with a view to delineating and refining targets for drill testing in 2017. Stakeholder engagement will continue throughout the coming months as the Company advances toward the lodgement of the Special Mining Licence Application.

### MAURITANIA

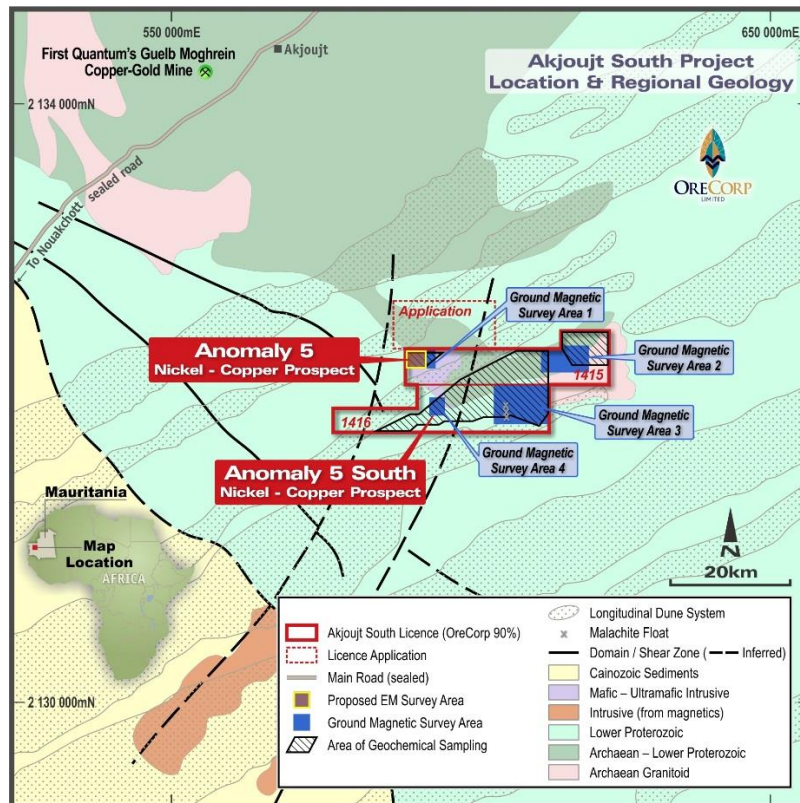
#### Akjoujt South Project (Nickel - Copper: 90% interest in Licences 1415 & 1416, granted)

The Akjoujt South Project comprises two licences (1415 and 1416) and covers 460km<sup>2</sup>. The licences were renewed for a period of three years, effective from July 2015. An application has been lodged covering 136km<sup>2</sup> immediately to the north of licence 1415 and Anomaly 5 (**Figure 6**).

Anomaly 5 was identified in a regional soil sampling program which generated an anomalous soil sample of 0.26% nickel and 0.23% copper. The anomalism is associated with an intrusive body and alteration assemblage.

Subsequent mapping, infill sampling and trenching, an Induced Polarisation/resistivity (IP/res) survey, and diamond drilling identified a significant zone of anomalism approximately 1.6km long.

Work during the quarter included regional soil geochemical sampling, geological mapping, trenching (ASPTR010 – ASPTR021 for 2,806m), and a further three ground magnetic surveys (Survey Areas 2-4). Refer to Appendix 1 and 2 for further information.



**Figure 6: Akjoujt South Project – Geology and Geochemistry with Geophysical Survey Areas**

### Soil Geochemistry

Multi-element analyses on soil samples taken at nominal 800 x 800m and infill 400 x 200m over the remaining covered portions of the project area not covered by dunes was completed. A subsequent infill soil sampling did not define any significant anomalism.

### Geological Mapping

Mapping of the aeromagnetic targets indicated the magnetic anomalies are related to haematite-magnetite-quartzite lenses; or localised quartz-haematite breccias. The magnetic highs are generally not coincident spatially with the outcrops and appear to represent blind, plunging haematite-magnetite-quartzite lenses.



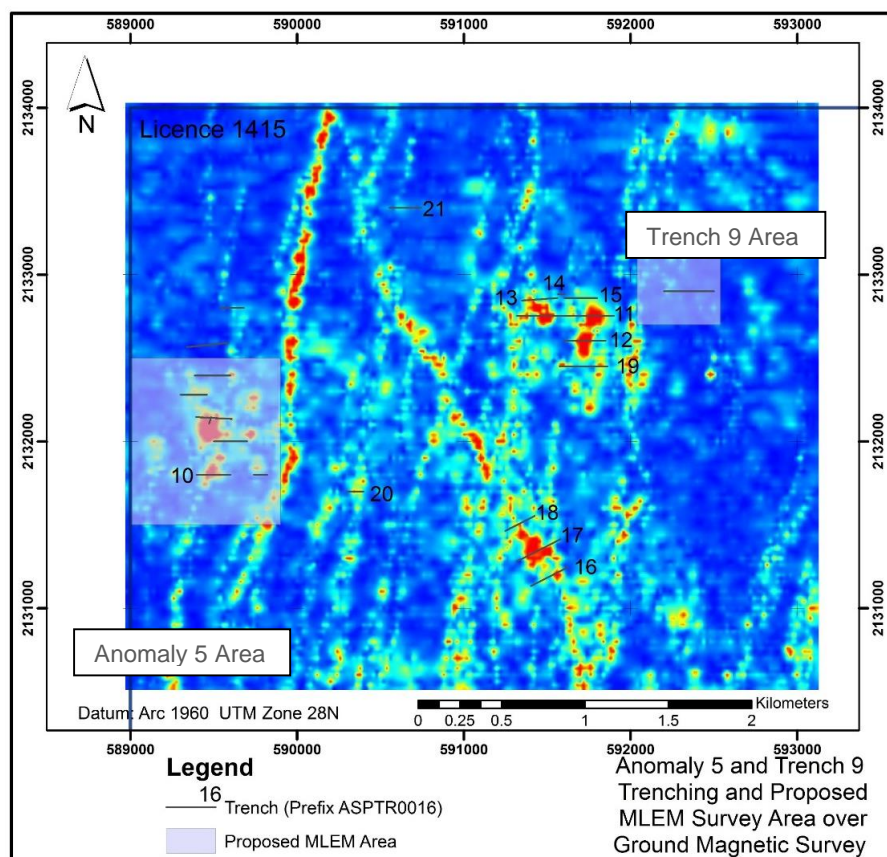
## Geophysics

Ground magnetic surveys were completed over the western portion of licences 1415 (Survey Area 2) and 1416 (Survey Area 3), and at Anomaly 5 South (Survey Area 4).

At Survey Areas 2 & 3, magnetic anomalies identified are largely covered by a veneer of colluvium and alluvium, but are interpreted to be associated with haematite-magnetite-quartzite lenses. The survey at Anomaly 5 South confirmed the presence of a magnetic anomaly correlating to an ultramafic/mafic unit, however soil values in these three areas of magnetic anomalism are very subdued or erratic and indicate a low potential of mineralisation at or near surface.

## Trenching

A program of trenching, targeting the two main magnetic targets and two minor co-incident magnetic/geochemical anomalies generated from the initial ground magnetic survey (Survey Area 1) was undertaken. A total of 12 trenches (ASPTR010 – ASPTR021) for 2,806m and the analysis of 320 samples (including QA/QC) were completed (**Figure 7 and Appendix 1**). The results were disappointing.



**Figure 7: Akjoujt South Project – Trench Locations and Geophysical Survey Areas, Anomaly 5 and Trench 9 Prospects**

## Future Work

A moving loop EM (**MLEM**) ground survey utilising a 200m x 200m transmitter loop, and two downhole EM (**DHEM**) surveys, will commence in Q1 2017. The survey will cover an area of approximately 900m x 1,000m within the Anomaly 5 Prospect area. If the results from the survey are positive, then further drilling will be considered.

A second MLEM survey, over an area of 500m x 600m, will be positioned over trench 9. This is the eastern most trench shown in **Figure 7**, approximately 3km northeast of Anomaly 5. The Trench 9 MLEM survey area will follow up highly anomalous trench geochemistry results (4m @ 0.44% Ni and 0.24% Cu) which were not replicated in diamond drill hole ASPDD0006.

## CORPORATE AND BUSINESS DEVELOPMENT

### Financial

OreCorp finished the quarter in a strong financial position with approximately A\$12.3m cash and no debt.

### EXPLORATION INTERESTS

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

#### Mining Tenements Held

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Tanzania</b>	PL 9591/2014	Pending Surrender	100%	100%
	PL10911/2016	Granted	100%	100%
	PL10877/2016	Granted	Nil	100%
<b>Mauritania</b>				
<i>Akjoujt South Project</i> <sup>1</sup>	1415B2	Granted	90%	90%
	1416B2	Granted	90%	90%
<b>Australia</b>				
<i>Cheriton's East Project</i> <sup>2</sup>	E77/1223	Granted	100%	100%

#### Notes:

- 1) Licence renewal dates are 30 July 2015, for a period of three years.
- 2) Minimal work was completed on the Cheriton's East Project during the quarter.

#### Mining Tenements Acquired/Disposed

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Acquired</b>				
	PL10877/2016	Granted	Nil	100%
<b>Disposed</b>				
Nil				

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

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b>Tanzania</b> <b>Nyanzaga Project <sup>1</sup></b>	PL 4830/2007	Granted	10%	10%
	PL 4450/2007	Granted	10%	10%
	PL 5069/2008	Granted	10%	10%
	PL 6493/2010	Granted	10%	10%
	PL 6922/2011	Granted	10%	10%
	PL 7129/2011	Granted	10%	10%
	PL 7476/2011	Granted	10%	10%
	PL 8592/2012	Under Renewal	10%	10%
	PL 8635/2012	Under Renewal	10%	10%
	PL 9016/2013	Granted	10%	10%
	PL 9065/2013	Granted	10%	10%
	PL 9236/2013	Granted	10%	10%
	PL 9237/2013	Granted	10%	10%
	PL 9446/2013	Granted	10%	10%
	PL 9656/2014	Granted	10%	10%
	PL 9661/2014	Granted	10%	10%
	PL 9662/2014	Granted	10%	10%
	PL 9663/2014	Granted	10%	10%
	PL 9664/2014	Granted	10%	10%
	PL 9770/2014	Granted	10%	10%
	PL 9919/2014	Granted	10%	10%
	PL 4730/2007	Under extension	6%	6%
	PL 7120/2011	Granted	6%	6%
	PL 7121/2011	Granted	6%	6%
	PL 9673/2011	Granted	10%	10%

**Notes:**

- 1) Pursuant to a whole of company earn-in agreement with Acacia Mining plc, under which the Company has contractual rights to earn beneficial interests in the tenements and, upon completion of a DFS, acquire shares in the direct holding company of the tenements.

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

Project	Licence Number	Status	Interest at beginning of Quarter	Interest at end of Quarter
<b><u>Acquired</u></b>				
Nil				
<b><u>Disposed</u></b>				
Nil				

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



## **ABOUT ORECORP LIMITED**

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

On 22 September 2015, the Company announced that it had entered into a conditional, binding earn-in and JVA to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania. On 10 August 2016, the Company announced an updated JORC MRE of 3.3 million ounces at 3.5 g/t gold for the Nyanzaga Project.

## **JORC 2012 Compliance Statements**

### **Nyanzaga Project Update**

The information in this release relating to the Nyanzaga Project is extracted from the ASX Announcements dated; 20 January 2017 titled 'Encouraging Regional Soil Sampling Gold Results, Nyanzaga Project, Tanzania', 16 December 2016 titled 'Significant Gold Drill Intercepts from Bululu Prospect, Nyanzaga Project, Tanzania' and 10 August 2016 titled 'Scoping Study Confirms Outstanding Potential of Nyanzaga Project & Delivers MRE Upgrade' which are available to view on the Company's website 'orecorp.com.au'.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Announcements referred to above and, in the case of (i) estimates of Mineral Resources, (ii) Metallurgical Testwork and Results, and (iii) Exploration Results in relation to the Nyanzaga Project (Project Results), that all material assumptions and technical parameters underpinning the Project Results in the Announcements referred to above continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the Announcements referred to above.

### **Akjoujt South Project**

The information in this release that relates to "exploration results" for the Akjoujt South Project is based on information compiled or reviewed by Mr Jim Brigden. Mr Brigden is a Consultant and beneficial shareholder of OreCorp Limited and is a member of the Australian Institute of Geoscientists. Mr Brigden has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Brigden consents to the inclusion in this release of the exploration results for the Project in the form and context in which it appears.

## **Forward Looking Statements**

This Report contains statements which may constitute forward-looking information. Such statements are only predictions and are subject to inherent risks, uncertainties and other factors which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors, including but not limited to the risk factors set out in the Scoping Study Results Announcement and OreCorp's prospectus dated 30 January 2013. These documents do not provide an exhaustive list of factors that may affect OreCorp's forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. No representation or warranty, express or implied, is made by the Company that the matters stated in this presentation will be achieved or prove to be correct. Recipients of this presentation must make their own investigations and inquiries regarding all assumptions, risks, uncertainties and contingencies which may affect the future operations of the Company or the Company's securities.

OreCorp disclaims any intent or obligation to update or revise any forward-looking statements whether as a result of new information, estimates or opinions, future events or results or otherwise, unless required to do so by law.

### Cautionary Statements

The Scoping Study referred to in this presentation is based on low accuracy level technical and economic assessments (determined to a nominal accuracy +/-35%), and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the Scoping Study will be realised. 83% of the existing Mineral Resource Estimate (MRE) is in the Indicated and Measured categories, with the balance of 17% classified in the Inferred category. There is a low level of geological confidence associated with Inferred mineral resources and there is no certainty that further exploration work will result in the determination of Indicated or Measured Mineral Resources. Furthermore, there is no certainty that further exploration work will result in the conversion of Indicated and Measured Mineral Resources to Ore Reserves, or that the production target itself will be realised.

The consideration of all JORC modifying factors is well advanced, including mining studies, processing and metallurgical studies, registration of the intent to submit an ESIA with the responsible regulator, environmental baseline studies, key inputs into the application for a Special Mining Licence and other key permits required from the government. The Company believes it has a reasonable basis for providing the forward looking statements in this presentation. In addition, the Company believes that it has a reasonable basis to expect it will be able to fund the development of the Nyanzaga Project with its JV partner (Acacia Mining plc). Please refer to the Scoping Study Results Announcement dated 10 August 2016 for further details.

### APPENDIX 1 - Trench Collar File with Anomalous Intercepts

Trench	Co-ordinates		RL	Direction (°)	Length (m)	From (m)	To (m)	Interval	Ni (ppm)	Cu (ppm)	Fe (%)
	Start point										
	Easting	Northing									
ASPTR0010	589,396	2,131,800	83	90	205						
ASPTR0011	591,319	2,132,753	84	90	581						
ASPTR0012	591,600	2,132,604	81	90	250						
ASPTR0013	591,575	2,132,450	82	90	287						
ASPTR0014	591,349	2,132,845	83	86	213						
ASPTR0015	591,565	2,132,883	82	90	40						
ASPTR0016	591,603	2,132,860	82	90	197						
ASPTR0017	591,318	2,131,281	77	63	294						
ASPTR0018	591,249	2,131,464	79	63	197						
ASPTR0019	591,402	2,131,133	76	63	250						
ASPTR0020	590,298	2,131,700	79	90	101						
ASPTR0021	590,553	2,133,400	82	90	191	170	180	10	203	186	19.55



## APPENDIX 2 – Table 1 Appendix 5A ASX Listing Rules (JORC Code)

Section 1: Sampling Techniques and Data, Akjoujt South Project		
Criteria	Explanation	Comments
<b>Sampling techniques</b>	<p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i></p>	<p><b>Soil Sampling</b> Regional soil samples were taken along widely spaced, regional east to west orientated lines at nominal 0.8 x 0.8km. As part of the sampling procedure 1.0 to 1.5kg of -2mm sieved bulk soil sample was taken between a depth of 10 and 30cm. This sample was later sieved down to a 100 to 150g, -80mesh fraction.</p> <p>Infill soil samples were taken along systematic grids at nominal 0.4 x 0.2km, 0.2 x 0.2km and limited 0.2 x 0.1km triangular grids on east to west orientated lines. As part of the sampling procedure 1.0 to 1.5kg of -2mm sieved bulk soil sample was taken between a depth of 10 and 30cm. This sample is later sieved down to a 100 to 150g, -80mesh fraction.</p> <p><b>Rock Chip and Pit Sampling</b> Between 2.5 to 3kg of grab or continuous composite channel sample was chipped over a 1 to 2m interval, the sample being taken from exposed outcrop.</p> <p><b>Trench Sampling</b> Trench samples were taken over identified areas of alteration coincident with the surface geochemistry and surface geophysics. Between 3.0 to 4.0kg of continuous composite channel sample was chipped over either a 10 or 4m interval, the sample being taken from the lower, cleaned side face of the northern trench wall.</p>
	<p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>Measures taken to ensure representative samples include adherence to a systematic sampling methodology including preferred site selection, site and sample description, sample depth and the routine cleaning of sieve and sampling equipment between each sample site.</p> <p>A system of regular use of appropriate standards, blanks and duplicates are used in all sampling.</p>
	<p><i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p><b>Soil Sampling</b> Standardised field procedures in soil sampling were used to obtain representative samples for precious metal, base metal and multi-element analyses. 100 to 150g soil samples of -80 mesh fractions were pulverised in a low chrome ring mill so that &gt;85% of the sample passes -75 micron. A 30g charge for fire assay of gold and low level, 35 multi-element analyses by an ICP-AES on a 2g charge.</p> <p><b>Rock chip and Trenching Sampling</b> Standardised field procedures in rock chip and pit sampling were used to obtain representative samples for precious metal, base metal and multi-element analyses. 2.5 to 3kg rock chip samples were coarse crushed so that &gt;75% passed &lt;2mm, the sample was then split and pulverised in a low chrome ring mill so that &gt;85% of the sample passes -75 micron. A 30g charge for fire assay of gold and low level, 35 multi-element analyses by an ICP-AES on a 2g charge.</p>

Section 1: Sampling Techniques and Data, Akjoujt South Project		
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	Not applicable.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Not applicable.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not applicable.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not applicable.
<b>Logging</b>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	All trenches were logged in geological intervals on 1m intervals using visual inspection of the trench.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i>	Qualitative logging of lithology, oxidation, sulphide mineralogy, alteration, texture, grain size, vein mineralogy and magnetic susceptibility was carried out.
	<i>The total length and percentage of the relevant intersections logged.</i>	The entire trench was logged.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not applicable.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	Not applicable
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<p><b>Soil Samples</b> All sample preparation was undertaken in Mauritania at ALS Minerals Laboratory Services, Nouakchott. The sample preparation follows industry best practices in sample preparation involving drying, pulverising in low chrome steel bowls so that the entire sample is down to a size where greater than 85% of the sample passes -75 micron fraction size.</p> <p><b>Trench and Rock chip Samples</b> All sample preparation was undertaken in Mauritania at ALS Minerals Laboratory Services, Nouakchott. The sample preparation follows industry best practices in sample preparation involving drying, coarse crushing so that &gt;70% passed &lt;2mm, the sample was then split before being pulverised so that &gt;85% of the sample passes -75 micron fraction size.</p>

## Section 1: Sampling Techniques and Data, Akjoujt South Project

	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p><b>Soil Samples</b> Whole samples were dried, split and then pulverised in a low chrome ring mill so that &gt;85% of the sample passes -75 micron. Systematic blanks, standard and field duplicate quality control samples have been submitted at a nominal frequency of 1 in 20.</p> <p><b>Trench and Rock chip Samples</b> Whole samples were coarse crushed so that &gt;70% passed &lt;2mm, the sample was then split before being pulverised so that &gt;85% of the sample passes -75 micron fraction size. Systematic blanks, standard and field duplicate quality control samples have been submitted at a nominal frequency of 1 in 20.</p>
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	<p><b>Soil Samples</b> Field duplicates were routinely taken from the same sieved fraction collected at the original sample point.</p> <p><b>Trench Samples</b> Field duplicates were routinely taken for 10m composites by collecting duplicate channel samples.</p>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<p><b>Soil Samples</b> Sample sizes in soil range around 1 to 1.5kg. This sample size is appropriate and reflects industry standards.</p> <p><b>Rock Chip Samples</b> Sample sizes ranging between 1.5 to 3.0kg are appropriate to the grain size of the material being sampled</p> <p><b>Trench Samples</b> Sample sizes ranging between 3.0 to 4.0kg are appropriate to the grain size of the material being sampled.</p>
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p><b>Soil Samples</b> All soil samples from Mauritania were dispatched to ALS Minerals Nouakchott for sample preparation. All samples were prepared before the pulp was dispatched to ALS Ireland for analysis. The samples were assayed for gold by Method Au-ICP21, Fire Assay on a 30g charge (LLD of 1ppb gold) and for a 35 element suite of Ag, Al, As, B, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, Hg, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W and Zn by method ME-ICP41, aqua regia ICP-AES package.</p> <p><b>Trench Samples</b> All rock chip and trench samples were assayed similar to the soils with gold by a fire assay method and ICP_AES methodology for the multi-element suites.</p>
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No geophysical instruments were used to determine any element concentrations at this stage in the project.



## Section 1: Sampling Techniques and Data, Akjoujt South Project

	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	The Company implements a standard procedure of QAQC involving alternate appropriate sample medium certified reference standards, company generated blanks and duplicate samples being taken nominally every 1 in 20 sample interval in soils, rock chips and core samples. In addition, laboratory QAQC involves the use of internal laboratory standards and repeats as part of their in-house procedures. Base metal and gold standards values were appropriately selected to reflect the sampling medium and expected levels of detection in each phase of exploration by the company. Standards sachets were acquired from Geostats Pty Ltd, Perth.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Consultants and technical personnel at OreCorp have visually verified the significant intersections in diamond core and results to date from the Project area.
	<i>The use of twinned holes.</i>	Not applicable
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols</i>	Primary data was collected using a set of hardcopy standard Excel templates. The data was subsequently entered into an electronic version of the same templates with look-up codes to ensure standard data entry. The data was regularly sent to Geobase Australia Pty Ltd for validation and compilation into a SQL (Structured Query Language) format on the database server.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made to assay data.
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Soil sample points were located with modern, hand-held Garmin GPS units with the accuracy of +/-5m, which is sufficient accuracy for the compilation and interpretation of results.  Rock chip and Trenches were also located with modern, hand-held Garmin GPS units with the accuracy of +/-5m, which is sufficient accuracy.  Topographic control used existing topographic maps and hand-held Garmin GPS units with the accuracy of +/-5m.  Geophysical survey data were located with either an integrated Novatel GPS unit with an accuracy of +/-0.5m or a hand-held Garmin GPS units with the accuracy of +/-5m.
	<i>Specification of the grid system used.</i>	The grid system is UTM WGS 84 Zone 28N.
	<i>Quality and adequacy of topographic control.</i>	Topographic control is taken from GPS and Government topographic survey data. The Project area relief is almost flat with very little elevation change in the areas drilled or sampled to date.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Data spacing is designed to optimise the most economical coverage but will still identify the target footprint.  Data collection is still at a reconnaissance stage testing geochemical, trench and geophysical targets.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	<b>Soil Sampling</b> Regional soil sampling spacing is wide spaced, but systematic coverage, along with appreciation of the dispersion patterns and overall geological and structural trends, allowed for a degree of geological continuity of the generated, low level geochemical anomalies. The spacing of subsequent infill soil sampling has demonstrated sufficient geological and geochemical continuity.

## Section 1: Sampling Techniques and Data, Akjoujt South Project

		<p><b>Rock chip and Trenching Sampling</b> Trenching to date has been very widely spaced, but has identified correlation between surface geochemistry, mineralisation and alteration within bedrock where exposed.</p>
	<p><i>Whether sample compositing has been applied.</i></p>	<p><b>Soil Sampling</b> No composite soil samples were generated. Soil sampling focused on a strategy of single point sampling on close spaced sample points along lines that were designed to be perpendicular to the stratigraphy and interpreted structural trends in homogenous, largely in situ soils.</p> <p><b>Trenching</b> Sample compositing was applied in the trenching over 10 or 4m intervals.</p>
<p><b>Orientation of data in relation to geological structure</b></p>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p>	<p><b>Soil Sampling</b> Soil samples are as systematic east to west orientated lines across the regional geological and key structural trends minimising orientation bias.</p> <p><b>Geophysical Survey</b> The ground magnetic surveys lines were orientated east to west orientated lines across the regional geological and key structural trends</p> <p><b>Rock Chip Sampling</b> Rock chip samples are taken perpendicularly across the strike of the vein or alteration zone minimising orientation bias.</p> <p><b>Trenching</b> Trenching is at an early, reconnaissance stage on the Project. The orientation of the trenches is variable and was designed to intersect the interpreted geophysical signatures and mineralisation.</p>
	<p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<p>Not applicable</p>
<p><b>Sample security</b></p>	<p><i>The measures taken to ensure sample security.</i></p>	<p>All samples were stored in secured camp buildings or area before being dispatched to the secured Nouakchott office.</p> <p>Samples were dispatched under OreCorp personnel supervision to the ALS Nouakchott laboratory for preparation and subsequently dispatched to ALS laboratories, Ireland.</p>
<p><b>Audits or reviews</b></p>	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<p>No external audit or review of the various soil and trenching sampling techniques has been undertaken. However, the sampling methodology applied to date in the early stages of the Project follow standard industry practices. Where possible, orientation sampling has been undertaken in progressive staged exploration activities by the company.</p> <p>The multi-element database is considered to be of sufficient quality to carry out regional assessments and progressive staged trenching and drilling. A procedure of QAQC involving appropriate standards, duplicates, blanks and also internal laboratory checks were routinely completed</p>

## Section 2 Reporting of Exploration Results, Akjoujt South Project

(Criteria listed in the preceding section also apply to this section.)

Criteria	Explanation	Comments
<b>Mineral tenement and land tenure status</b>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>OreCorp Mauritania has a 90% interest in Licences 1415 and 1416. The Akjoujt South Project area comprises two granted licence areas covering 460km<sup>2</sup> of the Proterozoic Mauritanide Belt in central western Mauritania.</p> <p>The licences are Category Group B2 and are held for 29 elements and groups of elements including gold, antimony, arsenic, barium, bismuth, boron, cadmium, cobalt, copper, fluorite, germanium, indium, lead, magnesium, mercury, molybdenum, nickel, platinum, rare-earth, selenium, silver, strontium, sulphur, tellurium, tin, titanium, tungsten, zinc and zircon.</p>
	<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	There are no known impediments to the licence security.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Key regional data is provided in the Mauritanian government airborne magnetics and radiometrics PRISM data set and regional geological mapping information.</p> <p>Historical exploration drilling was undertaken in the area by SNIM. Mapping was undertaken by the Bureau de Recherche Géologiques et Minières BRGM.</p> <p>Peak Metals and Mining Technology ("Peaks") undertook reconnaissance mapping and regional geochemical sampling over small portions of the current licence areas.</p>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The licences contain prospective geological structures and lithologies which have the potential to host both orogenic shear zone hosted gold, IOCG type deposits and recently identified potential magmatic copper-nickel sulphide mineralisation.</p> <p>The geological setting is within the boundary between the Archaean aged Reguibat Shield and the Proterozoic – Palaeozoic aged Mauritanide Belt.</p> <p>The country rock suites include high grade metamorphic paragneiss and quartzites; orthogneiss with mafic and ultramafic suites and banded iron formation units.</p> <p>The region is in part covered by large areas of longitudinal dune systems.</p>

## Section 2 Reporting of Exploration Results, Akjoujt South Project

(Criteria listed in the preceding section also apply to this section.)

<b>Drill hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul>	<p>All trench starting locations (easting and northing given in UTM WGS 84 Zone 28N, dip and azimuth (magnetic) and total length (m) are given in the tables associated with the release.</p> <p>Elevations have not been quoted. The area trenched is relatively flat with less than 1-2m maximum variation.</p>
	<p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>Not applicable.</p>
<b>Data aggregation methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p>	<p><b>Soil</b> When soil results are reported an indication of the element ranges, maximum values, and weighted mean regional background values are also stated to provide an appreciation of the level of anomalism.</p> <p>A total of 705, -80 mesh fraction multi-element soil samples (excluding QAQC) were collected between October and December 2016 by OCP. Assay results with values ranging from 3 to 155ppm Cu (background mean average 18ppm copper-in-soil), from 3 to 741ppm Ni (background mean average 19ppm nickel-in-soil) and from &lt;1 to 15ppb Au (background mean average 1.6ppb gold-in-soil) were returned.</p> <p><b>Trench</b> A total of 284, 10m and 4m composite trench samples (excluding QAQC) were collected from trenches ASPTR0010 - ASPTR0021 with values ranging from 6 to 186ppm Cu (background mean average 29ppm copper), from 3 to 203ppm Ni (background mean average 28ppm nickel).</p> <p><b>Rock Chip</b> A further 16 rock-chip samples of sporadic, narrow, point samples of outcrop were taken between October and December, 2016 during regional mapping. Values were very low and ranged from 2 to 635 ppm Cu, 4 to 231 ppm Ni and &lt;1 to 70 ppb Au.</p> <p>Higher grade intervals internal to broader mineralised zones are reported as included intervals in the provided table and summary of results.</p>



Section 2 Reporting of Exploration Results, Akjoujt South Project (Criteria listed in the preceding section also apply to this section.)		
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are reported.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Geological interpretation and field mapping suggest that the potential gold and base metal mineralisation along the Akjoujt South area associated with moderate to steeply dipping shears, veining and alteration zones and with felsic volcanic and intermediate volcanic interfaces of varying orientation.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Not applicable
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	Not applicable
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Suitable summary plans have been included in the body of the report.
<b>Balanced reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<p>When soil results are reported an indication of the element ranges, maximum values, and weighted mean regional background values are also stated to provide an appreciation of the level of anomalism.</p> <p>In the case of trench results, all results at the assigned lower cut-offs are given. If no mineralisation is intercepted, then this is also reported.</p>
<b>Other substantive exploration data</b>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<p><b>Airborne Geophysics</b> Use was made of the Mauritanian government Airborne magnetics and radiometrics PRISM data set.</p> <p><b>Geophysical Survey</b> Eight lines of High Resolution Resistivity and IP data (HIRIP) were completed in 2015 by ORR.</p> <p>A total of 1,205 line kilometres of ground magnetics has been completed over 4 areas by ORR in H2,2016. A Geomatic G-859APX portable caesium magnetometer with a Geomatics G-856 proton magnetometer base station. Lines were orientation west to east, with data acquired at 200m line spacing and infill data acquired between 50 to 100m line spacing.</p> <p><b>Soil Sampling Orientation and Regional / Infill Programs</b> Initial orientation soil sampling was undertaken that assessed both gold and pathfinder element ranges in -80 mesh, -2mm, +2-5mm, &gt;5mm and LAG sampling medium. The work indicated very low orders of gold anomalism.</p> <p>A total of 1195 regional and infill soil samples have been collected by OreCorp comprising regional samples at nominal 0.8 x 0.4</p>

## Section 2 Reporting of Exploration Results, Akjoujt South Project

(Criteria listed in the preceding section also apply to this section.)

		<p>spacing down to 0.4 x 0.2km and in places 0.2 x 0.1km testing mapped alteration zones and lithological contacts.</p> <p>Assaying returned results ranging from 3 to 2,340ppm Cu (background mean average 21ppm copper-in-soil) and from 3 to 2,550ppm Ni (background mean average 23ppm nickel-in-soil) and from &lt;1 to 50ppb Au (background mean average 1.7 ppb gold-in-soil).</p> <p><b>Trenching</b> A total of 21 trenches for 4,406m have been completed within the Project Area. The results returned values of 2ppm to 3670ppm (0.37%) copper and 3ppm to 5020ppm (0.50%) nickel.</p> <p><b>Pit Sampling</b> A total of 63 pit samples (excluding QAQC) were taken with values ranging from 1 to 270ppm Cu (background mean average 41ppm copper-in-soil) and from 2 to 463ppm Ni (background mean average 55ppm nickel-in-soil) from &lt;1 to 4ppb Au (background mean average 0.5ppb gold-in-soil).</p> <p><b>Rock Chip</b> A total of 22 rock chip samples (excluding QAQC) were taken with values ranging from 2 to 2010 ppm Cu; 5 to 1,990ppm Ni; and from &lt;1 to 70ppb Au.</p> <p><b>Petrology</b> A total of 4 samples of mineralised and altered core were taken for petrology description.</p> <p><b>Diamond Drilling</b> An initial reconnaissance diamond drill programme was completed with a total of 6 DD holes for 1040.4 metres of diamond core.</p> <p>Drill intersection results from the drilling included;          ASPDD002- 31m @ 0.31% Ni and 0.21% Cu from 11m; and 9m @ 0.21% Ni and 0.10% Cu from 94m          ASPDD003 - 13m @ 0.35% Ni and 0.24% Cu from 2m; and 15m @ 0.58% Ni and 0.40% Cu from 19m (incl. 3m @ 1.28% Ni and 0.29% Cu from 29m)          ASPDD004 - 16.7m @ 0.40% Ni and 0.22% Cu from 16.3m (incl. 1m @ 1.05% Ni and 0.23% Cu from 31m)          ASPDD005- 4.7m @ 0.39% Ni and 0.20% Cu from 116.8m (incl. 0.70m @ 1.00% Ni and 0.15% Cu from 116.8m)</p>
<b>Further work</b>	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling)</i>	Additional detailed geological mapping, geophysical test work and phased drilling are being considered.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	These are included in the body of the report.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

ORECORP LIMITED

### ABN

24 147 917 299

### Quarter ended ("current quarter")

31 Dec 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(2,313)	(3,682)
(b) development	-	-
(c) production	-	-
(d) staff costs	(147)	(358)
(e) administration and corporate costs	(169)	(448)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	48	95
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	(2)	(8)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,583)</b>	<b>(4,401)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(21)	(73)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(21)</b>	<b>(73)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	15,152	17,270
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,583)	(4,401)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(21)	(73)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(219)	(467)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>12,329</b>	<b>12,329</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	459	547
5.2 Call deposits	2,628	3,069
5.3 Bank overdrafts	-	-
5.4 Other – Term Deposits	9,242	11,536
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>12,329</b>	<b>15,152</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

141

Nil

Payments include non-executive directors' fees and the managing director's salary.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

Nil

Nil

## Mining exploration entity and oil and gas exploration entity quarterly report

8.	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities	Nil	-
8.2	Credit standby arrangements	Nil	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation	(2,745)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(155)
9.5	Administration and corporate costs	(180)
9.6	Other (provide details if material)	
9.7	<b>Total estimated cash outflows</b>	<b>(3,080)</b>

10.	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	<b>Tanzania:</b> <b>Nyanzaga Project</b> - PL10877/2016	Wholly owned	Nil	100%

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: *By Electronic Lodgment*  
(~~Director~~/Company secretary)

Date: 30 January 2017

Print name: Luke Watson

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.