ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

September 2016 Quarterly Report

OreCorp Limited (**OreCorp** or the **Company**) is pleased to present its quarterly report for the period ended 30 September 2016.

Tanzania – Nyanzaga Gold Project

- In August 2016, the scoping study (**Scoping Study** or **Study**) for the Nyanzaga Project (**Nyanzaga** or **Project**) was completed. Highlights from the Study included:
  - Study indicates outstanding potential, expected to deliver a project with average gold production of 220koz per annum for the first five years of full production
  - Life of mine (**LOM**) average production is expected to be 182koz per annum over 13 years for a total of ~2.4Moz
  - Average Cash Cost estimated to be US$756/oz and All-in Sustaining Cost (**AISC**) of US$798/oz over LOM
  - Pre-production capital costs including all associated project infrastructure expected to be $248M (inclusive of contingency)
  - Updated Mineral Resource Estimate (**MRE**) of 29.8Mt @ 3.5g/t gold for 3.34Moz gold, an increase of 566koz (~19%) compared to the Maiden JORC 2012 MRE released 31 March 2016
  - The MRE averages approximately 4,200 ounces per vertical metre
  - An initial open pit mine is expected to deliver approximately 1.2Moz of gold over its five year mine life
  - A transition to an underground mine from year four onwards at a steady state of 1.1Mtpa, for a total period of nine years is expected to deliver a further 1.2Moz of gold
  - Average LOM open pit strip ratio (unmineralised:mineralised) of 2.5:1 (based on low grade mineralised material included in mineralised material)
  - Base Case 4Mtpa Carbon in Leach (**CIL**) processing plant with gold recoveries forecast to average ~85% over the LOM
  - Scoping Study optimised at US$1,250/oz gold price
- The Pre-Feasibility Study (**PFS**) commenced immediately following the conclusion of the Scoping Study
- OreCorp expects the PFS will be completed during Q1 2017 and anticipates that thereafter it will immediately progress to a Definitive Feasibility Study (**DFS**)
- Regional exploration drilling has commenced at Bululu, six kilometres south of Nyanzaga, to follow-up shallow high grade gold mineralisation from historical drilling
- Sterilisation drilling has commenced and infill RC and diamond drilling is anticipated to start in the December quarter

Mauritania – Akjoujt South Project

- Assays were returned from the reconnaissance diamond drilling program at Anomaly 5, with five of six holes intersecting zones of disseminated and breccia-fill sulphide mineralisation

ORECORP LIMITED

ASX RELEASE:
28 October 2016

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.

- Drill intercepts are up to 31m down hole width, with peak nickel and copper values of 1.34% and 1.29% respectively
- Petrology has confirmed a nickel-copper sulphide style of mineralisation
- Follow-up work which includes mapping, soil sampling, trenching and ground magnetics has commenced. A ground based electromagnetic (**EM**) survey is planned to start in the December quarter ahead of further drilling

Corporate

- OreCorp finished the quarter with approximately $15.1m cash and no debt

For further information please contact:
Matthew Yates
+61 (8) 9381 9997
CEO & Managing Director

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 agreement (**JVA**) to earn up to a 51% interest in the Nyanzaga Project in the Lake Victoria Goldfields of Tanzania.

The Lake Victoria Goldfields host an exceptional endowment of gold mineralisation, with four operating gold mines that collectively produced >1.2Mozs in 2015 and host >45 Mozs of gold in Measured and Indicated Resources (***Figure 1***). Tanzania is the third largest gold producer in Africa (*www.gold.org*) with an internationally respected mining industry, a Mining Act revised in 2010 and English language based commerce.

The Nyanzaga Project comprises 27 contiguous Prospecting Licences (including one renewal application and one new application) covering a combined area of 271km^2. In addition to the Nyanzaga deposit, there are a number of other exploration prospects within the JV tenements.

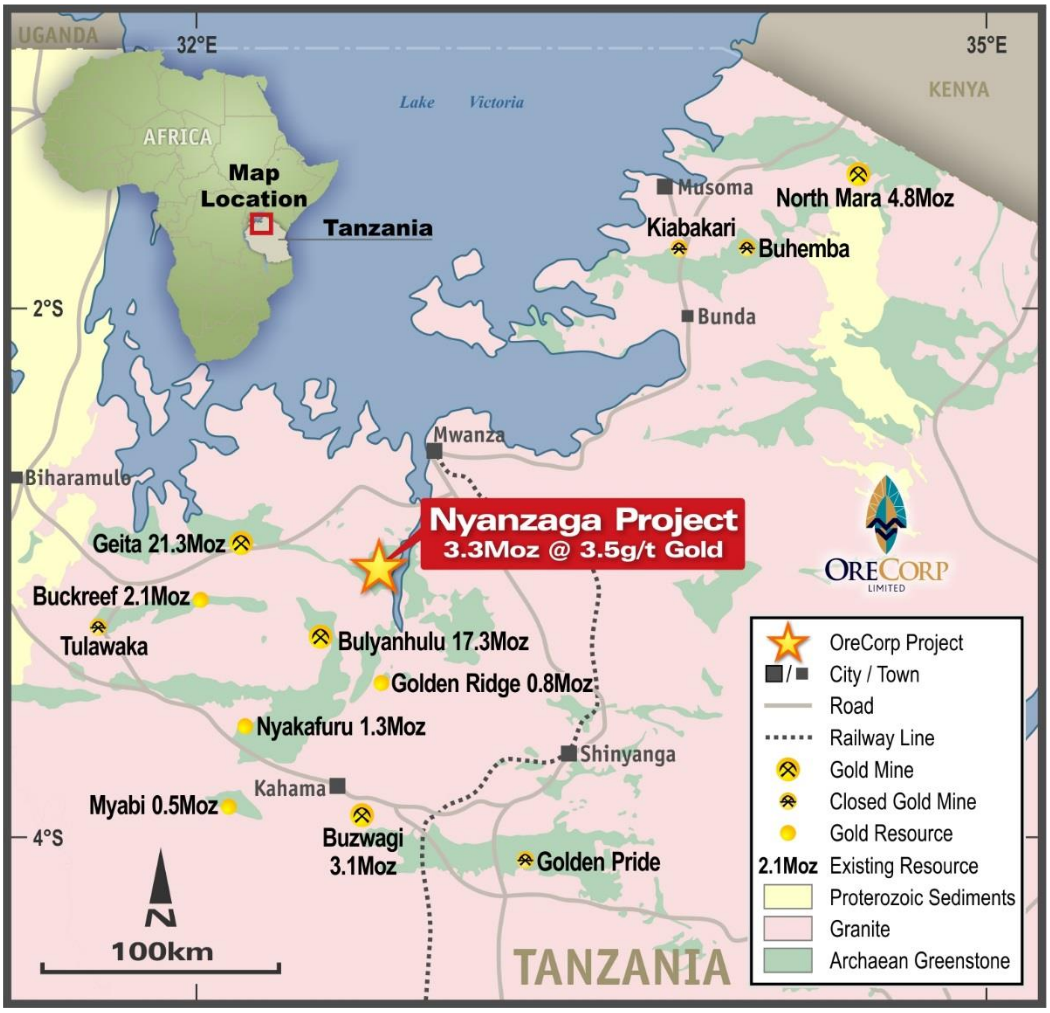

Figure 1: Lake Victoria Goldfields, Tanzania – Existing Resources

Scoping Study and Updated JORC MRE

The Scoping Study commenced in April 2016 following the completion of the maiden JORC MRE. The Study was completed in August and confirmed the outstanding potential of the Project. Refer to the ASX Announcement dated 10 August 2016 entitled "Scoping Study Confirms Outstanding Potential of Nyanzaga Project & Delivers MRE Upgrade" for details of the results of the Study.

The Scoping Study, led by Lycopodium Minerals Pty Ltd (ASX: LYL; Lycopodium) of Perth, Western Australia, examined all facets of geology, mining, processing and supporting infrastructure at a US$1,250/oz gold price.

The Study identified the opportunity to incorporate lower grade mineralisation not included in the JORC 2012 MRE released on 31 March 2016. This lower grade mineralisation is included in an updated MRE estimated at 29.8Mt at 3.5g/t gold for 3.3Moz gold, an increase of 566koz (~19%) see Table 1 below.

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

OreCorp Limited – Nyanzaga Gold Project – Tanzania Mineral Resource Estimate (MRE) as at 10 August, 2016			
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	2.93	3.77	0.356
Indicated	21.77	3.45	2.416
Sub-Total M & I	**24.70**	**3.49**	**2.772**
Inferred	5.10	3.49	0.572
Total	**29.80**	**3.49**	**3.344**
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with subcell block modelling. Gold grade estimated using Ordinary Kriging using a 10 x 10 x 10m estimation panel and Uniform Conditioning followed by Localisation to simulate 2.5 x 2.5 x 5m selectivity. Totals may not add up due to appropriate rounding of the MRE			

(Note: Table prepared by CSA)

The Study evaluated the technical and economic viability of both open pit (**OP**) and underground (**UG**) development scenarios. Processing options were considered in the context of various mining scenarios to optimise both throughput capacity utilisation and mineralised feed flexibility to enhance metallurgical outcomes.

The current preferred development option is to initially develop Nyanzaga as a 4Mtpa OP operation (Phase 1), transitioning in year four into an OP/UG operation (Phase 2). The Project is expected to deliver average annual gold production of 182koz over a 13 year LOM, peaking at 246koz in year five and totalling ~2.4Moz over the LOM. The first five years of full production are expected to average ~220koz pa. The AISC is estimated to be US$798/oz over the LOM.

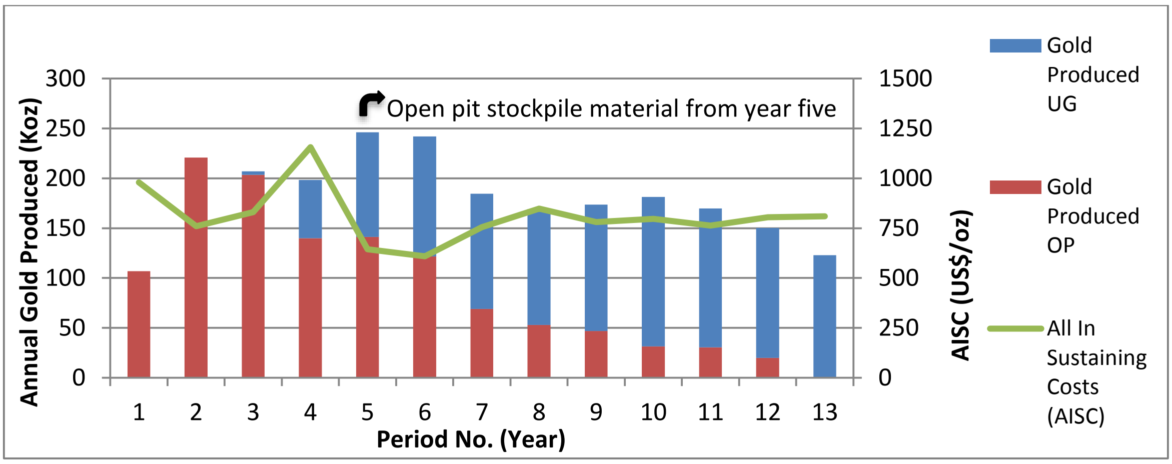

Figure 2: Gold Production by Source versus Unit Cost (AISC)

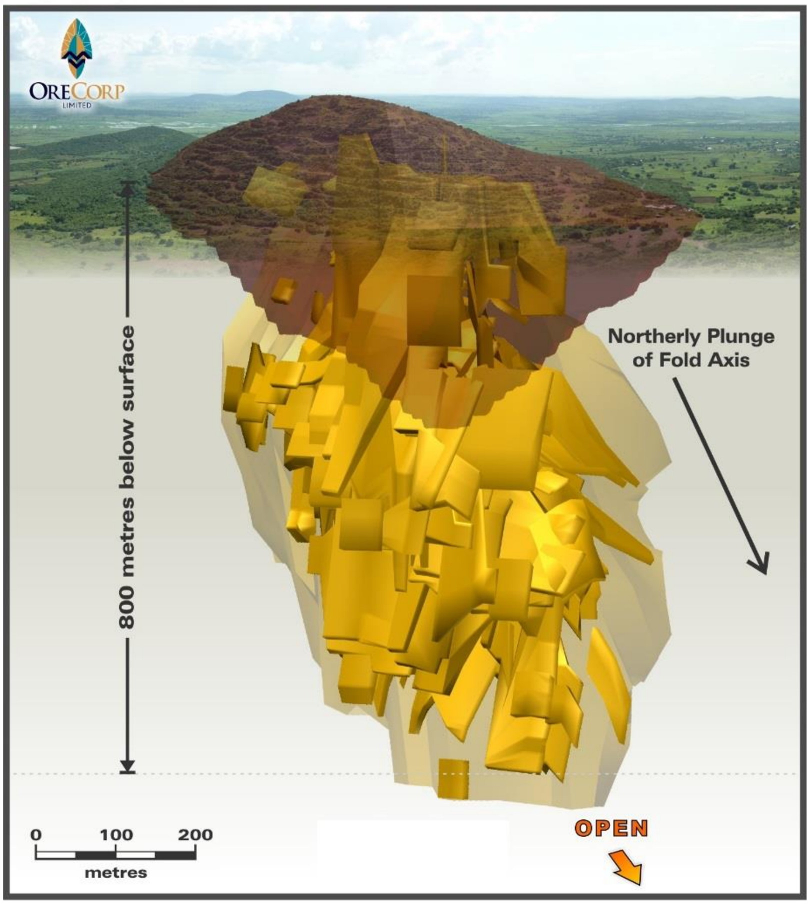

Figure 3: Nyanzaga MRE Model with Conceptual Pit

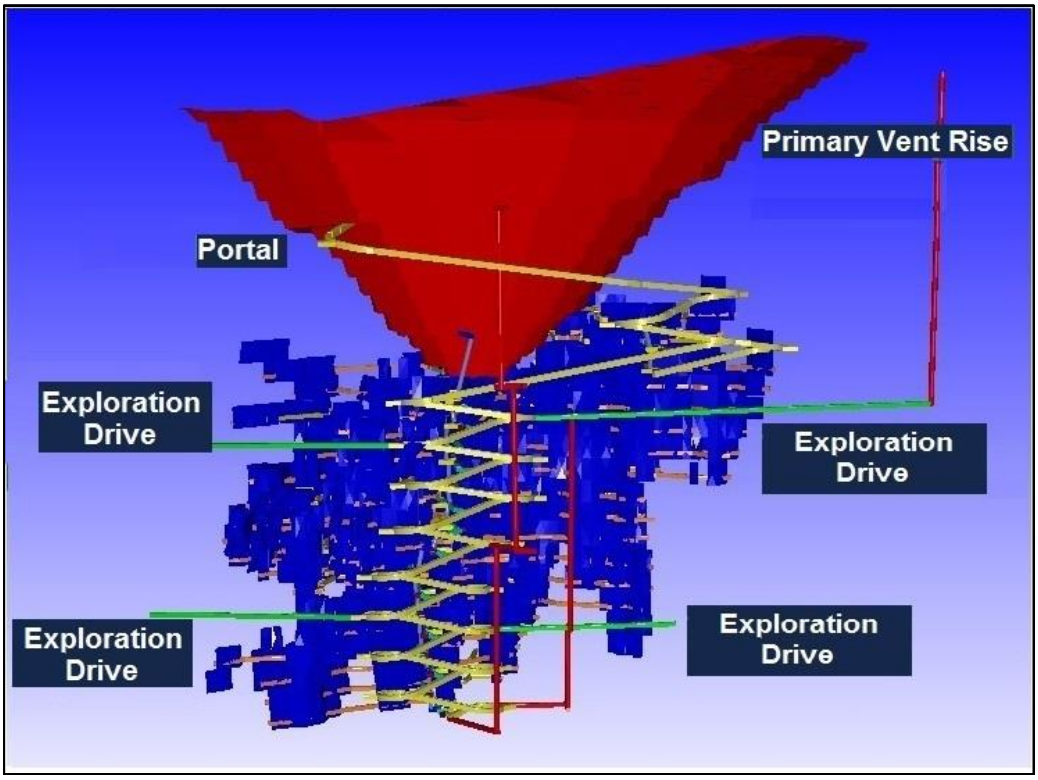

Figure 4: Concept of UG Operation with Exploration Drives, Stopes and Vent Rises

The process facility is based on a conventional flow sheet design of a semi-autogenous mill/ball mill configuration (**SABC**) comminution circuit, gravity recovery and CIL processes, utilising proven technology that has been used globally for many years.

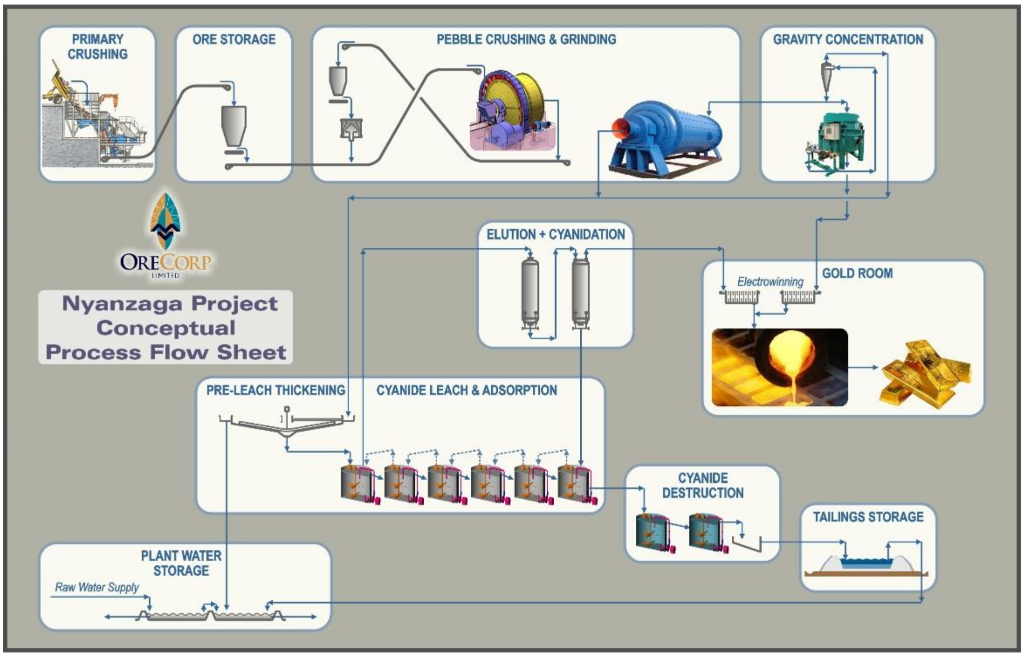

Figure 5: Conceptual Process Flow Sheet

Capital costs (determined to a nominal accuracy of +/-35%) for the process plant and associated project infrastructure are estimated at US$248M and include a US$43M contingency (***Table 2***). This does not include a mining fleet as the Study is based on a contractor mining scenario for both OP and UG.

Capital Costs (+/- 35%)	US$M	%
Mine Pre-strip & Pre-production	14	6
Process Plant	65	26
Reagents & Plant Services	8	3
Infrastructure	56	23
Mine Admin Building	1	<1
Contractor & Construction Services	12	5
Subtotal	***156***	
Management Costs	15	6
Owners Project Costs	30	12
General Working Capital	4	2
Subtotal	***49***	
Contingency	43	21
Project Total	**248**	

Table 2 - Summary of Capital Costs (+/- 35% nominal accuracy)

UG development will commence in year three and generate mineralised material from year four. From year five, the UG mine will achieve a steady state of 1.1Mtpa for a total period of nine years. The Scoping Study indicates that the capital costs associated with the UG may be funded from cash flow generated by the OP operation. Initial UG development capital is expected to be approximately US$18M, while ongoing UG development capital is estimated at US$16M pa. All UG development expenditure is included in the All-in Cost (**AIC**).

The key operating assumptions and financial outcomes of the Scoping Study are set out in ***Table 3*** below. All costs are in US$ and no exchange rate assumptions have been made.

Parameter	Value
Development period (Months)	18
Mine life (Years)	13
Total Mill Throughput (Mt) LOM includes low grade material	46.7
Measured & Indicated Resources	83%
Inferred Resources	17%
Annual throughput (Mtpa)	4
Strip ratio (life of pit)	2.5:1
Steady state underground mining rate (Mtpa)	1.1
Average OP direct feed mineralised material grade mined (g/t gold)	1.8#
Average UG mineralised diluted grade mined (g/t gold)	3.7
Average mill feed grade LOM (g/t gold)	1.9
Gold recovery	85%
Production (Average LOM gold koz pa)	182
Open pit mining costs (US$/t material moved)	3.40
Underground mining costs (US$/t)	52
Processing cost (US$/t milled)	10.60
Power cost (US$/kWh)	0.12
General and admin (US$/t milled)	2.30
Upfront Project capital (including US$43M contingency, US$M)	248
Year three UG development capital (US$M)	18
Sustaining capital – Above Ground (US$M pa)	7.7
Average life of UG Development capital (US$M pa)	16
Corporate tax and royalty rates	30% and 4%
Average Cash Cost (US$/oz)	756
AISC* LOM average (US$/oz)	798
AIC* (All-in Cost) LOM average (US$/oz)	874
Gold Price (US$/oz)	1,250

 # excluding low grade mineralised material

** AISC and AIC as per as per World Gold Council definitions*

Table 3: Scoping Study Parameters

Regional Targets & Prospectivity

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

During the quarter, an extensive soil sampling program was concluded (***Figure 6***). The results of this program will be integrated with regional mapping and the aeromagnetic interpretation to refine targets for potential future drill testing.

Exploration drilling has commenced at Bululu, approximately six kilometres south of Nyanzaga. Historical work 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).

The drilling is currently planned on three lines to test along strike and down dip extensions to this mineralisation.

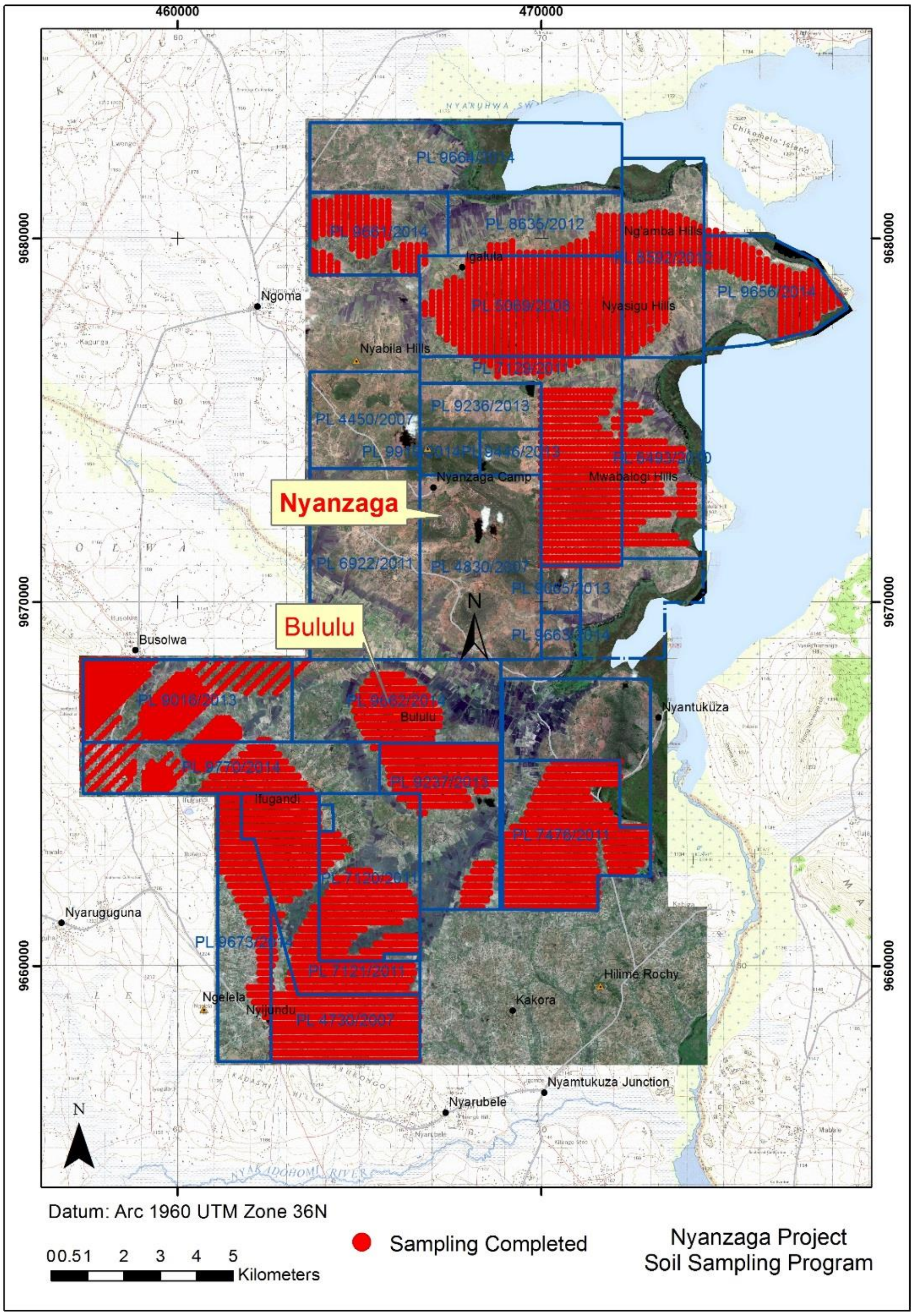

Figure 6: Nyanzaga Soil Sampling – Completed Samples

Future Work

A PFS has commenced focusing on optimisation of OP and UG mining and the process flow sheet to enhance gold recovery through optimisation of the comminution, gravity gold, leach and elution circuits. The PFS will also provide additional definition to the Projects' infrastructure requirements such as power, water supply and logistics. The Company expects the PFS will be completed during Q1 2017 and anticipates that thereafter it will immediately progress to a DFS.

OreCorp believes there is potential to enhance the Project economics by:

- Optimising OP and UG mine designs;
- Assessing contractor vs owner operator mining fleet;
- Optimising metallurgical recovery through the various PFS testwork studies; and
- Examining the consumption rates of reagents, their transport and potential recovery to reduce operating costs.

Infill and sterilisation and drilling programs commenced in the quarter. These are being undertaken with the objective of:

- Upgrading portions of the MRE potentially mineable by OP methods in the first three years of mine life to predominantly Measured category;
- Supporting the metallurgical and comminution testwork program; and
- Sterilisation drilling to confirm plant, associated infrastructure, waste dump and Tailings Storage Facility (**TSF**) locations.

The Company believes that the positive results of the Scoping Study for Nyanzaga underpin the Company's strategy of focusing on near-term production and generating an early cash flow, and further demonstrate the potential of the Project to deliver significant returns for shareholders from a substantial, low cost gold operation.

Regional work will continue with a view to identifying higher grade mineralisation proximal to Nyanzaga.

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 460 km^2. The licences were renewed for a period of three years, effective from July 2015. An application has been lodged covering the 136 km^2 immediately to the north of licence 1415 and Anomaly 5.

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 defined a zone of geochemical anomalism approximately 1.6km long. Trenching across this anomalism has intersected mineralised intervals of up to 160m in width of 0.24% nickel and 0.21% copper. Further mineralisation has been identified in Trench 9, three kilometres to the east.

Geophysical surveys including Induced Polarisation (**IP**) and ground magnetics have been completed and have revealed significant chargeability, conductivity and magnetic anomalies coincident with the previously identified nickel-copper geochemical anomalism (***Figure 7***).

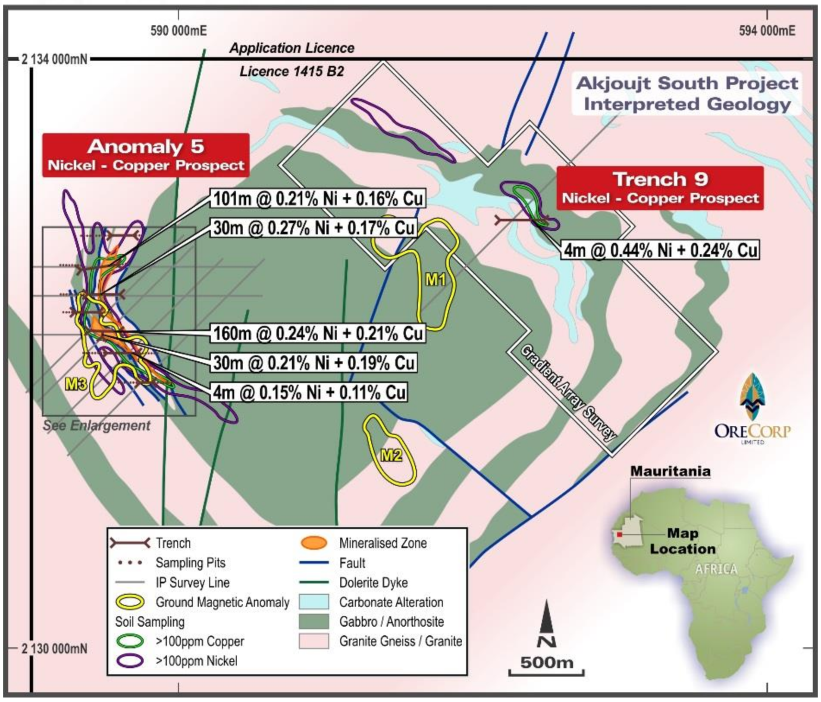

Figure 7: Akjoujt South Project - Geology and Geochemistry with Geophysical Survey Areas and Ground Magnetic Anomalies

Diamond Drilling

A reconnaissance diamond drill program consisting of five angled holes at Anomaly 5 and one angled hole at Trench 9 for a total of 1,040m of drilling was completed and assays returned during the current quarter (***Figure 8***).

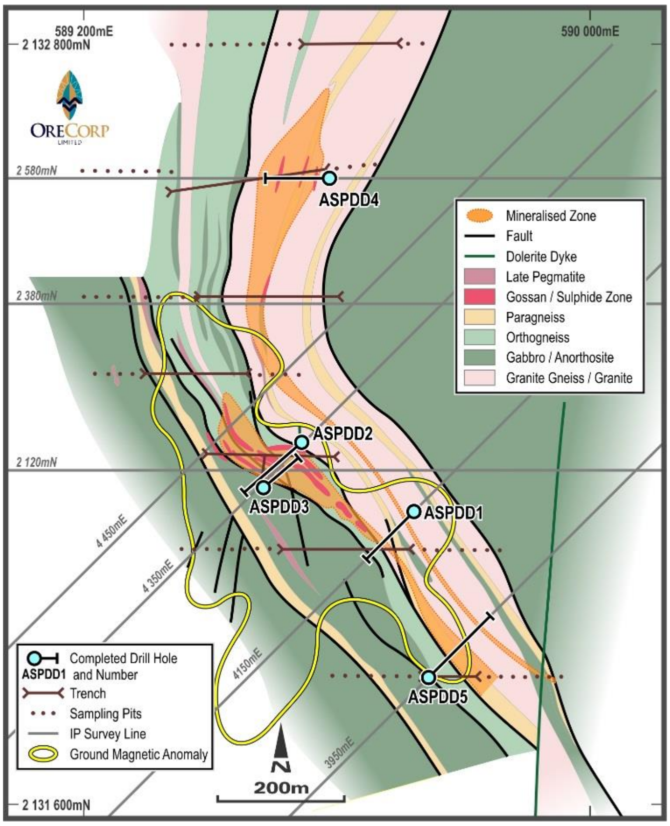

Figure 8: Anomaly 5 Prospect – Geology and Geochemistry with IP Survey Lines, Ground Magnetic Anomaly and Drill Holes

The drilling defined significant nickel-copper and sympathetic cobalt +/- silver sulphide mineralisation. The mineralisation is hosted within disseminated and semi massive to massive sulphide breccia zones associated with altered gabbro, mafic and orthogneiss country rock (***Figure 9***). The mineralisation comprises breccia and disseminated textured dominant pyrrhotite with pentlandite and chalcopyrite primary mineralisation and overlying gossan and secondary nickel sulphide violarite. Highlights from the program included:

- Nickel-copper mineralisation was intersected from depths as shallow as 2m below surface;
- Drill intercepts were up to 31m down hole width, with peak nickel and copper values of 1.34% and 1.29% respectively;
- Mineralisation was encountered over a total of one kilometre in strike length, comprising a series of sub-parallel gossan/sulphide zones individually up to 350m in strike length;
- Better drill intercepts 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); and
  - 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); and
- Petrology confirmed a nickel-copper sulphide style of mineralisation.

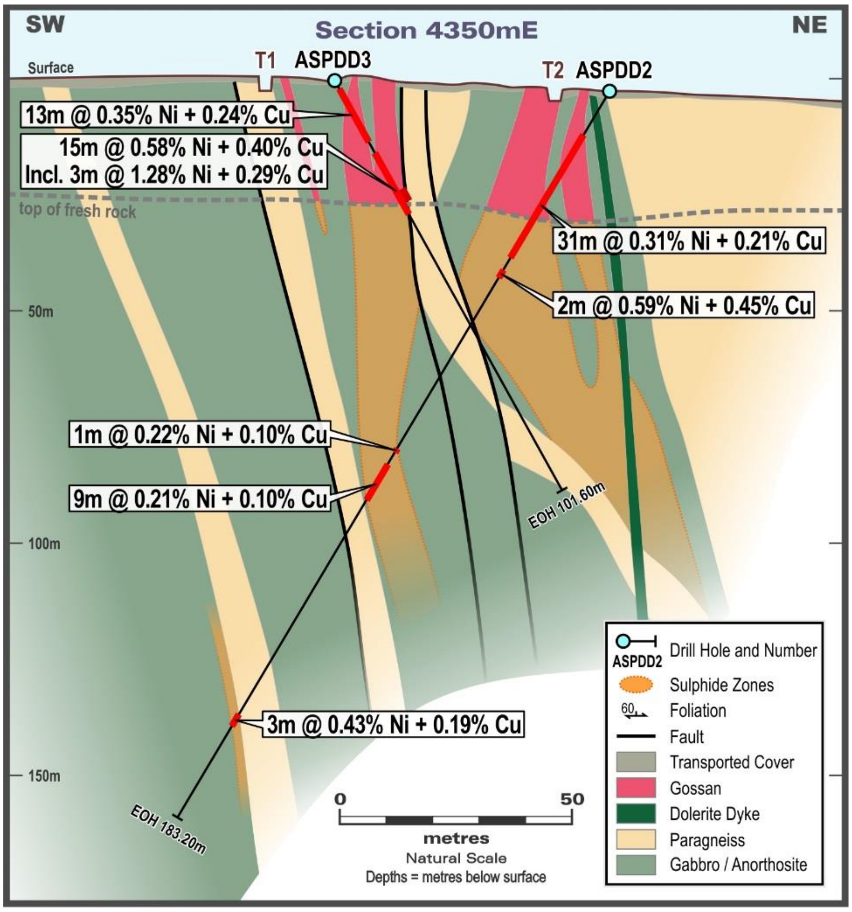

Figure 9: Anomaly 5 Prospect – Drill Section 4350mE

Future Work

Further soil geochemical sampling, trenching and ground magnetics are currently underway. A ground EM survey is planned to commence in the December quarter to identify future drill targets.

CORPORATE AND BUSINESS DEVELOPMENT

Financial

OreCorp finished the quarter in a strong position with approximately A$15.1m cash and no debt.

During the quarter the Company granted 1,300,000 options under the Employee Option Acquisition Plan.

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
Tanzania	PL 9591/2014	Granted	100%	100%
	PL10911/2016	Granted	Nil	100%
Mauritania				
Akjoujt South Project [1]	1415B2	Granted	90%	90%
	1416B2	Granted	90%	90%
Australia				
Cheriton's East Project [2]	E77/1223	Granted	100%	100%

Notes:

1) Licence renewal dates are approximately 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
Acquired				
	PL10911/2016	Granted	Nil	100%
Disposed				
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
Tanzania				
Nyanzaga Project [1]	PL 4830/2007	Granted	5%	10%
	PL 4450/2007	Granted	5%	10%
	PL 5069/2008	Granted	5%	10%
	PL 6493/2010	Granted	5%	10%
	PL 6922/2011	Granted	5%	10%
	PL 7129/2011	Granted	5%	10%
	PL 7476/2011	Granted	5%	10%
	PL 8592/2012	Granted	5%	10%
	PL 8635/2012	Granted	5%	10%
	PL 9016/2013	Granted	5%	10%
	PL 9065/2013	Granted	5%	10%
	PL 9236/2013	Granted	5%	10%
	PL 9237/2013	Granted	5%	10%
	PL 9446/2013	Granted	5%	10%
	PL 9656/2014	Granted	5%	10%
	PL 9661/2014	Granted	5%	10%
	PL 9662/2014	Granted	5%	10%
	PL 9663/2014	Granted	5%	10%
	PL 9664/2014	Granted	5%	10%
	PL 9770/2014	Granted	5%	10%
	PL 9919/2014	Granted	5%	10%
	PL 4730/2007	Under extension	3%	6%
	PL 7120/2011	Granted	3%	6%
	PL 7121/2011	Granted	3%	6%
	PL 9673/2011	Granted	5%	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
Acquired				
Nil				
Disposed				
	PL 6067/2009	Granted	5%	Nil
	PL 9655/2014	Granted	5%	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

The information in this release relating to the Nyanzaga Project is extracted from the ASX Announcement dated 10 August 2016 titled 'Scoping Study Confirms Outstanding Potential of Nyanzaga Project & Delivers MRE Upgrade' which is 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 Scoping Study Results Announcement 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 Scoping Study Results Announcement 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 Scoping Study Results Announcement.

Akjoujt South Project

The information in this release relating to the Akjoujt South Project is extracted from the following original ASX Announcement dated 2 August 2016 titled 'Significant Nickel-Copper Drill Intercepts from Akjoujt South Project, Mauritania' which is 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 original ASX Announcement referred to above and, in the case of Exploration Results, that all material assumptions and technical parameters underpinning the Exploration Results in the original ASX Announcement referred to above continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX Announcement referred to above.

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.

+Rule 5.5

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	**Quarter ended ("current quarter")**
24 147 917 299	30 Sept 2016

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,368)	(1,368)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(211)	(211)
	(e) administration and corporate costs	(280)	(280)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	47	47
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)	(6)	(6)
1.9	**Net cash from / (used in) operating activities**	**(1,818)**	**(1,818)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(52)	(52)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 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	**Net cash from / (used in) investing activities**	**(52)**	**(52)**

3.	**Cash flows from financing activities**		
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	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	17,270	17,270
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,818)	(1,818)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(52)	(52)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(248)	(248)
4.6	**Cash and cash equivalents at end of period**	**15,152**	**15,152**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	547	340
5.2	Call deposits	3,069	4,703
5.3	Bank overdrafts	-	-
5.4	Other – Term Deposits	11,536	12,227
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**15,152**	**17,270**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	183
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

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

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
7.1	Aggregate amount of payments to these parties included in item 1.2	Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	(2,603)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(225)
9.5	Administration and corporate costs	(245)
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**(3,073)**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	**Tanzania: Nyanzaga Project**			
		- PL 6067/2009	Joint venture	5%	Nil
		- PL 9655/2014	Joint venture	5%	Nil
10.2	Interests in mining tenements and petroleum tenements acquired or increased	**Tanzania: Nyanzaga Project**			
		- PL10911/2016	Wholly owned	Nil	100%
		- PL 4830/2007	Joint venture	5%	10%
		- PL 4450/2007	Joint venture	5%	10%
		- PL 5069/2008	Joint venture	5%	10%
		- PL 6493/2010	Joint venture	5%	10%
		- PL 6922/2011	Joint venture	5%	10%
		- PL 7129/2011	Joint venture	5%	10%
		- PL 7476/2011	Joint venture	5%	10%
		- PL 8592/2012	Joint venture	5%	10%
		- PL 8635/2012	Joint venture	5%	10%
		- PL 9016/2013	Joint venture	5%	10%
		- PL 9065/2013	Joint venture	5%	10%
		- PL 9236/2013	Joint venture	5%	10%
		- PL 9237/2013	Joint venture	5%	10%
		- PL 9446/2013	Joint venture	5%	10%
		- PL 9656/2014	Joint venture	5%	10%
		- PL 9661/2014	Joint venture	5%	10%
		- PL 9662/2014	Joint venture	5%	10%
		- PL 9663/2014	Joint venture	5%	10%
		- PL 9664/2014	Joint venture	5%	10%
		- PL 9770/2014	Joint venture	5%	10%
		- PL 9919/2014	Joint venture	5%	10%
		- PL 4730/2007	Joint venture	3%	6%
		- PL 7120/2011	Joint venture	3%	6%
		- PL 7121/2011	Joint venture	3%	6%
		- PL 9673/2011	Joint venture	5%	10%

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* Date: 28 October 2016
(~~Director/~~Company secretary)

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.