

## ORECORP PROGRESSES NYANZAGA DEVELOPMENT WITH ENERGY SUPPLY MOU

### Highlights

- **OreCorp and TANESCO sign a non-binding Memorandum of Understanding to extend grid power to the Nyanzaga Gold Project in Tanzania.**
- **Electricity will be delivered via a 53km 220kV transmission line from TANESCO's Bulyanhulu Substation to Nyanzaga.**
- **Access to competitively priced power from TANESCO, which includes a significant contribution from sustainable sources, such as hydropower, will allow OreCorp to reduce Nyanzaga's carbon emissions intensity.**

OreCorp Limited (**OreCorp** or the **Company**) (ASX: ORR) is pleased to announce its subsidiary, Sotta Mining Corporation Limited (**SMCL**) has signed a non-binding Memorandum of Understanding (**MOU**) with Tanzania Electric Supply Company Limited (**TANESCO**) to extend grid power to OreCorp's Nyanzaga Gold Project (**Nyanzaga**) in Tanzania.

It is intended that power to Nyanzaga will be supplied by the TANESCO national grid and delivered via a new 53km 220kV transmission line between TANESCO'S Bulyanhulu Substation and a new substation to be constructed at Nyanzaga (**Nyanzaga Substation**). The terms of the MOU provide a framework for SMCL and TANESCO to assess the development, engineering, construction and financing required for the grid extension (**Project**).

As part of Nyanzaga's Definitive Feasibility Study completed in August 2022, ECG Engineering Pty Ltd concluded that a grid connection is appropriate and offers a more environmentally friendly and cost-effective power supply proposition than on-site diesel or heavy fuel generation.

TANESCO'S electricity is produced using a mix of hydropower, natural gas and fossil fuel. Hydropower currently comprises ~31% of the installed 1,602 MW grid power supply capacity of TANESCO. However, projects in development including the Julius Nyerere Hydropower Project are expected to increase the hydropower contribution to more than 70% in coming years.

The MOU contemplates:

- Commissioning of various studies to assess implementation of the Project, including engineering studies addressing proposed design, costs and scheduling;
- Implementation documentation, including an engineering, procurement and construction contract and a power supply agreement;
- Construction of the proposed 53km 220kV transmission line from Bulyanhulu to the new Nyanzaga Substation;
- Contribution by the parties to the capital costs for the Project, with TANESCO agreeing upon a tariff rebate for repayment of its share of Project costs; and
- Key terms for a definitive power supply agreement, including tariffs, operation, maintenance and quality of supply.

**OreCorp CEO & Managing Director Henk Diederichs commented:**

*“Our MOU with TANESCO is another significant step forward in the Nyanzaga development. It further demonstrates the willingness of the Tanzanian Government, through the Ministry of Energy and Tanzanian state-owned enterprises, to work with the private sector.*

*“We are pleased to have agreed the MOU and look forward to working with TANESCO to further develop the infrastructure for the delivery of low-cost, sustainable power to Nyanzaga.”*

**Authorised for release on behalf of the Company by the CEO & Managing Director.**

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