

## ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

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IN THE UNITED STATES

### Institutional Placement to Raise A\$16.2 Million

OreCorp Limited (**OreCorp** or **Company**) is pleased to announce the placement of up to 60 million ordinary shares of the Company at an issue price of A\$0.27 per share to institutional and sophisticated investors in Europe and Australia to raise gross proceeds of up to A\$16.2 million (**Placement**).

Euroz acted as Manager and Global Bookrunner to the Placement. The capital raising is consistent with the Company's strategy of strengthening its institutional shareholder base and increasing its profile in global financial markets.

The new shares will be allotted in two tranches, the first tranche (28,353,205 shares) pursuant to the Company's existing capacity under Listing Rule 7.1 and 7.1A and the second tranche (31,646,795 shares) subject to shareholder approval.

On completion of the Placement, OreCorp's cash position will increase to approximately A\$18 million. Proceeds from the Placement will predominantly be used to fast track the various planned development and exploration activities at the Nyanzaga Gold Project (**Nyanzaga** or **Project**) in Tanzania, including:

- completion of the Scoping, Pre-Feasibility and Definitive Feasibility Studies for Nyanzaga;
- advancement of regional exploration activities at Nyanzaga, including drilling of priority targets;
- permitting and licensing for Nyanzaga;
- a follow-up drilling programme at the Akjoujt South Copper – Nickel Project in Mauritania; and
- general working capital.

The Placement was heavily oversubscribed and the issue price of A\$0.27 per share represents:

- a discount of 11.5% to OreCorp's last closing price on the ASX on 2 May 2016 of A\$0.3050 per share;
- a discount of 9.0% to OreCorp's 5 day VWAP on the ASX of A\$0.2967 per share; and
- a discount of 6.6% to OreCorp's 10 day VWAP on the ASX of A\$0.2889 per share

Chief Executive Officer and Managing Director, Mr Matthew Yates said he was delighted with the support received from institutional investors in Europe and Australia who clearly recognise the quality of the Nyanzaga Gold Project.

*"The funds will allow OreCorp to rapidly advance the Scoping and Feasibility Studies for Nyanzaga, and to aggressively pursue exploration programmes at both Nyanzaga and the Akjoujt South Project"* he said.

*"The Company now has the funding in place to compress the anticipated development schedule for the Project, allowing OreCorp to achieve its strategic objective of becoming a gold producer in the near term."*



**ORECORP**  
LIMITED

**ASX RELEASE:**  
5 May 2016

**ASX CODE:**  
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: 113.4 million  
Options: Nil

**ABOUT ORECORP:**  
OreCorp Limited is a Western Australian based mineral company focused on the Nyanzaga Gold Project in Tanzania & the Akjoujt South Copper - Nickel Project in Mauritania.

Fivemark Partners have been assisting the Company with its strategy, investor and public relations.

The Company will convene a general meeting to seek shareholder approval for the second tranche of the Placement as soon as practicable.

In order to attract, incentivise and retain the key employees and consultants who will assist the Company to develop the Nyanzaga Project over the next two to three years, shareholder approval will also be sought for the proposed establishment of an Employee Option Plan. The Company will also seek shareholder approval for grant of employee options under the Employee Option Plan (**Employee Options**) to the Company's Chief Executive Officer and Managing Director, Mr Matthew Yates. Further, the Company will seek shareholder approval to grant incentive options to OreCorp's non-executive directors (**Non-Executive Director Options**). All Non-Executive Director and Employee Options will be issued in three tranches, comprising:

- Tranche A, exercisable on or before 23 June 2019, with an exercise price set at the greater of \$0.40 and a premium of 43% to the 5 day VWAP before the date of the General Meeting, and a 12 month vesting period;
- Tranche B, exercisable on or before 23 June 2019, with an exercise price set at the greater of \$0.45 and a premium of 45% to the 5 day VWAP before the date of the General Meeting, and an 18 month vesting period; and
- Tranche C, exercisable on or before 31 May 2020, with an exercise price set at the greater of \$0.50 and a premium of 50% to the 5 day VWAP before the date of the General Meeting, and a 24 month vesting period.

Full details of the terms of the Employee Option Plan and the proposed grant of options to the employees and directors will be included in the Notice of Meeting, to be filed with ASX in the coming weeks.

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

Matthew Yates

**CEO & Managing Director**

Mobile: +61 (0) 417 953 315

**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 Copper-Nickel 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 31 March 2016, the Company announced a maiden JORC MRE of 2.8 million ounces at 4.1 g/t gold for the Nyanzaga Project.

**Forward Looking Statements**

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

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

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