

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

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IN THE UNITED STATES**



Institutional Placement to Raise A\$13.56 Million

Institutional Placement

OreCorp Limited (**OreCorp** or the **Company**) is pleased to announce the placement of 45.2 million ordinary shares of the Company at an issue price of A\$0.30 per share to domestic and overseas institutional and sophisticated investors to raise gross proceeds of A\$13.56 million (**Placement**). The Placement attracted strong interest in excess of the shares available to allocate.

The Company would like to thank and acknowledge the continued support of our existing institutional shareholders, which includes AustralianSuper, which is participating in the Placement to increase its position.

Euroz Securities Limited acted as Sole Lead Manager and 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.

A total of 45 million new shares will be allotted in a single tranche on Tuesday 26 May 2020 pursuant to the Company's existing 25% placement capacity under Listing Rules 7.1 and 7.1A. The Company advises that 20,112,526 shares will be issued under Listing Rule 7.1 and 24,887,474 shares under Listing Rule 7.1A. A second tranche of 200,000 shares will be issued after a general meeting of the Company to approve the subscription of shares under the Placement to OreCorp's Chairman, Mr Craig Williams.

On completion of the Placement, OreCorp's cash position will increase to approximately A\$26 million, of which a portion is held as US\$8.3 million. Proceeds from the Placement will be used to fund:

- continuation of the Definitive Feasibility and Relocation Action Plan Studies at the Nyanzaga Gold Project (**Nyanzaga** or the **Project**);
- commencement of pre-development activities at Nyanzaga;
- further work on the Hobbes Project, including infill drilling at the Hobbes Prospect;
- expansion of the Hobbes Project and other business and corporate development opportunities; and
- general working capital and costs of the Placement.

ASX RELEASE:
19 May 2020

ASX CODE:
Shares: ORR

BOARD:
Craig Williams
Non-Executive Chairman
Matthew Yates
CEO & Managing Director

Alastair Morrison
Non-Executive Director

Mike Klessens
Non-Executive Director

Robert Rigo
Non-Executive Director

Dion Loney
*Group Accountant &
Company Secretary*

ISSUED CAPITAL:
Shares: 271.9 million
Unlisted Options:
7.72 million

ABOUT ORECORP:
OreCorp Limited is a Western Australian based mineral company focussed on the Nyanzaga Gold Project in Tanzania and the Hobbes Gold Project in the Eastern Goldfields of Western Australia. OreCorp is seeking a Joint Venture partner for the Akjoujt South Nickel - Copper - Cobalt Project in Mauritania.

The funds will ensure that OreCorp is in a strong position to make the final US\$8.05 payment to Barrick in connection with the Nyanzaga acquisition following the grant of the SML; to pursue exploration programs at the Company's various projects; and to explore business and corporate development opportunities as and when they arise.

The Placement price of A\$0.30 per share represents a discount of:

- 11.8% to OreCorp's last closing price of A\$0.3400 per share on 14 May 2020;
- 7.5% to OreCorp's 5-day VWAP of A\$0.3244 per share;
- 7.1% to OreCorp's 10-day VWAP of A\$0.3228 per share;
- 8.8% to OreCorp's 15-day VWAP of A\$0.3290 per share; and
- 5.6% to OreCorp's 30-day VWAP of A\$0.3179 per share.

The Company will dispatch a notice of general meeting shortly to ratify the issuance of shares under the Placement, and to seek approval for the second tranche of shares. The general meeting is expected to be held in early July.

OreCorp and OreCorp Tanzania Limited continue to work closely with the relevant Tanzanian regulatory authorities on the pending grant of the Special Mining Licence (**SML**). Upon grant of the SML, the Government of Tanzania (**GoT**) will become an equity holder in the Project, acquiring a free carried interest in accordance with the Tanzanian Mining Act. OreCorp looks forward to the opportunity to develop Tanzania's next large-scale gold mine with the GoT, for the benefit of all stakeholders.

Chief Executive Officer and Managing Director, Mr Matthew Yates said the Board of OreCorp was delighted with the continued support received from sophisticated and institutional investors and overall interest in the Company. The Company's Perth office is now open and fully functional post the COVID-19 measures. The Company's geologists are en route to commence field programs in the Eastern Goldfields of Western Australia at the Hobbes Project.

For further information please contact:

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CEO and Managing Director
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ABOUT ORECORP LIMITED

OreCorp Limited is a Western Australian based mineral company with gold and base metal projects in Tanzania, Western Australia 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, the Hobbes Project in the Eastern Goldfields of WA and the Akjoujt South Nickel-Copper-Cobalt Project in Mauritania.

Risk Factors

Many factors, known and unknown, could impact on the Company's prospects in general and in particular on the Company's potential investment in Nyanzaga Mining Company Limited and the Nyanzaga Project. Such risks include, but are not limited to: the volatility of prices of gold and other metals; uncertainty of mineral reserves, mineral resources, mineral grades and mineral recovery estimates; uncertainty of future production, capital expenditures, and other costs; currency fluctuations; financing of additional capital requirements; cost of exploration and development programs; mining risks; community protests; risks associated with foreign operations; disruptions to operations or financial and commodities markets caused by COVID-19 or any other future pandemics and governmental and environmental regulation. In relation to the Company's Nyanzaga Project specifically, it should be noted that there is no guarantee that the necessary Tanzanian regulatory approvals will be obtained or that an SML will be granted to develop the Nyanzaga Project. For a more detailed discussion of such risks and other factors that may affect the Company's prospects, see the Company's Annual Report for the year ended 30 June 2019, the Company's Prospectus dated January 2013 as well as the Company's other filings with the Australian Securities Exchange.