



Annual Report 2019

ABN 24 147 917 299

CORPORATE DIRECTORY

Directors

Mr Craig Williams – Non-Executive Chairman
Mr Matthew Yates – CEO & Managing Director
Mr Alastair Morrison – Non-Executive Director
Mr Michael Klessens – Non-Executive Director
Mr Robert Rigo – Non-Executive Director

Group Accountant & Company Secretary

Mr Dion Loney

Registered and Principal Office

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ASX Code:

ORR – Ordinary Shares

Solicitors

Allen & Overy LLP
Level 12, Exchange Plaza
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Perth WA 6000

Auditor

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Level 9, Tower 2, Brookfield Place
123 St Georges Terrace
Perth WA 6000

Bankers

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Nyanzaga Hill, North looking Southwest

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LETTER FROM THE CEO

Dear Shareholders,

Welcome to the ninth Annual Report of the Company which includes an overview of the significant and rewarding progress of the past year, with an outline of our plans and objectives for the coming year.

Steady progress has been made at the Nyanzaga Gold Project (Nyanzaga or Project) in northwest Tanzania. The main advancements over the past twelve months have been in permitting and ownership. The Environmental Certificate (EC) for the Project was received in February 2018 and the Special Mining Licence (SML) has been recommended for grant by the Tanzanian Mining Commission (TMC) and only awaits the approval of the Tanzanian Cabinet Ministers. It is anticipated that we may see the grant of the licence in the coming months. Feasibility studies and regional exploration have continued, albeit at a slower pace than previous years.

In refining and simplifying the ownership of Nyanzaga, the Company announced that it had reached commercial terms with its joint venture (JV) partner, Acacia Mining plc (Acacia), to acquire a 100% interest in the Project. The terms were further refined in the year and the Company replaced the US\$15 million royalty with a one-off payment of US\$1.5 million. Subsequent to this, the TMC granted its approval to allow OreCorp to acquire a 51% interest in Nyanzaga Mining Company Limited (NMCL), the holding company of the Nyanzaga licences. The Fair Competition Commission (FCC) has approved both the change of control to 51% and the move to 100% ownership of NMCL. The Company has advised the TMC of the FCC approval and that it is moving to 100% ownership of NMCL. At the time of writing, NMCL is registering the transfer of all of the issued shares in NMCL to OreCorp Tanzania Limited and the appointment of OreCorp nominees to the board of NMCL. This is a further significant step forward in simplifying the ownership structure ahead of the grant of the SML, when OreCorp shall welcome the Government of Tanzania (GoT) as a shareholder of the Project.

The Company has established and maintained a strong independent in-country presence as operator of Nyanzaga. We have been working with the Tanzanian Authorities to conclude the ownership transaction and will continue to work with all Tanzanian stakeholders and regulatory bodies to deliver the best outcome for Tanzania and the Company.

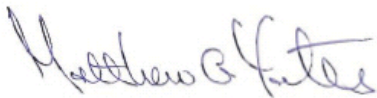
The Tanzanian legislation enacted in July 2017 has now been implemented with the Regulations released in January 2018. Whilst the full impact of these changes continues to be assessed, the Company feels confident that continued dialogue with key Tanzanian officials indicates Tanzania is open for business and both the Company and the GoT will work together to deliver Tanzania's next large-scale gold mine at Nyanzaga.

In Western Australia (WA) the Company commenced a targeting initiative that has seen the acquisition of several licence areas. The current focus in WA is the Hobbes Project located 130km northeast of Kalgoorlie. Significant primary and secondary gold mineralisation has been identified over broad areas within the licence. The primary mineralisation has had little follow-up and drilling is planned. Hobbes will become the central focus in the Eastern Goldfields for OreCorp and an excellent introduction into the Goldfields where the Company's Board and senior management have had significant previous success at Nimary, Mertondale and Dalgaranga. The Board is excited by this new initiative and looks forward to enhancing shareholder value through targeted exploration and acquisitions.

The Company has been very active on the new business front, with numerous advanced projects and several operating mines assessed in the year. We will continue to review assets for potential acquisitions that will enhance shareholder value. On the other side of the African continent, joint venture funding is being sought for the nickel-copper-cobalt sulphide Akjoujt South Project (ASP) in Mauritania.

The Company remains in a strong financial position with A\$22 million in cash and no debt at the end of August 2019. The capital raising of A\$13.3 million that was completed in August 2019 is a testament to the backing of existing and new shareholders for the Company, its Board and management. This will enable us to pay the outstanding consideration in relation to the acquisition of Nyanzaga after the SML is granted. We look forward to the year ahead with enthusiasm and optimism and thank you for your continued support as we seek to deliver further growth and opportunity for your Company.

Thank you.

A handwritten signature in blue ink, appearing to read "Matthew Yates".

Matthew Yates
CEO and Managing Director



***Hobbes Gold Project
Goldfields, Western Australia***

COMPANY PROFILE

OreCorp Limited (OreCorp or the Company) is an emerging development company listed on the Australian Securities Exchange (ASX) under the code ORR. The Company is well funded with A\$22 million in treasury and has no debt (as at 31 August 2019). OreCorp's key projects are the Nyanzaga Gold Project in northwest Tanzania and the Hobbes Project in the Eastern Goldfields of Western Australia. The Company is seeking a Joint Venture partner for the Akjoujt South nickel-copper-cobalt sulphide Project in Mauritania.

OreCorp continues to progress the transfer of ownership of NMCL and pursue the grant of the SML in relation to the Nyanzaga Project. The Company continues to engage and hold constructive meetings with the GoT. The revised and simplified process has enabled the remaining regulatory approvals to be obtained and we are now completing the process to transfer the shares in NMCL to OreCorp.

ORECORP'S VISION

OreCorp's ultimate vision is to be a gold and base metal producer delivering superior value to its stakeholders.

This objective is pursued through strategies which draw on the technical, financial and corporate strengths of the Board and management team to provide multiple opportunities for growth.

THE ORECORP MISSION

OreCorp will achieve this vision through a purposeful focus on the following areas of its business:

- Utilising all of its resources efficiently and responsibly;
- Safeguarding the health and safety of all stakeholders;
- Conducting its business in an environmentally and socially responsible manner;
- Continuously improving its systems and processes;
- Developing its people and recognising superior performance; and
- Fostering mutually beneficial relationships with its stakeholders.



Kaningu Primary School Students in Front of Classroom Refurbished by OreCorp

PROJECT OVERVIEW

NYANZAGA GOLD PROJECT

Introduction

Nyanzaga is situated in the Archean Sukumaland Greenstone Belt, part of the Lake Victoria Goldfields (LVG) of the Tanzanian Craton. The greenstone belts of the LVG host a suite of large gold mines (**Figure 1**). The Geita Gold Mine lies approximately 60km to the west of the Project along the strike of the greenstone belt and the Bulyanhulu Gold Mine is located 36km to the southwest of the Project. The Nyanzaga Project comprises 20 contiguous Prospecting Licences and two applications covering a combined area of 211km². Within these licences a SML application covering 23.4km² was lodged in October 2017 (**Figure 2**). In addition to the Nyanzaga Deposit, there are a number of other exploration prospects within the Project licences.



Figure 1 : Lake Victoria Goldfields, Tanzania – Existing Measured and Indicated Resources

Nyanzaga Ownership Status

On 20 July 2018, the Company announced that it had completed its earn-in obligations in respect of Nyanzaga, in accordance with the earn-in agreement entered into by the Company and Acacia Mining plc on 22 September 2015. The Project is owned by NMCL. Subsequently, OreCorp exercised its option to acquire an additional 26% interest in the Project, subject to regulatory approvals, to increase its interest to 51%. In September 2018 OreCorp also signed a binding, conditional Completion Agreement with Acacia and NMCL to allow OreCorp to move to 100% ownership of Nyanzaga.

In July 2019 the Company announced that it had participated in meetings with relevant Tanzanian authorities, which resulted in the simplification of OreCorp's Completion Agreement with Acacia by removing the US\$15 million royalty and replacing it with a cash payment of US\$1.5 million. As a result, the total cash consideration for the acquisition of 100% of NMCL increased from US\$10 million to US\$11.5 million (Total Consideration), payable upon the later of (i) the grant of the SML, and (ii) OreCorp holding 100% of the Nyanzaga Project. OreCorp also announced that it will pre-pay the capital gains tax (Pre-Paid Tax Amount) on the Total Consideration on behalf of Acacia, on the basis that the Pre-Paid Tax Amount will be deducted from the Total Consideration payable to Acacia.

PROJECT OVERVIEW (Continued)

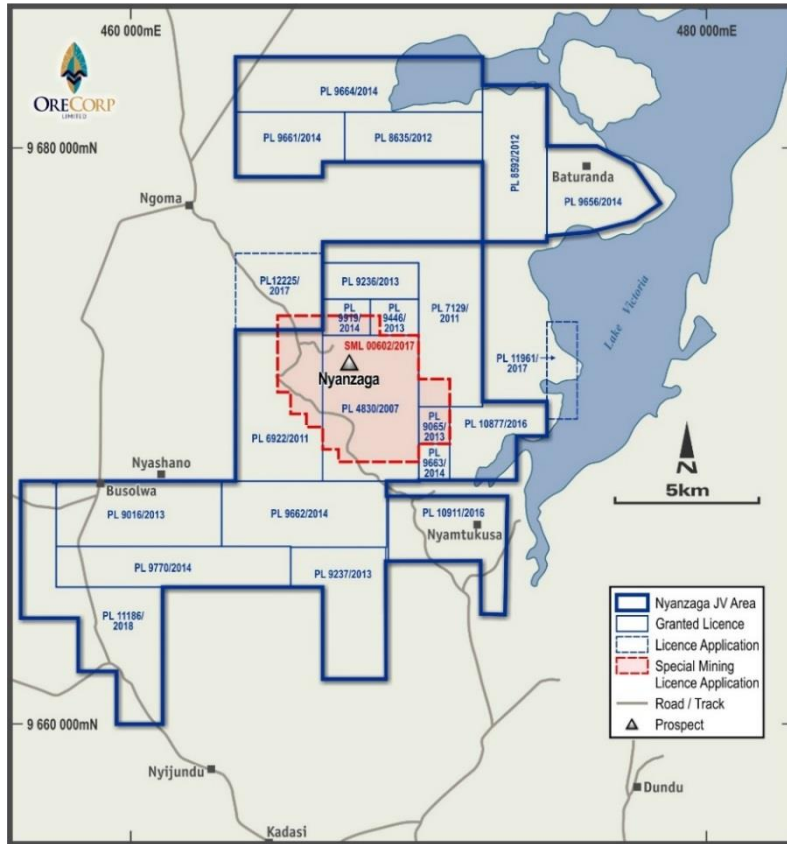


Figure 2: Nyanzaga Project Licences

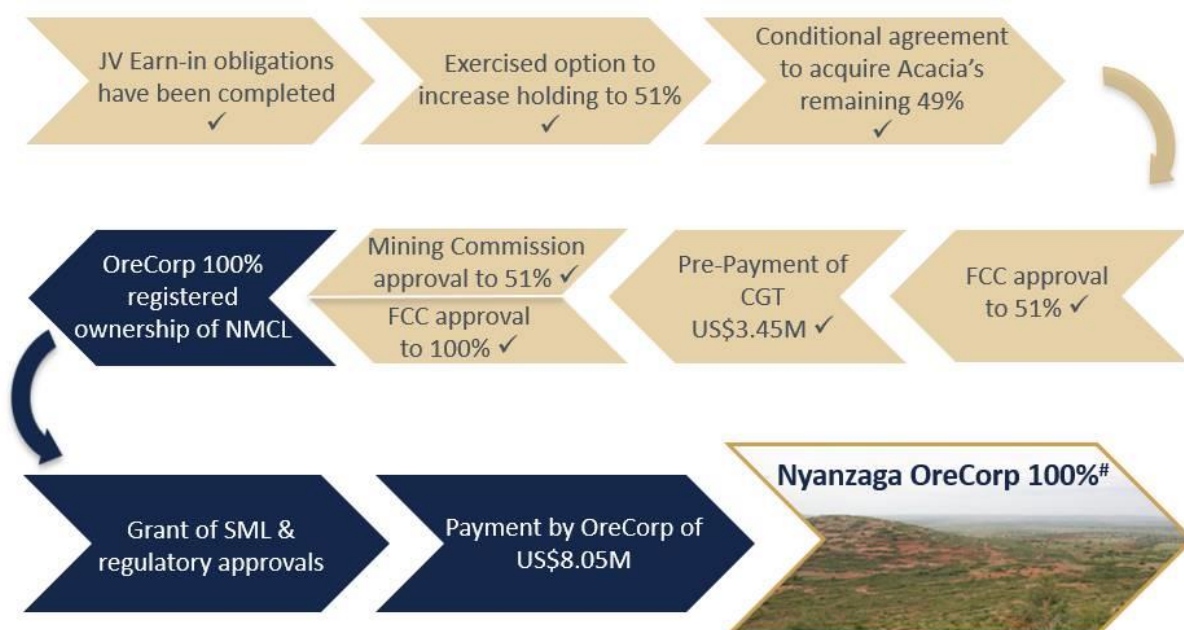
In late August 2019 the TRA issued tax assessment notices in relation to the acquisition by OTL of 100% of NMCL. These assessment notices were consistent with OreCorp's expectations and OreCorp subsequently paid the Pre-Paid Tax Amount of US\$3.45 million to receive Tax Clearance Certificates (TCCs).

Furthermore, in September 2019 the Company received the TCCs and approval from the TMC and FCC to allow OreCorp to complete the acquisition of 100% of NMCL. The TMC has also been notified of the FCC approval, which completes the approval process. NMCL is currently registering the transfer of all of the shares in NMCL to OreCorp Tanzania Limited and appointing nominees of OreCorp to the board of NMCL.

The Ministry of Minerals has indicated that the SML will be granted following completion of the 100% ownership of the Project by OreCorp. Upon the grant of the SML, OreCorp will pay the balance of US\$8.05 million of the Total Consideration to conclude the transaction (**Figure 3**).

The Company considers these further developments as a significant step forward and will continue to work with all levels of the Tanzanian Government to conclude the transaction and ultimately deliver Tanzania and all its stakeholders their first large scale gold mine in over a decade. The Company will also welcome the GoT as a shareholder in NMCL. Upon grant of the SML, the GoT will become an equity holder in the Project, acquiring a free carried interest of not less than 16% in NMCL in accordance with the Tanzanian Mining Act.

Nyanzaga hosts a JORC 2012 compliant Mineral Resource Estimate (MRE) of 3.1 million ounces at 4.0 g/t gold. The MRE is the foundation of a Project Financing Definitive Feasibility Study (DFS) which is currently underway.



Notes: ✓ Completed, # 16% FCI to Government of Tanzania

Figure 3: Nyanzaga Ownership Structure

Pre-Feasibility Study (PFS)

The PFS, led by Lycopodium Minerals Pty Ltd and Mining Plus Pty Ltd from Perth, Western Australia, examined all facets of geology, mining, processing and supporting infrastructure at a US\$1,250/oz gold price, to a nominal accuracy of $\pm 25\%$ and was completed in March 2017.

The Study evaluated the technical and economic viability of various Open Pit (OP) and Underground (UG) development scenarios. Processing options were considered in the context of the various mining scenarios to optimise throughput capacity, utilisation and mineralised feed flexibility to enhance metallurgical outcomes. The trade-off and detailed optimisation studies delivered an optimal development scenario of a 4Mtpa concurrent OP and UG operation.

The PFS expected the Project to deliver an average gold production of 213koz per annum over a 12-year Life of Mine (LOM), peaking at 249koz in Year 3 and totalling approximately 2.56Moz of gold produced over the LOM. The All-in Sustaining Cost (AISC) and All-in Cost (AIC) were estimated to be US\$838/oz and US\$858/oz respectively over the LOM.

PFS Highlights

- LOM average gold production of 213koz per annum over 12 years
- The PFS determined that a concurrent OP and UG mine schedule represents the optimum mining sequence
- The OP will deliver the base load of mineralised material over the LOM and is expected to deliver approximately 1.75Moz of contained gold over its 12 year mine life
- UG mining is scheduled to commence in the second year of operation, from a box cut external to the OP and is expected to produce approximately 1.16Moz (including UG development material) of contained gold. The UG will be developed to a depth of 800m below surface, with the deposit remaining open at depth
- Detailed metallurgical test work in the PFS confirmed gold recovery of 88% through a conventional 4Mtpa Carbon in Leach (CIL) processing plant
- Competitive cost position with a forecast AISC of US\$838/oz and AIC of US\$858/oz over the LOM
- PFS pre-production capital cost of US\$287 million includes OP pre-strip, plant (including first fill inventory), all associated project infrastructure expected and a US\$33 million contingency

PROJECT OVERVIEW (Continued)

- The PFS is based on a high proportion of Measured and Indicated resource material, accounting for 83% of the MRE. It is anticipated that a maiden Ore Reserve for Nyanzaga will be prepared as part of the Project Financing DFS

The March 2017 PFS was based on a US\$1,250/oz gold price. It is noted that the PFS does not reflect or include the effects of the new Legislative changes of July 2017 or the Regulations of January 2018. Operating and capital cost estimates detailed in the PFS may no longer be current and will be reviewed and updated in the Project Financing DFS.

Mining

Under the proposed concurrent OP and UG mine schedule the Nyanzaga OP will provide the base load of mineralised material over the 12-year LOM (**Figure 4**).

OP mine operations will continue for the duration of the LOM, solely from the single Nyanzaga pit. UG mine development is expected to commence during the second year of OP operations.

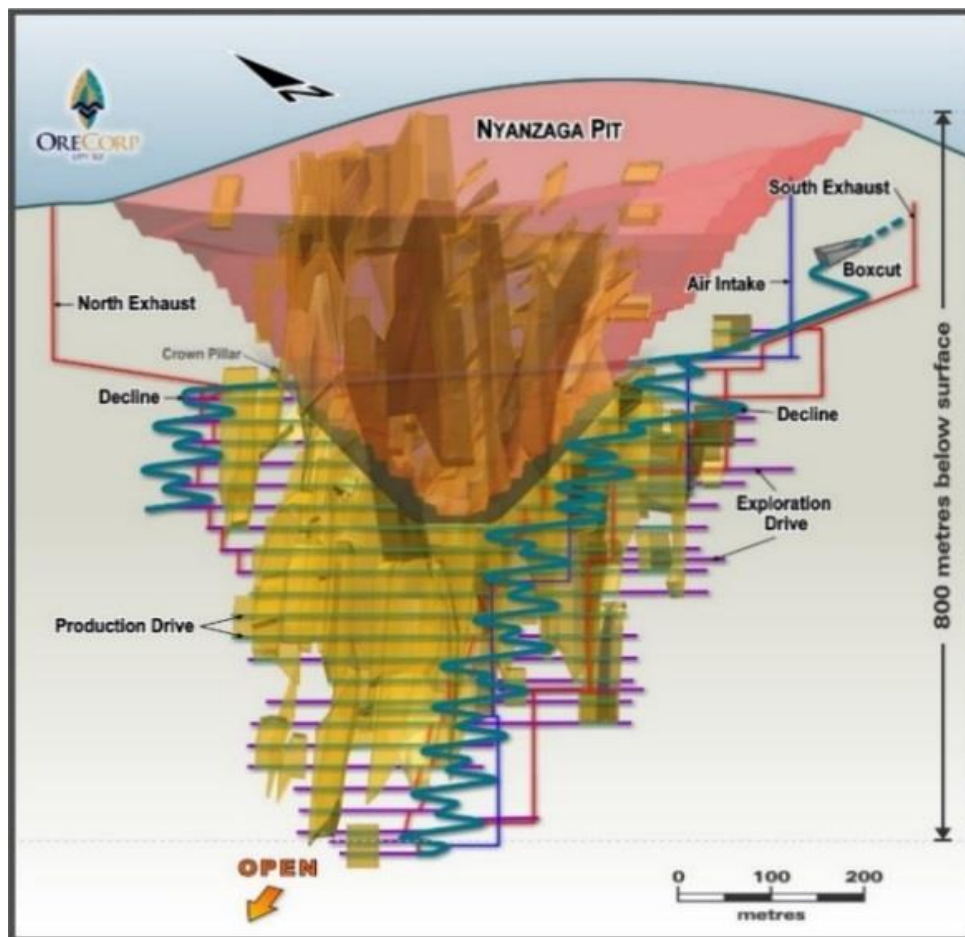


Figure 4: Nyanzaga Proposed Open Pit and Underground Mining Infrastructure (Looking Northeast)

Processing

The process facility is based on a conventional flow sheet design with a gyratory primary crusher, followed by semi-autogenous mill/ball mill configuration and pebble crusher (SABC), followed by gravity recovery and carbon-in-leach (CIL) processes (**Figure 5**).

The flowsheet utilises proven technology that has been used globally in gold mines for many years. Detailed metallurgical test work and comminution studies indicate expected gold recovery of 88% at a grind size of $P_{80}75\mu\text{m}$.

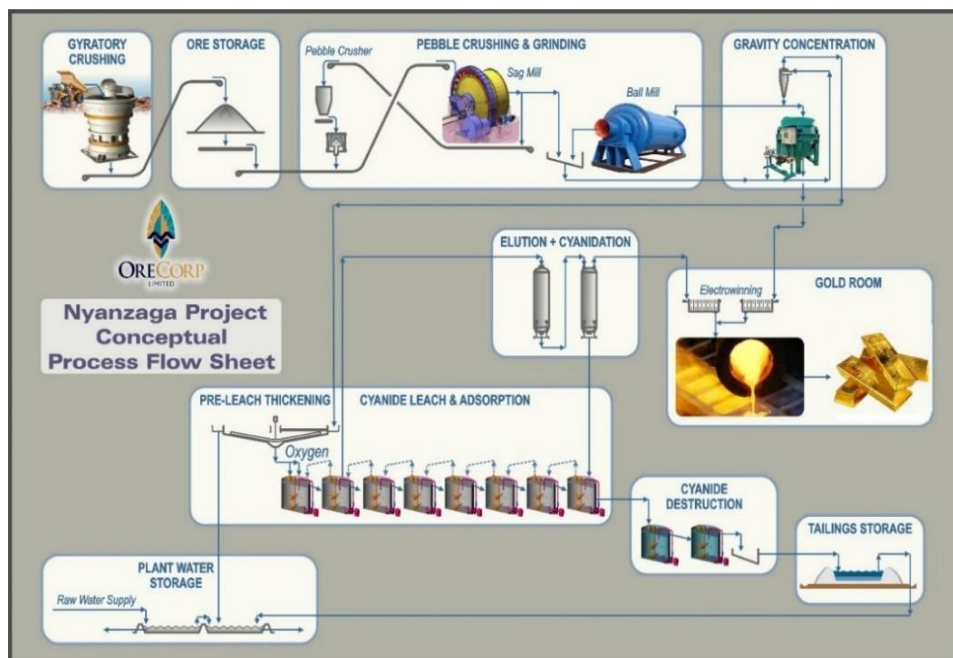


Figure 5: Conceptual Process Flow Sheet for Nyanzaga (Note: No concentrate, only gold doré)

Capital and Operating Costs

Pre-production capital costs were estimated at US\$287M, which included a US\$33M contingency (**Table 1** and **Figure 6**). UG box cut development will commence during Year 1 of production. The UG capital is expected to be funded out of the operating cash flow from the OP.

Table 1: Summary of Nyanzaga Capital Costs

Pre-Production Capital Costs (+/- 25%)	US\$M
Mine Pre-strip & Pre-production	35.7
Process Plant	75.9
Reagents & Plant Services	16.4
Site Infrastructure (Incl. Mine Admin)	56.7
Contractor & Construction Services	13.9
Management Costs	17.6
Owners Project Costs	34.3
General Working Capital	4.1
TOTAL	254.6
Contingency	32.7
PROJECT TOTAL	287.2

Note: Apparent differences may exist due to rounding. Figures **do not** include Legislative changes of July 2017 or Regulations of January 2018. It is also noted that as part of the Project Financing DFS the cost estimates will be reviewed and updated.

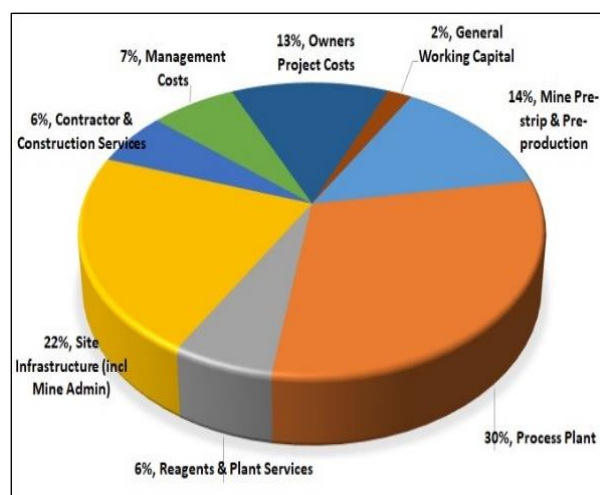


Figure 6: Summary of Nyanzaga Capital Costs

The PFS estimated a LOM average AISC of US\$838/oz and an AIC of US\$858/oz (**Table 2**). The cost estimates were based on bottom up modelling of key inputs including consumption rates and regional unit costs for key consumables and power. Where contract services are assumed (mining operations), quotes were provided by independent contractors, which have the relevant experience to provide an estimate of the cost for the service.

PROJECT OVERVIEW (Continued)

Table 2: Summary of Nyanzaga Operating Costs (±25%)

Description Cost (LOM)	US\$/oz Produced
OP Mining (contract miner)	235.5
UG Mining (contract miner)	212.6
Process Plant & Infrastructure	204.2
General and Administration	68.5
Royalties	53.8
Total Operating Cash Cost	774.6
Sustaining Capital	63.6
Total AISC*	838.2
Underground Development Capital	19.5
Total AIC**	857.7

*AISC as per World Gold Council definition ** AIC does not include initial capital
Note: These are PFS figures and **do not** include Legislative changes of July 2017 or Regulations of January 2018. It is also noted that as part of the Project Financing DFS the cost estimates will be reviewed and updated.



Visible Gold in Drill Core

Summary of Key Inputs and Assumptions

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

Table 3: Nyanzaga Pre-Feasibility Study Parameters

Parameter	Value
Development period (Months)	18
Mine life (Years)	12
Total Mill Throughput (Mt) LOM	45.3
Measured & Indicated Resources (% of Mineral Resource)	83%
Inferred Resources (% of Mineral Resource)	17%
Annual throughput (Mtpa)	4
Strip ratio (life of pit)	3.7:1
Steady state UG mining rate (Mtpa)	1.0
Average OP direct feed mineralised material grade mined (g/t gold)	1.5
Average UG mineralised diluted grade mined (g/t gold)	3.7
Average mill feed grade LOM (g/t gold)	2.0
Gold recovery	88%
Production (Average LOM gold koz pa)	213
OP mining costs (US\$/t total material moved)	3.66
UG mining costs (US\$/t mineralised material moved)	60.76
Processing cost (US\$/t milled)	11.53
General and administration (US\$/t milled)	3.72
Upfront Project capital (US\$M) (including contingency)	287
UG development capital (US\$M)	50
Sustaining capital – Above ground (US\$M pa)	3.77
Sustaining capital – UG (US\$M pa)	11
Corporate tax and royalty rates	30% and 4.3%
Gold Price (US\$/oz)	1,250

Notes:

- 1) Measured, Indicated and Inferred Resources from March 2017 MRE
- 2) PFS completed prior to Legislative changes and therefore figures quoted above **do not** include Legislative changes of July 2017 and Regulations of January 2018. It is also noted that as part of the Project Financing DFS the cost estimates will be reviewed and updated.

Project Financing DFS

The Project Financing DFS is primarily focused on optimisation of OP and UG mining and will assess the proposed timing of the UG operation from the PFS. The Project Financing DFS will also further assess the process flow sheet to enhance gold recovery through optimisation of the comminution, gravity gold, leach and elution circuits and further refine all Project costs to a $\pm 15\%$ accuracy. A maiden Ore Reserve will be prepared.

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

- Optimising the pit wall angles and potentially reducing the OP stripping ratio
- Optimisation of OP and UG mine designs, including finalisation of timing for the commencement of the UG development to enhance the timing of capital expenditure
- Finalising the detailed metallurgical test work to further enhance gold recovery and improve reagent consumption rates
- Completion of test work to confirm suitability of tailings material for paste backfilling and identifying opportunities to reduce filling requirements
- Development of first principle cost models for both the OP and UG mining operations to fully investigate the operating/capital cost trade-off between contractor mining versus owner operator
- Conducting a mine to mill optimisation study to maximise plant throughput and gold production during the early years of operation
- Revise classification of the current MRE to an Ore Reserve

All key site activities for the Project Financing DFS have been completed and no further drilling is currently planned on or around the immediate environment of the Nyanzaga deposit.

The Company continued to complete other preparatory works ahead of the anticipated grant of the SML. Due to the delay in the grant of the SML the Project Financing DFS will not be completed in 2019.

Mineral Resources

As part of the Project Financing DFS, the MRE was updated in September 2017 by CSA Global in accordance with the JORC Code 2012 and achieved its stated aim of lifting MRE categories and improving grade (**Table 4**).

Table 4: Nyanzaga Gold Project – Mineral Resource Estimate

OreCorp Limited – Nyanzaga Gold Project – Tanzania Mineral Resource Estimate (MRE) as at 12 September 2017			
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
Sub-Total M & I	20.80	4.06	2.715
Inferred	2.90	3.84	0.358
Total	23.70	4.03	3.072
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with sub cell block modelling. Gold grade for lower grade sedimentary cycle hosted resources estimated using Uniform Conditioning using a 2 x 2 x 2m SMU. Totals may not add up due to appropriate rounding of the MRE.			

Other In-Country Developments

In July 2019 Barrick and Acacia agreed to a Scheme of Arrangement whereby Barrick is to acquire the ordinary shares of Acacia that it does not already own (36.1%). This was subsequently completed in September 2019.

PROJECT OVERVIEW (Continued)

AUSTRALIA

Hobbes Gold Project - Background

The Company commenced a targeting initiative within Western Australia in late calendar year 2018. The Hobbes Project was identified as fitting the Company's exploration criteria and in April 2019 OreCorp entered into a binding Earn-in Agreement to acquire up to an 80% interest in the Project.

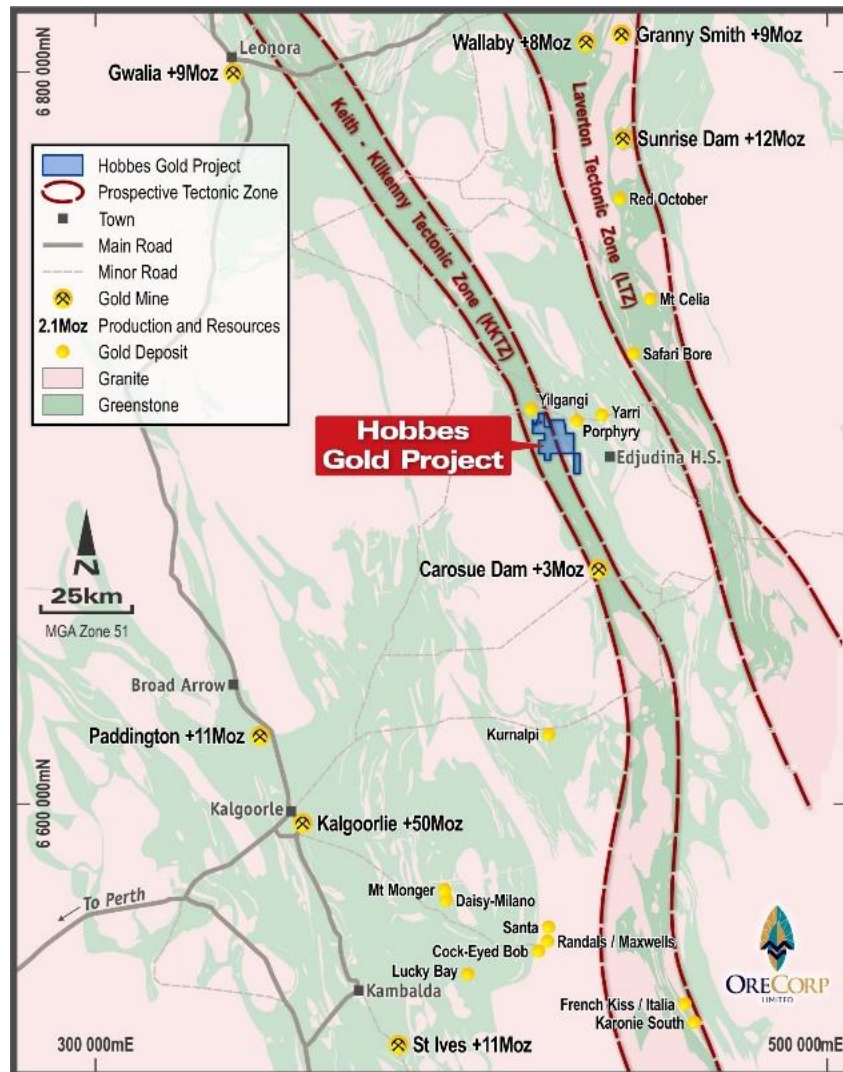


Figure 7: Location of the Hobbes Gold Project, Western Australia

The Hobbes Project comprises a single exploration licence (E31/1117) granted on 27 April 2017 that covers approximately 93km². It is located 130km northeast of Kalgoorlie within the Keith-Kilkenny Tectonic Zone (KKTZ) (Figure 7).

Project History

The Hobbes Project has a long exploration and mining history dating back to the 1890's. Previous exploration has been conducted by both junior and major companies, however there has been little meaningful exploration conducted in the area over the past ten years. An extensive digital database has been compiled by OreCorp from previous exploration and over the history of the Project there has been a total of 986 reported drill holes for 51,811m of drilling within the current licence area.

Geology

The Hobbes Project covers a portion of the Edjudina Greenstone Belt, Pig Well Graben and north-northwest trending KKTZ within the Kurnalpi Terrane of the Archaean Eastern Goldfields Province. The KKTZ is a 300km long major crustal-scale structure that hosts the Thunderbox, Carosue Dam and Karonie mines and the Yilgangi Mining Centre.

The geology of the licence is dominated by transported colluvium, alluvium and aeolian sands adjacent to Lake Rebecca. Archaean rocks outcrop as a sequence of metabasalt and subordinate felsic volcanics. Both the mafic and felsic sequences contain narrow Banded Iron Formation (BIF) and metachert units. In the northwest of the tenement are outcrops of the Pig Well metasediments. These are intruded by irregularly shaped, but generally concordant, north-south striking monzonite porphyry and syenites (**Figure 8**). The main zones of gold mineralisation identified to date within the Project are at the Hobbes Prospect. Additional mineralisation has been identified at Quandong South, Cassandra, Kilkenny and Hobbes South Prospects.

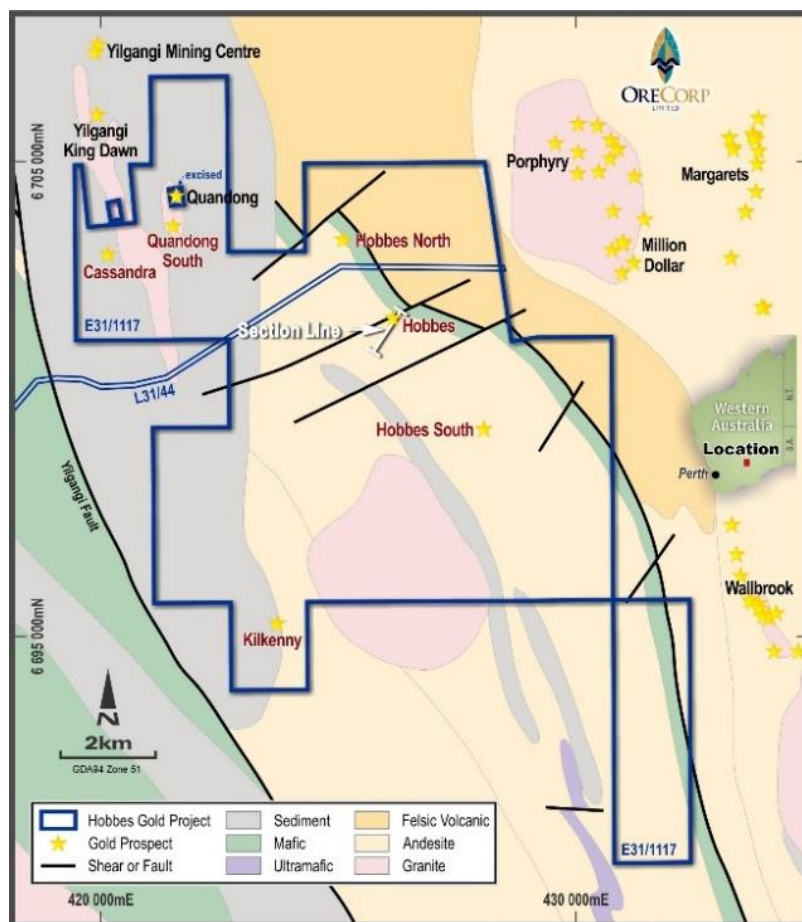


Figure 8: Hobbes Project Geology with Prospects (Based on DMIRS 1:500,000 Bedrock Geology)

Limited, wide-spaced (100 to 200m) testing of primary mineralisation beneath the supergene zone has returned significant downhole widths, e.g. 25m @ 2.52g/t Au from 87m and 9m @ 7.68g/t Au from 129m (NHD002) (**Figure 9**). The dominant host rocks are intermediate volcanics intruded by small monzogranite lenses. The primary mineralisation appears to be related to 3 to 4 zones of north-northwest trending, distal propylitic epidote-magnetite-chlorite alteration with a core of silica, sericite, quartz and coarse pyrite and disseminated pyrite, pyrrhotite. Each of these zones is over 500 to 700m in strike length.

PROJECT OVERVIEW (Continued)

Work Completed by OreCorp

Since signing the earn-in agreement OreCorp has completed:

- Data compilation of all available historical work including drilling, geochemistry, geophysics and geology;
- Acquisition and interpretation of detailed aeromagnetic digital data and earlier gravity data;
- Regolith mapping to predict depth of cover over target areas;
- Target generation on both supergene and primary mineralisation;
- Geological field mapping of target zones;
- Soil orientation geochemistry over both deep and shallow areas of transported cover;
- Regional soil sampling in suitable areas over unsampled portions of the licence;
- Locating, cataloguing and re-logging of all diamond drill core, available RC and aircore chips. The re-logging highlighted shallower transported cover than previously interpreted and higher grade mineralised zones in fresh rock which are associated with coarse pyrite, silica, sericite, sulphide and carbonate veining;
- 3D modelling of the alteration patterns at the Hobbes prospect from drill hole data; and
- Program planning as a prelude to drill testing targets.

Results to date are encouraging and the Company plans to drill test some of these targets in the coming year.

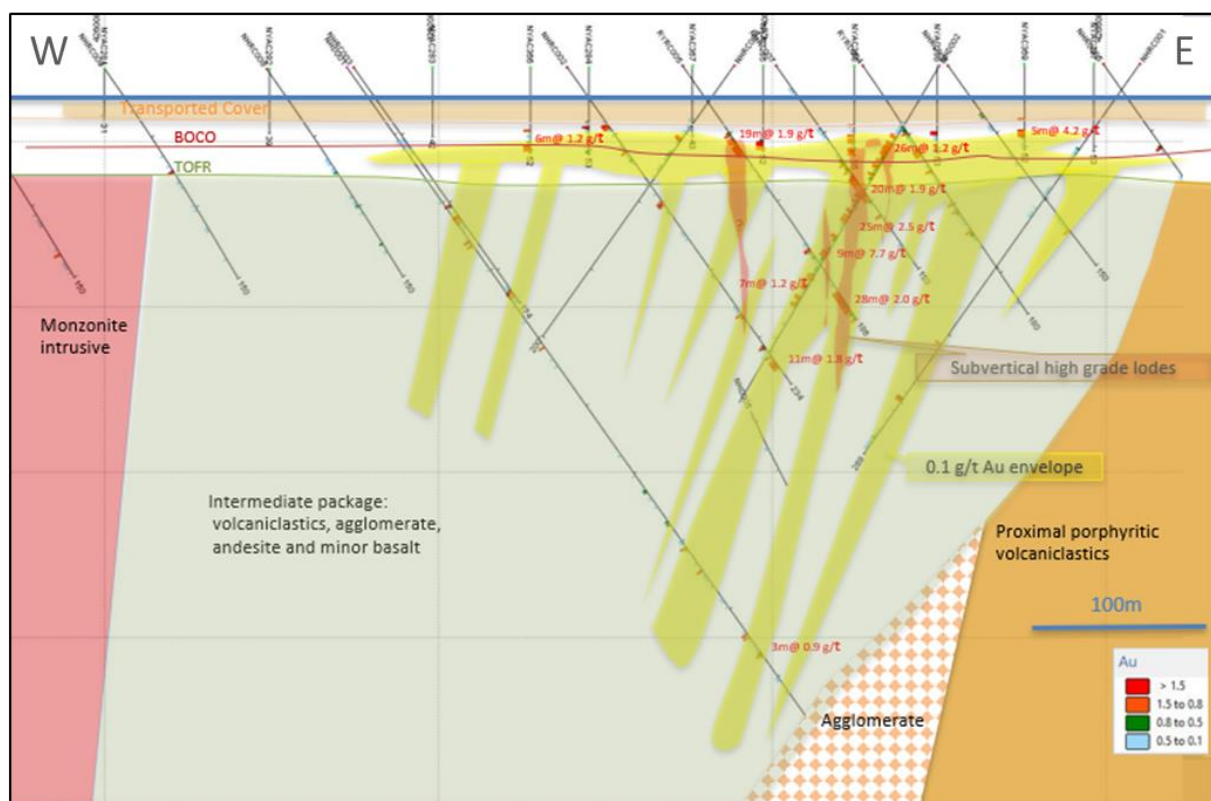


Figure 9: Hobbes Prospect Representative Cross Section 6,701,700N (Looking North)

MAURITANIA

Background

The Akjoujt South Project (ASP) comprises three licences (1415, 1416 and 2259) covering 596 km² in northwest Mauritania. The ASP is only 60km southeast of First Quantum's Guelb Moghrein copper-gold mine and 50km from a sealed bitumen road to the capital, Nouakchott (**Figure 10**).

Exploration over the licences has included mapping, soil sampling, trenching, petrology and ground magnetic, Induced Polarisation (IP) and Moving Loop Electromagnetic (MLEM) geophysical surveys.

The Company has intersected significant nickel-copper-cobalt mineralisation in several holes at the Anomaly 5 Prospect. Drill intercepts up to 63m down hole width of 0.52% nickel, 0.31% copper and 0.03% cobalt (ASPDD012) with peak values of 1.38% nickel, 1.46% copper and 0.09% cobalt have been returned (**Figure 11**). Mineralisation remains open along strike and down plunge.

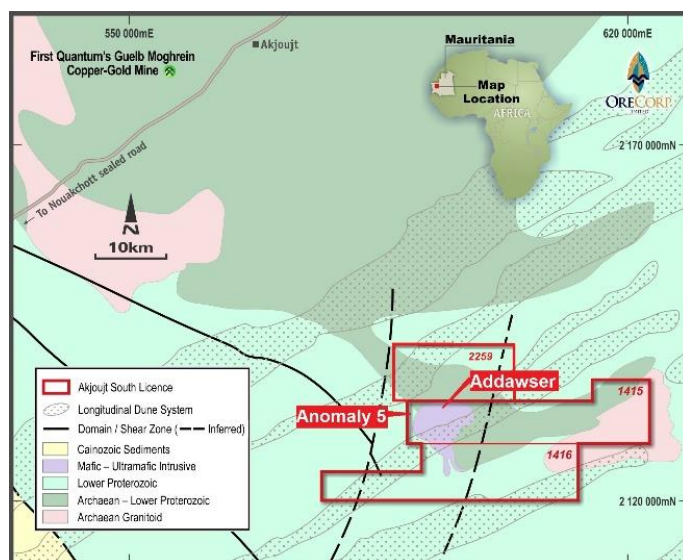


Figure 10: Location of the Akjoujt South Project, Mauritania

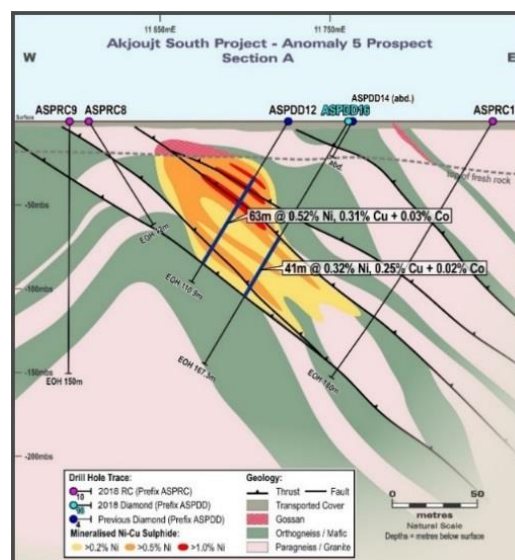


Figure 11: Anomaly 5 Prospect – Drill Section

The Company is seeking a joint venture partner to provide funding for the ASP. An Information Memorandum and data room have been prepared for this purpose and several interested parties currently have access to the data.



Dunes at the Akjoujt South Project, Mauritania

PROJECT OVERVIEW (Continued)

SUSTAINABLE DEVELOPMENT

At OreCorp we believe the success of our business is underpinned by a strong commitment to all aspects of sustainable development with an integrated approach to economic, social and environmental management and effective corporate governance.

Health and Safety

The Company believes that sound occupational health and safety management practices are in the best interests of its employees, its business, its shareholders, and the communities in which it operates. OreCorp is committed to achieving the highest performance in occupational health and safety to create and maintain a safe and healthy environment at the workplace.

The Company seeks to eliminate work-related incidents, illnesses and injuries by identifying, assessing and where reasonably practical, eliminating or otherwise controlling hazards. We are pleased to report that there were no Lost Time Injuries sustained during the year ended 30 June 2019.

Environment

OreCorp regards caring for the environment as an integral part of its business and is committed to operating in a responsible manner which minimises its impact on the environment.

The Company seeks to ensure that throughout all phases of activity personnel and contractors give proper consideration to the care of the community, flora, fauna, land, air and water. To fulfil this commitment OreCorp will:

- Comply with applicable environmental laws and regulations;
- Implement and maintain effective environmental management systems;
- Integrate environmental factors into decision-making throughout the mining lifecycle;
- Assess the potential environmental effects of its activities and manage environmental risk;
- Regularly monitor and strive to continually improve its environmental performance;
- Rehabilitate the environment affected by Company activities;
- Promote environmental awareness among personnel and contractors to increase understanding of their roles and responsibilities in relation to environmental management; and
- Consult and communicate openly with host communities, governments and other stakeholders.

During the year, there were no reportable environmental incidents recorded.

Stakeholder Relations

OreCorp seeks to develop and maintain positive, enduring relationships with its host communities in line with the Company's Code of Ethics and Conduct by striving for mutual understanding of each other's needs and aspirations.

Commensurate with the level of its activities OreCorp commits to support:

- Ongoing consultation with local communities and public authorities;
- Open and transparent communication about activities that might affect the host community;
- Mitigation, management and monitoring plans that meet international and local standards;
- Local sourcing of supplies, services and labour;
- Technology transfer and training to both individuals and related institutions; and
- Community development programs that can be self-sustaining.

The Company currently employs most of its Nyanzaga Project staff from the local communities and sources the majority of its supplies from local providers. A number of community projects have been carried out over the last 12 months including supplying cement for construction of the Nyang'whale District Council Administration Block and the Nyamtukuza village dispensary, assistance in the form of supplying cement, sand and skilled labour for classrooms at Igalula, Sotta and Kaningu Primary Schools and the growing and distribution of over 5,500 tree seedlings to local schools, health centres and communities in the area.



Nyang'hwale District Commissioner Receiving Cement from OreCorp's Community Liaison Officer



Tree Nursery at the Nyanzaga Camp



Refurbished Classrooms at Igalula Primary School



Nkumba Primary School Students with Donated Tree Seedlings

In addition, the Company has formed a football team, "OreCorp United" which comprises employees, casuals, tradesmen and volunteers from the local community. This allows staff to relax and enjoy a social activity with the local villages, building the company's positive engagement with the community. OreCorp United recently won the Nyunya's Cup which involved 12 teams.



OreCorp United Football Team

DIRECTORS' REPORT

The Directors of OreCorp Limited present their report on the Consolidated Entity consisting of OreCorp Limited (the Company or OreCorp) and the entities it controlled at the end of, or during the year ended 30 June 2019 (Consolidated Entity or Group).

DIRECTORS

The names of the Directors in office during the financial year and until the date of this report are as follows:

Director	Position
Mr Craig Williams	Non-Executive Chairman
Mr Matthew Yates	Chief Executive Officer & Managing Director
Mr Alastair Morrison	Non-Executive Director
Mr Michael Klessens	Non-Executive Director
Mr Robert Rigo	Non-Executive Director

All Directors held their office from 1 July 2018 until the date of this report.

CURRENT DIRECTORS AND OFFICERS

Mr Craig Williams

Non-Executive Chairman

Member of Audit Committee, Remuneration and Nomination Committee and Risk Committee

Qualifications – B.Sc. (Hons)

Mr Williams is a geologist with over 40 years experience in mineral exploration and mine development.

He was the President and CEO of Equinox Minerals Limited ('Equinox'), a dual listed TSX - ASX resources company which he co-founded in 1993 with the late Dr Bruce Nisbet. Mr Williams was instrumental in the financing and development of the major Lumwana Copper mine in Zambia which resulted in Equinox being one of the world's top 20 copper producers. Following the ramp up of Lumwana, Equinox embarked on an acquisition program that resulted in the takeover of the Citadel Resource Group for \$1.2 billion, targeting development of the Jabal Sayid Mine in Saudi Arabia. Equinox was taken over in mid-2011 by Barrick Gold Corporation ('Barrick') for \$7 billion, ending a challenging and exciting 18-year history at Equinox.

Mr Williams was appointed as Director and Chairman of the Company on 27 February 2013 and he has been a Director of OreCorp Resources Pty Ltd since December 2011. During the three-year period to the end of the financial year, Mr Williams holds a non-executive directorship in Lontown Resources Limited (November 2006 - current).

Mr Matthew Yates

Chief Executive Officer & Managing Director

Qualifications – B.Sc. (Hons.), MAIG

Mr Yates is a geologist with over 30 years industry experience, covering most facets of exploration from generative work to project development. Prior to founding OreCorp Limited, he was the Joint Managing Director of Mantra Resources Limited and was instrumental in the acquisition of a number of uranium projects, including Mkuju River (Tanzania), Kariba (Zambia) and Mavuzi (Mozambique). He has worked in Australia and southern, east and west Africa, Central Asia and the Gulf Region. He managed exploration teams in Western Australia and Tanzania respectively. Mr Yates has an applied technical background and has held senior positions for over 25 years, including resident Exploration Manager in Tanzania for Tanganyika Gold Limited.

Mr Yates was appointed a Director of the Company on 27 February 2013 and he has been a Director of OreCorp Resources Pty Ltd, which he founded, since June 2010. During the three-year period to the end of the financial year, Mr Yates was not a director of any other public companies.

Mr Alastair Morrison

Non-Executive Director

Member of Audit Committee, Risk Committee

Qualifications – MSc (Hons), Grad Dip App Fin & Inv, MAIG, GAICD

Mr Morrison is a geologist with more than 30 years experience in mineral exploration and investment.

He initially worked for more than six years in Australia as an exploration geologist in Western Australia, then for North Flinders Mines in the Northern Territory during the development of the +5 million-ounce Callie gold deposit.

From 1996 to 2003 he worked in Tanzania for East African Gold Mines Limited at the North Mara Gold Project. He was responsible for the management of exploration, overseeing the delineation of more than 5 million ounces of resources, including the discovery of the high-grade Gokona gold deposit. In later years, he had additional responsibilities for all in-country development activities, through feasibility and permitting until the commencement of construction. East African Gold Mines was acquired by Placer Dome Inc. in mid-2003 for US\$252 million.

Since 2004, he has worked as an investment analyst for a private, resource-oriented investment fund evaluating and investing in mining projects around the world.

Mr Morrison was appointed a Director of the Company on 27 February 2013 and he has been a Director of OreCorp Resources Pty Ltd since June 2010. During the three-year period to the end of the financial year, Mr Morrison held a non-executive directorship in E2 Metals Limited (February 2019 - current).

Mr Michael Klessens

Non-Executive Director

Chairman of Audit Committee and Remuneration and Nomination Committee, and member of Risk Committee

Qualifications – B.Bus, CPA, MAICD

Mr Klessens is a CPA with over 30 years practical financial and management experience, particularly within the resources industry. This experience has involved all areas of corporate and treasury management, project financing, capital raisings, mergers and acquisitions, dual listings, feasibility studies and establishment of systems and procedures for new mining operations.

From 2002 - 2011, Mr Klessens was Vice President - Finance and Chief Financial Officer of Equinox Minerals Limited where he was responsible for finance, debt and equity financings, treasury and all financial functions of the company and its operations.

Prior to Equinox, Mr Klessens held senior positions in mid-tier Australian resource companies primarily focused on gold.

Mr Klessens joined the Board of OreCorp as a Director on 27 February 2013 and he has been a Director of OreCorp Resources Pty Ltd since March 2012. During the three-year period to the end of the financial year, Mr Klessens was not a director of any other public companies.

Mr Robert Rigo

Non-Executive Director

Chairman of Risk Committee and Member of Remuneration and Nomination Committee

Qualifications – B.App Sc, FAusIMM, MIEAust, GAICD

Mr Rigo is an engineer with over 35 years experience. He has previously held a number of executive and senior management positions with publicly listed mining companies. He was Vice President - Project Development at Equinox from 2002 - 2011, where he managed the feasibility study, related technical studies and engineering design and construction contracts for the Lumwana Copper Mine in Zambia, which commenced production in 2008. He also established Lumwana's copper concentrate off-take and logistics contracts. Following Lumwana, Mr Rigo managed the construction of Equinox's Jabal Sayid (underground) Copper Mine in Saudi Arabia for Barrick.

DIRECTORS' REPORT

(Continued)

Amongst Mr Rigo's roles prior to Equinox, he was the Mill Manager at Boddington Gold Mine, at the time Australia's largest gold mine. He then became General Manager – Technical Services for Newcrest Mining Ltd, Australia's major gold producer. His particular expertise lies in the management of mining operations, feasibility studies and construction of mining and mineral processing projects.

Mr Rigo joined the board of OreCorp as a Director on 1 April 2016. During the three-year period to the end of the financial year, Mr Rigo was not a director of any other public companies.

Mr Dion Loney

Group Accountant & Company Secretary

Qualifications – CPA, GradDipAcc, BCom

Mr Loney is a Certified Practicing Accountant with significant experience in financial and management accounting, particularly in the mining and resources sectors. Since 2005, Mr Loney has held senior accounting and finance roles for a number of ASX listed and Australian Privately held companies with experience in exploration, development, mining and bulk haulage within the gold, iron ore and manganese sectors.

Mr Loney was appointed as Company Secretary on 15 July 2019.

Mr Luke Watson

CFO & Company Secretary

Qualifications – B.Bus, CA, ACIS, F Fin

Mr Watson is a Chartered Accountant, Chartered Secretary and a Fellow of FINSIA. He has significant corporate experience including mergers & acquisitions, capital raisings, IPOs and dual listings on the TSX. Since 2005, Mr Watson has held senior corporate and finance positions with a number of African-focused resources companies, including Mantra Resources Limited (Mantra) and OmegaCorp Limited. Mr Watson was the CFO & Company Secretary of Mantra from its \$6 million IPO in October 2006 until its acquisition by ARMZ (JSC Atomredmetzoloto) for approximately \$1 billion in mid-2011.

Mr Watson was appointed as CFO and Company Secretary on 11 October 2011 and resigned from the Company effective from 15 July 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the year consisted of mineral exploration for gold and precious metals, including the Project Financing DFS on the Nyanzaga Project in Tanzania and the Hobbes Gold Project in Western Australia.

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2019.

REVIEW OF OPERATIONS AND ACTIVITIES

Information on the operations and financial position of the group and its business strategies and prospects is set out in the company profile and project overview on pages 5 to 18 of this annual report.

During the year, the Consolidated Entity incurred a loss of \$6,473,933 (2018: \$6,728,584) primarily due to its accounting policy of expensing exploration and evaluation expenditure incurred subsequent to the acquisition of rights to explore and up to the date of completion of definitive feasibility studies, as set out in Note 1.

At 30 June 2019, the Consolidated Entity had net assets of \$11.1 million (2018: \$16.5 million) and cash reserves of \$10 million (2018: \$14.6 million). The reduction in net assets and cash during the year resulted primarily from expenses relating to exploration activities.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Consolidated Entity during the year were as follows:

- 1) On 20 July 2018, the Company announced that it had completed its earn-in obligations in respect of the Nyanzaga Gold Project to move to 25% ownership of NMCL. The Company also announced it had signed a binding conditional heads of agreement with Acacia and NMCL to allow OreCorp to move to 100% ownership of Nyanzaga.
- 2) On 6 September 2018, the Company announced that it had received approval from the Tanzania Fair Competition Commission (FCC) to increase its interest in NMCL to 51%.
- 3) On 28 November 2018, the Company granted 2,500,000 unlisted options to Non-Executive Directors as approved at the AGM.
- 4) On 23 January 2019, in the December 2018 Quarterly Report, the Company announced that it was seeking Joint Venture (JV) funding for its ASP Project in Mauritania.
- 5) On 21 February 2019, the Company platformed an announcement in response to an announcement by Barrick Gold Corporation (Barrick) and Acacia Mining plc (Acacia) regarding Barrick's proposed takeover of Acacia. Subsequently on 22 July 2019, the Company announced that the boards of Barrick and Acacia had reached an agreement on the terms of a recommended offer by Barrick for all of the ordinary share capital of Acacia that Barrick did not already own.
- 6) In April 2019, the Company announced that it had entered into a binding Earn-in Agreement to acquire up to an 80% interest in the Hobbes Gold Project, located in the Eastern Goldfields in Western Australia. The Company subsequently continued generative exploration programs at the Hobbes Project throughout the year.
- 7) On 24 June 2019, a total of 6,560,000 unlisted employee options lapsed in accordance with the terms on which they were issued.

SIGNIFICANT POST BALANCE DATE EVENTS

Other than as disclosed below, there were no significant events occurring after balance date requiring disclosure.

- 1) On 22 July 2019, the Company announced the simplification of its Completion Agreement with Acacia, replacing the US\$15,000,000 net smelter royalty (NSR) with an additional cash payment of US\$1,500,000, increasing the total cash consideration to US\$11,500,000. Also announced was that OreCorp would pre-pay the assessed capital gains tax of US\$3,450,000 on the total consideration on behalf of Acacia which was subsequently paid on 3 September 2019. This amount of pre-paid tax will be deducted from the final payment to Acacia following grant of the SML, which will now be US\$8,050,000.
- 2) On 16 August 2019, the Company announced an institutional placement to raise A\$13,300,000 with the placement of 53.1 million shares at an issue price of A\$0.25 per share. This was subsequently completed on 23 August 2019 as announced to the market.
- 3) On 21 August 2019, the Company announced that it had been granted approval for its exploration permit 2259 at the Akjoujt South Project (ASP) in Mauritania.
- 4) On 16 September 2019, the Company announced that it had received approval from the Tanzanian Mining Commission (TMC) to acquire control of NMCL and further approval from the Fair Competition Commission (FCC) to acquire 100% of NMCL.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's operations are subject to various environmental laws and regulations in each of the countries in which it holds exploration licences. The Group aims for full compliance with these laws and regulations and regards them as a minimum standard for all operations to achieve.

Instances of environmental non-compliance by an operation are identified either internally, or by external compliance audits or inspections by relevant government authorities.

DIRECTORS' REPORT (Continued)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

It is the Board's current intention that the Consolidated Entity will:

- progress the Nyanzaga Project, with a focus on obtaining a SML and completing the Project Financing DFS;
- continue to undertake regional generative exploration programs at the Hobbes Gold Project in the Eastern Goldfields of Western Australia;
- continue to review other resource opportunities which may enhance shareholder value; and
- continue to seek joint venture funding for its Akjoujt South Project in Mauritania.

The successful completion of these activities will assist the Group to achieve its strategic objective of making the transition from explorer to producer.

These activities are inherently risky, and the Board is unable to provide certainty that any or all of these objectives will be able to be achieved. In the opinion of the Directors, any further disclosure of information regarding likely developments in the operations of the Consolidated Entity and the expected results of these operations in subsequent financial years may prejudice the interests of the Group and accordingly, further information has not been disclosed.

SHARE OPTIONS

At the date of this report, the following options have been issued over unissued shares:

- (1) 3,125,000 unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020; and
- (2) 4,350,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2019, and the number of meetings attended by each Director.

Directors	Board Meetings ⁽¹⁾		Audit Committee Meetings		Remuneration & Nomination Committee Meetings		Risk Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Craig Williams	8	8	2	2	2	2	2	2
Matthew Yates	8	8	-	-	-	-	-	-
Alastair Morrison	8	8	2	2	-	-	2	2
Michael Klessens	8	8	2	2	2	2	2	2
Robert Rigo	8	8	-	-	2	2	2	2

Notes

- (1) In addition to the Board Meetings held during the year, there were a number of matters resolved by way of Circular Resolution that are not reflected in the table above.

REMUNERATION REPORT (AUDITED)

This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of Key Management Personnel ('KMP') of the Group. The term KMP refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Details of Key Management Personnel

Details of the KMP during or since the end of the financial year are set out below:

Directors

Mr Craig Williams	Non-Executive Chairman
Mr Matthew Yates	Chief Executive Officer & Managing Director
Mr Alastair Morrison	Non-Executive Director
Mr Michael Klessens	Non-Executive Director
Mr Robert Rigo	Non-Executive Director

Other Key Management Personnel

Mr Luke Watson – CFO & Company Secretary (Mr Watson resigned as Company Secretary effective from 15 July 2019 and was replaced by Mr Dion Loney from the same date)

Unless noted above, all KMP held their position from 1 July 2018 until the date of this report.

Other than the CEO and CFO, there were no other executives of the Company or Group during the year.

Remuneration Policy

The Group's remuneration policy for its KMP has been developed by the Board taking into account the size of the Group, the size of the management team for the Group, the nature and stage of development of the Group's current operations, and market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

In addition to considering the above general factors, the Board has also placed emphasis on the following specific issues in determining the remuneration policy for KMP:

- 1) the Group is currently concentrating on exploration and feasibility activities at the Nyanzaga Project, including the completion of the Project Financing DFS, as well as its other projects, and reviewing other mineral resource opportunities. The Board considers that the experience of its KMP in the resources industry will greatly assist the Group in achieving its strategic objectives and progressing its exploration properties over the next 12 – 24 months;
- 2) risks associated with developing resource companies whilst exploring and developing projects, particularly at the 'grass roots' stage; and
- 3) other than profit which may be generated from asset sales, the Group does not expect to be undertaking profitable operations until after the commencement of commercial production on any of its projects.

External Advice on Remuneration

The Company has not obtained advice from external consultants in respect of its remuneration arrangements in the years ended 30 June 2018 or 2019. Given the developments in, and evolution of, the Company to date, the Board is intending to appoint an independent external remuneration and reward advisor to review the Company's remuneration and incentive plans. The review is being undertaken to ensure appropriateness of performance conditions (over the short, medium and long term), vesting scales, targets and gates to the circumstances that are anticipated to prevail over the measurement period and the expectations of shareholders. The Remuneration Committee will consider whether the executive and non-executive remuneration structure may be improved for future periods as a result of this review.

DIRECTORS' REPORT

(Continued)

Executive Remuneration Framework

Executive remuneration is comprised of fixed remuneration and performance-based incentives, as set out below.

Fixed Remuneration

Fixed remuneration consists of base salaries, as well as employer contributions to superannuation funds and other non-cash benefits. KMP who are residents of Australia for taxation purposes receive a statutory superannuation contribution (subject to statutory age-based limits) and do not receive any other retirement benefits. Fixed remuneration is reviewed annually by the Remuneration Committee and approved by the Board. The process consists of a review of Consolidated Entity and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

Performance Based Remuneration

The Company did not have a formalised cash-based incentive plan during the year ended 30 June 2019 as it is not currently producing any revenues from its projects and wishes to conserve its cash for utilisation in the most effective manner. Until such time as a formalised cash-based incentive scheme is ratified and introduced, the Board has chosen to pay discretionary bonuses based on achievement of key corporate objectives.

Consequently, for the purposes of providing incentive arrangements during the year ended 30 June 2019 the Company decided to primarily utilise its existing option plan, as set out below.

Purpose of the Incentive Plan ('IP' or 'Plan')

As the Company is not currently producing revenue, and in order to limit its outgoings, the Board wishes to minimise short-term cash-based incentives that are paid however the Board is also cognisant that the executive team could earn cash payments in the market and seeks to provide a performance based incentive which will assist with retaining staff.

In order to attract and retain the services of the directors and executives and to provide an incentive linked to the performance of the Consolidated Entity aligned to shareholder interests over a number of performance periods, the Company established an option plan for employees (and contractors), which was approved by Shareholders at the general meeting held on 22 June 2016.

Value of the Incentive Portion

During the year, the Company issued unlisted options to directors and executives as approved at the AGM. The value of the options granted during the year; being premium exercise price options (PEPO) - priced at a 143% premium to the traded share price; represents between 8% - 45% of each incumbents' package and is considered a hybrid incentive plan as it contains both a short and a mid to long term component:

- Short term in that the instrument vests in 12 months; and
- Mid to long term in that the probability of the hurdle rate being is (based on the historical performance of the share), greater than 12 months.

Performance Measures

The Board has a policy of granting options to directors and KMP with exercise prices above market share price (at the time of agreement). As such, incentive options granted to directors and KMP will generally only be of benefit if they perform to the level whereby the value of the Consolidated Entity increases sufficiently to warrant exercising the incentive options granted. Other than the criteria noted above, there are no performance requirements on the incentive options granted to directors and KMP in previous years, as given the speculative nature of the Group's activities and the small management team responsible for its running, it is considered the performance of the directors and KMP is closely related to the performance and value of the Consolidated Entity.

Performance Periods

The options that were granted during the year in July 2018 and November 2018 vested on 30 June 2019.

Non-Executive Director Remuneration

The Board's policy is for fees to Non-Executive Directors to be no greater than market rates for comparable companies for time, commitment and responsibilities. Given the current size, nature and risks of the Company, Incentive Options have been used to attract and retain Non-Executive Directors. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability and company specific requirements which include a competent and seasoned Board.

The maximum aggregate amount of fees that can be paid to Non-Executive Directors, currently \$350,000, was approved by shareholders at the Company's 28 November 2016 Annual General Meeting. Director's fees paid to Non-Executive Directors accrue on a daily basis. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares and/or options in the Company and Non-Executive Directors may in limited circumstances receive Incentive Options in order to secure their initial or ongoing services (refer tables below for further details of share and option holdings).

Options issued to Non-Executive Directors are subject to a price hurdle and would therefore be viewed as a performance-based option. The purpose of issuing these options at the time was to:

- Assist with ensuring that the Company has a stable Board;
- Provide adequate reward to retain the current Non-Executive Directors; and
- Preserve cash holdings in the most effective way possible as the Company is not currently a revenue producer.

Group Performance

The table below sets out summary information about the Consolidated Entity's earnings and movements in shareholder wealth for the last five financial years:

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$	Year Ended 30 June 2016 \$	Year Ended 30 June 2015 \$
Interest revenue	112,095	271,166	221,349	48,526	73,617
Other income	-	-	-	-	293,171
Unrealised foreign exchange gain / (loss)	474,201	885,584	26,929	235,682	836,452
Loss before tax	(6,473,933)	(6,728,584)	(15,372,180)	(3,603,871)	(650,670)
Loss after tax	(6,473,933)	(6,728,584)	(15,372,180)	(3,603,871)	(650,670)
Dividends	-	-	-	-	-
Share price	0.22	0.18	0.38	0.31	0.05
Basic loss per share (cents per share)	(2.99)	(3.11)	(8.37)	(3.05)	(0.57)
Diluted loss per share (cents per share)	(2.99)	(3.11)	(8.37)	(3.05)	(0.57)

Key Management Personnel Remuneration

Details of the nature and amount of each element of the remuneration of each KMP of the Company or Group for the financial year are as follows:

		Cash				Non-Cash			Total (Cash and Non-Cash)	Performance Related	
		Short-term		Post- Employment	Total Cash Payments	Short-term	Share Based Payments	Total Non-Cash Payments		Short Term Incentive Plan	Long Term Incentive Plan
		Base Remuneration / Director Fees	Bonus	Superannuation	Movement in Annual Leave Provision	Accounting Valuation					
		\$	\$	\$	\$	\$	\$	\$	%	%	
Directors											
Non-Executive Chairman											
Williams, Craig	2019	90,500	-	9,500	100,000	-	41,500	41,500	141,500	-	29.33%
Williams, Craig	2018	68,493	-	6,507	75,000	-	30,773	30,773	105,773	-	29.09%
CEO and Managing Director											
Yates, Matthew	2019	375,000	50,000	25,000	450,000	20,792	41,500	62,292	512,292	9.76%	8.10%
Yates, Matthew	2018	325,000	-	25,000	350,000	32,392	48,351	80,743	430,743	-	11.23%
Non-Executive Director											
Morrison, Alastair	2019	45,250	-	4,750	50,000	-	41,500	41,500	91,500	-	45.36%
Morrison, Alastair	2018	40,183	-	3,817	44,000	-	24,175	24,175	68,175	-	35.46%
Non-Executive Director											
Klessens, Michael	2019	49,775	-	5,225	55,000	-	41,500	41,500	96,500	-	43.01%
Klessens, Michael	2018	45,655	-	4,345	50,000	-	24,175	24,175	74,175	-	32.59%
Non-Executive Director											
Rigo, Robert	2019	33,937	-	16,063	50,000	-	41,500	41,500	91,500	-	45.36%
Rigo, Robert	2018	40,183	-	3,817	44,000	-	24,175	24,175	68,175	-	35.46%
Other KMP											
CFO & Company Secretary											
Watson, Luke	2019	263,750	25,000	25,000	313,750	10,285	50,050	60,335	374,085	6.68%	13.38%
Watson, Luke	2018	250,000	-	25,000	275,000	16,662	29,011	45,673	320,673	-	9.05%

Notes

- (1) The value of options granted during the period is recognized in compensation over the vesting period of the grant, in accordance with Australian accounting standards.
- (2) Details of incentive options granted as remuneration to each KMP of the Company or Group during the financial year are outlined in further detail separately below.
- (3) In accordance with statutory provisions, executive KMP are eligible for long service leave.

Shareholdings of Key Management Personnel

Key Management Person 2019	Opening Balance at 1 July 2018	Other Changes	Held at 30 June 2019
Directors			
Craig Williams	2,910,370	-	2,910,370
Matthew Yates	10,495,578	-	10,495,578
Alastair Morrison	5,124,874	-	5,124,874
Michael Klessens	1,995,370	-	1,995,370
Robert Rigo	570,370	-	570,370
Other KMP			
Luke Watson	1,152,781	-	1,152,781

Option Holdings of Key Management Personnel

The aggregate number of options over ordinary shares of the Company held directly, indirectly or beneficially by KMP of the Company or Group or their related entities at balance date is as follows:

Key Management Person 2019	Opening Balance at 1 July 2018 #	Grant of Options #	Options Expired during the year #	Held at 30 June 2019 #	Vested and Exercisable at 30 June 2019 #
Directors					
Craig Williams	1,000,000	500,000	(700,000)	800,000	800,000
Matthew Yates	1,500,000	500,000	(1,000,000)	1,000,000	1,000,000
Alastair Morrison	750,000	500,000	(500,000)	750,000	750,000
Michael Klessens	750,000	500,000	(500,000)	750,000	750,000
Robert Rigo	750,000	500,000	(500,000)	750,000	750,000
Other KMP					
Luke Watson	900,000	350,000	(600,000)	650,000	650,000

Terms and conditions of the options granted as compensation are set out below:

Grant date	Vesting date	Expiry date	Exercise price	Value per option at grant date	Vested %
30-Jul-18	30-Jun-19	30-Jul-21	\$0.44	\$0.143	100%
28-Nov-18	30-Jun-19	30-Jul-21	\$0.44	\$0.083	100%

No options were exercised by Key Management Personnel of the Company or Group during the year ended 30 June 2019. A total of 3,800,000 unlisted options for KMP expired during the year.

DIRECTORS' REPORT

(Continued)

Employment Contracts with Key Management Personnel

Mr Matthew Yates, Chief Executive Officer & Managing Director, has a contract of employment with OreCorp Limited. The contract specifies the duties and obligations to be fulfilled by the CEO. The contract has no fixed term and may be terminated by either party giving three months' notice. No amount is payable in the event of termination for neglect or incompetence in regard to the performance of duties other than accrued entitlements. In the event of termination by either party in certain circumstances, Mr Yates is entitled to 12 months' salary. Effective 1 July 2018, Mr Yates receives \$400,000 per annum (inclusive of superannuation). In addition, as approved by shareholders on 22 June 2016, Mr Yates is a participant in the Company's 'Employee Option Plan' and will be entitled to participate in the 'Short-Term Incentive Plan', as and when introduced by the Board.

On 26 July 2018, the Remuneration Committee awarded Mr Yates a discretionary bonus payment of \$50,000 following the announcement of the conditional binding HoA. There were no loans made to Mr Yates during the year.

Mr Luke Watson, Chief Financial Officer & Company Secretary, had a contract of employment with OreCorp Limited. The contract specified the duties and obligations to be fulfilled by the CFO. The contract had no fixed term and could be terminated by either party giving three months' notice. No amount was payable in the event of termination for neglect or incompetence in regard to the performance of duties other than accrued entitlements. In the event of termination by either party in certain circumstances, Mr Watson was entitled to 12 months' salary. Effective 1 July 2018, Mr Watson received \$288,750 per annum (inclusive of superannuation). In addition, as approved by shareholders on 22 June 2016, Mr Watson was a participant in the Company's 'Employee Option Plan'.

On 26 July 2018, the Remuneration Committee awarded Mr Watson a discretionary bonus payment of \$25,000 following the announcement of the conditional binding HoA. There were no loans made to Mr Watson during the year. Mr Watson resigned from the Company and was replaced as Company Secretary effective from 15 July 2019.

End of Remuneration Report.

INSURANCE OF OFFICERS AND AUDITORS

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company or Group for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During the financial year, the Company paid a premium in respect of a contract insuring the directors and the company secretary of the Company (as named above) of any related body corporate against a liability incurred as such a director or secretary to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor. It is noted that there were no such liabilities during the financial year.

NON-AUDIT SERVICES

The Group may decide to use its auditor to provide non-audit services where the auditor's expertise and experience with the Group is important.

During the year, the following fees were paid or payable for services provided by the auditor of the Group:

	Year Ended 30 June 2019	Year Ended 30 June 2018
Services provided by the Company's auditors	\$	\$
Deloitte Australia:		
- Audit and review of financial report	31,104	29,731
- Other non-audit services	-	-
PwC Tanzania:		
- Audit and review of financial report	16,393	13,815
- Other non-audit services (taxation advice)	90,885	28,476
Total remuneration for auditors	138,382	72,022

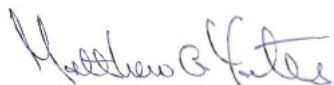
There were no non-audit services provided by the Group auditor (or by another person or firm on the auditor's behalf) during the financial year. A total of \$90,885 (2018: \$28,476) was paid to OreCorp Tanzania Limited's auditor (PwC Tanzania) for taxation advice and services.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is on page 68 of the Annual Report.

This report is made in accordance with a resolution of the directors made pursuant to section 298(2) of the Corporations Act 2001.

For and on behalf of the Directors



MATTHEW YATES
Chief Executive Officer

26 September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Notes	Year Ended 2019 A\$	Year Ended 2018 A\$
Interest income	2(a)	112,095	271,166
Foreign exchange gain	2(b)	474,201	885,584
Corporate and administration costs		(1,507,448)	(1,207,840)
Exploration and evaluation costs		(4,767,388)	(5,996,504)
Business development costs		(785,393)	(680,990)
Loss before tax from continuing operations		(6,473,933)	(6,728,584)
Income tax expense	4	-	-
Loss for the year		(6,473,933)	(6,728,584)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		343,244	(791,994)
Other comprehensive income/(loss) for the year		343,244	(791,994)
Total comprehensive loss for the year, net of income tax		(6,130,689)	(7,520,578)
Total comprehensive loss attributable to members of the parent		(6,130,689)	(7,520,578)
Earnings per share			
Weighted average number of shares	21	216,599,121	216,412,820
Basic loss per share (cents per share)	21	(2.99)	(3.11)
Diluted loss per share (cents per share)	21	(2.99)	(3.11)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Notes	2019 A\$	2018 A\$
ASSETS			
Current Assets			
Cash and cash equivalents	22(b)	9,994,765	14,562,729
Trade and other receivables	5	109,304	1,143,512
Total Current Assets		10,104,069	15,706,241
Non-current Assets			
Property, plant and equipment	6	77,417	185,495
Exploration and evaluation assets	7	1,805,517	1,354,061
Total Non-current Assets		1,882,934	1,539,556
TOTAL ASSETS		11,987,003	17,245,797
LIABILITIES			
Current Liabilities			
Trade and other payables	8	461,984	452,026
Provisions – annual leave	9	235,963	165,380
Total Current Liabilities		697,947	617,406
Non-current Liabilities			
Provisions – long service leave	10	157,527	118,223
Total Non-current Liabilities		157,527	118,223
TOTAL LIABILITIES		855,474	735,629
NET ASSETS		11,131,529	16,510,168
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	11	55,606,167	55,326,167
Reserves	12	326,673	153,307
Accumulated losses	13	(44,801,311)	(38,969,306)
TOTAL EQUITY		11,131,529	16,510,168

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Note	Year Ended 2019 A\$	Year Ended 2018 A\$
Cash flows from operating activities			
Interest received		103,502	281,717
Payments to suppliers and employees		(5,044,684)	(8,380,975)
Net cash outflow from operating activities	22(a)	(4,941,182)	(8,099,258)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(6,123)	(50,445)
Purchase of exploration and evaluation assets	7	(100,000)	-
Net cash outflow from investing activities		(106,123)	(50,445)
Cash flows from financing activities			
Net cash inflow from financing activities		-	-
Net decrease in cash and cash equivalents held		(5,047,305)	(8,149,703)
Foreign exchange movement on cash and cash equivalents		479,341	896,896
Cash and cash equivalents at the beginning of the financial year		14,562,729	21,815,536
Cash and cash equivalents at the end of the financial year	22(b)	9,994,765	14,562,729

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

	Issued Capital A\$	Share Based Payments Reserve A\$	Foreign Currency Translation Reserve A\$	Accumulated Losses A\$	Total Equity A\$
Year ended 30 June 2019:					
Balance at 1 July 2018	55,326,167	963,895	(810,588)	(38,969,306)	16,510,168
Total comprehensive income					
Net loss for the year	-	-	-	(6,473,933)	(6,473,933)
Other comprehensive income (OCI)					
Exchange differences arising on translation of foreign operations	-	-	343,244	-	343,244
Income tax relating to OCI	-	-	-	-	-
Total other comprehensive income	-	-	343,244	-	343,244
Total comprehensive income/(loss) for the year	-	-	343,244	(6,473,933)	(6,130,689)
Transactions with owners, recorded directly in equity					
Issue of shares	280,000	-	-	-	280,000
Share based payment expense	-	472,050	-	-	472,050
Transfer balance of reserve relating to expired options to accumulated losses	-	(641,928)	-	641,928	-
Total transactions with owners	280,000	(169,878)	-	641,928	752,050
Balance at 30 June 2019	55,606,167	794,017	(467,344)	(44,801,311)	11,131,529
Year ended 30 June 2018:					
Balance at 1 July 2017	55,326,167	905,889	(18,594)	(32,583,022)	23,630,440
Total comprehensive income					
Net loss for the year	-	-	-	(6,728,584)	(6,728,584)
Other comprehensive income (OCI)					
Exchange differences arising on translation of foreign operations	-	-	(791,994)	-	(791,994)
Income tax relating to OCI	-	-	-	-	-
Total other comprehensive loss	-	-	(791,994)	-	(791,994)
Total comprehensive loss for the year	-	-	(791,994)	(6,728,584)	(7,520,578)
Transactions with owners, recorded directly in equity					
Share based payment expense	-	400,306	-	-	400,306
Transfer balance of reserve relating to expired options to accumulated losses	-	(342,300)	-	342,300	-
Total transactions with owners	-	58,006	-	342,300	400,306
Balance at 30 June 2018	55,326,167	963,895	(810,588)	(38,969,306)	16,510,168

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in preparing the financial report of the Company, OreCorp Limited and its consolidated entities ('Consolidated Entity' or 'Group') for the year ended 30 June 2019 are stated to assist in a general understanding of the financial report. For the purposes of preparing the consolidated financial statements, the Company is a for profit entity.

OreCorp Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The financial report of the Company for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the Directors on 25 September 2019.

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASs') and interpretations adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

In the application of AASs management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of AASs that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). The financial report, which includes the financial statements and the notes of the Group, also complies with International Financial Reporting Standards ('IFRS').

(c) New and Revised Accounting Standards Adopted by the Group

In the current year, the Group has adopted all of the new and revised Standards and Interpretations, including amendments to the existing standards issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The adoption of these amendments has not resulted in any significant changes to the Group's accounting policies nor any significant effect on the measurement or disclosure of the amounts reported for the current or prior periods.

AASB 9 – Financial Instruments

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The Group has adopted AASB 9 from 1 July 2018 which has resulted in changes to accounting policies and the analysis for possible adjustments to amounts recognised in the financial statements. In accordance with the transitional provisions in AASB 9, the reclassifications and adjustments are not reflected in the balance sheet as at 30 June 2018 but recognised in the opening balance sheet as at 1 July 2018. The Group made an assessment of the impact of the new impairment model introduced by AASB 9 noting no material impact.

Classification and Measurement

On 1 July 2018, the Group has assessed financial instruments held by the Group and has classified them into the appropriate AASB 9 categories. The main effects resulting from this reclassification are shown in the table below.

On adoption of AASB 9, the Group classified financial assets measured at either amortised cost or fair value, depending on the assets and on the asset's contractual cash flow characteristics. There were no changes in the measurement of the Group's financial instruments.

Furthermore, there was no impact on the statement of profit or loss or other comprehensive income or the statement of changes in equity on adoption of AASB 9 in relation to the classification and measurement of financial assets and liabilities. The following table summarises the classification and measurement of the Group's financial instruments at 1 July 2018:

Presented in statement of financial position	Financial Instrument	AASB 139	AASB 9	Reported A\$	Restated A\$
Cash and cash equivalents	Bank deposits	Loans and receivables	Amortised cost	No material impact	No material impact
Trade and other receivables	Loans and receivables	Loans and receivables	Amortised cost	No material impact	No material impact
Trade and other payables	Loans and payables	Loans and payables	Amortised cost	No material impact	No material impact

The Group does not currently engage in any hedging activities and accordingly any changes to hedge accounting rules under AASB 9 do not impact on the Group.

Impairment

AASB 9 introduces a new expected credit loss ("ECL") impairment model that requires the Group to adopt an ECL position across the Group's financial assets from 1 July 2018. The loss allowances for financial assets are based on the assumptions about risk of default and expected loss rates as opposed to the previously applied incurred loss model. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Group has assessed that the risk of default is minimal for trade receivables, and therefore the loss allowance is immaterial. As such, no allowance for expected credit losses has been recognised against these receivables at 30 June 2019.

AASB 15 – Revenue from Contracts with Customers

The adoption of AASB 15 has not had an impact on the Group's financial statements. During the year, the Group did not generate revenue from sale of goods or rendering of services.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

(d) New Standards and Interpretations Not Yet Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 30 June 2019. These are outlined in the table below:

Standard / Interpretation	Effective for Annual Reporting Periods Beginning on or After	Expected to be Initially Applied in the Financial Year Ending
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB Interpretation 22 'Foreign Currency Transactions and Advance Consideration'	1 January 2019	30 June 2020
AASB Interpretation 23 'Uncertainty Over Income Tax Treatments, AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments'	1 January 2019	30 June 2020
AASB 2018-1 Amendments – Annual Improvements 2015-2017 Cycle	1 January 2019	30 June 2020

AASB 16 – Leases

AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The exceptions are short-term and low-value leases.

The Group has reviewed the Group's leasing arrangements in light of the new lease accounting rules in AASB 16. The standard will affect primarily the accounting for the Group's operating leases.

As at the reporting date, the Group has non-cancellable operating lease commitments of \$121,341 (refer Note 25). Of these commitments, there are no short-term or low value leases which will be recognised on a straight-line basis as expenses in profit or loss and accordingly, the Group expects, on 1 July 2019, to recognise a right-of-use asset of approximately \$121,341 with a corresponding lease liability.

(e) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of OreCorp Limited ('Company' or 'Parent Entity') as at year end and the results of all subsidiaries for the year then ended. OreCorp Limited and its subsidiaries together are referred to as the Group or the Consolidated Entity.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries/assets by the Group.

Intercompany transactions and balances, and unrealised gains on transactions between Group companies, are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(f) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Where the group acquires an area of interest (through direct purchase or purchase of an entity), expenditure incurred in the acquisition of the area of interest is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition.

Exploration and evaluation expenditure incurred by the Group subsequent to acquisition of the rights to explore is expensed as incurred up to the successful completion of definitive feasibility studies. Expenditure in relation to the preparation of definitive feasibility studies is expensed as incurred.

Capitalised exploration is only carried forward if the Company has rights to tenure and the Company expects to recoup the expenditures through successful development or sale.

Capitalised exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(g) Interest Income

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(h) Income Tax

The income tax expense or income for the period is the tax payable or recoverable on the current period's taxable income or tax loss based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered, or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

OreCorp Limited and its 100% owned Australian resident subsidiaries have elected to form a tax consolidated group with effect from the tax year commencing 1 July 2010 and are therefore taxed as a single entity from that date.

(i) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(j) Cash and Cash Equivalents

'Cash and cash equivalents' includes cash on hand, deposits held at call with financial institutions, and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Financial Instruments

(i) Recognition and measurement

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed immediately.

(ii) Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted prices in an active market are used to determine fair value where possible. The group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Amortised Cost

Amortised cost amounts are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value through other comprehensive income (FVOCI)

FVOCI financial assets include any financial assets not included in the above categories.

(iii) Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(iv) Expected Loss

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. If there is objective evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously not recognised in the profit or loss - is removed from equity and recognised in profit or loss.

(l) Fair Value Estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments.

(m) Property, Plant and Equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Plant and equipment are depreciated or amortised on a reducing balance or straight-line basis at rates based upon their expected useful lives as follows:

	Life
Plant and equipment	2 – 15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

(n) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within twelve months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable. Employee benefits payable later than one year, including long service leave, are measured at the present value of the estimated future cash flows to be made for those benefits. Contributions to defined contribution super plans are expensed when the employees have rendered the services entitling them to the contributions.

(o) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(p) Dividends

Provision is made for the amount of any dividend declared on or before the end of the year but not distributed at balance date.

(q) Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) Goods and Services Tax ("GST") / Value Added Tax ("VAT")

Revenues, expenses and assets are recognised net of the amount of GST and VAT except:

- (i) where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) receivables and payables are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST/VAT components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(s) Share Based Payments

Share based payments are provided to directors, employees, consultants and other advisors and to acquire assets such as mineral exploration licences.

The fair value of options granted (determined using an appropriate option pricing model) is recognised as an expense or asset, as appropriate with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which option holders become unconditionally entitled to the options.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest.

(t) Foreign Currency Translation

- (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- b. Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- c. All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. Where a foreign operation is sold, or borrowings repaid, a proportionate share of such exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(u) Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

(v) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, as described above, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Exploration and evaluation expenditure

In accordance with accounting policy note 1(f) management determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. In determining this, assumptions, including the maintenance of title, ongoing expenditure and prospectivity are made. See note 7 for disclosure of carrying values.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (Continued)

(ii) Share-based payments

The consolidated entity measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of the equity instruments at the date at which they were granted. The fair value of options granted is determined using the Binomial option valuation model, based on the assumptions detailed in note 16.

(iii) VAT receivables

The Group has VAT receivables relating to its wholly owned subsidiaries in Africa. A portion of the outstanding receivables balance is greater than 12 months as at reporting date.

Management has performed a recoverability assessment test on the VAT receivable balance in the accounts of its African subsidiaries during the financial year, which included reviewing the probability of receiving the refunds within a reasonable time period. This assessment has resulted in the Group making a provision for non-refunded VAT receivables, on an aged basis. Subsequently, a provision for the full balance of the VAT receivable to 30 June 2019 has been recognised.

The Group will continue to perform recoverability assessment testing on its VAT receivables at each future reporting date and will consider further adjustments should conditions in Africa allow for the reversal of earlier provisions.

VAT receivables in Africa are audited on a six-monthly basis prior to submission to the relevant authority for refund. Prior to submission, all VAT receivables are reviewed by the Group's in-country tax advisors, who have confirmed that the VAT receivables are in good standing. Notwithstanding that a provision for non-recovery has been made, the Group expects to receive its VAT receivables at some point in the future, as is its legal entitlement.

	Year Ended 30 Jun 2019 \$	Year Ended 30 Jun 2018 \$
2. OTHER INCOME FROM CONTINUING OPERATIONS		
(a) Interest income		
Interest income	112,095	271,166
Total interest income	112,095	271,166
(b) Other income		
Net foreign exchange gain	474,201	885,584
Total other income	474,201	885,584
3. EXPENSES AND LOSSES		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
(a) Depreciation and amortisation		
Depreciation of plant and equipment	(119,516)	(131,512)
(b) Impairment expenses included in exploration expenses		
Impairment of VAT receivables	(1,149,165)	-
(c) Share based payment expense		
Share based payments	(472,050)	(400,306)
(d) Employee Benefit Expense ⁽¹⁾		
Employee benefit expense (excluding share-based payments (note 3(c)))	(1,467,684)	(1,167,064)

Notes

(1) Includes employment costs related to exploration, business development and corporate & administrative costs.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019
(Continued)

	Year Ended 30 Jun 2019 \$	Year Ended 30 Jun 2018 \$
4. INCOME TAX		
(a) Recognised in profit or loss		
<i>Current income tax</i> - Current income tax benefit	(922,396)	(1,125,609)
<i>Deferred income tax</i> - Deferred tax assets not recognised	922,396	1,125,609
Income tax expense reported in the statement of profit or loss	-	-
(b) Recognised directly in equity		
<i>Deferred income tax related to items charged or credited directly to equity</i>		
Income tax expense recognised directly in equity	-	-
(c) Reconciliation between Tax Expense and Accounting Loss before Income Tax		
Accounting loss before income tax	(6,473,933)	(6,728,584)
At the domestic income tax rate of 27.5% (2018: 27.5%)	(1,780,332)	(1,850,360)
Expenditure not deductible for income tax purposes	891,357	738,456
Deferred tax assets not recognised	922,396	1,129,254
Effect of lower income tax rate in other jurisdictions	(33,421)	(17,350)
Income tax expense reported in the statement of profit or loss	-	-
(d) Deferred Income Tax		
Deferred income tax at 30 June relates to the following:		
<i>Deferred Tax Liabilities</i>		
Accrued interest income	-	2,363
Unrealised foreign exchange movement	217,557	181,491
Property, plant and equipment	15,034	15,034
Deferred tax assets used to offset deferred tax liabilities	(232,591)	(198,888)
	-	-
<i>Deferred Tax Assets</i>		
Accruals and provisions	192,423	160,065
Business related costs	27,236	44,843
Other	1,099	154
Tax losses available to offset against future taxable income	8,826,677	7,914,568
Deferred tax assets used to offset deferred tax liabilities	(232,591)	(198,888)
Deferred tax assets not recognised	(8,814,844)	(7,920,742)
	-	-

The benefit of deferred tax assets not brought to account will only be brought to account if:

- 1) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- 2) the conditions for deductibility imposed by tax legislation continue to be complied with; and
- 3) no changes in tax legislation adversely affect the Consolidated Entity in realising the benefit.

(e) Tax losses

At the reporting date the Group has unrecognised tax losses of \$8,814,844 (2018: \$7,920,742) that are available for offset against future taxable profits. Tax losses in Australia and Tanzania do not expire; in Mauritania, they carry forward for five years. No deferred tax asset has been recognised in respect of the tax losses due to the uncertainty of future profit streams.

(f) Tax Consolidation

OreCorp Limited and its 100% owned Australian resident subsidiaries have elected to form a tax consolidated group.

	2019 \$	2018 \$
5. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES		
GST and VAT receivable ⁽¹⁾	1,161,210	1,115,590
Provision for non-recovery of VAT receivables ⁽¹⁾	(1,136,403)	-
Accrued interest receivable	-	8,593
Other receivables	84,497	19,329
	109,304	1,143,512

Notes

- (1) A recoverability assessment on the VAT receivable balance has been performed during the year and a provision has been recognised for the full outstanding amount. Refer to note 1(v)(iii). At reporting date, any GST and VAT receivables relate solely to the Australian operating entities; these receivables have subsequently been received in full.

	2019 \$	2018 \$
6. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT		
<i>Plant and equipment</i>		
Cost	521,197	509,255
Accumulated depreciation	(443,780)	(323,760)
Net carrying amount	77,417	185,495
<i>Reconciliation</i>		
Carrying amount at beginning of year	185,495	262,188
Additions	6,123	50,445
Depreciation charge for the year	(119,516)	(131,512)
Foreign exchange movement on plant and equipment	5,315	4,374
Carrying amount at end of year, net of accumulated depreciation and impairment	77,417	185,495

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019
(Continued)

	2019 \$	2018 \$
7. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS		
<i>Exploration & Evaluation Assets</i>		
Nyanzaga JV Project, Tanzania ⁽¹⁾	1,425,517	1,354,061
Hobbes Gold Project, Australia ⁽²⁾	380,000	-
Net carrying amount	1,805,517	1,354,061
<i>Reconciliation - Exploration & Evaluation Assets</i>		
Carrying amount at beginning of year	1,354,061	1,320,755
Add: acquisition of exploration and evaluation assets during the year ⁽²⁾	380,000	-
Foreign exchange movement on exploration and evaluation assets	71,456	33,306
Carrying amount of Exploration and Evaluation Assets at end of year, net of impairment	1,805,517	1,354,061

Notes

- (1) The Company submitted an application for a SML over the key licence area for the Nyanzaga project in October 2017. The existing licence remains current pending grant of the SML. As at the date of this report, no decision regarding the SML application has been received however during the financial year the Environmental Certificate (EC) was granted, which is a pre-requisite for the grant of the SML. The Company continues to carry forward the capitalised exploration and evaluation assets on the basis that it retains tenure as at 30 June 2019.
- (2) OreCorp has entered into a binding Earn-in Agreement to acquire up to an 80% interest in the Hobbes Gold Project (Hobbes), located in the Eastern Goldfields 130km northeast of Kalgoorlie in Western Australia. Consideration for the acquisition was comprised of a cash payment of \$100,000 plus the issue of 1,000,000 shares recorded at a market value of \$0.28 each.

	2019 \$	2018 \$
8. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES		
Trade and other creditors ⁽¹⁾	461,984	450,298
Withholding taxes payable ⁽¹⁾	-	1,728
	461,984	452,026

Notes

- (1) Payables are non-interest bearing and generally settled on 30-day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

	2019 \$	2018 \$
9. CURRENT LIABILITIES – PROVISIONS		
Annual leave provision	235,963	165,380
	235,963	165,380

	2019 \$	2018 \$
10. NON-CURRENT LIABILITIES - PROVISIONS		
Long service leave provision	157,527	118,223
	157,527	118,223

	2019	2018
	\$	\$
11. ISSUED CAPITAL		
(a) Issued and Paid up Capital		
217,412,820 (30 June 2018: 216,412,820) fully paid ordinary shares	55,606,167	55,326,167

(b) Movements in Ordinary Share Capital:

Date	Details	Number of Shares	Issue Price A\$	\$
1 July 2018	Opening Balance	216,412,820		55,326,167
24 April 2019	Issue of Shares	1,000,000	0.28	280,000
30 June 2019	Closing Balance	217,412,820		55,606,167

(c) Rights Attaching to Shares

- (i) Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
- (ii) On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.
- (iii) Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

	30 Jun 2019	30 Jun 2018
	\$	\$
12. RESERVES		
Share-based payments reserve	794,017	963,895
Foreign currency translation reserve	(467,344)	(810,588)
	326,673	153,307

(a) Nature and purpose of reserves

i. Share-Based Payments Reserve

The share-based payments reserve is used to recognise the share-based payment expense compensation at the grant date and record the grant date fair value of share-based payments and other option grants made by the Company.

ii. Foreign Currency Translation Reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

(b) Movements in Share-Based Payments Reserve

Date	Details	Number of Unlisted Options	\$
01 Jul 2017	Opening Balance	9,835,000	905,889
30 Oct 2017	Reverse expense relating to lapsed options	(900,000)	(86,709)
30 Oct 2017	Grant of options (Note i)	2,050,000	-
27 Nov 2017	Transfer balance of reserve relating to cancelled/expired options to accumulated losses	(1,300,000)	(342,300)
30 Jun 2018	Share based payment expense for the year	-	487,015
30 Jun 2018	Closing Balance	9,685,000	963,895
01 Jul 2018	Opening Balance	9,685,000	963,895
Jul & Nov 2018	Grant of employee options (Note i)	4,350,000	-
23 Jun 2019	Expiry of employee options	(6,560,000)	(641,928)
30 Jun 2019	Share based payments expense	-	472,050
30 Jun 2019	Closing Balance	7,475,000	794,017

Notes:

- i. Issues, repurchases and repayments of share options

Year ended 30 June 2018

On 30 October 2017, the Company granted 2,050,000 unlisted options under the Employee Option Acquisition Plan to key employees and consultants, as follows:

- (i) 400,000 unlisted options at an exercise price of \$0.41 each that expire on 23 June 2019 at a fair value of \$0.028 per unlisted option;
- (ii) 825,000 unlisted options at an exercise price of \$0.45 each that expire on 23 June 2019 at a fair value of \$0.025 per unlisted option; and
- (iii) 825,000 unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020 at a fair value of \$0.039 per unlisted option.

During the financial year ended 30 June 2018, the following unlisted employee options lapsed in accordance with the terms on which they were issued, due to the holders no longer being employees or consultants of the Company:

- (i) 450,000 unlisted options at an exercise price of \$0.45 each that expire on 23 June 2019; and
- (ii) 450,000 unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020.

Year ended 30 June 2019

On 30 July 2018, the Company granted 1,850,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021 at a fair value of \$0.143 per unlisted option, under the Employee Option Acquisition Plan to key employees and consultants.

On 26 November 2018, the Company granted a further 2,500,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021 at a fair value of \$0.083 per unlisted option, under the Employee Option Acquisition Plan to the Company's CEO and Managing Director, and to the Company's Non-Executive Directors.

During the financial year ended 30 June 2019, the following unlisted employee options expired unexercised:

- (i) 3,385,000 unlisted options at an exercise price of \$0.41 each that expire on 23 June 2019; and
- (ii) 3,175,000 unlisted options at an exercise price of \$0.45 each that expire on 23 June 2019.

ii. Details of share-based payments granted

Refer to Note 16 for details of share-based payments during the year.

(c) Terms and conditions of the Options

The Unlisted Options ('Options') are granted based upon the following terms and conditions:

- Each Option entitles the holder to subscribe for one Share upon exercise of each Option.
- The Options have exercise prices and expiry dates as follows:
 - 3,385,000 unlisted options at an exercise price of \$0.41 each that expired on 23 June 2019;
 - 3,175,000 unlisted options at an exercise price of \$0.45 each that expired on 23 June 2019;
 - 3,125,000 unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020; and
 - 4,350,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021.
- The Options are exercisable at any time prior to the Expiry Date, subject to the vesting conditions being satisfied (if applicable).
- Shares issued on exercise of the Options rank equally with the then shares of the Company.
- Application will be made by the Company for official quotation (if applicable) of the Shares issued upon the exercise of the Options.
- If there is any reconstruction of the issued share capital of the Company, the rights of the Option holders may be varied to comply with the Listing Rules (if applicable) which apply to the reconstruction at the time of the reconstruction.
- No application for quotation (if applicable) of the Unlisted Options will be made by the Company.
- Subject to the proposed transferee being a party which is within the class of parties in section 708 of the Corporations Act to which disclosure is not required, the Options are transferable.

(d) Movements in Foreign Currency Translation Reserve

	2019 \$	2018 \$
Balance at beginning of year	(810,588)	(18,594)
Currency translation differences	343,244	(791,994)
Balance at end of year	(467,344)	(810,588)

	2019 \$	2018 \$
13. ACCUMULATED LOSSES		
Balance at beginning of year	(38,969,306)	(32,583,022)
Net loss	(6,473,933)	(6,728,584)
Transfer balance of reserve relating to expired options to accumulated losses	641,928	342,300
Balance at end of year	(44,801,311)	(38,969,306)

(a) Franking Account

In respect to the payment of dividends (if any) by OreCorp in subsequent financial years, no franking credits are currently available, or are likely to become available in the next 12 months.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

14. KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to Directors and other members of key management personnel of the Company and the Group is set out below:

	Year Ended 2019 \$	Year Ended 2018 \$
Short-term employee benefits	964,289	818,568
Post-employment benefits	85,538	68,486
Share-based payments	257,550	180,660
	1,307,377	1,067,714

15. RELATED PARTY DISCLOSURES

(a) Transactions with Related Parties in the Group

The Group consists of OreCorp Ltd (the parent entity in the wholly owned group) and its controlled entities (see note 17). Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

(b) Transactions with Other Related Parties

There were no transactions with other related parties during the years ended 30 June 2018 or 30 June 2019.

16. SHARE BASED PAYMENTS

The following table illustrates the number and weighted average exercise prices ('WAEP') of, and movements in, share options issued as share based payments during the year:

	2019 Number	2019 WAEP	2018 Number	2018 WAEP
Outstanding at beginning of year	9,685,000	\$0.452	9,835,000	\$0.484
Options expired during the year	(6,560,000)	\$0.429	(2,200,000)	\$0.606
Options granted during the year	4,350,000	\$0.440	2,050,000	\$0.462
Options exercised during the year	-	-	-	-
Outstanding at end of year	7,475,000	\$0.465	9,685,000	\$0.452
Exercisable at end of year	7,475,000	\$0.465	9,685,000	\$0.452

The outstanding balance of options issued as share based payments on issue as at 30 June 2019 is represented by:

- (i) 3,125,000 unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020; and
- (ii) 4,350,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021.

The weighted average remaining contractual life of the options outstanding as at 30 June 2019 is 1.6 years (2018: 1.3 years).

The range of exercise prices for options outstanding at the end of the year was \$0.44 - \$0.50.

The weighted average fair value of options granted during the year was \$0.109 (2018: \$0.031).

The terms and conditions of the options are disclosed in note 12(c).

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Binomial option valuation model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the valuation model used for share options granted by the Company during the years ended 30 June 2018 and 2019:

	Tranche 1 \$0.44 Options	Tranche 2 \$0.44 Options	Tranche 3 \$0.41 Options	Tranche 4 \$0.45 Options	Tranche 5 \$0.50 Options
Valuation Model Input					
Exercise price	\$0.44	\$0.44	\$0.41	\$0.45	\$0.50
Share price on date of grant	\$0.305	\$0.24	\$0.17	\$0.17	\$0.17
Dividend yield	Nil	Nil	Nil	Nil	Nil
Volatility	85%	80%	85%	85%	85%
Risk-free interest rate	2.09%	2.09%	1.45%	1.45%	1.45%
Grant date	30/7/18	26/11/18	30/10/17	30/10/17	30/10/17
Expiry date	30/7/21	30/7/21	23/06/19	23/06/19	31/05/20
Expected life of option (years)	3.0	2.68	1.65	1.65	2.59
Number of options granted	1,850,000	2,500,000	400,000	400,000	825,000
Fair value at grant date	\$0.143	\$0.083	\$0.028	\$0.025	\$0.039
Valuation per Tranche	\$264,550	\$207,500	\$11,200	\$20,625	\$32,175
Vesting date	30/6/19	30/6/19	30/10/17	31/12/17	30/06/18

Notes:

- (i) The dividend yield reflects the assumption that the current dividend pay-out will remain unchanged.
- (ii) The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur.
- (iii) The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The net share-based payment expense recorded by the Group during the year was \$472,050 (2018: \$400,306).

In addition to options granted as share-based payments, 1,000,000 shares were issued as part consideration for acquisition of an exploration and evaluation asset. The shares were valued at market value on the date of issue.

All share-based payments were accounted for as equity-settled share-based payment transactions.

17. CONTROLLED ENTITIES

All controlled entities are included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity. The financial year end of the controlled entities is the same as that of the parent entity, except for the Mauritanian entity which is required by local law to use a 31 December year end (note – special purpose IFRS Accounts are maintained for the purposes of the consolidated financial statements).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

Name of Controlled Entity	Place of Incorporation	% of Shares Held 2019	% of Shares Held 2018
OreCorp International Pty Ltd	Australia	100%	100%
OreCorp Resources Pty Ltd	Australia	100%	100%
OreCorp Tanzania Ltd	Tanzania	100%	100%
OreCorp Mining Mauritius Ltd	Mauritius	100%	100%
OreCorp Mauritania SARL	Mauritania	100%	100%
OreCorp East Africa Limited	Tanzania	100%	100%
OreCorp Africa Pty Ltd	Australia	100%	100%
OreCorp REE Pty Ltd	Australia	100%	100%
OreCorp Holdings Pty Ltd	Australia	100%	100%

18. INTEREST IN OTHER ENTITIES

Entity	Activity	Interest at 30 June 2019	Interest at 30 June 2018
Nyanzaga Project – Tanzania ⁽ⁱ⁾	Gold Exploration	25%	15%
Akjoujt South Project - Mauritania	Nickel – Copper Exploration	90%	90%
Hobbess Gold Project ⁽ⁱⁱ⁾	Gold Exploration	0%	0%

Notes:

- (i) The Nyanzaga Project is the subject of an unincorporated earn-in and joint venture agreement (JVA) with Acacia. On 20 July 2018, OreCorp completed its earn-in obligations in respect of the Nyanzaga Project, in accordance with the Earn-in Agreement entered into by the Company and Acacia, on 22 September 2015, increasing the Company's interest in the project to 25%.
- (ii) During the year the Company entered into an earn-in agreement over the Hobbess Gold Project. As at 30 June 2019, the Company has not yet obtained an interest in this project.

	2019 \$	2018 \$
19. REMUNERATION OF AUDITORS		
Amounts received or due and receivable by Deloitte Australia for:		
- an audit or review of the financial reports of the Group	31,104	29,731
- other services in relation to the Group	-	-
Amounts received or due and receivable by PwC Tanzania for:		
- an audit or review of the financial reports of OreCorp Tanzania Ltd	16,393	13,815
- other services in relation to the OreCorp Tanzania Ltd (tax services)	90,885	28,476
Total Auditors' Remuneration	138,382	72,022

20. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Consolidated Entity operates in one operating segment and one geographical segment, being mineral exploration. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Consolidated Entity.

During the year, the Company entered into a binding earn-in agreement to acquire an 80% interest in the Hobbes Gold Project located in the Eastern Goldfields of Western Australia. Given the recent timing of the agreement and a lack of generative exploration work completed and available results at Hobbes to 30 June 2019, this does not constitute a reportable segment as at, or for the year ended, 30 June 2019.

	Year Ended 2019 cents	Year Ended 2018 cents
21. EARNINGS PER SHARE		
Basic and diluted loss per share (cents per share):		
From continuing operations	(2.99)	(3.11)
From discontinued operations	-	-
Basic and diluted loss per share (cents per share)	(2.99)	(3.11)

	Year Ended 2019 \$	Year Ended 2018 \$
The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net loss used in calculating basic and diluted earnings per share:		
Net loss from continuing operations	(6,473,933)	(6,728,584)
Net loss from discontinued operations	-	-
Earnings used in calculations of basic and diluted loss per share	(6,473,933)	(6,728,584)

	Number of Shares 2019	Number of Shares 2018
Weighted average number of ordinary shares used in calculating basic earnings per share, adjusted to reflect the group restructure	216,599,121	216,412,820
Effect of dilutive securities ⁽¹⁾	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	216,599,121	216,412,820

Note

- (1) Non-dilutive securities: As at balance date, 7,475,000 unlisted options (2018: 9,685,000) which represent 7,475,000 potential ordinary shares (2018: 9,685,000) were not considered dilutive for the purposes of calculating the loss per share for the year ended 30 June 2019, as they would decrease the loss per share.

Conversions, calls, subscriptions or issues after 30 June 2019

There have been no conversions, calls, subscriptions or issues of shares or options subsequent to balance date, other than as disclosed in Note 27.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

	2019 \$	2018 \$
22. STATEMENT OF CASH FLOWS		
(a) Reconciliation of Net Loss after Income Tax to Net Cash Outflow from Operating Activities		
Net loss after income tax	(6,473,933)	(6,728,584)
Adjustment for non-cash income and expense items		
Depreciation	119,516	131,512
Provision for annual leave	70,583	48,510
Provision for long service leave	39,304	118,223
Share based payments	472,050	400,306
Provision for VAT receivables	1,149,165	-
Foreign exchange (gain)/loss attributable to operating activities	(212,868)	(1,726,569)
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	(114,957)	(96,558)
Increase/(decrease) in trade and other payables	9,958	(246,098)
Net cash outflow from operating activities	(4,941,182)	(8,099,258)
(b) Reconciliation of Cash and Cash Equivalents		
Cash at bank and on hand	8,917,953	5,087,490
Bank short-term deposits	1,076,812	9,475,239
	9,994,765	14,562,729

(c) Credit Standby Arrangements with Banks

At balance date, the Group had no used or unused financing facilities.

(d) Non-cash Financing and Investment Activities

(i) 30 June 2019

During the year ended 30 June 2019, the Group acquired an interest in an exploration and evaluation asset for which shares were issued as part of the consideration. 1,000,000 shares were issued, valued at market price at the date of issue of \$0.28 per share, for a total share-based consideration of \$280,000.

(ii) 30 June 2018

During the year ended 30 June 2018, the Group did not complete any non-cash financing or investment transactions.

	2019 \$	2018 \$
23. PARENT ENTITY DISCLOSURES		
(a) Parent Entity – Financial Position		
ASSETS		
Current Assets	9,973,655	14,491,822
Non-current Assets	1,459,267	1,402,579
TOTAL ASSETS	11,432,922	15,894,401
LIABILITIES		
Current Liabilities	615,869	524,779
Non-current Liabilities	4,777,138	4,737,834
TOTAL LIABILITIES	5,393,007	5,262,613
NET ASSETS	6,039,915	10,631,788
EQUITY		
Issued capital	44,116,108	43,836,108
Reserves	793,619	892,033
Accumulated losses	(38,869,812)	(34,096,353)
TOTAL EQUITY	6,039,915	10,631,788
(b) Parent Entity – Financial Performance		
Loss for the year	(5,415,381)	(7,418,377)
Other comprehensive income/(loss)	-	-
Loss attributable to members of the parent	(5,415,381)	(7,418,377)

(c) Guarantees Entered into by the Parent Entity in Relation to the Debts of its Subsidiaries

As at 30 June 2019, the Parent had not entered into any guarantees in relation to the debts of its subsidiaries.

(d) Contingent Liabilities of the Parent Entity

As at 30 June 2019, the Parent did not have any contingent liabilities. Refer to Note 26 for details of Group contingent liabilities.

(e) Commitments for the Acquisition of Property, Plant and Equipment by the Parent Entity

As at 30 June 2019, the Parent did not have any commitments for the acquisition of property, plant and equipment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (Continued)

24. FINANCIAL INSTRUMENTS

(a) Overview

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits.

The totals for each category of financial instruments are as follows:

	2019 \$	2018 \$
Financial Assets		
Cash and cash equivalents	9,994,765	14,562,729
Other current receivables	109,304	1,143,512
Total financial assets	10,104,069	15,706,241
Financial Liabilities		
Trade and other payables	461,984	452,026
Total financial liabilities	461,984	452,026

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. Key risks are monitored and reviewed as circumstances change (e.g. acquisition of a new project) and policies are revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains. As the Group's operations change, the Directors will review this policy periodically going forward.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

(b) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. As at 30 June 2019, the Group has sufficient liquid assets to meet its financial obligations.

(c) Liquidity and Interest Risk Tables

	Weighted Average Effective Interest Rate %	≤ 6 months \$	Total \$
2019			
Group			
Financial Assets			
Non-interest bearing ⁽¹⁾	-	8,917,953	8,917,953
Variable interest rate instruments	1.75%	25,096	25,096
Fixed interest rate instruments	1.03%	1,051,716	1,051,716
		9,994,765	9,994,765
Financial Liabilities			
Non-interest bearing	-	461,984	461,984
		461,984	461,984
2018			
Group			
Financial Assets			
Non-interest bearing ⁽¹⁾	-	6,231,002	6,231,002
Variable interest rate instruments	0.83%	5,085,513	5,085,513
Fixed interest rate instruments	2.07%	4,389,726	4,389,726
		15,706,241	15,706,241
Financial Liabilities			
Non-interest bearing	-	452,026	452,026
		452,026	452,026

Notes:

- (1) The majority of the non-interest bearing financial assets are US dollars on deposit and VAT receivables, which earn no interest income.

(d) Interest Rate Risk Exposure

The Group's exposure to the risk of changes in market interest rates relates primarily to the cash and short-term deposits with a floating interest rate.

These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities, in the form of receivables and payables are non-interest bearing.

The Group currently does not engage in any hedging or derivative transactions to manage interest rate risk.

Cash flow sensitivity analysis for variable rate instruments

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short-term and long-term interest rates. An increase of 10% in the interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (Continued)

	Profit or Loss		Equity	
	10% Increase \$	10% Decrease \$	10% Increase \$	10% Decrease \$
2019				
Group				
Cash and cash equivalents	11,209	(11,209)	11,209	(11,209)
2018				
Group				
Cash and cash equivalents	28,172	(28,172)	28,172	(28,172)

It is noted that the analysis shown above is not representative of the risks faced by the Group throughout the period because interest rates and cash balances have changed significantly during 2019 and 2018.

(e) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash, cash equivalents and financial assets and financial liabilities approximates their carrying value.

(f) Credit Risk Exposure

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables and in the Company, includes loans to controlled entities.

The carrying amount of the Group's financial assets represents the maximum credit risk exposure, as represented below:

	2019 \$	2018 \$
Financial Assets		
Cash and cash equivalents	9,994,765	14,562,729
Trade and other receivables and other financial assets	109,304	1,143,512
Total financial assets	10,104,069	15,706,241

With respect to credit risk arising from cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The parent entity's cash and cash equivalents are held with the Westpac Bank and National Australia Bank, which are Australian banks with an AA credit rating (Standard & Poor's).

The Group does not have any significant customers and accordingly does not have any significant exposure to bad or doubtful debts.

The trade and other receivables balance is primarily comprised of GST/VAT refunds receivable and accrued interest. Where possible the Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. VAT receivables in Tanzania are audited on a six-monthly basis prior to submission to the Tanzania Revenue Authority for refund. As discussed in note 1(v)(iii), the full amount of the African VAT receivable has been provided for as at 30 June 2019.

The Company's accounts include receivables from controlled entities for which full provisions for non-recovery have been made. Provision is made against loans to controlled entities where the underlying exploration expenditure is being expensed.

(g) Foreign Currency Risk

The Group also has transactional currency exposures. Such exposure arises from transactions denominated in currencies other than the functional currency of the entity.

The Group currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

The Group's exposure to foreign currency risk throughout the current and prior year primarily arose from certain controlled entities of the Company with functional currencies other than AUD having foreign currency exposure in relation to intercompany loans which are denominated in Australian dollars. In the Group accounts, the exchange movements on these loans are taken to the foreign currency translation reserve. As noted above, these loans are fully provided for and accordingly, the carrying value of these loans at balance date is \$nil (2018: \$nil).

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows. The Group did not have a significant balance of monetary liabilities at the end of the reporting period.

	Assets 2019 \$	Assets 2018 \$
US dollars	8,853,749	4,963,500
Other (Tanzanian and Mauritanian)	34,892	61,090
	8,888,641	5,024,590

Foreign currency sensitivity analysis

A sensitivity of 10% has been selected as this represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Australian dollar strengthens 10% against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	Profit or Loss		Equity ⁽¹⁾	
	10% Strengthening \$	10% Weakening \$	10% Strengthening \$	10% Weakening \$
2019 Group				
Impact of foreign exchange rate movement	982,526	(803,885)	984,875	(810,310)
2018 Group				
Impact of foreign exchange rate movement	545,723	(446,501)	555,483	(397,985)

(1) The equity movement includes the profit or loss impact of the change as this is reflected in accumulated losses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

(Continued)

It is noted that the analysis shown above is not representative of the risks faced by the Group throughout the year because foreign exchange rates and foreign currency denominated monetary balances have changed during 2019 and 2018.

(h) Commodity risk

The Group is exposed to commodity price risk. These commodity prices can be volatile and are influenced by factors beyond the Group's control. As the Group is currently engaged in exploration and business development activities, no sales of commodity products are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage price risk.

(i) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Group, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares. The Group may also examine new business opportunities, where acquisition/working capital requirements of a new project may involve additional funding in some format.

The Group is not definitively committed to any specific exploration spend on its exploration licences and will continue to assess ongoing exploration results on the licences, prior to making any decisions on future exploration programs and expenditures.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to externally imposed capital requirements.

25. COMMITMENTS FOR EXPENDITURE

	2019 \$	2018 \$
Commitments		
Not longer than 1 year ⁽¹⁾	97,016	5,399,160
Longer than 1 year and not longer than 5 years	24,325	15,930
	121,341	5,415,090

Note

- (1) The majority of the commitments at 30 June 2018 relates to the US\$3 million (A\$4.1 million) payable to the Acacia Group to acquire an additional 26% ownership in NMCL, which owns the Nyanzaga Project. This payment was proposed under the previous Nyanzaga Buy-Out Agreement however, has been subsequently revised and replaced by a new agreement which is heavily contingent upon GoT approvals before any payments can be made or considered to be committed.

The majority of the commitments at 30 June 2019 relates to office leases for the premises located in Perth, Western Australia and Dar Es Salaam, Tanzania.

26. CONTINGENT LIABILITIES

In July 2018, OreCorp entered into a Completion Agreement with Acacia Mining plc (Acacia) and other members of the Acacia Group to allow OreCorp Tanzania to move to 100% ownership of NMCL. At 30 June 2019, the increase to 100% ownership of NMCL remained conditional on Tanzanian regulatory approvals and the grant of the Special Mining Licence (SML) in respect of the Project.

As disclosed in note 27, subsequent to year end, on 22 July 2019, the Company has announced further amendments to the Completion Agreement, whereby the Net Smelter Royalty (NSR) was replaced by an additional cash payment, with the total cash consideration (Total Consideration) payable by OreCorp to Acacia of US\$11,500,000. As part of the revised Completion Agreement, OreCorp agreed to pre-pay the assessed capital gains tax of US\$3,450,000 which was subsequently paid in early September 2019. The remaining payment of US\$8,050,000 to Acacia is contingent upon receipt of in-country GoT approvals and the grant of the SML.

At 30 June 2019, these potential future payments were conditional upon the occurrence of uncertain future events and the amounts have accordingly not been recorded as liabilities as at year end.

As at 30 June 2018, the Group did not have any contingent liabilities.

27. SUBSEQUENT EVENTS

Other than as disclosed below, there were no significant events occurring after balance date requiring disclosure.

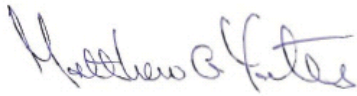
- 1) On 22 July 2019, the Company announced the simplification of its Completion Agreement with Acacia, replacing the US\$15,000,000 net smelter royalty (NSR) with an additional cash payment of US\$1,500,000, increasing the total cash consideration to US\$11,500,000. Also announced was that OreCorp would pre-pay the assessed capital gains tax of US\$3,450,000 on the total consideration on behalf of Acacia which was subsequently paid on 3 September 2019. This amount of pre-paid tax will be deducted from the final payment to Acacia following grant of the SML, which will now be US\$8,050,000.
- 2) On 16 August 2019, the Company announced an institutional placement to raise A\$13,300,000 with the placement of 53.1 million shares at an issue price of A\$0.25 per share. This was subsequently completed on 23 August 2019 as announced to the market.
- 3) On 21 August 2019, the Company announced that it had been granted approval for its exploration permit 2259 at the Akjoujt South Project (ASP) in Mauritania.
- 4) On 16 September 2019, the Company announced that it had received approval from the Tanzanian Mining Commission (TMC) to acquire control of NMCL and further approval from the Fair Competition Commission (FCC) to acquire 100% of NMCL.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of OreCorp Limited, I state that:

- (1) In the opinion of the Directors:
 - (a) the financial statements and notes thereto of the Consolidated Entity are in accordance with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of their performance for the year ended on that date; and
 - (ii) complying with accounting standards and the Corporations Act 2001; and
 - (b) there are reasonable grounds to believe that the Consolidated Entity will be able to pay their debts as and when they become due and payable.
- (2) The attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.
- (3) The Directors have been given a declaration required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2019.

On behalf of the Board



MATTHEW YATES

Chief Executive Officer

26 September 2019

Independent Auditor's Report to the members of OreCorp Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OreCorp Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>Carrying value of Exploration and Evaluation Assets</p> <p>As at 30 June 2019, the carrying value of exploration and evaluation assets amounts to \$1,805,517, including additions of \$380,000 made during the year, as disclosed in Note 7.</p> <p>Significant judgement is applied in determining the treatment of exploration and evaluation expenditure including:</p> <ul style="list-style-type: none"> • whether the conditions for capitalisation are satisfied; • which elements of exploration and evaluation expenditure qualify for capitalisation; • the Group's intentions and ability to proceed with a future work programme; • the likelihood of licence renewal or extension; and • the expected or actual success of resource evaluation and analysis. 	<p>Our procedures associated with exploration and evaluation expenditure incurred during the year included, but were not limited to:</p> <ul style="list-style-type: none"> • obtaining an understanding of the key controls associated with the capitalisation or expensing of exploration and evaluation expenditure; and • testing the appropriateness of costs capitalised during the period, including whether they were consistent with the groups accounting policy. <p>Our procedures associated with assessing the carrying value of exploration and evaluation assets included, but were not limited to:</p> <ul style="list-style-type: none"> • obtaining an understanding of the key controls associated with the identification of indicators of impairment; • evaluating management's impairment indicator assessment, including consideration as to whether any of the following events exist at the reporting date which may indicate that exploration and evaluation assets may not be recoverable: <ul style="list-style-type: none"> ◦ obtaining a schedule of the areas of interest held by the Group and confirming whether the rights to tenure of those areas of interest remained current at balance date; ◦ holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest; and ◦ assessing whether any facts or circumstances existed to suggest impairment testing was required. <p>We also assessed the appropriateness of the disclosures in Note 7 to the financial statements.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 29 of the Directors' Report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of OreCorp Limited, for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.


DELOITTE TOUCHE TOHMATSU


Ian Skelton

Partner

Chartered Accountants

Perth, 26 September 2019

The Board of Directors
OreCorp Limited
Suite 20, Level 1, 513 Hay Street
Subiaco WA 6008

26 September 2019

Dear Directors

Auditor's Independence Declaration to OreCorp Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of OreCorp Limited.

As lead audit partner for the audit of the financial report of OreCorp Limited for the year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU



Ian Skelton
Partner
Chartered Accountants

CORPORATE GOVERNANCE STATEMENT

OreCorp Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance appropriate for a company of its size and nature of activities. OreCorp Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2019 corporate governance statement is dated as at, and was approved by the board on, 25 September 2019 and reflects the corporate governance practices in place throughout the 2018/19 financial year. A description of the group's current corporate governance practices is set out in the group's corporate governance statement which has been platformed on ASX Online and can also be viewed at:

<http://www.orecorp.com.au/corporate/corporate-governance>.

ASX ADDITIONAL INFORMATION

The securityholder information set out below was applicable as at 12 September 2019.

1. TWENTY LARGEST HOLDERS OF LISTED SECURITIES

The names of the twenty largest holders of listed securities are listed below:

Ordinary Shares		
Name	No of Ordinary Shares Held	Percentage of Issued Shares
Westoz Funds Management Pty Ltd	35,034,461	13.0
Australian Super Pty Ltd	24,272,173	9.0
Mutual Investments Pty Ltd	17,375,536	6.4
Rollason Pty Ltd	16,310,474	6.0
J P Morgan Nominees Australia Limited	15,066,660	5.6
Citicorp Nominees Pty Limited	8,671,912	3.2
Mr Glyn Evans + Mrs Thi Thu Van Evans <Gvan Superannuation Plan A/C>	6,099,061	2.3
HSBC Custody Nominees (Australia) Limited	5,712,194	2.1
Hillboi Nominees Pty Ltd	5,545,636	2.1
Beacon Exploration Pty Ltd	5,495,704	2.0
Meto Pty Ltd <Yates Family A/C>	4,999,874	1.8
Precision Opportunities Fund Ltd <Investment A/C>	4,583,334	1.7
Alastair Donald Morrison <Tongariro Investment A/C>	4,079,420	1.5
Spar Nominees Pty Ltd	3,669,445	1.4
Invia Custodian Pty Limited <Orpheus Geoscience S/F A/C>	2,910,370	1.1
Deering Nominees Pty Ltd	2,395,000	0.9
Walloon Securities Pty Ltd	2,350,000	0.9
BNP Paribas Noms Pty Ltd <DRP>	2,015,000	0.7
Curious Capital Group Pty Ltd	2,000,000	0.7
Laurlock Pty Ltd <Dondea Super Fund A/C>	2,000,000	0.7
Total Top 20	170,586,254	63.1
Others	99,926,566	36.9
Total Ordinary Shares on Issue	270,512,820	100.00

ASX ADDITIONAL INFORMATION (Continued)

2. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

Distribution	Ordinary Shares	
	Number of Shareholders	Number of Shares
1 - 1,000	28	8,343
1,001 - 5,000	91	285,567
5,001 - 10,000	73	612,412
10,001 - 100,000	316	12,914,311
More than 100,000	169	256,692,187
Totals	677	270,512,820

There were 35 holders of less than a marketable parcel of ordinary shares.

3. VOTING RIGHTS

See note 11 of the Notes to the Financial Statements.

4. SUBSTANTIAL SHAREHOLDERS

As at 12 September 2019, Substantial Shareholder notices have been received from the following shareholders:

Substantial Shareholder	Number of Shares	Percentage of Issued Shares
Westoz Funds Management Pty Ltd	35,034,461	12.9%
Australian Super Pty Ltd	24,272,173	8.9%
Mutual Investments Pty Ltd	17,375,536	6.4%
Rollason Pty Ltd	16,310,474	6.0%
JP Morgan Chase & Co and its affiliates	15,066,660	5.5%

5. ON-MARKET BUY BACK

There is currently no on-market buyback program for any of OreCorp Limited's listed securities.

6. UNQUOTED SECURITIES

The number of equity securities on issue, and number of holders, for each class of unquoted equity securities are listed below:

Unlisted Options Class	Number of Securities	Number of Holders
Unlisted options at an exercise price of \$0.50 each that expire on 31 May 2020	3,125,000	17
Unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021	4,350,000	15

There were no holders of 20% or more of the equity securities in an unquoted class other than those who were issued their securities under an employee incentive scheme.

7. EXPLORATION INTERESTS

As at 12 September 2019, the Company has an interest in the following licences:

Project	Licence Number	Expiry Date ⁽³⁾	Interest ⁽⁴⁾	Status	Period
Tanzania					
Nyanzaga Project ⁽¹⁾	PL 4830/2007	08/11/2017 ⁽²⁾	25%	Active ⁽²⁾	Extension
	SML00602/2017			Application	
	PL 6922/2011	27/02/2020	25%	Active	Second Renewal
	PL 7129/2011	02/08/2020	25%	Active	Second Renewal
	PL 8592/2012	23/12/2019	25%	Active	First Renewal
	PL 8635/2012	23/12/2019	25%	Active	First Renewal
	PL 9016/2013	26/03/2020	25%	Active	First Renewal
	PL 9065/2013	26/03/2020	25%	Active	First Renewal
	PL 9236/2013	30/06/2020	25%	Active	First Renewal
	PL 9237/2013	30/06/2020	25%	Active	First Renewal
	PL 9446/2013	31/10/2020	25%	Active	First Renewal
	PL 9656/2014	31/03/2021	25%	Active	First Renewal
	PL 9661/2014	31/03/2021	25%	Active	First Renewal
	PL 9662/2014	31/03/2021	25%	Active	First Renewal
	PL 9663/2014	31/03/2021	25%	Active	First Renewal
	PL 9664/2014	31/03/2021	25%	Active	First Renewal
	PL 9770/2014	04/06/2021	25%	Active	First Renewal
	PL 9919/2014	07/07/2021	25%	Active	First Renewal
	PL10911/2016	22/09/2020	100%	Active	Initial
	PL10877/2016	06/10/2020	100%	Active	Initial
	PL11186/2018	25/10/2022	100%	Active	Initial
Mauritania					
Akjoujt South Project	1415B2	21/03/2022	90%	Active	Second Renewal
	1416B2	21/03/2022	90%	Active	Second Renewal
	2259B2	19/08/2022	100%	Active	Initial
Australia					
Hobbes Gold Project	E31/1117	26/04/2022	0%	Active	Initial

Notes:

- Following completion of OreCorp's earn-in obligations pursuant to the Earn-in Agreement with Acacia Mining plc, the Company and OreCorp Tanzania Limited entered into a binding agreement to acquire 100% of NMCL which holds the Nyanzaga Project licences. OreCorp Tanzania has received the Tanzanian regulatory approvals required to complete the acquisition of 100% of NMCL. NMCL is in the process of registering the transfer of all of the shares in NMCL to OreCorp Tanzania Limited.
- Under Section 67 of the Mining Act when the holder applies for a renewal of a current mineral right the the current licence shall remain in force until the date of renewal or grant, or until the application is refused.
- Current period expiry date.
- Refer to Note 1 above in relation to the Company's interest in the Nyanzaga Project licences.

ASX ADDITIONAL INFORMATION (Continued)

8. MINERAL RESOURCES STATEMENT

The Nyanzaga Gold Project hosts a Mineral Resource Estimate (MRE) of 23.70Mt at 4.03g/t gold for 3.07Moz gold, see **Table A** below.

The MRE has been compiled in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2012 Edition), Chapter 5 of the ASX Listing Rules and ASX Guidance Note 31.

OreCorp Limited – Nyanzaga Gold Project – Tanzania Mineral Resource Estimate (MRE) as at 12 September 2017			
JORC 2012 Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
Sub-Total M & I	20.80	4.06	2.715
Inferred	2.90	3.84	0.358
Total	23.70	4.03	3.072
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with sub-cell block modelling. Gold grade for high grade portion estimated using Ordinary Kriging using a 10 x 10 x 10m estimation panel. Gold grade for lower grade sedimentary cycle hosted resources estimated with Uniform Conditioning using a 2 x 2 x 2m SMU. Totals may not add up due to appropriate rounding of the MRE.			

Table A: Nyanzaga Gold Project – Current Mineral Resource Estimate

Note:

On 16 September 2019, the Company announced that it had received the Tanzanian regulatory approvals required to complete the acquisition of 100% of Nyanzaga Mining Company Limited (NMCL), the company that holds the Nyanzaga Gold Project. OreCorp Tanzania Limited and NMCL are in the process of registering the transfer of all the shares in NMCL to OreCorp Tanzania Limited and registering the appointment of nominees of OreCorp Tanzania Limited on the board of NMCL.

The grade tonnage tabulation for the MRE block model is presented in **Table B**.

Grade and Tonnage Tabulation Nyanzaga Gold Project – 12 September 2017				
Gold g/t Cut-off	Tonnage (Million)	Gold g/t	Gold koz	In-Situ Dry Bulk Density
2.75	12.9	5.75	2,389	2.83
2.50	14.3	5.46	2,504	2.82
2.25	15.7	5.18	2,609	2.82
2.00	17.3	4.89	2,723	2.81
1.75	19.6	4.54	2,858	2.81
1.50	23.7	4.03	3,072	2.82
1.25	30.3	3.45	3,366	2.82
1.00	45.0	2.69	3,897	2.82
0.75	65.3	2.13	4,469	2.83
0.50	103.7	1.57	5,246	2.83
0.45	111.5	1.50	5,366	2.83

Table B: Grade and Tonnage Tabulation - Nyanzaga Gold Project

Other than as disclosed above, the Company confirms that there have been no material changes to the MRE since 30 June 2019.

Comparison with Previous Year

The Company confirms that there have been no material changes to the MRE from the previous year.

Governance of Resources

The Company engages employees, external consultants and competent persons (as determined pursuant to the JORC 2012 Code) to assist with the preparation and calculation of estimates for its mineral resources.

Management and the Board review these estimates and underlying assumptions for reasonableness and accuracy. The results of the MRE are then reported in accordance with the requirements of JORC 2012 and other applicable rules (including ASX Listing Rules).

Where material changes occur during the year to a project, including the project's size, title, exploration results or other technical information, previous MRE and market disclosures are reviewed for completeness.

The Company reviews its MRE annually each year, for inclusion in the Company's Annual Report. If a material change has occurred in the assumptions or data used in previously reported mineral resources, where possible a revised MRE will be prepared as part of the annual review process. However, there are circumstance where this may not be possible (e.g. an ongoing drilling programme), in which case a revised MRE will be prepared and reported as soon as practicable.

Mineral Resources Reporting Requirements

As an Australian company with securities listed on the Australian Securities Exchange (ASX), OreCorp is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX Listing Rules. Investors should note that it is a requirement of the ASX Listing Rules that the reporting of Mineral Resources in Australia comply with JORC 2012 and that OreCorp's Mineral Resources Statement complies with JORC 2012.

Additional information for the "Annual Mineral Resource Statement as at 12 September 2017" containing additional information on the MRE is available on the OreCorp website at www.orecorp.com.au and lodged with the ASX (refer Announcement dated 12 September 2017).

JORC 2012 Competent Persons Statements

The Annual Mineral Resources Statement is based on, and fairly represents, information and supporting documentation prepared by the respective competent persons named below.

The information in this Mineral Resources Statement that relates to "Mineral Resources" is based on, and fairly represents, information and supporting documentation compiled by Mr Malcolm Titley, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Titley is a Principal Consultant with CSA Global (UK). Mr Titley has sufficient experience that is relevant to the style of mineralisation and type of deposit 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 Titley has approved the Mineral Resources Statement as a whole and consents to its inclusion in the Annual Report in the form and context in which it appears.

DISCLAIMER/FORWARD LOOKING STATEMENTS

Risk Factors

Many factors, known and unknown could impact on the Company's potential investment in NMCL, the Nyanzaga Project and its other projects. 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; social and environmental risks; community protests; risks associated with foreign operations; and governmental and environmental regulation. For a more detailed discussion of such risks and other factors that may affect the Company's ability to achieve the expectations set forth in the forward looking statements contained in this report, see the Company's Annual Report for the year ended 30 June 2018, the Company's Prospectus dated January 2013 as well as the Company's other filings with ASX.

Forward Looking Statements

This report 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 report 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.

Cautionary Statements

The Pre-Feasibility Study in respect of the Nyanzaga Project referred to in the Company's announcements on 13 March 2017 and 12 September 2017 and in subsequent ASX announcements is based on moderate accuracy level technical and economic assessments. The PFS is at a lower confidence level than a Feasibility Study and the Mineral Resource Estimate (MRE) which forms the basis for the PFS is not sufficiently defined to allow conversion to an Ore Reserve or to provide assurance of an economic development case at this stage; or to provide certainty that the conclusions of the PFS will be realised. The PFS includes a financial analysis based on reasonable assumptions on the Modifying Factors, among other relevant factors, and a competent person has determined that, based on the content of the PFS, none of the Mineral Resources may be converted to an Ore Reserve at this time. Further, the financial analysis in the PFS is conceptual in nature and should not be used as a guide for investment.

88% of the existing MRE in respect of the Nyanzaga Project is in the Indicated and Measured categories, with the balance of 12% 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 referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements will be realised.

The consideration of the application of all JORC modifying factors is well advanced, including mining studies, processing and metallurgical studies, grant of the EC, lodgement of the Special Mining Licence Application and other key permits required from the government. The Company has concluded it has a reasonable basis for providing the forward-looking statements included in this presentation and believes that it has a "reasonable basis" to expect it will be able to fund the development of the Project.

All material assumptions on which the forecast financial information is based, are referred to in the Company's announcement on 13 March 2017 and in subsequent ASX announcements.

JORC 2012 COMPLIANCE STATEMENTS

Nyanzaga Project

The information in this report relating to the Nyanzaga Project is extracted from the ASX Announcements dated; 16 September 2019 titled "OreCorp Receives Tanzanian Mining Commission and Fair Competition Commission Approvals", 2 September 2019 titled "Update on Nyanzaga Project and Payment of Capital Gains Tax", 22 July 2019 titled "Update on Barrick Gold offer for Acacia and on the status of OreCorp's acquisition of 100% of the Nyanzaga Project", 21 February 2019 titled "Update on Discussions between Barrick and the Government of Tanzania", 6 September 2018 "Nyanzaga Project Update - FCC Approval Obtained and Completion Agreement to acquire 100% of the Project Signed", 20 July 2018 titled "Nyanzaga Project Update – Completion of Earn-in Phase and Execution of Conditional Heads of Agreement to acquire 100% of the Project", 25 June 2018 titled "Further Update Regarding Discussions Between Barrick and the Government of Tanzania", 19 February 2018 titled "Acacia Press release to LSE Dated 16 February 2018", 14 February 2018 titled "Grant of Environmental Certificate for the Nyanzaga Gold Project", 12 September 2017 titled "Mineral Resource Estimate Update for the Nyanzaga Project in Tanzania Increasing Category and Grade", 10 July 2017 titled "Further Update on Proposed Legislative Changes in Tanzania", 30 June 2017 titled "Proposed Tanzanian Legislative Changes, Infill Drilling Results and Project Update at Nyanzaga", 11 May 2017 titled "Infill Drilling Results Further Demonstrate Outstanding Potential of Nyanzaga Project" and 13 March 2017 titled 'Pre-Feasibility Study Demonstrates Significant Potential of Nyanzaga Gold Project', 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 original 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 original announcements referred to above.

Hobbes Project

The information in this report relating to the Hobbes Project is extracted from the following original ASX announcements dated; 15 July 2019 titled “June 2019 Quarterly Report” and 15 April 2019 titled “March 2019 Quarterly Report”, 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 original ASX announcements 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 announcements 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 announcements referred to above.

Akjoujt South Project

The information in this report relating to the Akjoujt South Project is extracted from the following original ASX announcements dated; 21 August 2019 titled “Strategic Exploration permit Granted at Akjoujt South Project in Mauritania”, 24 April 2018 titled ‘Diamond/RC drilling Generates Further Significant Nickel-Copper-Cobalt Mineralisation at Akjoujt South Project in Mauritania’, 17 January 2018 titled ‘Trenching Generates Nickel-Copper Anomalism & RC-Diamond Drilling Commences at Akjoujt South Project in Mauritania’, 27 November titled ‘Moving Loop EM Survey Generates Outstanding Results’, 26 June 2017 titled ‘Drilling Confirms Discovery of an Extensive Nickel-Copper Mineralised System at Akjoujt South Project, Mauritania’, 24 March 2017 titled ‘Drill Targets Identified from EM Survey Akjoujt South Project Mauritania’, 2 August 2016 titled ‘Significant Nickel-Copper Drill Intercepts from Akjoujt South Project, Mauritania’ and 1 July 2016 titled ‘Drilling Update and Ground Magnetic Anomalies Identified’, 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 original ASX announcements 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 announcements 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 announcements referred to above.



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