



ANNUAL REPORT

2020

ABN 24 147 917 299



Corporate Directory

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Gravity Field Crew, Yarri Project, Eastern Goldfields

Letter from the CEO

Dear Shareholders,

Welcome to the tenth Annual Report of OreCorp Limited (OreCorp or the Company). Despite the challenges arising from the COVID-19 pandemic OreCorp has made significant and rewarding progress over the past year and has clear plans and objectives for the coming year and beyond.

Steady progress has been made at the Nyanzaga Gold Project (Nyanzaga or Project) in northwest Tanzania. The Project Financing Definitive Feasibility Study (DFS) has continued, albeit at a reduced pace, as has the progress towards the grant of the Special Mining Licence (SML). The SML has been recommended for grant by the Tanzanian Mining Commission (TMC) and awaits the approval of the Tanzanian Cabinet of Ministers. The Company continues to maintain constructive and open dialogue with the Ministry of Minerals (MoM) and the TMC as it progresses towards ultimately receiving the granted licence. The permitting pathway post the grant of the SML is nearing completion and significant progress has been made in preparation for the commencement of the Relocation Action Plan (RAP) which will commence upon the grant of the SML.



OreCorp's Chairman and CEO & MD at Nyanzaga

The ascending gold price has led the Company to complete a maiden Mineral Resource Estimate on Kilimani (Kilimani MRE) located approximately 450 metres from the Nyanzaga deposit. The Kilimani MRE has delivered an inferred resource of 220,000 ounces, in addition to the 3 million ounces at Nyanzaga. Targeting within the SML application area has generated a further 15 exploration targets. Regional exploration in the surrounding licences has continued, with work focussed on low-level activities and target generation that may provide further opportunities for the Project and the Company.

The refinement and simplification of the ownership of Nyanzaga was finalised during the year, with one legacy payment of US\$8.05 million owing to Barrick Gold Corporation (Barrick) on grant of the SML to conclude the transaction. There are no further payments or royalties in respect of the Project other than statutory royalties and the Government Free Carried Interest (GFCI). OreCorp now has a 100% interest and control of Nyanzaga Mining Company Limited (NMCL), the company which has applied for the SML and adjacent Prospecting Licences, with the board of NMCL now fully comprised of OreCorp representatives. Upon grant of the SML, OreCorp will welcome the Government of Tanzania (GoT) as a shareholder of NMCL.

Despite the challenges of the COVID-19 pandemic and the travel ban imposed by the Australian government the Company has established and maintained a strong independent in-country presence and is well represented in both the Dar es Salaam office and on site at Nyanzaga. Protocols are in place to safeguard our staff and at the time of writing the Company has recorded zero cases of COVID-19.

The full impact of the July 2017 Tanzanian legislation changes continues to be assessed. The GoT and Barrick settled their dispute with a landmark framework agreement in January 2020 and the Company feels confident that continued dialogue with key Tanzanian officials indicates Tanzania is open for business. Both the Company and the GoT will work together to deliver Tanzania's next large-scale gold mine at Nyanzaga.

Letter from the CEO (Continued)

In Western Australia (WA) the targeting initiative in the Eastern Goldfields that resulted in the acquisition of the Hobbes Licence (E31/1117), 130km northeast of Kalgoorlie, has continued. The Company has acquired and applied for a suite of licences with the tenure now covering approximately 975km².

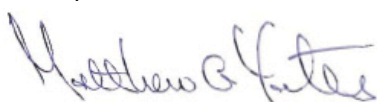
Significant primary and secondary gold mineralisation has been identified over broad areas within the Hobbes licence. The primary mineralisation has had little follow-up by previous explorers and OreCorp plans RC drilling for the fourth quarter of 2020. Hobbes will become the central focus in the Eastern Goldfields as the Company works toward a maiden Mineral Resource Estimate (Hobbes MRE). Hobbes provides an excellent opportunity to step back into the WA Goldfields where the Company's Board and senior management have had significant previous success at Nimary, Mertondale and Dalgara. The Board is excited by the progress in the Eastern Goldfields and looks forward to enhancing shareholder value through further acquisition and targeted exploration initiatives.

Business development is a core activity for the Company, with numerous advanced projects and operating mines having been assessed during the past year. OreCorp continues to review assets in Australia, primarily with a WA focus, for potential acquisitions that will enhance shareholder value. Rationalisation of exploration activities in Africa has resulted in OreCorp seeking third party funding for its nickel-copper-cobalt sulphide Akjoujt South Project (ASP) in Mauritania.

The Company remains in a strong financial position with approximately A\$25 million in cash and no debt at the end of August 2020. The combined capital raisings of A\$26.7 million in August 2019 and May 2020 are a testament to the backing of existing and new shareholders of the Company, its Board and management. These funds will enable the payment of the outstanding consideration in relation to the acquisition of Nyanzaga once the SML is granted and completion of the DFS.

Whilst the year ahead will have challenges, the Company will embrace these as it seeks to deliver further growth and opportunity for all its stakeholders. The Board thanks shareholders for their continued support.

Thank you.



Matthew Yates
CEO and Managing Director



OreCorp United Team with Nyanzaga Hill in Background

Corporate Overview

Company Profile

OreCorp is an emerging mineral development company listed on the Australian Securities Exchange (ASX) under the code ORR. The Company is well funded with approximately A\$25 million in treasury and no debt (as at 30 June 2020). OreCorp's key projects are the Nyanzaga Gold Project in northwest Tanzania and the Yarri (including Hobbes), Yundamindra and Ponton Projects in the Eastern Goldfields of Western Australia. The Company is seeking third party funding for the ASP in Mauritania.

In Tanzania, OreCorp has now concluded full ownership of NMCL and is actively pursuing the grant of the SML in relation to the Nyanzaga Project. The Company continues to engage and hold positive and constructive meetings with key representatives from the GoT.

In WA, the Company has made significant advancement in acquiring a portfolio of exploration licences that hold the potential to deliver OreCorp its maiden MRE in Australia. The Eastern Goldfields initiative and a proactive and aggressive business development strategy provides the Company with a second limb in its aspiration to become a gold producer in the near to medium term.

OreCorp's Vision

OreCorp's ultimate vision is to be a gold and base metal producer delivering superior and sustainable value to its stakeholders through exploration, development and mining.

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 value and growth.

OreCorp's Values

- Teamwork – collaborating and working safely and responsibly in partnership
- Integrity – acting fairly, honestly, ethically and with consistency
- Caring – valuing diversity and inclusiveness, treating others with respect and dignity
- Innovation – striving to do better, encouraging innovation and entrepreneurship
- Commitment – giving our all to all that we do
- Achievement – delivering what we say we will



Tanzanian Geologist Field Mapping

Corporate Overview (Continued)

OreCorp's Mission

OreCorp will achieve this vision through a purposeful focus on the following themes in its business:

- Conducting its business in an ethical, environmentally and socially responsible manner;
- Safeguarding the health and safety of all stakeholders;
- Utilising all of its resources efficiently and responsibly;
- Continuously improving its systems and processes;
- Developing its people and recognising superior performance;
- Identifying and/or acquiring projects within prospective mineral provinces;
- Exploring in a scientifically rigorous, effective and innovative manner;
- Developing and mining in a cost-effective and innovative manner to realise stakeholder value; and
- Fostering mutually beneficial relationships with its stakeholders.

OreCorp's Goal

Through successful discovery, acquisition and development, to become a mid-tier mining company, producing at operating margins that ensure the long-term viability of the Company's operating assets and deliver sustainable opportunities for all our stakeholders.

OreCorp's Future Aims, Objectives and Value Generators

Tanzania

- Receive grant of SML
- Complete DFS
- Conclude RAP
- Front End Engineering Design (FEED) Completion
- Project Financing for Development
- Commence Construction
- Pour First Gold

Western Australia

- Advance Hobbes and Drill Test
- Maiden MRE
- Regional Exploration
- Project Acquisition



Choirboy Ridge, Yarri Project, Eastern Goldfields

Corporate Overview (Continued)

OreCorp and COVID

During the year, the COVID-19 outbreak in Wuhan, China escalated into a global pandemic. The Company reacted to the pandemic to ensure the health and safety of its employees and consultants both domestically and overseas. Industry standard protocols were implemented at Nyanzaga site and in both the Perth and Dar es Salaam offices. OreCorp is committed to maintaining the health, safety and security of the Company's staff and all measures remain under continuous review during the COVID-19 pandemic.

In March 2020, the Australian Government announced overseas travel bans and quarantine and border restrictions in response to the COVID-19 pandemic. As a result, Australian-based personnel and consultants have been restricted in their overseas travel to Tanzania and elsewhere. OreCorp has cancelled all overseas travel with future travel dependent on guidelines from government and relevant authorities. The Company remains well represented in Tanzania with one resident expatriate, three senior Tanzanian Nationals and two local Tanzanian directors of the Company's Tanzanian subsidiaries.

The COVID-19 virus had no material impact to the operations of OreCorp during the financial year. The Company's offices in Perth and Dar es Salaam are currently open with employees back to normal working rosters. Nyanzaga site remains fully operational and staffed 24/7. To date, the Company is pleased to report that it has not had any confirmed or suspected cases of COVID-19 amongst its employees either domestically or overseas.



Sotta Village Local Community Guards, Nyanzaga Site, Tanzania

Review of Operations (Continued)

Table 1: Nyanzaga Deposit – Mineral Resource Estimate

OreCorp Limited – Nyanzaga Deposit – Tanzania Mineral Resource Estimate 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.			

The PFS completed in March 2017 and 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 $\pm 25\%$.

The Study evaluated the technical and economic viability of various Open Pit (OP) and Underground (UG) development scenarios for the Nyanzaga deposit (excluding Kilimani). 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 (**Figure 3**).

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 and All-in Cost were estimated to be US\$838/oz and US\$858/oz respectively over the LOM.

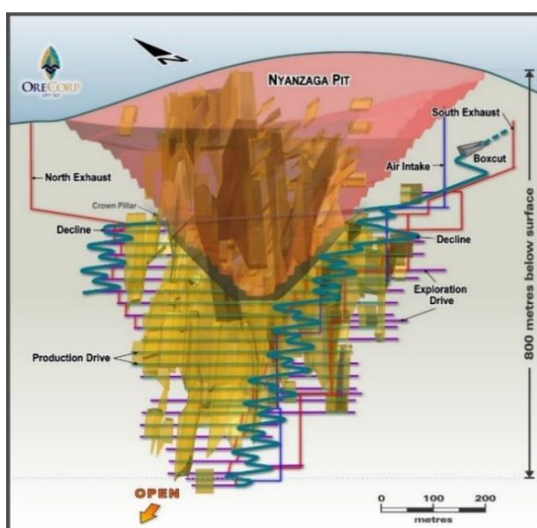


Figure 3: Nyanzaga Proposed Open Pit and Underground Mining Infrastructure (Looking Northeast)

Review of Operations (Continued)

The process facility is based on a conventional flow sheet design which utilises proven technology (**Figure 4**). Detailed metallurgical test work and comminution studies indicate expected gold recovery of 88% at a grind size of $P_{80}75\mu\text{m}$.

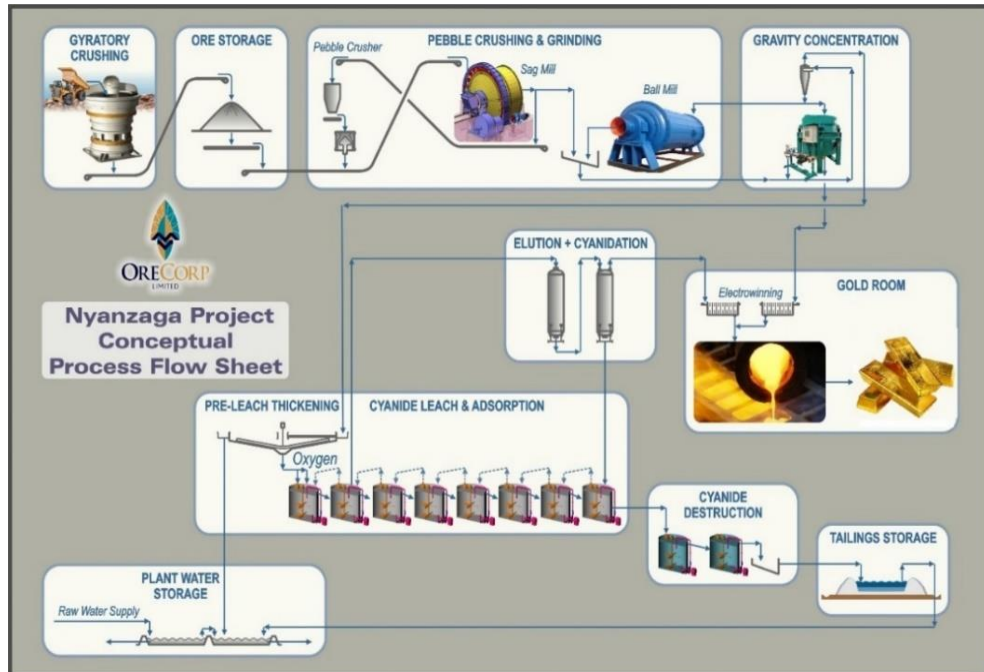


Figure 4: Conceptual Process Flow Sheet for Nyanzaga (Note: No concentrate, only gold doré)

Pre-production capital costs were estimated at US\$287M, which included a US\$33M contingency (**Table 2** and **Figure 5**). In the PFS, the 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.

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 subsequent Regulations. It is also noted that as part of the Project Financing DFS the cost estimates will be reviewed and updated.

Table 2: Summary of Nyanzaga Capital Costs

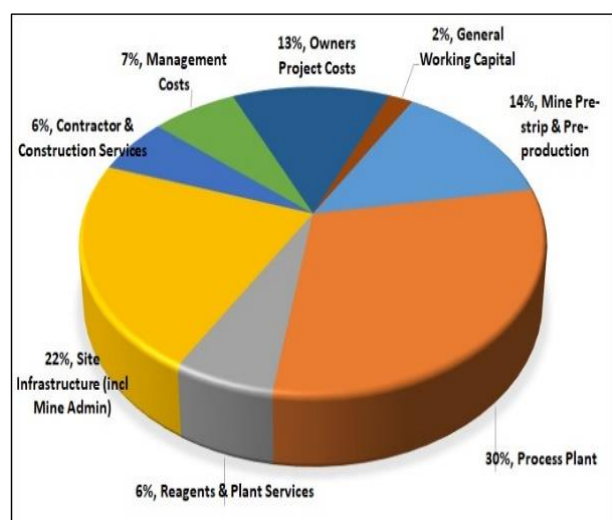


Figure 5: Summary of Nyanzaga Capital Cost

Review of Operations (Continued)

The 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 legislative changes of July 2017 or the subsequent Regulations. Operating and capital cost estimates detailed in the PFS may no longer be current and will be reviewed and updated in the DFS.

DFS

The 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 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 based on the September 2017 MRE (**Table 1**).

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;
- Completing test work to confirm suitability of tailings material for paste backfilling and identifying opportunities to reduce filling requirements;
- Developing 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; and
- Revising the classification of the current MRE to an Ore Reserve.

The Company continues to complete preparatory works pending the grant of the SML. These include engagement of key consultants to cover process engineering, plant design and mine optimisation work for both the OP and UG.

A significant amount of work has also been completed in readiness for the RAP, including overall planning for execution and engagement of consultants. This work forms part of the permitting pathway, with implementation of the RAP being a critical path item for the mine development.

Confirmation of the permitting pathway is almost complete and encompasses all necessary permits and approvals for the construction and operation of a mine. These permits will be applied for once the SML is granted with approvals being sought across several ministries and departments of the GoT.

The grant of the SML will be required before the DFS can be completed and any financing for the construction of the Project can be undertaken.

Kilimani Deposit MRE

A maiden Inferred Mineral Resource Estimate of 5.64Mt @ 1.21g/t Au for 220Kozs of gold at the Kilimani deposit was completed in May 2020 (**Table 3**). Kilimani is located approximately 450m northeast of the Nyanzaga deposit and within the SML application area. The Kilimani MRE is exclusive of and in addition to the Nyanzaga MRE.

Review of Operations (Continued)

Table 3: Kilimani Deposit – Mineral Resource Estimate

Kilimani Gold Deposit Mineral Resource Estimate - As at 2 June 2020				
Classification	Oxidation	Tonnes (kt)	Gold Grade (g/t)	Gold Metal (koz)
Inferred	Oxide/Transitional	5,630	1.21	219
	Fresh	10	2.69	1
	Total	5,640	1.21	220

Reported at a cut-off grade of 0.40g/t Au and classified in accordance with the JORC Code (2012 Edition). MRE defined by 3D wireframe interpretation with sub-cell block modelling to honour volumes. Gold grade estimated using Ordinary Kriging using a 5 m x 5 m x 2 m parent cell. Totals may not add up due to appropriate rounding of the MRE (nearest 5,000 t and 1,000 oz Au). Reasonable prospects for eventual economic extraction supported by pit optimisation generated using a gold price of US\$1500/oz.

The Kilimani MRE further enhances the Nyanzaga Project and the Company will include the Kilimani MRE in the DFS.

Geological interpretation indicates that the Nyanzaga and Kilimani deposits occur in similar lithological and structural settings with diagnostic geochemical and geophysical features. These features have been utilised to identify potential analogues within the SML application area.

Geological Targeting of Nyanzaga/Kilimani Analogues Within the SML Application

The lithostratigraphic sequences at the Nyanzaga and Kilimani deposits include the earlier Nyanzaga Group and later Kilimani Group (**Figure 6**). The deposits are dominated by a metasedimentary sequence of rhythmic cycles of sandstone, mudstone, chert and volcanoclastic rocks. The upper parts of the deposits are dominated by sandstones, with the deeper parts of the deposits dominated by chert.

The Nyanzaga and Kilimani deposits are considered to be part of a sub-basin sedimentary sequence that has undergone polyphase deformation and metamorphosed to greenschist facies, with the introduction and focus of auriferous fluids. The key characteristics of the two deposits include:

- A chert-mudstone lithological association;
- A strong carbonate, variable sulphide and gold-silver mineral association, often within preferentially orientated fault zones along or adjacent to antiformal structures; and
- An accompanying demagnetisation geophysical signature.

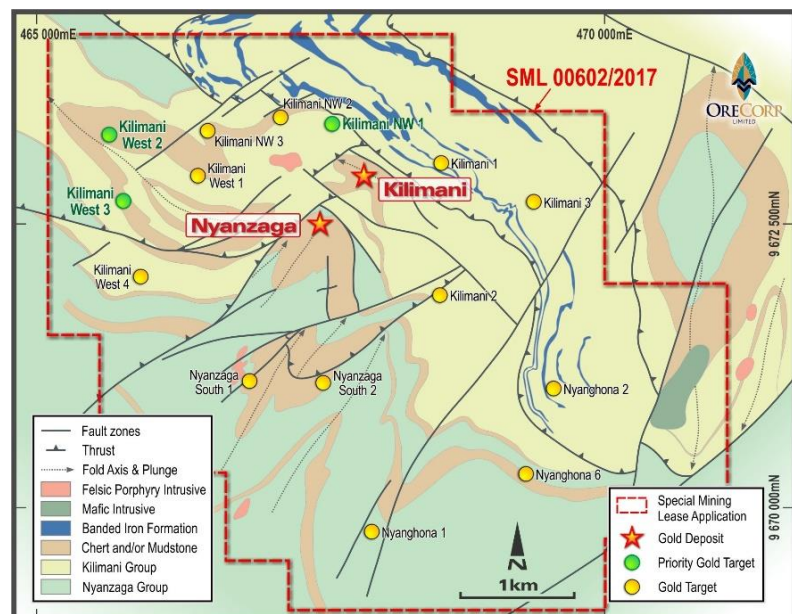


Figure 6: Geology of the Nyanzaga SML Application Area

Review of Operations (Continued)

Recent geological targeting has utilised the knowledge of both Nyanzaga and Kilimani to look for geological analogues within the boundary of the SML application. This has identified three priority targets (Kilimani NW 1, Kilimani West 2 and Kilimani West 3) that require drill testing once the SML has been granted, as well as twelve other new or historically identified potential targets that require further evaluation (**Figure 6**).

The Company believes that the additional targets identified have the potential for significant new discoveries within the SML application area and provide further opportunities to enhance the Nyanzaga Project.

In-Country Developments

In September 2019 Barrick and Acacia Mining PLC (Acacia) completed a Scheme of Arrangement whereby Barrick acquired the ordinary shares of Acacia that it did not already own (36.1%). Barrick then entered into a historic framework agreement in January 2020 with the GoT to settle all outstanding disputes and embrace the GoT as a 16% shareholder of its operations in Tanzania. This agreement is considered to be the template for other mining companies in Tanzania going forward.

WESTERN AUSTRALIA

Introduction

As part of the on-going targeting initiative and ground acquisition in WA, OreCorp now has nine granted licences and eleven applications in the Eastern Goldfields covering approximately 975km². The licences have been rationalised into three Project areas named Yarri (including Hobbes, Jericho and Cosmo), Yundamindra (including Bunjarra Well) and Ponton (**Figure 7**).

The Company will continue to monitor other identified targets and apply for additional ground that may become available.

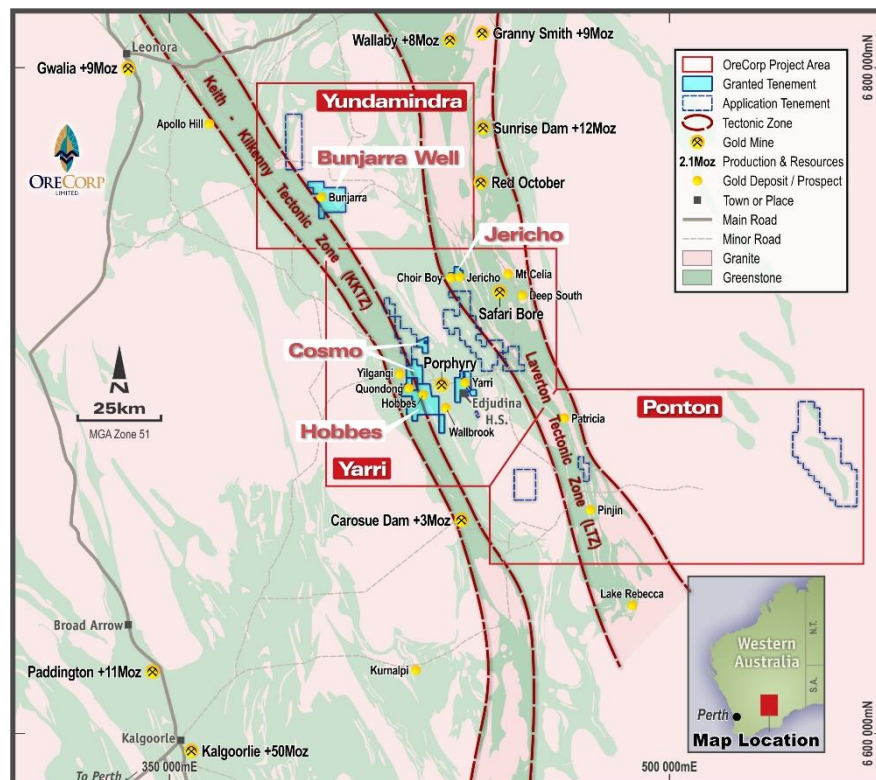


Figure 7: Location of OreCorp's WA Projects with Regional Geology

Review of Operations (Continued)

Yarri Project (E31/1117 – OreCorp earning up to 80%, E31/1173, E31/1175, E31/1231, P31/2119, P39/5600, P39/5601 – OreCorp 100%, E39/1914 – OreCorp 95%)

The Yarri Project comprises five granted Exploration Licences, three granted Prospecting Licences and seven Licence applications covering approximately 420km². The Project is approximately 150km northeast of Kalgoorlie between the Keith-Kilkenny Tectonic Zone (KKTZ) and the Laverton Tectonic Zone (LTZ) (**Figure 7**).

Hobbes Licence – E31/1117

The Hobbes Licence forms part of the Yarri Project and 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 gold mineralisation at Hobbes is preferentially hosted within the older volcanoclastic, andesite and carbonated mafic units (**Figure 8**), commonly associated with porphyry intrusives.

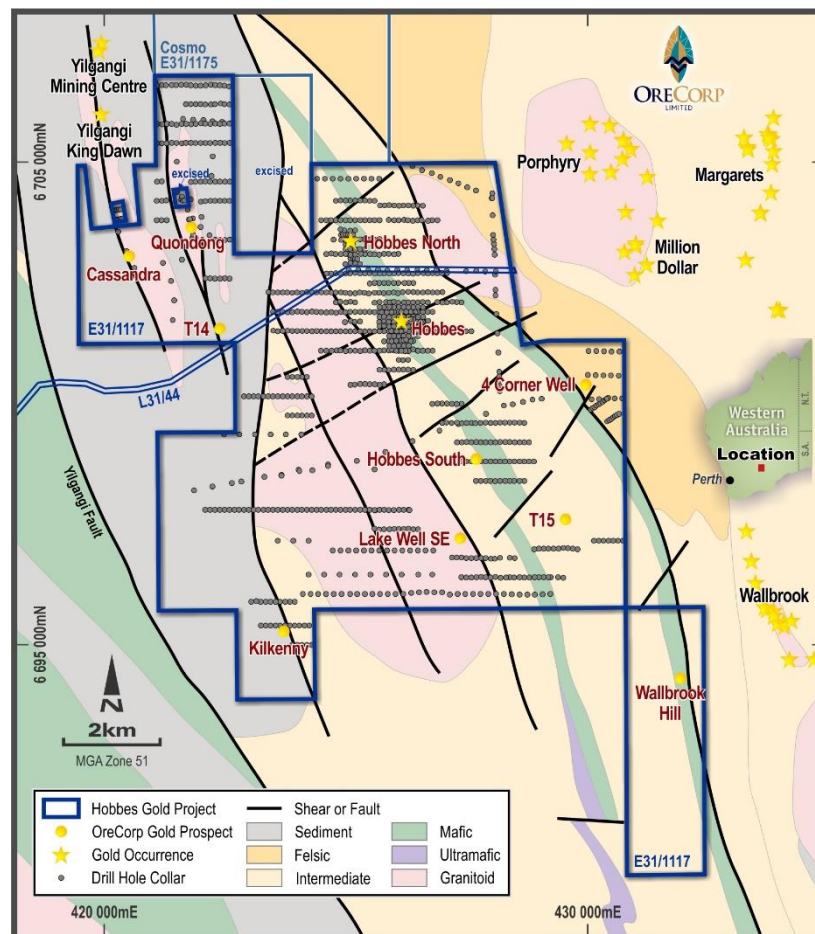


Figure 8: Hobbes Licence Geology with Prospects
(Adapted from DMIRS 1:500,000 Bedrock Geology)

Previous drilling has intersected primary mineralisation beneath a large, 800m x 400m supergene zone which is open along strike (**Figure 9**). This primary mineralisation is also open along strike and only tested with very limited, effective infill drilling (**Figure 10**).

Review of Operations (Continued)

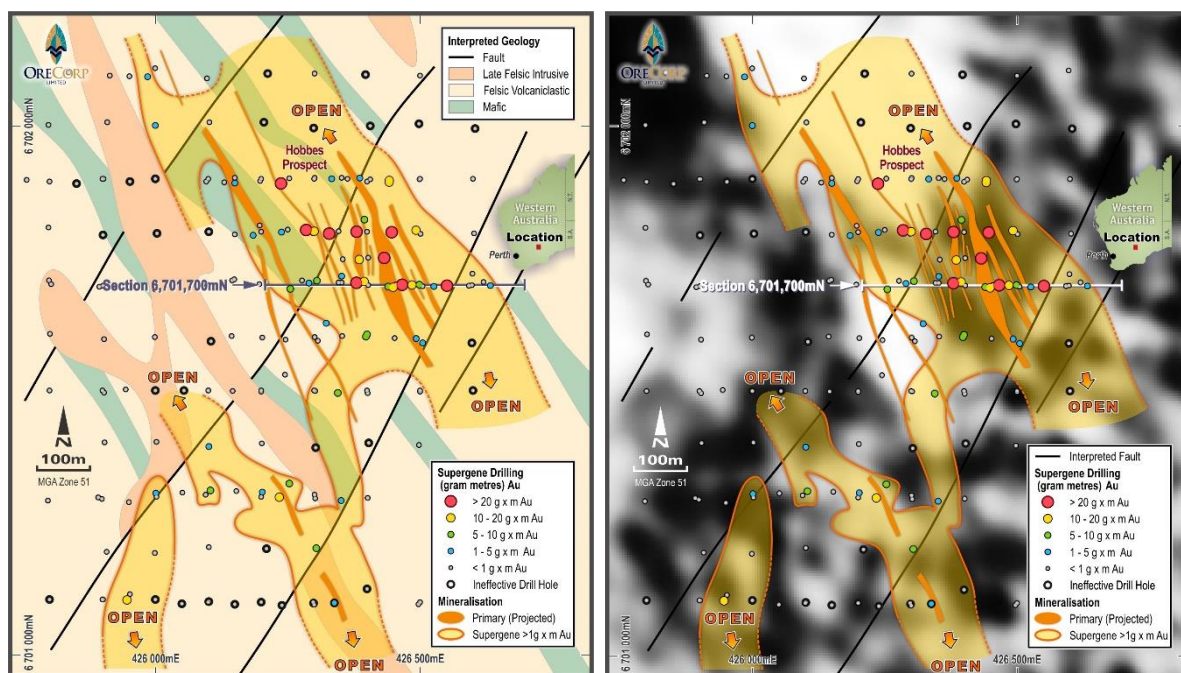


Figure 9: Hobbes Prospect - Supergene Mineralisation with Gram/Metres and Interpreted Primary Mineralisation over a. Simplified Geology b. Aeromagnetics.

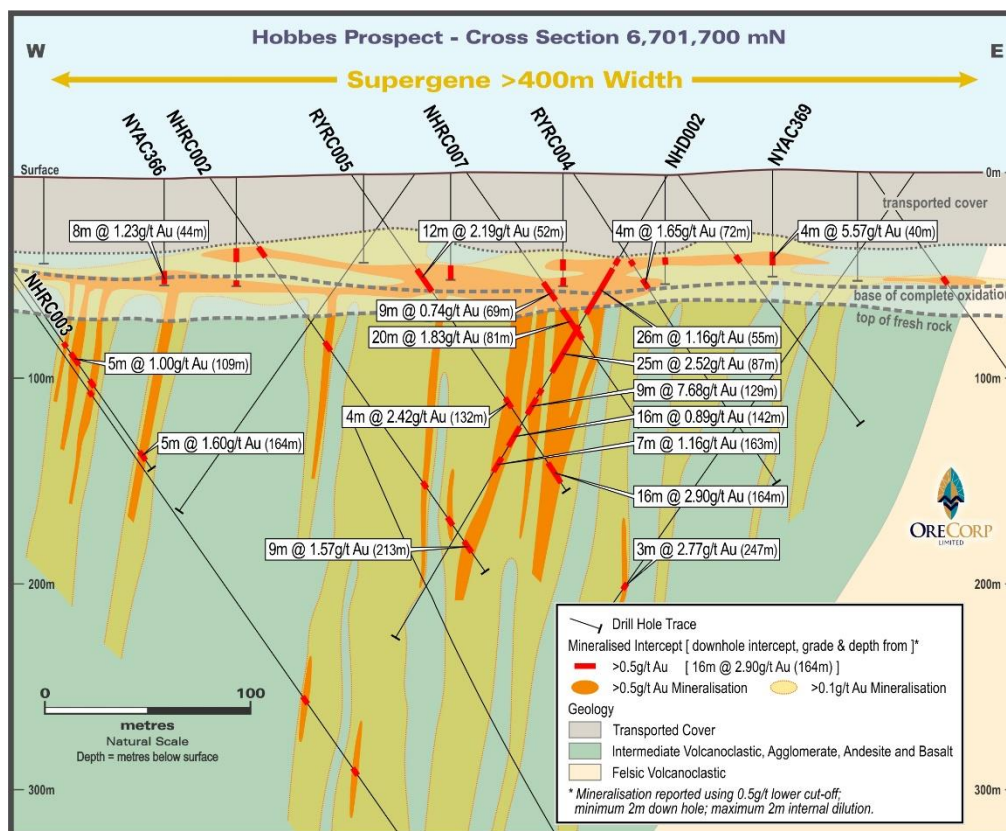


Figure 10: Hobbes Prospect Drill Section 6,701,700 (Looking North)

Review of Operations (Continued)

Cosmo Acquisition

In May 2020, OreCorp acquired from Cosmo Holdings (WA) Pty Ltd a 100% legal and beneficial interest in Exploration Licences E31/1173 and E31/1175 and Prospecting Licence P31/2119 covering an area of 34km² immediately north of the Hobbes licence (**Figure 7**). The licences form part of the Yarri Project.

The licences straddle the Archaean sediment-tuff filled Keith-Kilkenny Rift, with felsic and mafic to ultramafic sequences to the east. The local geology consists of north-northwest-striking, vertical to steeply dipping greywacke, chert and felsic to intermediate volcanoclastic rocks bounded by the Menangina Batholith to the west, and an elongate granodiorite body bordering the eastern margin.

Most of the gold deposits in the region are hosted by granitoids/felsic intrusives, intermediate volcanics or Pig Well Graben metasediments. Many deposits display a direct or spatial association with granitoids/felsic intrusives.

Previous exploration dates back to the 1960's and has been restricted due to disjointed licence ownership. OreCorp's ownership consolidation, geological understanding and targeting will aim to refine the existing targets through the collation of open file geophysical, drilling and geochemical data, with a view to identifying analogues to the nearby Porphyry gold deposit.

Jericho Acquisition

In October 2019 OreCorp completed an agreement with CGM (WA) Pty Ltd (Chalice) to acquire their interest in the Jericho Project (E39/1914, P39/5600 and P39/5601). The tenements lie 40km north-northeast of Hobbes in the Kurnalpi Terrane and on the western margin of the well-mineralised LTZ (**Figure 7**). Local lithologies are dominated by felsic volcanoclastic metasediments, shales and banded iron formation (BIF). Previous surface geochemistry, RAB and RC drilling has defined two prospects of interest – Choirboy and Jericho.



Edjudina Range (Choirboy) Panorama

Choirboy Prospect

Located within E39/1914, the Choirboy Prospect is associated with a mylonitic shear zone defined by tectonic cherts and quartz veins within a sequence of felsic metasedimentary schists, graphitic and sulphidic shales. Historical drilling, including 14 RC holes and 74 RAB holes, has defined a north-south mineralised zone interpreted by previous operators as dipping shallowly to the east, over a strike length of >800m. Better RC intercepts (using a 0.5g/t cut off) include:

- CBP001 - 8m @ 1.66g/t Au from 0m
- CBP007 - 4m @ 3.66g/t Au from 42m
- CBP008 - 15m @ 0.95g/t Au from 61m
- CBR014 - 2m @ 5.07g/t Au from 47m
- CBR022 -12m @ 1.31g/t Au from 25m

Review of Operations (Continued)

RC drilling to date is on nominal 100m line spacing and the mineralisation is open along strike and down dip. Infill and extension drilling is required to further test this prospect.

Jericho Prospect

Located within P39/5600, the Jericho prospect is an early stage target defined by a semi-continuous gold-in-soil anomaly covering an area of 1,200m x 100m, peaking at 522 ppb Au. The anomaly predominantly overlies felsic metasediments and volcanics to the east and west of a prominent BIF ridge which trends north-northwest and dips steeply to the east. The anomaly has been lightly tested by 14 RAB holes on ~200m line spacing, with maximum downhole intercepts of 1m @ 1.7g/t Au and 1m @ 1.3g/t Au in holes RCRB0059 and RCRB0038 respectively.

Yarri Project Future Work

Work planned for the Yarri Project over the next year includes:

- A detailed gravity survey;
- Acquisition and interpretation of detailed aeromagnetic data;
- Confirmation of the geological and alteration models at both Hobbes and Quondong which will aid in finalising the drilling programs planned in each of these target areas;
- RC and aircore drilling programs; and
- Completion of a maiden MRE at Hobbes.

Yundamindra Project (E39/1976 - OreCorp 95%)

The Yundamindra Project is approximately 60km southeast of Leonora and comprises one granted Exploration Licence and one Licence application covering approximately 156km². The granted Bunjarra Well Licence (E39/1976) was acquired from Chalice in October 2019 and lies along the eastern margin of the KKTZ (**Figure 11**). It is extensively covered by recent alluvium. The bedrock geology comprises deformed mafic to intermediate igneous rocks, epiclastic sediments, with localised ultramafic and granitoid rocks of the Kurnalpi Domain.

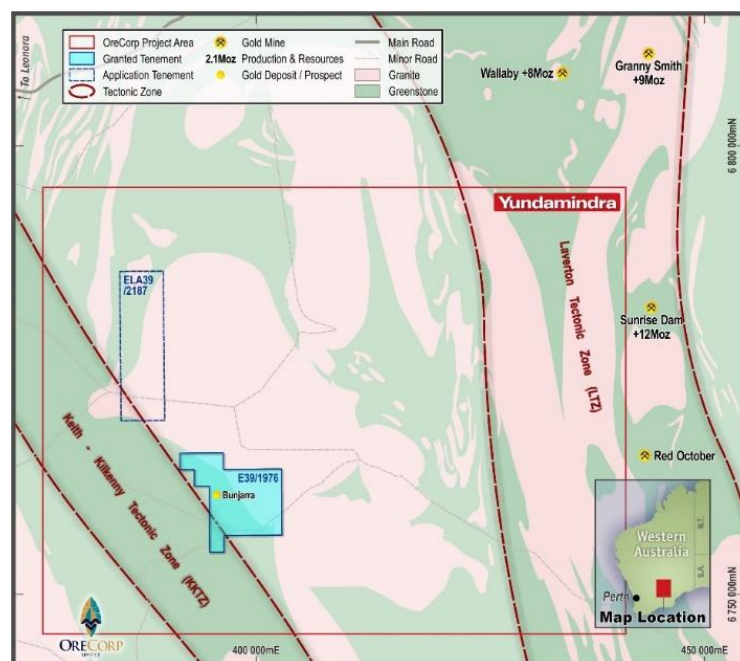


Figure 11: Yundamindra Project Area, Eastern Goldfields, WA

Review of Operations (Continued)

Mineralisation was encountered in drill chips associated with quartz veined saprolitic sheared basalt, gabbro and ultramafic units immediately adjacent to and within a granite. Maximum results achieved were up to 14.0g/t Au over 1 metre. The mineralisation is open to the north and south along strike and the primary mineralisation has not been tested at depth.

Yundamindra Project Future Work

Work planned for the Yundamindra Project over next year includes:

- A detailed gravity survey;
- Acquisition and interpretation of detailed aeromagnetic data; and
- Aircore drilling programs.

Ponton Project

As part of the on-going West Australian targeting initiative and ground acquisition the Company has applied for three licences covering approximately 395km² within the Ponton Project area (**Figure 7**).

MAURITANIA

Akjoujt South Project (ASP)

Introduction

The Akjoujt South Project comprises three licences (1415, 1416 and 2259) covering 596km² 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 12**).

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

The Company has intersected significant nickel-copper-cobalt sulphide 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 13**). Mineralisation remains open along strike and down plunge.

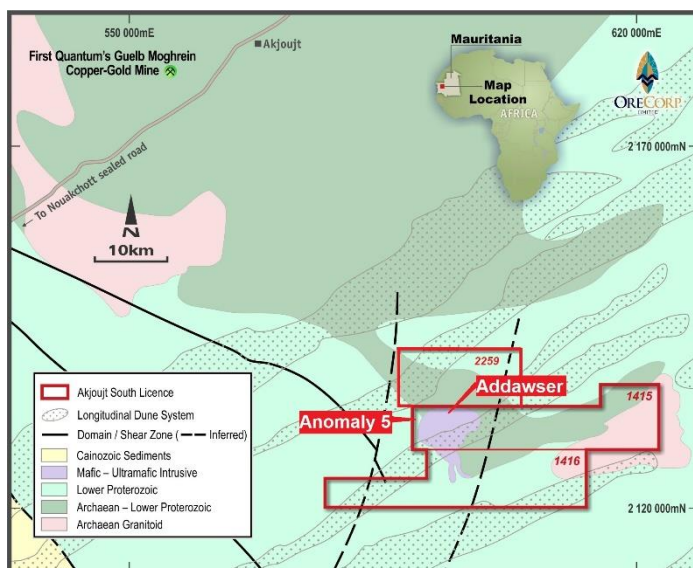


Figure 12: Location of the Akjoujt South Project, Mauritania

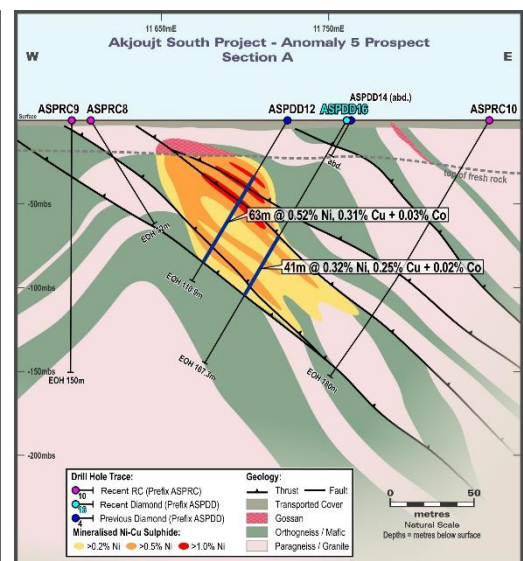


Figure 13: Anomaly 5 Prospect – Drill Section

Review of Operations (Continued)

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.

CORPORATE SOCIAL RESPONSIBILITY

Sustainable Development

OreCorp believes the success of its 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. OreCorp is pleased to report that there were no Lost Time Injuries sustained during the year ended 30 June 2020.

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.

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 as much as possible;
- Technology transfer and training to both individuals and related institutions; and
- Community development programs that can be self-sustaining.

Review of Operations (Continued)

The Company currently employs most of its Nyanzaga Project staff from the local communities and sources the majority of its supplies from local providers. Since 2016 OreCorp has completed numerous community projects. In the past 12 months the Company has contributed to the building of three classrooms at Ngoma Primary School (completed) and the construction of a Police Station at Ngoma (currently underway). The Company provides the material and a Head Mason to oversee the building and to train local labourers which are sourced from nearby communities.



Ngoma Primary School – During Construction



Ngoma Primary School – On Completion

The site nursery has also supplied 7,080 tree seedlings this year to local schools, communities and administrative centres in the Nyang’hwale District.



Nkumba Primary School Students with Tree Seedlings from the Nyanzaga Nursery

In addition, the Company has formed a football team, “OreCorp United” which comprises employees, casuals, tradespeople 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 came second in the Mchembe League in Nyang’hwale District winning one cow and were premiers in the Nyunya League in the Sengerema District winning four cows.

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 2020 (Consolidated Entity or Group).

Directors

The names of the directors in office at any time during the half-year and until the date of this report are:

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 2019 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. From 1983 – 1993, as Exploration Manager of Hunter Resources Limited he was involved in a number of significant discoveries including Ernest Henry in Queensland and Nimary, Mertondale and Dalgaranga in Western Australia.

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 and has an applied technical background, having held senior positions, including resident Exploration Manager in Tanzania for Tanganyika Gold Limited.

Directors' Report (Continued)

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

Directors' Report (Continued)

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.

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.

Principal Activities

The principal activities of the Group during the year consisted of mineral exploration for gold and precious metals. OreCorp's key projects are the Nyanzaga Gold Project (**Nyanzaga** or **Project**) in northwest Tanzania and the Hobbes, Jericho and Bunjarra Well Projects in the Eastern Goldfields of Western Australia (**WA**).

Dividends

No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2020.

Review of Operations and Activities

A review of the Group's operations during the year ended 30 June 2020 is provided in the section of this report headed 'Review of Operations', which immediately precedes the Director's Report.

Operating Results and Financial Position

The operating loss of the Consolidated Entity for the year ended 30 June 2020 was \$5,040,533 (2019: \$6,473,933). This loss is largely attributable to the Consolidated Entity's accounting policy of expensing exploration and evaluation expenditure incurred by the Consolidated Entity subsequent to the initial acquisition of the rights to explore and up to the successful completion of definitive feasibility studies, as set out in Note 1.

At 30 June 2020, the Consolidated Entity had net assets of \$31.7 million (2019: \$11.1 million) and cash reserves of \$24.8 million (2019: \$10.0 million). The increase in net assets and cash resulted primarily from two separate capital raisings completed during the year.

Directors' Report (Continued)

Significant Changes in the State of Affairs

On 22 July 2019, the Company announced the simplification of its Completion Agreement with Acacia, replacing the US\$15,000,000 net smelter royalty 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 to the Tanzanian Revenue Authority on behalf of Acacia, which was subsequently paid by the Company 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. On 16 September 2019, the Company announced that it had received approval from the Tanzanian Mining Commission to acquire control of NMCL and further approval from the Fair Competition Commission to acquire 100% of NMCL.

In August 2019, the Company completed a placement of 53,100,000 fully paid ordinary shares at an issue price of \$0.25 to raise \$13,275,000 before costs.

In May 2020, the Company completed a placement of 45,000,000 fully paid ordinary shares at an issue price of \$0.30 to raise \$13,500,000 before costs.

Additionally, during the year ended 30 June 2020, a total of 1,410,338 shares were issued in part consideration for the acquisition of mineral tenements in Western Australia.

Business Development

During the year, numerous business and corporate development opportunities were identified and reviewed. These included advanced projects and operating mines. Those which may enhance shareholder value will continue to be pursued.

A generative initiative in Western Australia identified several target areas in the Yilgarn and Pilbara cratons. This resulted in the Company acquiring mineral tenements and applying for a number of new licence areas. The Company will continue to refine its WA targeting initiative and acquire further opportunities through applications, joint ventures or outright purchase.

Business Strategy and Prospects

The Consolidated Entity currently has the following business strategies and prospects over the medium to long term:

- progress the Nyanzaga Project, with a focus on obtaining a SML and completing the DFS;
- continue to undertake regional generative exploration programs at the Yarri, Yundamindra and Ponton Gold Projects in the Eastern Goldfields of Western Australia;
- continue to refine its WA targeting initiative;
- continue to review other resource opportunities which may enhance shareholder value; and
- continue to seek joint venture funding for its ASP 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.

Directors' Report (Continued)

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.

No instances of environmental non-compliance by an operation were identified during the year.

Significant Post-Balance Date Events

A total of 389,483 OreCorp shares were issued to Non-Executive Directors and Management/Employees on 23 July 2020 as approved at the Company's Extraordinary General Meeting held on the same day. The issuance of shares included a total of 200,000 shares to OreCorp's Chairman on the same terms as the Share Placement announced 26 May 2020. A total of 189,483 shares were issued under a Salary Sacrifice Arrangement.

Other than the events disclosed above there were no other significant events occurring after balance date requiring disclosure.

Share Options

At the date of this report, the Company has on issue 4,600,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021.

No shares were issued during or since the end of the financial year as a result of the exercise of an option over unissued shares.

Meetings of Directors

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2020, 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	11	11	2	2	1	1	2	2
Matthew Yates	11	11	-	-	-	-	-	-
Alastair Morrison	11	11	2	2	-	-	2	2
Michael Klessens	11	11	2	2	1	1	2	2
Robert Rigo	11	10	-	-	1	1	2	2

Notes

- (i) 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.

Directors' Report (Continued)

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 are set out below:

1. 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

2. Former Key Management Personnel

Mr Luke Watson – CFO & Company Secretary, until his resignation which was effective from 15 July 2019.

Unless noted above, all KMP held their position from 1 July 2019 until the date of this report.

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

External Advice on Remuneration

During the financial year, the Board engaged The Reward Practice Pty Ltd (TRP) as remuneration consultants to provide remuneration services with respect to external benchmarking and general insights for executive and non-executive remuneration structures.

Under the Corporations Act 2001, remuneration consultants must be engaged by the Non-Executive Directors and reporting of remuneration recommendations (if any) must be made directly to the Remuneration Committee.

The Remuneration and Nomination Committee considered the information provided by TRP, along with other factors, in making its remuneration decisions.

Remuneration Policy

The Company's remuneration policy is designed to ensure that the level and form of compensation achieves certain objectives including:

- Attracting and retaining talented, qualified and effective personnel;
- Being transparent and easily understood;
- Motivating short-term and long-term performance; and
- Aligning employee interests with those of the Company's shareholders.

The Remuneration and Nomination Committee and ultimately the Board are responsible for determining and reviewing remuneration arrangements for the Directors and senior management. Generally, compensation is provided by the Company to its executive directors and senior management by way of base salary, superannuation, short term incentives (STI) and long-term incentives (LTI). The overall objective is to ensure maximum stakeholder benefit from the retention of a high quality and high performing executive team.

Directors' Report (Continued)

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 and Company personnel:

- (i) the Group is currently concentrating on exploration and feasibility activities at the Nyanzaga Gold Project in Tanzania, including the completion of the Project Financing DFS, as well as its WA and 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;
- (ii) risks associated with developing resource companies whilst exploring and developing projects, particularly at the 'grass roots' stage; and
- (iii) 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.

Non-Executive Director Remuneration

In line with corporate governance principles, non-executive directors are remunerated by way of fees and superannuation. Non-executive directors may, from time to time, subject to obtaining all requisite shareholder approvals, be issued with securities as part of their remuneration where it is considered appropriate to do so as a means of aligning their interests with shareholders. Non-executive directors do not receive retirement benefits (other than in the form of superannuation) or bonuses, nor do they participate in any incentive programs including the short-term and long-term incentive plans.

An aggregate cash remuneration of \$500,000 may be applied to pay the non-executive Directors of the Company as approved by shareholders at the 27 November 2019 AGM. During the year ended 30 June 2020, the base fee paid to each of the non-executive Directors was \$50,000 inclusive of superannuation and fees paid to the Chairman of the Board were \$100,000. An additional \$5,000 was paid to the Chairman of the Audit and Remuneration & Nomination committees. This fee structure is comparable to and has been benchmarked against peer entities with a similar market capitalisation.

Effective from 1 July 2020, any services provided by the non-executive directors that are in addition to those of a non-executive and approved by the Chairman are charged at \$1,600 per day plus applicable GST.

Executive Remuneration Framework

The Board aims to reward its executives and senior management with a level and mix of remuneration commensurate with their position and responsibilities to ensure consistency with the remuneration objectives identified above. The Group has entered into standard contracts of employment with its senior management. Remuneration under these contracts consists of fixed and variable remuneration.

1. Fixed Remuneration

Fixed remuneration is reviewed annually by the Remuneration and Nomination Committee with recommendations made to the Board. This process consists of a review of both the Company's and individual's performance, a comparison of current and proposed remuneration with data attained from industry relevant peers or industry associations and where appropriate, advice or input from external parties.

Directors' Report (Continued)

2. Variable Remuneration – Short Term Incentive (STI) arrangements

The Company did not have a formalised cash-based incentive plan during the years ended 30 June 2019 and 2020 and during this period, the Board has, on one occasion, chosen to pay discretionary bonuses based on achievement of key corporate objectives. No bonuses were paid or any other STI payments made during the year ended 30 June 2020.

Effective from 1 July 2020, the Company has implemented a formalised STI bonus plan.

The objective of the STI program is to link the achievement of the Group's short-term performance objectives with the remuneration received by executive KMP, senior management and employees charged with achieving those measures. STI payments are dependent on the extent to which performance measures are met. These measures consist of a variety of criteria focusing in the areas of safety, exploration, development and financial performance. These measures were selected as they represent the key drivers for the short-term success of the business and provide a framework for delivering longer term value. Key features of the STI Plan (STIP) are provided below:

Plan Feature	Details
STIP Objective	The STIP motivates and rewards Executive KMP and Company personnel for their contribution to the Company's performance. The STIP is also designed to retain staff over the vesting period of the award.
Alignment with Shareholder Interests	The STIP sets safety, exploration, development and financial targets to enhance shareholder value.
STIP Nature	The award will be settled in cash.
STIP Vesting	The award is to be determined on an annual basis after the financial year has closed and once the Board has assessed the performance of the Company and the individual.
STIP Award Opportunity	The award opportunity is 40% of fixed remuneration for the CEO & Managing Director and 10%-30% of fixed remuneration for other personnel.
Current Year Award	No STI has been awarded to Executive KMP or Company personnel in the current year.
STIP Performance Measures	The Board has set a scorecard to measure the Company's performance which is broken into the core components that the Board believes are key to delivering the Company's strategy over the year.

3. Variable Remuneration – Long Term Incentives (LTI)

Arrangements prior to 1 July 2020

Prior to 1 July 2020, incentive arrangements were primarily effected through the existing option plan, as set out below. No options were issued to Executive KMP or NEDs during the year ended 30 June 2020.

(a) 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 to its senior staff, executives and directors. 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 the attraction and retention of 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 26 November 2018.

Directors' Report (Continued)

(b) Value of the Incentive Portion

No options were issued to Executive KMP or NEDs during the year ended 30 June 2020. During the year ended 30 June 2019, the Company issued unlisted options to directors and executives as approved at the AGM. The value of the options granted during the prior year; being premium exercise price options - 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 achieved is (based on the historical performance of the share), greater than 12 months.

(c) Performance Measures

The Board has had a policy of granting options to Executive KMP and Company personnel with exercise prices at substantial premiums to the market share price (at the time of agreement). As such, incentive options granted to Executive KMP and Company personnel will generally only be of benefit to the recipient if the shares 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 that the performance of Executive KMP and Company personnel are closely related to the performance and value of the Consolidated Entity.

Arrangements from 1 July 2020

The objective of the LTI program is to reward Executive KMP and Company personnel in a manner that aligns remuneration with the creation of shareholder wealth. LTI grants from 1 July 2020 will be delivered in the form of premium exercise priced options or performance rights under the Company's new Employee Share Incentive Plan ("the New Plan"), subject to approval of the New Plan at the next AGM of the Company.

The Company's Security Trading policy prohibits speculative trading in the Company's securities or hedging of options granted under the Plan. Prohibited hedging practices include put/call arrangements over "in-the-money" options to hedge against a future drop in share price. The Board considers such hedging to be against the spirit of the Plan and inconsistent with shareholder objectives.

Key features of the LTI Plan (LTIP) are provided below:

Plan Feature	Details
LTIP Objective	The LTIP is intended to incentivise Executive KMP and Company personnel for achievement of the Company's long-term objectives and increases in the Company's long-term value.
LTIP Nature	Participants may elect to receive premium exercise priced options or performance rights, which will vest dependent on the achievement of the LTIP performance measures.
LTIP Vesting	A performance period of three years is considered appropriate to allow for the long-term nature of the exploration and evaluation activities. The first tranche (FY21 LTIP) will be tested for vesting on 30 June 2023.
LTIP Award Opportunity	The award opportunity is 80% of fixed remuneration for the CEO & Managing Director and 20%-60% of fixed remuneration for other personnel.
Current Year Award	No LTI has been awarded to Executive KMP or Company personnel in the current year.

Directors' Report (Continued)

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 2020 \$	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$	Year Ended 30 June 2016 \$
Interest income	35,440	112,095	271,166	221,349	48,526
Other income	-	-	-	-	-
Unrealised foreign exchange gain / (loss)	90,144	474,201	885,584	26,929	235,682
Loss before tax	(5,040,533)	(6,473,933)	(6,728,584)	(15,372,180)	(3,603,871)
Loss after tax	(5,040,533)	(6,473,933)	(6,728,584)	(15,372,180)	(3,603,871)
Dividends	-	-	-	-	-
Share price	0.40	0.22	0.18	0.38	0.31
Basic loss per share (cents per share)	(1.89)	(2.99)	(3.11)	(8.37)	(3.05)
Diluted loss per share (cents per share)	(1.89)	(2.99)	(3.11)	(8.37)	(3.05)

COVID-19 Pandemic Impacts

As a result of the impact of the COVID-19 pandemic, the Company's CEO and Managing Director, Matthew Yates (CEO) and the non-executive directors (NEDs) each agreed, subject to shareholder approval, to a temporary reduction in the cash component of their remuneration or fees; with 50% of remuneration being paid in cash and 50% to be settled in equity. This cash preserving measure was in place for the quarter ended 30 June 2020 with CEO and NED remuneration returning to normal from 1 July 2020. Subsequent to year end, at an EGM held on 23 July 2020, shareholders approved the issue of shares in settlement of the agreed amounts and the shares were issued.

Directors' Report (Continued)

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 Based		
		Short-term		Post-Employment	Other Payments (iii)	Total Cash Payments		Long-term	COVID-19 Equity Settlement Adjustment	Share Based Payments		Total Non- Cash Payments	Short Term Incentive Plan	Long Term Incentive Plan
		Base Salary / Fees	Bonus	Superannuation				Movement in Leave Provision		Accounting Valuation				
		\$	\$	\$				\$		\$				
Directors														
Non-Executive Chairman														
Williams, Craig	2020	79,188	-	8,312	-	87,500	-	12,500	-	12,500	100,000	-	-	
Williams, Craig	2019	90,500	-	9,500	-	100,000	-	-	41,500	41,500	141,500	-	29.33%	
CEO and Managing Director														
Yates, Matthew	2020	328,125	-	25,000	-	353,125	24,569	46,875	-	71,444	424,569	-	-	
Yates, Matthew	2019	375,000	50,000	25,000	-	450,000	20,792	-	41,500	62,292	512,292	9.76%	8.10%	
Non-Executive Director														
Morrison, Alastair	2020	39,594	-	4,158	-	43,752	-	6,248	-	6,248	50,000	-	-	
Morrison, Alastair	2019	45,250	-	4,750	-	50,000	-	-	41,500	41,500	91,500	-	45.36%	
Non-Executive Director														
Klessens, Michael	2020	43,553	-	4,571	-	48,124	-	6,876	-	6,876	55,000	-	-	
Klessens, Michael	2019	49,775	-	5,225	-	55,000	-	-	41,500	41,500	96,500	-	43.01%	
Non-Executive Director														
Rigo, Robert	2020	39,594	-	4,158	-	43,752	-	6,248	-	6,248	50,000	-	-	
Rigo, Robert	2019	33,937	-	16,063	-	50,000	-	-	41,500	41,500	91,500	-	45.36%	
Other KMP														
CFO & Company Secretary														
Watson, Luke (iii)	2020	10,635	-	3,696	131,260	145,591	(72,450)	-	-	(72,450)	73,141	-	-	
Watson, Luke	2019	263,750	25,000	25,000	-	313,750	10,285	-	50,050	60,335	374,085	6.68%	13.38%	

(i) The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.

(ii) 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.

(iii) Mr Watson resigned effective 15 July 2019. "Other Payments" includes annual leave and long service leave payouts and payment in lieu of notice.

Directors' Report (Continued)

Shareholdings of Key Management Personnel

The aggregate number of 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 2019	Other Changes	Held at 30 June 2020
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 (i)	1,152,781	N/A	N/A

Notes

- (i) Mr Watson resigned effective 15 July 2019. His opening balance was also the balance at the date of resignation.

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 2019 #	Grant of Options #	Options Unexercised and Expired during the year #	Held at 30 June 2020 #	Vested and Exercisable at \$0.44 as at 30 June 2020 #
Directors					
Craig Williams	800,000	-	(300,000)	500,000	500,000
Matthew Yates	1,000,000	-	(500,000)	500,000	500,000
Alastair Morrison	750,000	-	(250,000)	500,000	500,000
Michael Klessens	750,000	-	(250,000)	500,000	500,000
Robert Rigo	750,000	-	(250,000)	500,000	500,000
Other KMP					
Luke Watson (i)	650,000	N/A	N/A	N/A	N/A

Notes

- (i) Mr Watson resigned effective 15 July 2019. His opening balance was also the balance at the date of resignation.

No options were granted to or exercised by Key Management Personnel of the Company or Group during the year ended 30 June 2020. A total of 1,550,000 unlisted options held by KMP expired unexercised 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. Mr Yates receives \$400,000 per annum (inclusive of superannuation). In addition, as approved by shareholders on 26 November 2018, 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.

In the prior year, 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 with Barrick/Acacia in relation to the acquisition of the remaining interest in the Nyanzaga Project. No bonuses were paid to Mr Yates in the current financial year. There were no loans made to Mr Yates during the year.

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 2020	Year Ended 30 June 2019
Services provided by the Company's auditors	\$	\$
Deloitte Touche Tohmatsu (Australia):		
- Audit and review of financial report	39,750	31,104
- Other non-audit services	-	-
PwC Tanzania:		
- Audit and review of financial report	25,482	16,393
- Other non-audit services (taxation advice)	66,398	90,885
Total remuneration for auditors	131,630	138,382

Directors' Report (Continued)

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 \$66,398 (2019: \$90,885) 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 70 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

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

Matthew Yates

Chief Executive Officer & Managing Director

17 September 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Year Ended 30 June	
		2020 A\$	2019 A\$
Interest income		35,440	112,095
Foreign exchange gain		90,144	474,201
Corporate and administration costs		(1,347,633)	(1,507,448)
Exploration and evaluation costs		(3,374,659)	(4,767,388)
Business development costs		(443,825)	(785,393)
Loss before tax from continuing operations		(5,040,533)	(6,473,933)
Income tax expense	3	-	-
Loss for the year		(5,040,533)	(6,473,933)
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		(96,871)	343,244
Other comprehensive income/(loss) for the year		(96,871)	343,244
Total comprehensive loss for the year, net of income tax		(5,137,404)	(6,130,689)
Total comprehensive loss attributable to members of the parent		(5,137,404)	(6,130,689)
Earnings per share			
Weighted average number of shares	20	266,943,184	216,599,121
Basic loss per share (cents per share)	20	(1.89)	(2.99)
Diluted loss per share (cents per share)	20	(1.89)	(2.99)

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

	Note	30 June 2020 A\$	30 June 2019 A\$
ASSETS			
Current Assets			
Cash and cash equivalents	21(b)	24,800,403	9,994,765
Trade and other receivables	4	71,593	109,304
Total Current Assets		24,871,996	10,104,069
Non-current Assets			
Property, plant and equipment	5	135,574	77,417
Right of use asset	1(c)(i)	23,140	-
Exploration and evaluation assets	6	19,078,830	1,805,517
Total Non-current Assets		19,237,544	1,882,934
TOTAL ASSETS		44,109,540	11,987,003
LIABILITIES			
Current Liabilities			
Trade and other payables	7	12,089,848	461,984
Lease liability	1(c)(i)	24,150	-
Provisions	8	191,126	235,963
Total Current Liabilities		12,305,124	697,947
Non-current Liabilities			
Provisions	9	65,709	157,527
Total Non-current Liabilities		65,709	157,527
TOTAL LIABILITIES		12,370,833	855,474
NET ASSETS		31,738,707	11,131,529
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	10(a)	81,320,949	55,606,167
Reserves	11	(62,365)	326,673
Accumulated losses	12	(49,519,877)	(44,801,311)
TOTAL EQUITY		31,738,707	11,131,529

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

Consolidated Statement of Changes in Equity

	Issued Capital A\$	Share-Based Payments Reserve A\$	Foreign Currency Reserve A\$	Accumulated Losses A\$	Total Equity A\$
Year Ended 30 June 2020					
Balance at 1 July 2019	55,606,167	794,017	(467,344)	(44,801,311)	11,131,529
Net loss for the year	-	-	-	(5,040,533)	(5,040,533)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	(96,871)	-	(96,871)
Total other comprehensive loss	-	-	(96,871)	-	(96,871)
Total comprehensive loss for the year	-	-	(96,871)	(5,040,533)	(5,137,404)
Transactions with owners, recorded directly in equity					
Share placement	26,775,000	-	-	-	26,775,000
Capital raising costs	(1,538,365)	-	-	-	(1,538,365)
Issue of shares for exploration assets	478,147	-	-	-	478,147
Transfer expired options	-	(321,967)	-	321,967	-
Share based payment expense	-	29,800	-	-	29,800
Total transactions with owners	25,714,782	(292,167)	-	321,967	25,744,582
Balance at 30 June 2020	81,320,949	501,850	(564,215)	(49,519,877)	31,738,707
Year Ended 30 June 2019					
Balance at 1 July 2018	55,326,167	963,895	(810,588)	(38,969,306)	16,510,168
Net loss for the year	-	-	-	(6,473,933)	(6,473,933)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	343,244	-	343,244
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 expired options	-	(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

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

Consolidated Statement of Cash Flows

		Year Ended 30 June	
	Note	2020 A\$	2019 A\$
Cash flows from operating activities			
Interest received		35,440	103,502
Receipt of government grants		50,000	-
Payments to suppliers and employees		(5,288,755)	(5,044,684)
Net cash outflow from operating activities	21(a)	(5,203,315)	(4,941,182)
Cash flows from investing activities			
Purchase of property, plant and equipment		(139,782)	(6,123)
Purchase of exploration and evaluation assets		(5,086,496)	(100,000)
Net cash outflow from investing activities		(5,226,278)	(106,123)
Cash flows from financing activities			
Principal elements of lease payments		(91,547)	-
Proceeds from issue of shares	10(b)	26,775,000	-
Payments for share issue transaction costs		(1,538,365)	-
Net cash inflow from financing activities		25,145,088	-
Net increase/(decrease) in cash and cash equivalents held		14,715,495	(5,047,305)
Foreign exchange movement on cash and cash equivalents		90,143	479,341
Cash and cash equivalents at the beginning of the financial year		9,994,765	14,562,729
Cash and cash equivalents at the end of the financial year	21(b)	24,800,403	9,994,765

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

Notes to and Forming Part of the Financial Statements

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 2020 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 2020 was authorised for issue in accordance with a resolution of the Directors on 17 September 2020.

(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 Standards, Interpretations and Amendments

In the current year, the Group has adopted all of the new and revised standards, interpretations and amendments that are relevant to its operations and effective for the current reporting period.

The impact of the adoption of AASB 16 *Leases* and the new accounting policies are disclosed below. The other standards did not have any impact on the Group's accounting policies or disclosures.

Notes to and Forming Part of the Financial Statements (Continued)

AASB 16 Leases

The Group has adopted AASB 16 retrospectively from 1 July 2019, but has not restated comparatives, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019.

(i) Adjustments recognised on adoption of AASB 16

On adoption of AASB 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 July 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 8%. The associated right-of-use assets for property leases have been measured at an amount equal to the lease liability.

The Company's operating lease commitments disclosed at 30 June 2019 of \$121,341 have been discounted at the Company's incremental borrowing rate of 8% to determine the lease liability amount recognised at 1 July 2019. At 1 July 2019, the resulting lease liability recognised in respect of property leases and related right-of-use assets was \$115,698. No adjustment to retained earnings has been made.

At 30 June 2020, the carrying value of the Group's right of use assets was \$23,140 after amortisation for the year of \$92,558, and the related lease liability was \$24,150.

(ii) The group's leasing activities and how these are accounted for

The group leases various offices and office equipment. Rental contracts are typically made for fixed periods of 1 month to 2 years but may have extension options.

Until 30 June 2019, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments; fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that are based on an index or a rate; amounts expected to be payable by the lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs.

Notes to and Forming Part of the Financial Statements (Continued)

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

(d) Issued Standards and Interpretations Not Early 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 year ended 30 June 2020. These are not expected to have any significant impact on the Group's financial statements.

(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.

Notes to and Forming Part of the Financial Statements (Continued)

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) Other Income

Interest Income

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

Government Grants

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

(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.

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

Notes to and Forming Part of the Financial Statements (Continued)

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

Notes to and Forming Part of the Financial Statements (Continued)

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.

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

Notes to and Forming Part of the Financial Statements (Continued)

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

Notes to and Forming Part of the Financial Statements (Continued)

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) Recoverability of exploration and evaluation assets

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 6 for disclosure of carrying values.

(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 15.

Notes to and Forming Part of the Financial Statements (Continued)

(iii) Recoverability of 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 performed a recoverability assessment test on the VAT receivable balance in the accounts of its African subsidiaries during the previous financial year, which included reviewing the probability of receiving the refunds within a reasonable time period. This assessment 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 was recognised. At 30 June 2020, the VAT receivable balance has been reviewed and has been fully provided for.

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 June	
	2020	2019
	A\$	A\$
2. 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	81,706	119,516
Amortisation of right of use asset	92,558	-
(b) Exploration and Evaluation Expenditure		
Provision for non-recovery of VAT receivables	70,436	1,149,165
(c) Share based payment expense		
Share based payments	29,800	472,050
(d) Employee Benefit Expense ⁽ⁱ⁾		
Employee benefit expense (excluding share-based payments (note 2(c)))	994,183	1,467,684

Notes

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

Notes to and Forming Part of the Financial Statements (Continued)

	Year Ended 30 June	
	2020	2019
	A\$	A\$
3. Income Tax		
(a) Recognised in profit or loss		
<i>Current income tax</i> - Current income tax benefit	(1,201,091)	(922,396)
<i>Deferred income tax</i> - Deferred tax assets not recognised	1,201,091	922,396
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	(5,040,533)	(6,473,933)
At the domestic income tax rate of 27.5% (2019: 27.5%)	(1,386,147)	(1,780,332)
Expenditure not deductible for income tax purposes	243,616	891,357
Deferred tax assets not recognised	1,173,170	922,396
Effect of lower income tax rate in other jurisdictions	(30,639)	(33,421)
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>		
Right of use asset	6,363	-
Unrealised foreign exchange movement	118,189	217,557
Property, plant and equipment	15,034	15,034
Deferred tax assets used to offset deferred tax liabilities	(139,586)	(232,591)
	-	-
<i>Deferred Tax Assets</i>		
Accruals and provisions	161,819	192,423
Business related costs	198,437	27,236
Other	21,208	1,099
Tax losses available to offset against future taxable income	9,801,373	8,826,677
Deferred tax assets used to offset deferred tax liabilities	(139,586)	(232,591)
Deferred tax assets not recognised	(10,043,251)	(8,814,844)
	-	-

Notes to and Forming Part of the Financial Statements (Continued)

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

- (i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- (ii) the conditions for deductibility imposed by tax legislation continue to be complied with; and
- (iii) 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 \$10,012,884 (2019: \$8,814,844) 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.

	2020 A\$	2019 A\$
4. Current Assets – Trade and Other Receivables		
GST and VAT receivable ⁽ⁱ⁾	1,266,396	1,161,210
Provision for non-recovery of VAT receivables ⁽ⁱ⁾	(1,228,097)	(1,136,403)
Other receivables	33,294	84,497
	71,593	109,304

Notes

- (i) The Group continues to fully provide for the VAT receivable balance. At reporting date, the net GST and VAT receivable carrying value relates solely to the Australian operating entities.

	2020 A\$	2019 A\$
(a) Reconciliation of provision for non-recovery of VAT receivables		
Opening balance	(1,136,403)	-
Provision for non-recovery of VAT receivables	(70,436)	(1,149,165)
Foreign exchange movement on provision	(21,258)	12,762
	(1,228,097)	(1,136,403)

Notes to and Forming Part of the Financial Statements (Continued)

	2020 A\$	2019 A\$
5. Non-Current Assets – Plant and Equipment		
<i>Plant and Equipment</i>		
Cost	664,868	521,197
Accumulated depreciation	(529,294)	(443,780)
Net carrying amount	135,574	77,417
<i>Reconciliation</i>		
Carrying amount at beginning of year	77,417	185,495
Additions	139,782	6,123
Depreciation charge for the year	(81,706)	(119,516)
Foreign exchange movement on plant and equipment	81	5,315
Carrying amount at end of year, net of accumulated depreciation and impairment	135,574	77,417

	2020 A\$	2019 A\$
6. Non-Current Assets – Exploration and Evaluation Assets		
<i>Exploration & Evaluation Assets</i>		
Nyanzaga Project, Tanzania ⁽ⁱ⁾	18,170,683	1,425,517
Eastern Goldfields of Western Australia, Australia ^{(ii), (iii)}	908,147	380,000
Net carrying amount	19,078,830	1,805,517
<i>Reconciliation - Exploration & Evaluation Assets</i>		
Carrying amount at the beginning of the year	1,805,517	1,354,061
Add: acquisition of exploration and evaluation assets during the year	17,244,519	380,000
Foreign exchange movement on exploration and evaluation assets	28,794	71,456
Carrying amount of Exploration and Evaluation Assets at the end of year, net of impairment	19,078,830	1,805,517

Notes

- (i) 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. The Company continues to carry forward the capitalised exploration and evaluation assets on the basis that it retains tenure as at 30 June 2020.

During the year, the Group completed the acquisition of NMCL, the permit-holder of the Nyanzaga project licences. As the activities of NMCL do not constitute a business, the acquisition has been accounted for as an asset acquisition. In accordance with the Group's accounting policy of capitalising the cost of acquisition of rights to explore, the fair value of the consideration for the acquisition of US\$11,500,000 has been recorded as an addition to exploration and evaluation assets in the Consolidated Entity. US\$3,450,000 has been paid during the year. At year end, the balance of US\$8,050,000 remains payable upon grant of the SML and has been recorded as a current liability.

Notes to and Forming Part of the Financial Statements (Continued)

- (ii) During the year ended 30 June 2019, OreCorp entered into a binding Earn-in Agreement to acquire up to an 80% interest in the Hobbes Gold Project located in the Eastern Goldfields 130km northeast of Kalgoorlie in WA.
- (iii) During the current year, the Group completed the acquisition of additional exploration assets in the Eastern Goldfields of WA comprising:
- the Jericho and Bunjarra Well Projects. Consideration for the acquisition was comprised of the issue of 468,809 fully paid ordinary shares recorded at market value of \$0.38 each for a total fair value of \$178,147, plus a 1% net smelter royalty (NSR) capped at \$2,500,000. The NSR has been assessed by the Company at acquisition date to have a fair value of nil; and
 - the Cosmo assets. Consideration for the acquisition was comprised of the issue of 941,529 fully paid ordinary shares recorded at market value of \$0.32 each for a total fair value of \$300,000 and a cash payment of \$50,000.

	2020 A\$	2019 A\$
7. Current Liabilities – Trade and Other Payables		
Trade and other creditors	382,647	461,984
Other liabilities ⁽ⁱ⁾	11,707,201	-
	12,089,848	461,984

Notes

- (i) 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.
- (ii) Other liabilities is comprised of the US\$8.05m balance of consideration for the acquisition of NMCL and is payable by the Group on grant of the SML. Refer to Note 6(i) for further information.

	2020 A\$	2019 A\$
8. Current Liabilities – Provisions		
Annual leave provision	191,126	235,963
	191,126	235,963

	2020 A\$	2019 A\$
9. Non-Current Liabilities – Provisions		
Long service leave provision	65,709	157,527
	65,709	157,527

Notes to and Forming Part of the Financial Statements (Continued)

	2020 A\$	2019 A\$
10. Issued Capital		
(a) Issued and Paid Up Capital		
316,923,158 (30 June 2019: 217,412,820) fully paid ordinary shares	81,320,949	55,606,167

(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 as part consideration	1,000,000	0.28	280,000
30 June 2019	Closing Balance	217,412,820	-	55,606,167
22 August 2019	Share Placement	53,100,000	0.25	13,275,000
29 November 2019	Issue of Shares as part consideration	468,809	0.38	178,147
8 May 2020	Issue of Shares as part consideration	941,529	0.32	300,000
26 May 2020	Share Placement	45,000,000	0.30	13,500,000
	Capital raising costs	-	-	(1,538,365)
30 June 2020	Closing Balance	316,923,158		81,320,949

(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.

	2020 A\$	2019 A\$
11. Reserves		
Share-based payments reserve	501,850	794,017
Foreign currency translation reserve	(564,215)	(467,344)
	(62,365)	326,673

Notes to and Forming Part of the Financial Statements (Continued)

(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.

(b) Movements in Share-Based Payments Reserve

Date	Details	Note	Number of Unlisted Options	A\$
1 July 2018	Opening Balance		9,685,000	963,895
Jul & Nov 2018	Grant of employee options	(i), (ii)	4,350,000	-
23 June 2019	Expiry of employee options	(iii)	(6,560,000)	(641,928)
30 June 2019	Share based payments expense		-	472,050
30 June 2019	Closing Balance		7,475,000	794,017
23 August 2019	Grant of employee options	(iv)	250,000	-
31 May 2020	Expiry of employee options	(v)	(3,125,000)	(321,967)
30 June 2020	Share based payments expense		-	29,800
30 June 2020	Closing Balance		4,600,000	501,850

Notes

- (i) 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.
- (ii) 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.
- (iii) During the financial year ended 30 June 2019, the following unlisted employee options expired unexercised:
 - 3,385,000 unlisted options at an exercise price of \$0.41 each that expire on 23 June 2019; and
 - 3,175,000 unlisted options at an exercise price of \$0.45 each that expire on 23 June 2019.
- (iv) On 23 August 2019, the Company granted 250,000 unlisted options at an exercise price of \$0.44 each that expire on 30 July 2021 at a fair value of \$0.119 per unlisted option, under the Employee Option Acquisition Plan.
- (v) 3,125,000 unlisted options at an exercise price of \$0.50 each expired unexercised on 31 May 2020.

Notes to and Forming Part of the Financial Statements (Continued)

(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:
 - 4,600,000 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

	2020 A\$	2019 A\$
Balance at beginning of year	(467,344)	(810,588)
Currency translation differences	(96,871)	343,244
Balance at end of year	(564,215)	(467,344)

	2020 A\$	2019 A\$
12. Accumulated Losses		
Balance at beginning of year	(44,801,311)	(38,969,306)
Net loss	(5,040,533)	(6,473,933)
Transfer balance of reserve relating to expired options to accumulated losses	321,967	641,928
Balance at end of year	(49,519,877)	(44,801,311)

(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.

13. 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 in the following table:

Notes to and Forming Part of the Financial Statements (Continued)

	2020 A\$	2019 A\$
Short-term employee benefits	540,688	933,212
Long-term benefits (movement in annual leave provision)	(47,881)	31,077
Post-employment benefits	49,896	85,538
Termination payments	131,260	-
Share-based payments	78,747	257,550
	752,710	1,307,377

14. Related Party Disclosures

(a) Transactions with Related Parties in the Group

The Group consists of OreCorp Limited (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 2019 or 30 June 2020.

15. 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:

	2020 Number	2020 WAEP	2019 Number	2019 WAEP
Outstanding at beginning of year	7,475,000	\$0.465	9,685,000	\$0.452
Options expired during the year	(3,125,000)	\$0.500	(6,560,000)	\$0.429
Options granted during the year	250,000	\$0.440	4,350,000	\$0.440
Options exercised during the year	-	-	-	-
Outstanding at end of year	4,600,000	\$0.440	7,475,000	\$0.465
Exercisable at end of year	4,600,000	\$0.440	7,475,000	\$0.465

The outstanding balance of options issued as share based payments on issue as at 30 June 2020 is represented by:

- (i) 4,600,000 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 2020 is 1.1 years (2019: 1.6 years).

The exercise price for options outstanding at the end of the year was \$0.44 (2019: range of \$0.44 - \$0.50).

The weighted average fair value of options granted during the year was \$0.119 (2019: \$0.109).

The terms and conditions of the options are disclosed in note 11(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.

Notes to and Forming Part of the Financial Statements (Continued)

The following table lists the inputs to the valuation model used for share options granted by the Company during the years ended 30 June 2019 and 2020:

Valuation Model Input	Tranche 1 \$0.44 Options	Tranche 2 \$0.44 Options	Tranche 3 \$0.44 Options
Exercise price	\$0.44	\$0.44	\$0.44
Share price on date of grant	\$0.305	\$0.24	\$0.325
Dividend yield	Nil	Nil	Nil
Volatility	85%	80%	85%
Risk-free interest rate	2.09%	2.09%	0.76%
Grant date	30/7/18	26/11/18	23/8/19
Expiry date	30/7/21	30/7/21	30/7/21
Expected life of option (years)	3.0	2.68	1.94
Number of options granted	1,850,000	2,500,000	250,000
Fair value at grant date	\$0.143	\$0.083	\$0.119
Valuation per Tranche	\$264,550	\$207,500	\$29,800
Vesting date	30/6/19	30/6/19	23/8/19

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 \$29,800 (2019: \$472,050).

In addition to options granted as share-based payments, shares have been issued as part consideration for acquisition of exploration and evaluation assets. 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.

16. 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 being mineral exploration.

The Group's primary geographical segment is Africa. During the year ended 30 June 2019, the Group commenced exploration activity in Western Australia however these activities do not meet the quantitative thresholds to constitute a reportable segment for the year ended 30 June 2020.

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 (Continued)

Name of Controlled Entity	Place of Incorporation	% of Shares Held 2020	% of Shares Held 2019
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%
Nyanzaga Mining Company Limited (NMCL) ⁽ⁱ⁾	Australia	100%	-

Notes

- (i) During the year, the Group completed the acquisition of 100% of the ordinary share capital of NMCL, a company incorporated in Tanzania. As the activities of NMCL did not constitute a business in accordance with AASB 3 *Business Combinations*, the acquisition has been accounted for as an asset acquisition. Refer to Note 6(i) for further information.

18. Interest in Other Entities

Entity	Activity	Interest at 30 June 2020	Interest at 30 June 2019
Nyanzaga Project – Tanzania ⁽ⁱ⁾	Gold Exploration	100%	25%
Akjoujt South Project – Mauritania	Nickel – Copper Exploration	90%	90%
Hobbes Gold Project – WA ⁽ⁱⁱⁱ⁾	Gold Exploration	40%	0%
Jericho and Bunjarra Well Projects – WA	Gold Exploration	95 - 100%	0%

Notes

- (i) The Nyanzaga Project was the subject of an unincorporated earn-in and joint venture agreement with Acacia. During the year, the group acquired 100% of NMCL, the company which owns the Nyanzaga Project. NMCL is now included in the Company's controlled entities at Note 17.
- (iii) During the year, the Group completed the first phase of the earn-in for the Hobbes Gold Project entitling the group to move to a 40% interest in the project.

Notes to and Forming Part of the Financial Statements (Continued)

	2020 A\$	2019 A\$
19. Remuneration of Auditors		
Amounts received or due and receivable by Deloitte Touche Tohmatsu (Australia) for:		
- an audit or review of the financial reports of the Group	39,750	31,104
- other assurance and agreed upon procedures under other legislation or contractual arrangements	-	-
Amounts received or due and receivable by PwC Tanzania for:		
- an audit or review of the financial reports of OreCorp Tanzania Ltd	25,482	16,393
- other services in relation to the OreCorp Tanzania Ltd (tax services)	66,398	90,885
Total Auditors' Remuneration	131,630	138,382

	2020 cents	2019 cents
20. Earnings per Share		
Basic and diluted loss per share (cents per share):		
From continuing operations	(1.89)	(2.99)
From discontinued operations	-	-
Basic and diluted loss per share (cents per share)	(1.89)	(2.99)

	2020 A\$	2019 A\$
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	(5,040,533)	(6,473,933)
Net loss from discontinued operations	-	-
Earnings used in calculations of basic and diluted loss per share	(5,040,533)	(6,473,933)

	2020 Number of Shares	2019 Number of Shares
Weighted average number of ordinary shares used in calculating basic earnings per share, adjusted to reflect the group restructure	266,943,184	216,599,121
Effect of dilutive securities ⁽¹⁾	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	266,943,184	216,599,121

Notes to and Forming Part of the Financial Statements (Continued)

Notes

- (i) Non-dilutive securities: As at balance date, 4,600,000 unlisted options (2019: 7,475,000) which represent 4,600,000 potential ordinary shares (2019: 7,475,000) were not considered dilutive for the purposes of calculating the loss per share for the year ended 30 June 2020, as they would decrease the loss per share.
- (ii) There have been no conversions, calls, subscriptions or issues of shares or options subsequent to balance date, other than as disclosed in Note 26.

	2020 A\$	2019 A\$
21. Statement of Cash Flows		
(a) Reconciliation of Net Loss after Income Tax to Net Cash Outflow from Operating Activities		
Net loss after income tax	(5,040,533)	(6,473,933)
Adjustment for non-cash income and expense items		
Depreciation	81,706	119,516
Amortisation of right of use asset	92,558	-
Provision for annual leave	(44,837)	70,583
Provision for long service leave	(91,818)	39,304
Share based payments	29,800	472,050
Provision for VAT receivables	70,436	1,149,165
Foreign exchange (gain)/loss attributable to operating activities	(188,565)	(212,868)
Changes in assets and liabilities		
Decrease/(increase) in trade and other receivables	(32,725)	(114,957)
Increase/(decrease) in trade and other payables	(79,337)	9,958
Net cash outflow from operating activities	(5,203,315)	(4,941,182)
(b) Reconciliation of Cash and Cash Equivalents		
Cash at bank and on hand	12,726,638	8,917,953
Bank short-term deposits	12,073,765	1,076,812
Cash and cash equivalents at 30 June	24,800,403	9,994,765

(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) During the years ended 30 June 2019 and 2020, the Group acquired interests in exploration and evaluation assets for which shares were issued as part of the consideration. The shares were valued at market price at the date of issue. Refer to Note 10(b) for further details.

Notes to and Forming Part of the Financial Statements (Continued)

	2020 A\$	2019 A\$
22. Parent Entity Disclosures		
(a) Parent Entity – Financial Position		
<i>Assets</i>		
Current Assets	24,780,224	9,973,655
Non-Current Assets	1,535,981	1,459,267
Total Assets	26,316,205	11,432,922
<i>Liabilities</i>		
Current Liabilities	490,861	615,869
Non-Current Liabilities	4,685,320	4,777,138
Total Liabilities	5,176,181	5,393,007
Net Assets	21,140,024	6,039,915
<i>Equity</i>		
Issued Capital	69,830,884	44,116,108
Reserves	530,238	793,619
Accumulated Losses	(49,221,098)	(38,869,812)
Total Equity	21,140,024	6,039,915
(b) Parent Entity – Financial Performance		
Loss for the Year	(10,351,286)	(5,415,381)
Other Comprehensive Income/(Loss)	-	-
Loss Attributable to Members of the Parent	(10,351,286)	(5,415,381)

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

As at 30 June 2020, 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 2020, the Parent did not have any contingent liabilities. Refer to Note 25 for details of Group contingent liabilities.

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

As at 30 June 2020, the Parent did not have any commitments for the acquisition of property, plant and equipment.

Notes to and Forming Part of the Financial Statements (Continued)

23. Financial Instruments

(a) Overview

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

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

	2020 A\$	2019 A\$
Financial Assets		
Cash and cash equivalents	24,800,403	9,994,765
Other current receivables	71,593	109,304
Total financial assets	24,871,996	10,104,069
Financial Liabilities		
Trade and other payables	12,089,848	461,984
Lease liability	24,150	-
Total financial liabilities	12,113,998	461,984

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 2020, the Group has sufficient liquid assets to meet its financial obligations.

Notes to and Forming Part of the Financial Statements (Continued)

(c) Liquidity and Interest Risk Tables

	Weighted Average Effective Interest Rate %	Maturity ≤ 6 months \$	Total \$
2020			
Group			
Financial Assets			
Non-interest bearing ⁽¹⁾	-	12,818,766	12,818,766
Fixed interest rate instruments	1.75%	25,096	25,096
Variable interest rate instruments	0.05%	12,028,134	12,028,134
Total financial asset		24,871,996	24,955,382
Financial Liabilities			
Trade and other payables		12,089,848	12,089,848
Lease liability		24,150	24,150
Total financial liabilities		12,113,998	12,113,998
2019			
Group			
Financial Assets			
Non-interest bearing ⁽¹⁾	-	9,027,257	9,027,257
Fixed interest rate instruments	1.75%	25,096	25,096
Variable interest rate instruments	1.03%	1,051,716	1,051,716
Total financial assets		10,104,069	10,104,069
Financial Liabilities			
Trade and other payables		461,984	461,984
Total financial liabilities		461,984	461,984

Notes

- (i) The majority of the non-interest bearing financial assets are US dollars on deposit 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.

Notes to and Forming Part of the Financial Statements (Continued)

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.

	Profit or Loss		Equity	
	10% Increase \$	10% Decrease \$	10% Increase \$	10% Decrease \$
2020				
Group				
Cash and cash equivalents	3,544	(3,544)	3,544	(3,544)
2019				
Group				
Cash and cash equivalents	11,209	(11,209)	11,209	(11,209)

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 2020 and 2019.

(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:

	2020 A\$	2019 A\$
Financial Assets		
Cash and cash equivalents	24,800,403	9,994,765
Trade and other receivables and other financial assets	71,593	109,304
Total financial assets	24,871,996	10,104,069

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.

Notes to and Forming Part of the Financial Statements (Continued)

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.

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 (2019: \$nil).

The carrying amounts of the Group's assets which are denominated in a currency other than the functional currency of the entity as at the end of the reporting period are as follows. The Group did not have a significant balance of monetary liabilities which are denominated in a currency other than the functional currency of the entity as at the end of the reporting period.

	Assets 2020 A\$	Assets 2019 A\$
US dollars	12,622,681	8,853,749
Other (Tanzanian and Mauritanian)	17,657	34,892
	12,640,338	8,888,641

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.

Notes to and Forming Part of the Financial Statements (Continued)

	Profit or Loss		Equity ⁽¹⁾	
	10% Strengthening \$	10% Weakening \$	10% Strengthening \$	10% Weakening \$
2020				
Group				
Impact of foreign exchange rate movement	1,402,514	(1,147,511)	1,404,482	(1,149,122)
2019				
Group				
Impact of foreign exchange rate movement	982,526	(803,885)	984,875	(810,310)

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

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 2020 and 2019.

(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.

Notes to and Forming Part of the Financial Statements (Continued)

24. Commitments for Expenditure

	Year Ended 30 June	
	2020 A\$	2019 A\$
Not longer than 1 year ⁽ⁱ⁾	-	97,016
Longer than 1 year and not longer than 5 years	-	24,325
	-	121,341

Notes

- (i) The majority of the commitments at 30 June 2019 related to office leases for the premises located in Perth, Western Australia and Dar Es Salaam, Tanzania. From 1 July 2019, in accordance with AASB 16 *Leases*, the Group has recognised right-of-use assets for office leases, except for short-term and low-value leases.

25. Contingent Liabilities

The Group has no known contingent liabilities requiring disclosure as at 30 June 2020.

The contingent liabilities relating to the acquisition of NMCL as disclosed in the Annual Report for the year ended 30 June 2019 have now been paid or recorded as a liability in the Group's financial statements.

26. Significant Post Balance Date Events

A total of 389,483 OreCorp shares were issued to Non-Executive Directors and Management/Employees on 23 July 2020 as approved at the Company's Extraordinary General Meeting held on the same day. The issuance of shares included a total of 200,000 shares to OreCorp's Chairman on the same terms as the Share Placement announced 26 May 2020. A total of 189,483 shares were issued under a Salary Sacrifice Arrangement.

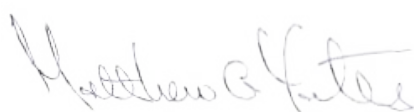
Other than the events disclosed above there were no other significant events occurring after balance date requiring disclosure.

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 2020 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 2020.

On behalf of the Board



Matthew Yates
Chief Executive Officer & Managing Director

17 September 2020

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 2020, 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 2020 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 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.

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 2020, the carrying value of exploration and evaluation assets totals \$19,078,830, including additions of \$17,244,519 made during the year as disclosed in Note 6.</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 relevant controls associated with the capitalisation or expensing of exploration and evaluation expenditure; and • testing the appropriateness and value of costs capitalised during the period, including whether they were consistent with the group's 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 relevant controls associated with the identification of indicators of impairment; • evaluating management's impairment indicator assessment, including 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 6 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 2020, 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, actions taken to eliminate threats or safeguards applied.

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 31 of the Directors' Report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of OreCorp Limited, for the year ended 30 June 2020, 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, 17 September 2020

The Directors
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17 September 2020

Dear Board Members

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 2020, 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



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 2020 corporate governance statement is dated as at, and was approved by the board on, 17 September 2020 and reflects the corporate governance practices in place throughout the 2019/20 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 14 September 2020.

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
Federation Mining Pty Ltd	40,746,275	12.8
Westoz Funds Management Pty Ltd	35,034,461	11.0
Rollason Pty Ltd	29,643,807	9.3
Mutual Investments Pty Ltd	21,542,203	6.8
HSBC Custody Nominees (Australia) Limited	13,732,469	4.3
J P Morgan Nominees Australia Pty Ltd	8,672,305	2.7
Mr Glyn Evans + Mrs Thi Thu Van Evans <Gvan Superannuation Plan A/C>	8,323,913	2.6
Citicorp Nominees Pty Limited	7,924,139	2.5
Beacon Exploration Pty Ltd	5,495,704	1.7
Precision Opportunities Fund Ltd <Investment A/C>	5,250,001	1.7
Curious Capital Group Pty Ltd	5,000,000	1.6
Meto Pty Ltd <Yates Family A/C>	4,999,874	1.6
Nero Resource Fund Pty Ltd	4,637,925	1.5
Hillboi Nominees Pty Ltd	4,221,636	1.3
Alastair Donald Morrison <Tongariro Investment A/C>	4,092,143	1.3
Spar Nominees Pty Ltd	3,719,445	1.2
BNP Paribas Noms Pty Ltd <DRP>	3,575,061	1.1
CS Third Nominees Pty Ltd <HSBC CUST NOM AU LTD 13 A/C>	3,526,364	1.1
Invia Custodian Pty Limited <Orpheus Geoscience S/F A/C>	3,135,815	1.1
BNP Paribas Nominees Pty Ltd HUB24 CUSTODIAL SERV LTD <DRP A/C>	2,911,086	0.9
Total Top 20	216,184,626	68.1
Others	101,128,015	31.9
Total Ordinary Shares on Issue	317,312,641	100.00

ASX Additional Information (Continued)

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	36	8,855
1,001 - 5,000	124	368,694
5,001 - 10,000	93	772,433
10,001 - 100,000	354	14,790,987
More than 100,000	180	301,371,672
Totals	787	317,312,641

There were 38 holders of less than a marketable parcel of ordinary shares.

Voting Rights

See note 11 of the Notes to the Financial Statements.

Substantial Shareholders

As at 14 September 2020, Substantial Shareholder notices have been received from the following shareholders:

Substantial Shareholder	Number of Shares	Percentage of Issued Shares
Federation Mining Pty Ltd	40,746,275	12.8%
Westoz Funds Management Pty Ltd	35,034,461	11.0%
Rollason Pty Ltd	29,643,807	9.3%
Mutual Investments Pty Ltd	21,542,203	6.8%

On-Market Buy Back

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

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 \$0.44 each that expire on 30 July 2021	4,600,000	16

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.

ASX Additional Information (Continued)

Exploration Interests

As at 14 September 2020, the Company has an interest in the following licences:

Project	Licence Number	Expiry Date ¹	Interest	Status	Period
Tanzania					
Nyanzaga Project	PL 4830/2007	08/11/2017	100%	Active ²	Extension
	SML00602/2017	-	-	Application	-
	PL 6922/2011	27/02/2020	100%	Active ²	Second Renewal
	PL 7129/2011	02/08/2020	100%	Active ²	Second Renewal
	PL 8592/2012	23/12/2021	100%	Active	Second Renewal
	PL 8635/2012	23/12/2021	100%	Active	Second Renewal
	PL 9016/2013	26/03/2020	100%	Active ²	Pending Second Renewal
	PL 9065/2013	26/03/2020	100%	Active ²	Pending Second Renewal
	PL 9236/2013	30/06/2020	100%	Active ²	Pending Second Renewal
	PL 9237/2013	30/06/2020	100%	Active ²	Pending Second Renewal
	PL 9446/2013	31/10/2022	100%	Active	First Renewal
	PL 9656/2014	31/03/2021	100%	Active	First Renewal
	PL 9661/2014	31/03/2021	100%	Active	First Renewal
	PL 9662/2014	31/03/2021	100%	Active	First Renewal
	PL 9663/2014	31/03/2021	100%	Active	First Renewal
	PL 9664/2014	31/03/2021	100%	Active	First Renewal
	PL 9770/2014	04/06/2021	100%	Active	First Renewal
	PL 9919/2014	07/07/2021	100%	Active	First Renewal
	PL 10911/2016	22/09/2020	100%	Active ²	Pending First Renewal
	PL 10877/2016	06/10/2020	100%	Active ²	Pending First Renewal
	PL 11186/2018	25/10/2022	100%	Active	Initial
Australia					
Yarri Project	E31/1117	26/04/2022	40%	Active	Initial
	E31/1173	06/02/2024	100%	Active	Initial
	E31/1175	04/07/2024	100%	Active	Initial
	E31/1231	09/09/2025	100%	Active	Initial
	P31/2119	30/01/2023	100%	Active	Initial
	E39/1914	05/09/2021	95%	Active	Initial
	P39/5600	06/09/2020	100%	Active ³	Pending Extension
	P39/5601	06/09/2020	100%	Active ³	Pending Extension
Yundamindra Project	E39/1976	30/11/2021	95%	Active	Initial
Mauritania					
Akjoujt South Project	1415B2	20/03/2022	90%	Active	Second Renewal
	1416B2	20/03/2022	90%	Active	Second Renewal
	2259B2	19/08/2022	100%	Active	Initial

Notes

- 1) Current period expiry date.
- 2) Under Section 67 of the Tanzanian Mining Act [CAP. 123 R.E. 2019], where the holder of a mineral right to which they are entitled applies for a renewal of the licence, the existing licence shall remain in force until the date of renewal or grant, or until the application is refused.
- 3) Under Section 45 (1c) of the Mining Act 1978 (WA), if an extension application is made in respect of a prospecting licence, that licence continues in force in respect of the land until the application is determined.

ASX Additional Information (Continued)

Mineral Resources Statement

The Nyanzaga deposit 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 Deposit – Tanzania Mineral Resource Estimate 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.			

Table A: Nyanzaga Deposit – Current Mineral Resource Estimate

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

Grade and Tonnage Tabulation				
Goldg/t Cut-off	Tonnage (Million)	Goldg/t	Gold koz	In-Situ Dry Bulk
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 Deposit

The maiden Inferred MRE for the Kilimani deposit which was completed in May 2020 is 5.64Mt at 1.21g/t gold for 220kcozs gold - see **Table C** 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.

ASX Additional Information (Continued)

Kilimani Gold Deposit Mineral Resource Estimate - as at 2 June 2020				
Classification	Oxidation	Tonnes (kt)	Gold Grade (g/t)	Gold Metal (koz)
Inferred	Oxide/Transitional	5,630	1.21	219
	Fresh	10	2.69	1
	Total	5,640	1.21	220
Reported at a cut-off grade of 0.40g/t Au and classified in accordance with the JORC Code (2012 Edition). MRE defined by 3D wireframe interpretation with sub-cell block modelling to honour volumes. Gold grade estimated using Ordinary Kriging using a 5 m x 5 m x 2 m parent cell. Totals may not add up due to appropriate rounding of the MRE (nearest 5,000 t and 1,000 oz Au). Reasonable prospects for eventual economic extraction supported by pit optimisation generated using a gold price of US\$1500/oz.				

Table C: Kilimani Deposit – Current Mineral Resource Estimate

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

Grade and Tonnage Tabulation			
Gold g/t Cut-off	Tonnage (Million)	Gold g/t	Gold koz
0.0	5,810	1.18	221
0.1	5,750	1.19	221
0.2	5,750	1.19	221
0.3	5,730	1.20	221
0.4	5,640	1.21	220
0.5	5,400	1.24	216
0.6	4,925	1.31	208
0.7	4,250	1.42	194
0.8	3,590	1.54	178
0.9	2,990	1.68	161
1.0	2,495	1.82	146

Table D: Grade-tonnage relationships at Kilimani at a variety of cut-offs Grade

Comparison with Previous Year

The Company confirms that there have been no material changes to the Nyanzaga deposit MRE from the previous year. The MRE for the Kilimani Deposit was completed in June 2020.

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.

ASX Additional Information (Continued)

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 Statements comply with JORC 2012.

Additional information for the "Nyanzaga Deposit Annual Mineral Resource Statement as at 12 September 2017" and for the "Kilimani Deposit Annual Mineral Resource Statement as at 2 June 2020" is available on the OreCorp website at www.orecorp.com.au and lodged with the ASX (refer to the announcements dated 12 September 2017 and 2 June 2020 respectively).

JORC 2012 Competent Persons Statements

The Annual Mineral Resources Statements for Nyanzaga and Kilimani are based on, and fairly represent, information and supporting documentation prepared by the respective competent persons named below.

The information in the Mineral Resources Statement for the Nyanzaga Deposit 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.

The information in the Mineral Resources Statement for the Kilimani Deposit that relates to "Mineral Resources" is based on, and fairly represents, information and supporting documentation compiled by Ms Maria O'Connor, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy. Ms O'Connor is a Principal Resource Geologist with CSA Global (UK). Ms O'Connor has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'. Ms O'Connor 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.

The information in this report that relates to "Exploration Results" for the Nyanzaga, Yarri, Yundamindra and ASP Projects is based on and fairly represents information and supporting documentation prepared by Mr Jim Brigden, a competent person who is a Member of the Australian Institute of Geoscientists. Mr Brigden is a consultant to and beneficial shareholder of OreCorp Limited. Mr Brigden has sufficient experience that is relevant to the style of mineralisation and type of deposits 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 Brigden consents to the inclusion in

ASX Additional Information (Continued)

this report of the Exploration Results for the Nyanzaga Yarri, Yundamindra and ASP Projects in the form and context in which they appear.

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; governmental and environmental regulation (including whether the SML for the Nyanzaga project will be granted) and health crises such as epidemics and pandemics. 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 2019, 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 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 deposit 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, and lodgement of the SML 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 the aforementioned announcements and this report 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 exploration results and estimates of mineral resources in relation to the Nyanzaga Project is extracted from the following ASX Announcements (**Original Nyanzaga Announcements**) dated; 2 June 2020 titled "Kilimani Mineral Resource Estimate and New Targets Identified Within Nyanzaga Special Mining Licence Application Area – Tanzania", 12 September 2017 titled "Mineral Resource Estimate Update for the Nyanzaga Project in Tanzania Increasing Category and Grade", 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", 13 March 2017 titled "Pre-Feasibility Study Demonstrates Significant Potential of Nyanzaga Gold Project" and 20 January 2017 titled "Encouraging Regional Soil Sampling Gold Results from the Nyanzaga Project in Tanzania", 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 Nyanzaga Announcements 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 Nyanzaga Announcements.

Yarri Project

The information in this report relating to exploration results in relation to the Yarri Project is extracted from the following ASX announcements (**Original Yarri Announcements**) dated; 31 July 2020 titled "June 2020 Quarterly Report", 8 May 2020 titled "Acquisition of Cosmo Tenements", 31 October 2019 titled "September

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 Yarri Announcements and, in the case of Exploration Results, that all material assumptions and technical parameters underpinning the exploration results in the Original Yarri 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 Yarri Announcements.

Yundamindra Project

The information in this report relating to exploration results in relation to the Yundamindra Project is extracted from the following ASX announcement (**Original Yundamindra Announcements**) dated; 31 July 2020 titled “June 2020 Quarterly Report”, 31 October 2019 titled “September 2019 Quarterly Report”, which is available to view on the Company’s website ‘orecorp.com.au’.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Original Yundamindra Announcements and, in the case of exploration results, that all material assumptions and technical parameters underpinning the Exploration Results in the Original Yundamindra Announcements 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 Yundamindra Announcements.

Akjoujt South Project

The information in this report relating to the Akjoujt South Project is extracted from the following ASX announcements (**Original ASP Announcements**) dated; 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 2017 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 ASP Announcements and, in the case of Exploration Results, that all material assumptions and technical parameters underpinning the exploration results in the Original ASP 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 ASP Announcements.



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