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ORECORP
LIMITED

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2020**

ABN 24 147 917 299

Corporate Directory

Directors	Mr Craig Williams – Non-Executive Chairman Mr Matthew Yates – CEO & Managing Director Mr Alastair Morrison – Non-Executive Director Mr Michael Klessens – Non-Executive Director Mr Robert Rigo – Non-Executive Director
Company Secretary	Mr Dion Loney
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Share Registry	Computershare Investor Services Pty Limited Level 2, 45 St Georges Terrace Perth WA 6000 Telephone: 1300 850 505 International: +61 8 9323 2000
Stock Exchange Listing	Australian Securities Exchange ('ASX') Level 40, Central Park 152 – 158 St Georges Terrace Perth WA 6000 ASX Code: ORR – Ordinary Shares
Solicitors	Allen & Overy LLP Level 12, Exchange Plaza 2 The Esplanade Perth WA 6000
Auditor	Deloitte Touche Tohmatsu Level 9, Tower 2, Brookfield Place 123 St Georges Terrace Perth WA 6000
Bankers	Westpac Limited Level 4, Tower 2, Brookfield Place 123 St Georges Terrace Perth WA 6000

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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 half-year ended 31 December 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 2020 until the date of this report.

Principal Activities

The principal activities of the Group during the half-year consisted of mineral exploration for gold and base metals. OreCorp's key projects are the Nyanzaga Gold Project (**Nyanzaga** or **Project**) in northwest Tanzania and the Yarri, Yundamindra, Ponton and Kalgoorlie Projects in the Eastern Goldfields of Western Australia (**WA**).

Review of Operations and Activities

Tanzania - Nyanzaga Gold Project

Nyanzaga is situated in the Archean Sukumaland Greenstone Belt, part of the Lake Victoria Goldfields (**LVG**) of the Tanzanian Craton. The greenstone belts of the LVG host several large gold mines (Figure 1).



Figure 1 – Nyanzaga Project Location, Tanzania

Directors' Report (Continued)

During the half-year, the Company has continued to pursue the grant of the Special Mining Licence (SML) that covers the key area of Nyanzaga. Following engagement with the Ministry of Minerals Technical Committee (MMTC) to finalise outstanding queries with regards to technical aspects of the Project, the Company has been advised that the SML grant is now awaiting the approval of Tanzanian Cabinet of Ministers (Cabinet).

The Tanzanian General and Presidential elections were held on 28 October 2020. His Excellency John Pombe Magufuli and the CCM Party were returned to power and the Cabinet was sworn in on 5 December 2020. The Company has now written to all Ministries who will be stakeholders in the Project, particularly around the Resettlement Action Plan (RAP), with meetings having commenced in January to introduce the Project to the new Ministers and other stakeholders. The Company has also hosted Hon. Prof. Kitila Mkumbo, the Minister of State President's Office (Investment Portfolio) and Hon. Hamis Tabasamu Mwagao, the newly elected Member of Parliament for Sengerema, at the Nyanzaga site.

The Company awaits the grant of the SML and, once received, will pay US\$8.05 million to Barrick Gold Corporation (Barrick) to conclude the acquisition transaction for Nyanzaga.

OreCorp continues to work with all levels of the Government of Tanzania (GoT) to ultimately deliver Tanzania and all its stakeholders the first large scale gold mine development in over a decade.

In the interim, activities by the OreCorp team and key consultants have increased to enable immediate commencement of the next phase of studies. Particular focus has been on the optimisation of mining and plant design, which examines scale and process rate. In addition, the preliminary work has been completed on the implementation of the RAP and additional permitting required for the Project.

Australia – Eastern Goldfields, Western Australia

The Company's WA interests comprise four Project areas, being Yundamindra, Yarri (including Hobbes), Kalgoorlie and Ponton (Figure 2).

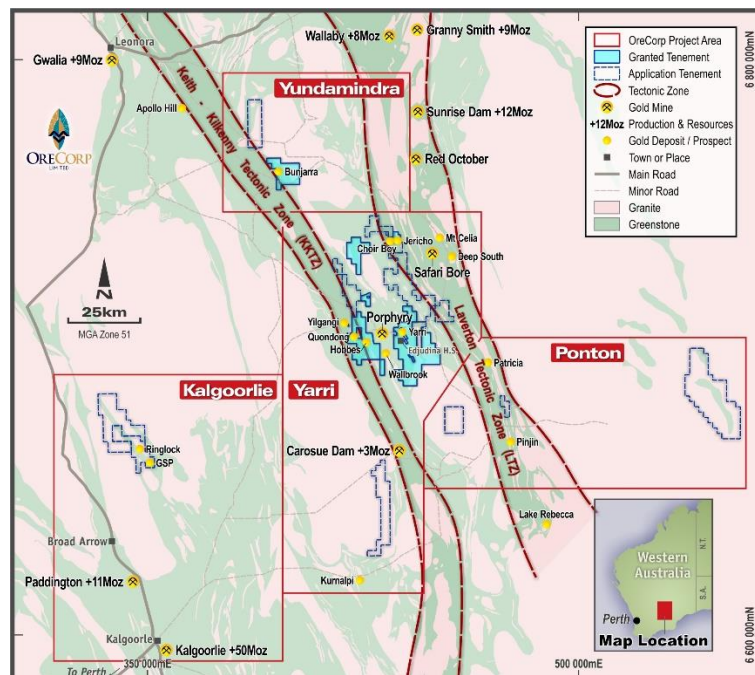


Figure 2 - Western Australia Project Locations

Directors' Report (Continued)

A large number of exploration projects within the WA goldfields were reviewed during the half-year with a view to commercial acquisition. These reviews resulted in the acquisition of a 100% legal and beneficial interest in four granted exploration licences (E31/1121, E31/1134, E31/1150 and E31/1178), as well as certain rights in respect of two potential future exploration licences the subject of applications (being ELA31/1220 and ELA29/1087) and one prospecting licence (P31/2118). OreCorp believes all of the newly acquired licences are under-explored in the context of modern exploration and further expand its footprint in a region of highly prospective geology. The Company now has granted licences and applications in the Eastern Goldfields covering approximately 1,647km².

Work completed in WA during the half-year included:

- The Company's maiden reverse circulation (**RC**) drilling program at the Hobbes and Quondong Prospects on the Hobbes Licence (E31/1117) comprising 21 holes for 3,082m;
- Geological mapping and selected systematic rock chip sampling at the Choir Boy and The Gap Prospects within the Jericho Licence (E39/1914) with results from the Choir Boy Prospect identifying significant gold anomalism discontinuously over 570m of strike with values up to 19.65 g/t gold; and
- Comparison of geological logging of RC samples from the recent drilling program with historical drilling has identified similar mineral alteration assemblages to that hosting, and closely associated with, gold mineralisation in the historical drilling.

Mauritania – Akjoujt South Project

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

The Company continues to seek joint venture 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. The Company will advise of any further progress as appropriate.

Operating Results and Financial Position

The operating loss of the Consolidated Entity for the half-year ended 31 December 2020 was \$4,476,603 (2019: \$2,736,113). 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. During the half-year, exploration expenditure totalled \$2,189,068 (2019: \$1,742,877). A foreign exchange loss of \$1,357,739 (2019: loss of \$64,556) was incurred during the half-year as a result of the impact of currency changes on the Company's USD cash holdings.

Cash and cash equivalents were approximately \$20.45m as at 31 December 2020 (30 June 2020: \$24.8m).

Business Development

During the period, 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.

The generative initiative in WA has resulted in the Company entering into new acquisition and earn-in agreements to complement its Eastern Goldfields initiative. The Company will continue to refine its WA targeting initiative and acquire further opportunities through applications, joint ventures or outright purchase.

Directors' Report (Continued)

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 Project Financing DFS;
- continue to undertake exploration programs on the Eastern Goldfields projects of Western Australia, with a focus on the Hobbes Gold Project ;
- 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 Consolidated Entity 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.

COVID-19

OreCorp continues to monitor the advice from the Australian and Tanzanian authorities with regards to restrictions imposed due to the COVID-19 pandemic. The Company has implemented appropriate measures and protocols to maintain the health, safety and security of staff and consultants in both Australia and Tanzania. The Company remains well represented in Tanzania and despite the challenges of travel with the COVID-19 pandemic believes that it is making steady progress in advancing the interests of all stakeholders. At this stage, the impact on our business and results has not been significant and based on our experience to date we expect this to remain the case.

Significant Post-Balance Date Events

Subsequent to the end of the period:

- 1,385,160 Unlisted Options with an exercise price of \$1.001 and expiry date of 25 November 2024 were granted to employees under the Company's Long Term Incentive Plan, subject to certain vesting conditions; and
- 200,000 Unlisted Options with an exercise price of \$0.44 and expiry date of 30 July 2021 were exercised.

Auditor's Independence Declaration

The auditor's independence declaration is on page 19 of the half-year report.

This report is made in accordance with a resolution of the directors made pursuant to section 306(3) of the *Corporations Act 2001*.

For and on behalf of the Directors



MATTHEW YATES

Chief Executive Officer & Managing Director

12 March 2021

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	Half-Year Ended 31 December	
		2020 A\$	2019 A\$
Interest income		15,385	31,037
Other income	2(a)	230,978	-
Foreign exchange gain / (loss)		(1,357,739)	(64,556)
Corporate and administration costs		(1,008,001)	(696,190)
Exploration and evaluation costs		(2,189,068)	(1,742,877)
Business development costs		(168,158)	(263,527)
Loss before tax from continuing operations		(4,476,603)	(2,736,113)
Income tax expense		-	-
Loss for the period		(4,476,603)	(2,736,113)
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		(682,781)	(208,035)
Other comprehensive loss for the period		(682,781)	(208,035)
Total comprehensive loss for the period, net of income tax		(5,159,384)	(2,944,148)
Total comprehensive loss attributable to members of the parent		(5,159,384)	(2,944,148)
Earnings per share			
Weighted average number of shares		317,305,317	254,117,652
Basic loss per share (cents per share)		(1.41)	(1.08)
Diluted loss per share (cents per share)		(1.41)	(1.08)

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

Condensed Consolidated Statement of Financial Position

		31 December 2020 A\$	30 June 2020 A\$
	Note		
ASSETS			
Current Assets			
Cash and cash equivalents		20,448,842	24,800,403
Trade and other receivables	3	200,611	71,593
Total Current Assets		20,649,453	24,871,996
Non-current Assets			
Property, plant and equipment	4	264,901	135,574
Right of use asset		221,298	23,140
Exploration and evaluation assets	5	18,934,221	19,078,830
Total Non-current Assets		19,420,420	19,237,544
TOTAL ASSETS		40,069,873	44,109,540
LIABILITIES			
Current Liabilities			
Trade and other payables	6	11,003,322	12,089,848
Lease liability		229,126	24,150
Provisions		223,314	191,126
Total Current Liabilities		11,455,762	12,305,124
Non-current Liabilities			
Provisions		8,396	65,709
Total Non-current Liabilities		8,396	65,709
TOTAL LIABILITIES		11,464,158	12,370,833
NET ASSETS		28,605,715	31,738,707
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	7(a)	83,239,829	81,320,949
Reserves		(637,634)	(62,365)
Accumulated losses		(53,996,480)	(49,519,877)
TOTAL EQUITY		28,605,715	31,738,707

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

Condensed Consolidated Statement of Changes in Equity

	Issued Capital A\$	Share Based Payments Reserve A\$	Foreign Currency Translation Reserve A\$	Accumulated Losses A\$	Total Equity A\$
Half-year ended 31 December 2020:					
Balance at 1 July 2020	81,320,949	501,850	(564,215)	(49,519,877)	31,738,707
Net loss for the period	-	-	-	(4,476,603)	(4,476,603)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	(682,781)	-	(682,781)
Total other comprehensive loss	-	-	(682,781)	-	(682,781)
Total comprehensive loss for the period	-	-	(682,781)	(4,476,603)	(5,159,384)
Transactions with owners, recorded directly in equity					
Share placement	60,000	-	-	-	60,000
Less: cost of capital raising	(14,203)	-	-	-	(14,203)
Issue of shares in lieu of salary	93,083	-	-	-	93,083
Securities issued for acquisition of exploration assets	1,780,000	28,000	-	-	1,808,000
Share based payment expense	-	79,512	-	-	79,512
Total transactions with owners	1,918,880	107,512	-	-	2,026,392
Balance at 31 December 2020	83,239,829	609,362	(1,246,996)	(53,996,480)	28,605,715
Half-year ended 31 December 2019:					
Balance at 1 July 2019	55,606,167	794,017	(467,344)	(44,801,311)	11,131,529
Net loss for the period	-	-	-	(2,736,113)	(2,736,113)
Other comprehensive income					
Exchange differences arising on translation of foreign operations	-	-	(208,035)	-	(208,035)
Total other comprehensive loss	-	-	(208,035)	-	(208,035)
Total comprehensive loss for the period	-	-	(208,035)	(2,736,113)	(2,944,148)
Transactions with owners, recorded directly in equity					
Share placement	13,275,000	-	-	-	13,275,000
Less: cost of capital raising	(757,953)	-	-	-	(757,953)
Issue of shares for exploration asset	178,147	-	-	-	178,147
Share based payment expense	-	29,800	-	-	29,800
Total transactions with owners	12,695,194	29,800	-	-	12,724,994
Balance at 31 December 2019	68,301,361	823,817	(675,379)	(47,537,424)	20,912,375

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

Condensed Consolidated Statement of Cash Flows

	Note	Half-Year Ended 31 December	
		2020 A\$	2019 A\$
Cash flows from operating activities			
Interest received		10,332	31,037
Receipt of government grants and other tax refunds		230,978	-
Payments to suppliers and employees		(3,076,072)	(3,014,151)
Net cash outflow from operating activities		(2,834,762)	(2,983,114)
Cash flows from investing activities			
Purchase of property, plant and equipment		(167,486)	(120,477)
Purchase of exploration and evaluation assets		-	(4,919,610)
Net cash outflow from investing activities		(167,486)	(5,040,087)
Cash flows from financing activities			
Principal elements of lease payments		(43,984)	(45,581)
Proceeds from issue of shares	7(a)	60,000	13,275,000
Payments for share issue transaction costs		(7,590)	(757,953)
Net cash inflow from financing activities		8,426	12,471,466
Net increase/(decrease) in cash and cash equivalents held		(2,993,822)	4,448,265
Foreign exchange movement on cash and cash equivalents		(1,357,739)	(64,556)
Cash and cash equivalents at the beginning of the financial period		24,800,403	9,994,765
Cash and cash equivalents at the end of the financial period		20,448,842	14,378,474

The above Condensed 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 half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

OreCorp Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The interim financial report of the Company for the half-year ended 31 December 2020 was authorised for issue in accordance with a resolution of the Directors.

(a) Basis of Preparation of Half-Year Financial Report

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2020, other than as detailed below.

(b) New Standards, Interpretations and Amendments

In the current period, the Group has adopted all of the new and revised standards, interpretations and amendments that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2020. These did not have any significant impact on the Group's financial statements.

(c) 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 reporting period ended 31 December 2020. These are not expected to have any significant impact on the Group's financial statements.

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

(d) Accounting Estimates, Judgements and Assumptions

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Recoverability of exploration and evaluation assets;
- Share-based payments; and
- Recoverability of VAT receivables.

	Half-Year Ended 31 December	
	2020 A\$	2019 A\$
2. Other Income, Expenses and Losses		
Loss from ordinary activities before income tax expense includes the following specific other income and expenses:		
(a) Other income		
Government grants – cashflow boost and payroll tax	55,000	-
Refund of GST	175,978	-
	230,978	-
(b) Depreciation and amortisation		
Depreciation of plant and equipment	30,646	42,570
Amortisation of right of use asset	50,802	46,279
(c) Exploration and evaluation expenditure		
Provision for non-recovery of VAT receivables	36,633	61,221
(d) Share based payment expense		
Share based payments expense	79,512	29,800

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

	31 December 2020 A\$	30 June 2020 A\$
3. Current Assets – Trade and Other Receivables		
GST and VAT receivable ⁽ⁱ⁾	1,189,654	1,266,396
Provision for non-recovery of VAT receivables ⁽ⁱ⁾	(1,129,995)	(1,228,097)
Other receivables	6,805	33,294
Other assets ⁽ⁱⁱ⁾	134,147	-
	200,611	71,593

Notes

- (i) The Group continues to fully provide for the VAT receivable balance. Refer to Note 3(a) for reconciliation of the provision movements during the period. At reporting date, the net GST and VAT receivable carrying value relates solely to the Australian operating entities.
- (ii) The Group has entered into agreements to acquire tenements subject to certain conditions being met. At the reporting date, the conditions have not yet been satisfied, the Company does not have tenure over the tenements and accordingly the costs that have been incurred have been recorded as other assets. Once the Group has acquired the rights to the tenements, the costs will be transferred to exploration and evaluation assets.

	31 December 2020 A\$	30 June 2020 A\$
(a) Reconciliation of provision for non-recovery of VAT receivables		
Opening balance	(1,228,097)	(1,136,403)
Provision for non-recovery of VAT receivables	(36,633)	(70,436)
Foreign exchange movement on provision	134,735	(21,258)
	(1,129,995)	(1,228,097)

	31 December 2020 A\$	30 June 2020 A\$
4. Non-Current Assets – Plant and Equipment		
<i>Plant and Equipment</i>		
Cost	774,588	664,868
Accumulated depreciation	(509,687)	(529,294)
Net carrying amount	264,901	135,574
<i>Reconciliation</i>		
Carrying amount at beginning of period	135,574	77,417
Additions	167,486	139,782
Depreciation charge for the period	(30,646)	(81,706)
Foreign exchange movement on plant and equipment	(7,513)	81
Carrying amount at end of period, net of accumulated depreciation and impairment	264,901	135,574

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

	31 December 2020 A\$	30 June 2020 A\$
5. Non-Current Assets – Exploration and Evaluation Assets		
<i>Exploration & Evaluation Assets</i>		
Nyanzaga JV Project, Tanzania ⁽ⁱ⁾	16,218,074	18,170,683
Eastern Goldfields, Western Australia - Yarri	2,561,918	753,918
Eastern Goldfields, Western Australia - Yundamindra	154,229	154,229
Net carrying amount	18,934,221	19,078,830
<i>Reconciliation - Exploration & Evaluation Assets</i>		
Carrying amount at the beginning of the period	19,078,830	1,805,517
Add: acquisition of exploration and evaluation assets during the period ^{(ii),(iii)}	1,808,000	17,244,519
Foreign exchange movement on exploration and evaluation assets	(1,952,609)	28,794
Carrying amount of Exploration and Evaluation Assets at the end of period, net of impairment	18,934,221	19,078,830

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 31 December 2020.
- (ii) During the half-year, the Group acquired additional tenements in the Eastern Goldfields through the issue of shares, grant of unlisted options on the terms and conditions disclosed in Note 7(b), and execution of royalty deeds, as shown below:

Tenement	Vendor	Number of Ordinary Shares	Number of Unlisted Options	Royalty
E31/1121	Global Fortune Investment Ltd	1,167,883	Nil	Nil
E31/1134 & E31/1150	DiscovEx Resources Limited 80% Gateway Projects WA Pty Ltd 20%	184,615 46,154	Nil	Nil
E31/1178	Mitchell Jones	238,096	100,000	1.0% Net Smelter Return
Total securities		1,636,748	100,000	
Value (Note 7)		\$1,100,000	\$28,000	

- (iii) During the half-year, the Group completed the earn-in requirements to increase its interest in the Hobbes project to 80% and on 23 December 2020, in accordance with the Earn-In Agreement, issued 1,000,000 shares to the Vendor with a total value of \$680,000.

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

	31 December 2020 A\$	30 June 2020 A\$
6. Current Liabilities – Trade and Other Payables		
Trade and other creditors	558,882	382,647
Other liabilities ⁽ⁱ⁾	10,444,440	11,707,201
	11,003,322	12,089,848

Note

- (i) Other liabilities is comprised of the US\$8.05m balance of consideration for the acquisition of Nyanzaga Mining Company Limited (**NMCL**) and is payable by the Group on grant of the SML to NMCL.

7. Equity Securities Issued

(a) Issued and Paid Up Capital

Date	Details	Number of Shares	Issue Price A\$	A\$
1 July 2020	Opening Balance	316,923,158		81,320,949
23 July 2020	Issue of Shares in settlement of salary	189,483	0.491	93,083
23 July 2020	Placement shares acquired by the Chairman ⁽ⁱ⁾	200,000	0.300	60,000
23 December 2020	Issue of Shares for Exploration Asset	1,000,000	0.680	680,000
31 December 2020	Issue of Shares for Exploration Asset	238,096	0.630	150,000
31 December 2020	Issue of Shares for Exploration Asset	184,615	0.650	120,000
31 December 2020	Issue of Shares for Exploration Asset	46,154	0.650	30,000
31 December 2020	Issue of Shares for Exploration Asset	1,167,883	0.685	800,000
	Capital raising costs	-	-	(14,203)
31 December 2020	Closing Balance	319,949,389		83,239,829
1 July 2019	Opening 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	468,809	0.38	178,147
	Capital raising costs	-	-	(757,953)
31 December 2019	Closing Balance	270,981,629		68,301,361

Note

- (i) These shares were applied for by, and issued to, the Chairman subsequent to approval by shareholders at the Extraordinary General Meeting in July 2020, on the same terms as the Placement completed in May 2020.

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

(b) Unlisted Options

During the half-year ended 31 December 2020, the following unlisted options were granted:

	Exercise Price	Grant Date	Expiry Date	Fair Value per Unlisted Option A\$	Number of Unlisted Options
NED Options ⁽ⁱ⁾	\$0.808	25-Nov-20	25-May-22	0.199	1,100,000
NED Options ⁽ⁱ⁾	\$0.859	25-Nov-20	25-Nov-22	0.222	1,100,000
NED Options ⁽ⁱ⁾	\$0.917	25-Nov-20	25-Nov-24	0.317	1,050,000
Employee LTIP Options ⁽ⁱ⁾	\$1.001	25-Nov-20	25-Nov-24	0.302	2,558,817
Part consideration for acquisition of exploration assets	\$0.917	17-Dec-20	25-Nov-24	0.280	100,000

Note

(i) Options to Non-Executive Directors (**NED Options**) and under the Employee Long Term Incentive Plan (**Employee LTIP Options**) were issued subsequent to approval of the NED Options and the Employee Long Term Incentive Plan at the AGM. The NED Options and Employee LTIP Options are subject to vesting conditions and the share-based payments expense is being recognised over the vesting period.

During the half-year ended 31 December 2019, the Company granted 250,000 unlisted options exercisable at \$0.44 each on or before 30 July 2021 under the Employee Option Acquisition Plan at a fair value of \$0.119 per option.

8. 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 Consolidated Entity operates in two geographical segments; Africa and Western Australia (**WA**). In the prior year, the Consolidated Entity had only recently commenced exploration activity in WA and these activities did not meet the quantitative thresholds to constitute a reportable segment for the half-year ended 31 December 2019. During the half-year ended 31 December 2020, the WA activities have met these thresholds and the following segment information is provided.

	Africa A\$	WA A\$	Total segment A\$	Corporate and other A\$	Foreign exchange loss A\$	Total reported A\$
Segment loss	(1,233,803)	(970,016)	(2,203,819)	(915,045)	(1,357,739)	(4,476,603)
Total exploration assets	16,218,074	2,716,147	18,934,221	-	-	18,934,221

The Consolidated Entity does not have revenues from external customers nor inter-segment revenues and does not regularly report total assets or total liabilities by segment to the chief operating decision maker.

9. Controlled Entities

During the half-year, the Group incorporated a new 100% owned Australian subsidiary, OreCorp Base Metals Pty Ltd.

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

10. Interests in Other Entities

Project	Activity	Interest at 31 December 2020	Interest at 30 June 2020
Akjoujt South Project - Mauritania	Nickel – Copper Exploration	90%	90%
Hobbes Gold Project - WA ⁽ⁱ⁾	Gold Exploration	80%	40%
Jericho and Bunjarra Well Projects – WA	Gold Exploration	95 - 100%	95 - 100%

Note

(i) During the half-year, the Group completed the second phase of the earn-in for the Hobbes Gold Project entitling the Group to move to an 80% interest in the project. The Group is in the process of completing stamping and registration.

11. Commitments for Expenditure

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.

12. Significant Post Balance Date Events

Subsequent to the end of the period:

- 1,385,160 Unlisted Options with an exercise price of \$1.001 and expiry date of 25 November 2024 were granted to employees under the Company's Long Term Incentive Plan, subject to certain vesting conditions; and
- 200,000 Unlisted Options with an exercise price of \$0.44 and expiry date of 30 July 2021 were exercised.

Directors' Declaration

In accordance with a resolution of the Directors of OreCorp Limited:

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of Consolidated Entity's financial position as at 31 December 2020 and its performance for the half-year ended on that date.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Board



MATTHEW YATES

Chief Executive Officer & Managing Director

12 March 2021

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Independent Auditor's Review Report to the members of OreCorp Limited

Conclusion

We have reviewed the half-year financial report of OreCorp Limited (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2020, and the condensed statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 5 to 16.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and 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 annual 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 review report.

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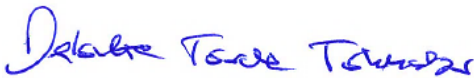
Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



David Newman

Partner

Chartered Accountants

Perth, 12 March 2021

The Directors
OreCorp Limited
Suite 22, Level 1
513 Hay Street
Subiaco WA 6008

12 March 2021

Dear Board Members,

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 review of the financial report of OreCorp Limited for the half year ended 31 December 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely


DELOITTE TOUCHE TOHMATSU



David Newman
Partner
Chartered Accountants

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