

ASX Announcement | 07 August 2023

Ora Gold to Significantly Expand Garden Gully Project Tenure

Highlights:

- Ora Gold to acquire Sipa's Murchison Project, a substantial tenement package which is principally located adjacent and to the south of Ora Gold's Garden Gully Gold Project;
- The Murchison Project comprises 14 exploration licences and 3 applications for exploration licences encompassing 460km² in the Murchison region of Western Australia.
- The acquisition triples the size of Ora Gold's existing 217km² ground position in the region in many places along key geological structures.
- Total consideration for the acquisition payable to Sipa of \$1.4M, comprising:
 - \$600,000 cash; and
 - \$800,000 in Ora Gold shares at a deemed price of 0.60c, with 50% of the shares subject to a voluntary 12-month escrow period.
- Settlement of the transaction is expected to be completed on or around 31 August 2023, with 50% of the cash payment and share consideration payable on completion and the balance in 3 months after completion.
- The acquisition is highly complementary to Ora Gold's advanced Garden Gully Project which is contiguous in many areas with major prospective structures striking through currently held ground and tenure acquired under this transaction.
- Acquisition also includes well-located and highly prospective tenements near the Reedy Gold Mine and near the Burnakura Gold Plant

Ora Gold Limited (ASX: OAU) (the Company or Ora Gold) is pleased to advise that that it has entered into a binding agreement with Sipa Resources Limited (ASX:SRI) (**Sipa**) and Sipa's wholly owned subsidiary, Sipa Exploration NL (**Sipa Exploration**), to acquire Sipa's indirect interests in tenements and other assets comprising the Murchison Project in Western Australia (**Asset Purchase**).

The acquisition is consistent with the Company's strategic focus on pursuing organic and inorganic growth options considered value accretive for shareholders (refer to the Company's Investor Presentation released on 20 July 2023).

Ora Gold's CEO Alex Passmore commented: *"We are pleased to announce the acquisition of very prospective additional tenure adjacent to our existing Garden Gully Project. The tenement package includes extensions to the Abernethy shear zone in the southern part of our existing project area which shows substantial gold anomalism along a +5 km strike. Additionally, the southern and south eastern newly acquired areas are in prospective zones and are located near recent past producing mines (Reedy and Burnakura). Exploration on the new tenure will be incorporated into a regional exploration program with drilling to be undertaken in the coming 3 months."*

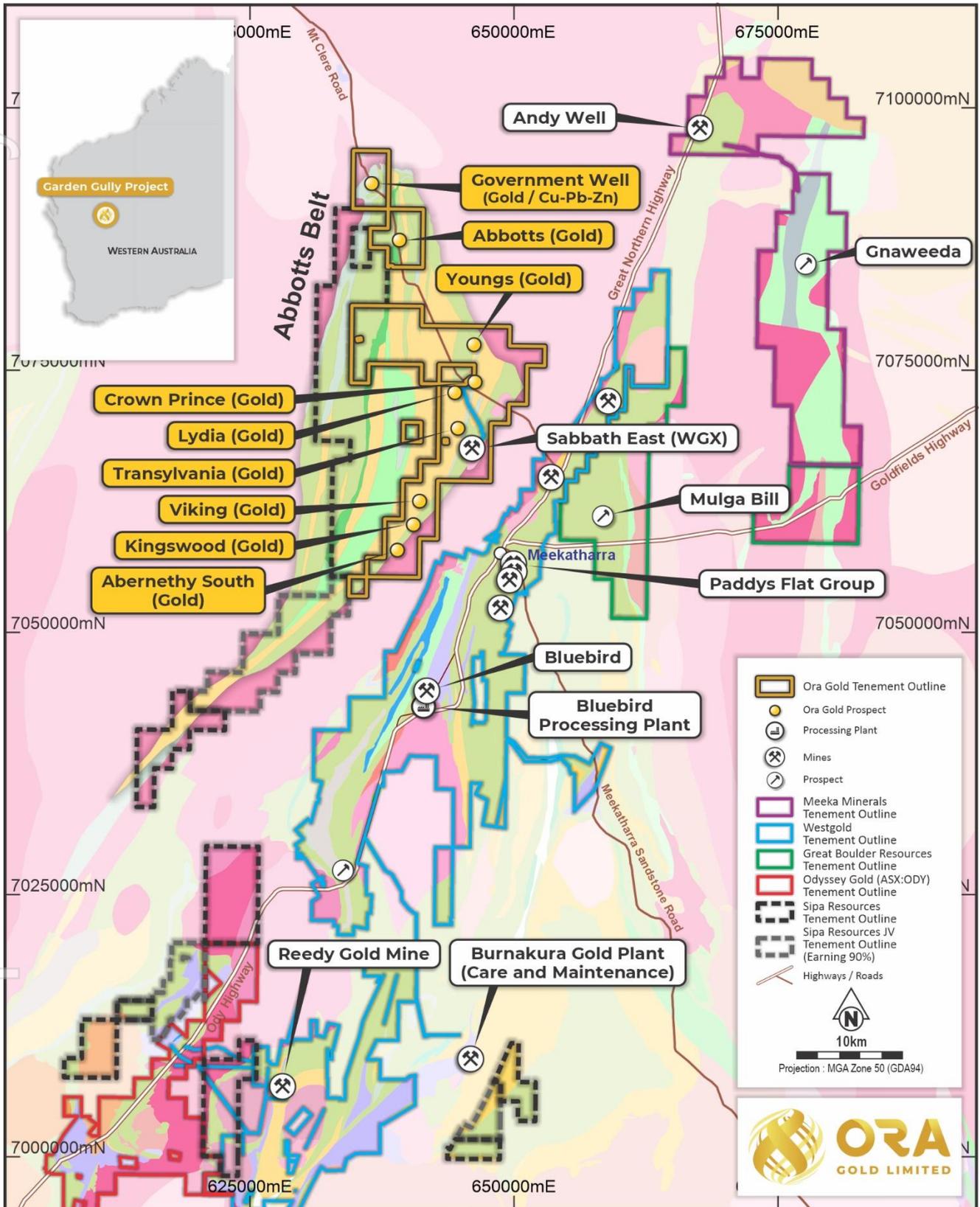


Figure 1. Garden Gully tenements Adjoining Sipa Murchison Project Tenements (100% and JV)

Project Background

The Murchison Project areas are adjacent to, and along strike from known gold occurrences, and overlie prospective geology and fertile structures in the Murchison and Abbotts Greenstone Belts. The project is considered highly prospective yet underexplored, with limited drill testing of basement rocks.

The northwestern tenements within the Murchison Project are contiguous with Ora Gold's Garden Gully Project so that the combined holding of Sipa and Ora Gold's tenements covers the majority of the Abbotts Greenstone Belt (**AGB**) (Figure 1).

To the south, the Murchison Project tenements overlie the southern extremity of the AGB where the greenstone belt narrows significantly and may represent a fluid focus area for targeted gold mineralisation. Satellite imagery shows the northern JV tenements are associated with a 5-6km long elliptical-shaped outcropping mafic succession in an otherwise extensive plain of fluvial/colluvial cover. Sipa has identified a gold target in the fluvial cover immediately east of the outcropping mafic units which will be followed up by the Company.

The southeastern tenement group lies adjacent to Monument Mining Ltd's Burnakura Mine with existing resources of ~380koz (Monument Mining TSXV release 15/08/2019).

Transaction Rationale

The Company is focused on drilling and expanding known mineralisation at the Garden Gully Project with a particular focus on the Crown Prince Prospect. This acquisition is consistent with the company's strategy of growing the project to scale, in this case via acquisition, when the opportunity is considered value accretive for shareholders.

The Company is embarking on a regional exploration program in the coming 3 months, in addition to the ongoing drilling at Crown Prince, and will be targeting several very prospective areas on the newly acquired tenure concurrent with drilling on its existing tenure.

Commercial Terms of the Acquisition

Ora Gold has entered into an agreement with Sipa and Sipa Exploration (**Agreement**) to acquire 100% of Sipa Exploration's legal and beneficial interests in the tenements comprising the Murchison Project (including the mining information) and the benefit of the contracts relating to the Murchison Project (together, the **Sale Assets**) on the following key terms:

Consideration – the Company will acquire Sipa Exploration's legal and beneficial interest in the Sale Assets in consideration for:

- the cash payment of \$600,000 (half on completion and the remaining half three months after completion); and
- the issue of \$800,000 in Shares at a deemed issue price of 0.60 cents per Share, being 133,333,334 Shares (half on completion and the remaining half three months after completion).

Escrow – 66,666,667 Shares will be subject to voluntary escrow for 12 months from the date of issue.

Conditions – the Asset Purchase is subject to the satisfaction or waiver of the following conditions:

- Sipa Exploration obtaining all necessary consents of any counterparties to the material contracts (comprising part of the Sale Assets (defined below)) to the assignment or novation

of such contracts to the Company on terms satisfactory to the Company (acting reasonably); and

- the parties obtaining all third-party approvals and consents (including any authorisations from any government agency) necessary to give effect to the transfer of the Sale Assets and the Asset Purchase.

Representations and warranties – the Company and Sipa Exploration have provided standard representations and warranties for an agreement of this nature.

Completion of the acquisition is expected to occur within one month. If the conditions precedent are not satisfied (or waived) on or before 30 September 2023 (or such other date as the Company and Sipa Exploration may agree), the Company or Sipa Exploration may give written notice to the other party that the Agreement is terminated.

The announcement has been authorised for release to ASX by the Board of Ora Gold Limited.

For Further Information Contact:

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Competent Person Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon, and fairly represent, information and supporting documentation compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and a full-time employee of the Company. Mr Vieru has sufficient experience which is relevant to the style(s) of mineralisation and type(s) 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" (JORC Code). Mr Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

About Ora Gold

Ora Gold Limited (ASX: OAU) is a mineral exploration and development company which holds a substantial package of tenements in the prolific Murchison goldfield near Meekatharra, Western Australia.

The Company is focused on the Garden Gully Gold Project which comprises a 217km² tenure package covering the Abbots Greenstone Belt. The project has multiple gold prospects along the belt with the most advanced being the Crown Prince Prospect. Gold mineralisation in the belt is controlled by major north trending structures and contact zones between felsic and mafic metamorphosed rocks.

Crown Prince Prospect is located within a granted mining lease and is advancing towards development.



Capital Structure

ASX Code: OAU

4,687m
Shares on Issue

1,828m
Unlisted Options

\$4.0m Cash
(est, proforma end
June 2023 + capital
raise)

Market Capitalisation
\$28.12m

Top 20 holders
49%

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