KORE POTASH PLC

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

30 JUNE 2018

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CORPORATE DIRECTORY

This interim financial report covers Kore Potash plc ("the Company") and the entities that it controls ("the Group"). The Group's presentation currency is United States dollars (US$).

Company Registration Number

United Kingdom 10933682

Directors

David Hathorn (Non-Executive Chairman)
Brad Sampson (Chief Executive Officer)
Jonathan Trollip (Non-Executive Director)
Leonard Math (Non-Executive Director)
Timothy Keating (Non-Executive Director)
David Netherway (Non-Executive Director)
José Antonio Merino (Non-Executive Director)

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JSE Sponsor

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Securities Exchange Listing

AIM Code, ASX Code and JSE Code: KP2
ISIN: GB00BYP2QJ94

Website

https://www.korepotash.com/

DIRECTORS' REPORT

The Board of Directors of Kore Potash plc ("Kore Potash" or "Company") presents herewith the interim financial report of Kore Potash plc and its subsidiaries ("the Group") for the half-year ended 30 June 2018.

DIRECTORS

The names of the Directors of the Company in office during the half-year and as at the date of this report are:

David Hathorn	(Non-Executive Chairman)
Brad Sampson	(Chief Executive Officer, appointed on 4 June 2018)
Sean Bennett	(Chief Executive Officer, resigned on 4 June 2018)
Jonathan Trollip	(Non-Executive Director)
Leonard Math	(Non-Executive Director)
Timothy Keating	(Non-Executive Director)
Pablo Altimiras	(Non-Executive Director, resigned on 23 May 2018)
David Netherway	(Non-Executive Director)
José Antonio Merino	(Non-Executive Director, appointed 23 May 2018)

All directors were in office from the beginning of the half-year until the date of this report unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activity of the Company during the period was mineral resources exploration and project development at the Company's Sintoukola Potash Permit in the Republic of Congo (RoC).

REVIEW AND RESULTS OF OPERATIONS

OPERATING RESULTS

Net operating loss after tax for the half-year ended 30 June 2018 was US$4,570,790 (H1 2017: US$691,130). The Company incurred a one-off expenses totalling US$1,087,911 for the half-year relating to the London and Johannesburg listings and re-domicile expenses, non-cash expense in regard to the issuance of options and performance rights of US$676,255 (H1 2017: US$ 906,265), salaries, employee benefits and consultancy expense of US$712,539 (H1 2017: US$455,012) and other administration expenses of US$1,994,967 (H1 2017: US$865,694). The foreign exchange gain for the period was US$99,749 (H1 2017: USD 1,664,560 gain).

At 30 June 2018, the Group had $145,043,137 in capitalised Exploration and Evaluation asset (31 Dec 2017: $140,254,520). Cash and cash equivalents reduced by US$2,236,134 during the period to US$14,219,356 at 30 June 2018. Expenditure incurred on the Kola Definitive Feasibility Study and capitalised into Exploration and Evaluation Assets along with operating expenses was partially offset by the capital raise described below. The total equity of the Group increased from $154,286,056 at 31 December 2017 to $158,820,432 at 30 June 2018.

HIGHLIGHTS

- On 29 March 2017 Kore Potash completed its listing on the AIM market of the London Stock Exchange ("AIM") as well as secondary listing on the main board of the Johannesburg Stock Exchange ("JSE"), in addition to its existing Australian Securities Exchange ("ASX") listing.

- US$13.14M was raised through the placing and direct subscription of new ordinary shares in the Company, and a convertible loan note, at a 67% premium to the Company's last closing share price on the ASX. The Placees have been granted equity warrants on the basis of one equity warrant for every US$1.00 invested in the Placing exercisable at AUS$0.30 for one ordinary share with a 3 year subscription period.

HIGHLIGHTS (CONTINUED)

- Kore Potash through its 97% subsidiary Sintoukola Potash S.A. was awarded the Sintoukola 2 Exploration Permit, dated 9th February 2018, by the government of the Republic of Congo (RoC). This permit covers areas the Company believes are prospective for Potash mineralisation.

- The Kola Definitive Feasibility Study ("**DFS**") is at an advanced stage. Work continues to complete the overall estimate of the construction schedule, capital and operating costs and the DFS Report and the Company expects to receive the DFS from the engineering consortium undertaking the work by the end of September 2018 upon which it will commence its review.

- The Company has contracted a consortium of French engineering companies comprising of Technip France, Vinci Construction Grands Projets, Egis International and Louis Dreyfus Armateurs SAS. ("the **French Consortium**" or "**FC**") to complete the DFS.

- The FC now anticipate completion of the current scope of work for the DFS by the end of September 2018 following which the Company will commence its review of the completed DFS, prior to finalising and publishing the report.

- A licence for the Company to use an Offshore Area for the transhipment of potash and the discharge of waste brine has been authorised by the Minister of Transport, Civil Aviation and Merchant Marine of the Republic of Congo was issued to the Company on 6 September 2018.

- Amendments to the Kola environmental and social impact assessment (the "**ESIA**") have been made reflecting project design changes since the ESIA was approved on 10 October 2013. The amendments were submitted to the Director General of the office of the Minister of Environment and Tourism on 7 July 2018 for their review.

- The ratification, into RoC law, of the mining convention for the Kola Project is still in progress.

- Appointment of Brad Sampson to replace Sean Bennett as Chief Executive Officer and Executive Director, effective from 4 June 2018.

- Appointment of Jose Antonio Merino as a Non-Executive Director on 23 May 2018. Jose Antonio is nominated by Sociedad Quimica y Minera de Chile S.A. ("SQM") and replaced Pablo Altimiras, whose resignation was announced on 26 April 2018.

- The Company declared a maiden sylvinite Mineral Resource Estimate for the Dougou Extension sylvinite Deposit on 20 August 2018.

CORPORATE ACTIVITIES

London and JSE listings successfully completed along with a well-supported Fundraising

- On 29 March 2018 the Company successfully completed its admission to AIM and a concurrent secondary listing of its ordinary shares on the main board of the Johannesburg Stock Exchange ("JSE") as part of its strategy to better access capital markets where there is a strong understanding of large scale African mining projects and therefore attract a broader investor base. The Company remains listed on the ASX.

- On 29 March 2018, the Company also raised gross aggregate proceeds of US$13.14m, comprising a total of US$12.89m raised from existing and new investors (the "Placees") through the placing and direct subscription of 83,523,344 ordinary shares in the Company at a placing price of AUD0.20 per new Ordinary Share, which was at a 67% premium to the Company's last closing share price on the ASX prior to the raise. In addition, the Company raised US$250,000 from the Chairman, David Hathorn, through a convertible loan note that has converted into ordinary shares on 27 July 2018 pursuant to shareholder approval at the annual general meeting of the Company held on 27 June 2018. The Placees have been granted equity warrants on the basis of one equity warrant for every US$1.00 invested exercisable at AUD0.30 for one ordinary share with a 3 year subscription period.

DIRECTORS' REPORT (CONTINUED)

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

CORPORATE ACTIVITIES (CONTINUED)

- Brad Sampson was appointed as Chief Executive Officer on 4 June 2018. Brad, a mining engineer, has more than 25 years' resources industry experience across numerous locations including West and Southern Africa. In addition to significant mine development and operating experience, Brad has held leadership positions at several publicly listed companies. Brad was most recently CEO of Australian Securities Exchange listed Tiger Resources. Prior to this Brad held senior positions at Newcrest Mining Ltd, was CEO at AIM/ASX listed Discovery Metals Ltd, and other notable positions include General Manager at Goldfields operations in South Africa and Australia.

- Appointment of Jose Antonio Merino as a Non-Executive Director nominated by SQM. Jose Antonio joined SQM in 2016 and is currently M&A Director, prior to which he worked at EPG partners as head of a mining private equity fund, at Asset Chile, a Chilean boutique investment bank and at Santander Investment. He is a qualified civil engineer having graduated from Pontificia Universidad Catolica de Chile.

- On 27 June 2018, the Company's AGM was held with all resolutions passed.

OPERATIONAL ACTIVITIES

The Kola Definitive Feasibility Study

- The Company's activities are focused on the development of the Sintoukola Potash project and the Company is currently working to complete a DFS on this project. The DFS is being undertaken by the French Consortium.

- The DFS is at an advanced stage with test work and engineering design complete and work to conclude capital and operating cost estimates are continuing. The FC now anticipate completion of the current scope of work for the DFS by the end of September 2018 and to then present it to the Company for review prior to its finalisation and publication.

- In parallel with the completion of the DFS the Company has commissioned third-party review of some aspects of the DFS with a view to optimising the DFS outcomes and subsequent Engineering, Procurement and Construction (EPC) pricing.

- The Company is also engaging with the FC to optimise the capital costs of the project prior to finalisation of capital and operating cost estimates.

Environmental and social impact assessment ("ESIA")

- The Kola ESIA received a Certificate of Conformity from the Government of the Republic of the Congo on 10 October 2013.

- Subsequently, the DFS design has incorporated a number of value adding design changes to Kola since the approval of the ESIA and the Company undertook to amend the ESIA accordingly.

- The work to amend the Kola ESIA is complete. The amended ESIA was submitted to the Director General of the office of the Minister of Environment and Tourism on 7 July 2018 and is currently awaiting the Minister's approval.

- In addition to the ESIA, the Company is completing an analysis to identify and close any gaps between the ESIA approved by the Government of the RoC and established international industry practice and the Equator Principles. This process will generate an environmental and social action plan (ESAP) that the Company believes will meet debt financiers' requirements.

- Public consultations with Interested and Affected Parties on the amendments to the ESIA took place between 7 - 15 July 2018.

DIRECTORS' REPORT (CONTINUED)

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

OPERATIONAL ACTIVITIES (CONTINUED)

Environmental and social impact assessment ("ESIA") (Continued)

- The ESIA for the Dougou Mining License was approved by the Minister of Tourism and Environment of the RoC on 13 July 2018. The ESIA approval is granted for a 12 month period and is renewable annually until construction of a project commences.

Work streams initiated with RoC stakeholders and authorities

- The Company is progressing discussions toward a Memorandum of Understanding for power supply with an existing independent power producer (IPP), Centrale Electrique du Congo.

- Discussions with ENI Congo are continuing for the supply of gas (for drying and/ or for self-generating power).

- The Company is awaiting final approval from the Minister of Merchant Marine for the use of the preferred trans-shipment zone.

- A Resettlement Action Plan ("**RAP**") for the project land and a second framework RAP for the services corridor (for gas and power conveyance) have been prepared.

- A new Declaration d'Utilité Publique ("**DUP**") process covering the entire project land area (mine, over land conveyor, process plant and services corridor) is expected to be launched shortly by the Ministry of Land Affairs and Public Domain. The DUP will define any compensation arrangements required as a result of Kore's activity on the land area.

RoC regulatory requirements

- The Mining Convention (approved by the cabinet on 8 June 2017) is currently in the process of ratification into RoC law.

- The Company has submitted a proposed Mining Research Convention to the Government in relation to the Sintoukola 2 exploration licence that was granted to the Company on 9 February 2018. The approval of a Mining Research Convention is a required step prior to commencement of exploration activity (including drilling).

- The intra-group transfer of the Dougou Mining License from Sintoukola Potash S.A., to the operating entity incorporated in the RoC, Dougou Potash Mining S.A, is expected to be approved by the Ministry of Mines and Geology shortly and implemented through Governmental Decree.

Exploration activity

- No field-work exploration activities were undertaken during the period, or are currently underway, and as such no exploration results were received or are expected in the near term.

- Based on results from drilling in 2017 and earlier, and an interpretation of historic seismic data, the Company declared a maiden sylvinite Mineral Resource Estimate for the Dougou Extension sylvinite Deposit on 20 August 2018. The combined Inferred and Indicated sylvinite Mineral Resource Estimate is 232 Mt grading 38.1% KCl (Table 1), reported according to JORC 2012. Added to the Kola sylvinite Deposit, this new deposit brings the Company's total sylvinite Mineral Resources to over 1 billion tonnes.

DIRECTORS' REPORT (CONTINUED)

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

Principal Risks

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The Directors have considered the principal risks facing the Group and concluded they have not changed since the publication of the annual report for the year ended 31 December 2017, which are summarised below:

- country risk in Republic of Congo;
- geological and technical risk posed to exploration and commercial exploitation success;
- change in potash commodity prices and market conditions;
- environmental and occupational health and safety risks;
- government policy changes;
- retention of key staff; and
- capital requirement and lack of future funding.

Going concern

The Directors actively manage the liquidity position of the Group and prepare cash flow forecasts on a regular basis. Based on the most up-to-date information the Group is forecast to experience liquidity issues within the going concern period which will require mitigation through a capital raise and cost management. The Directors reviewed the options available to the Group and are of the opinion that there are reasonable grounds to believe these plans are achievable, and accordingly the Group's financial statements have been prepared on a going concern basis. However, should the Directors not be successful in achieving these matters, there is a material uncertainty which may cause significant doubt as to the Group's ability to continue to apply the going concern basis of accounting.

Please refer to note 2 on page 18 of this report for full details.

Kore's Potash Mineral Resources

Table 1. Kore's Potash Mineral Resources, provided as Gross and Net Attributable (to Kore's 97% holding)

KOLA SYLVINITE DEPOSIT

	Gross			Net Attributable		
Mineral Resource Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**
Measured	216	34.9	75	209	34.9	73
Indicated	292	35.7	104	283	35.7	101
Sub-Total Measured + Indicated	508	35.4	180	492	35.4	174
Inferred	340	34.0	116	330	34.0	112
TOTAL	**848**	**34.8**	**295**	**822**	**34.8**	**286**

DIRECTORS' REPORT (CONTINUED)

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

Kore's Potash Mineral Resources (Continued)

DOUGOU EXTENSION SYLVINITE DEPOSIT

	Gross			Net Attributable		
Mineral Resource Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**
Measured	-	-	-	-	-	-
Indicated	111	37.2	41	108	37.2	40
Sub-Total Measured + Indicated	111	37.2	41	108	37.2	40
Inferred	121	38.9	47	117	38.9	46
TOTAL	**232**	**38.1**	**88**	**225**	**38.1**	**85**

TOTAL SYLVINITE: KOLA & DOUGOU EXTENSION DEPOSITS COMBINED

Measured + Indicated + Inferred	**1,080**	**35.5**	**384**	**1,048**	**35.5**	**372**

DOUGOU CARNALLITE DEPOSIT

	Gross			Net Attributable		
Mineral Resource Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**
Measured	148	20.1	30	144	20.1	29
Indicated	920	20.7	190	892	20.7	185
Sub-Total Measured + Indicated	1,068	20.6	220	1,036	20.6	214
Inferred	1,988	20.8	414	1,928	20.8	401
TOTAL	**3,056**	**20.7**	**634**	**2,964**	**20.7**	**615**

KOLA CARNALLITE DEPOSIT

	Gross			Net Attributable		
Mineral Resource Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**	**Million Tonnes**	**Grade KCl %**	**Contained KCl million tonnes**
Measured	341	17.4	59	331	17.4	58
Indicated	441	18.7	83	428	18.7	80
Sub-Total Measured + Indicated	783	18.1	142	760	18.1	138
Inferred	1,266	18.7	236	1,228	18.7	229
TOTAL	**2,049**	**18.5**	**378**	**1,988**	**18.5**	**367**

DIRECTORS' REPORT (CONTINUED)

REVIEW AND RESULTS OF OPERATIONS (CONTINUED)

Kore's Potash Mineral Resources (Continued)

Table 1 Notes:

- *The Mineral Resource Estimates are reported in accordance with the JORC code 2012 edition.*
- *Table entries are rounded to the appropriate significant figure.*
- *The Kola Mineral Resource Estimate was reported on the 6 July 2017 in an announcement titled 'Updated Mineral Resource for the High Grade Kola Deposit'. The Competent Person (CP) is Garth Kirkham of Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group. It was reported using a cut-off grade (CoG) of 10% KCl.*
- *The Dougou Extension sylvinite Mineral Resource Estimate was reported on the 20 of August 2018 in an announcement titled 'Maiden Sylvinite Mineral Resource at Dougou Extension'. The CP is Andrew Pedley of Kore Potash. It was reported using a CoG of 15% KCl.*
- *The Dougou carnallite Mineral Resource Estimate was* reported on the *9 February 2015 in an announcement titled 'Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit'. The CPs are Dr. Sebastiaan van der Klauw and Ms. Jana Neubert of ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN").*

Forward-Looking Statements

This report contains statements that are "forward-looking". Generally, the words "expect," "potential", "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature and whilst there is a reasonable basis for making such statements regarding the proposed placement described herein; forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Statements in this report regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as resource estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

Competent Person Statement

The information relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves in this report is based on, or extracted from previous reports, as referred to in footnotes herein, and available to view on the Company's website. The Mineral Resource Estimate for the Kola Deposit was prepared by Competent Person Mr. Garth Kirkham, P.Geo., a Member of the Association of Professional Engineers and Geoscientists of British Columbia. The Mineral Resource Estimate for the Dougou carnallite Deposit was prepared by Competent Persons Dr. Sebastiaan van der Klauw and Ms. Jana Neubert, senior geologists and employees of ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH and members of good standing of the European Federation of Geologists. The Mineral Resource Estimate for the Dougou Extension sylvinite Deposit was prepared by Competent Person Mr. Andrew Pedley a full-time employee of Kore Potash, a registered professional natural scientist (Pr. Sci. Nat) with the South African Council for Natural Scientific Professions and member of the Geological Society of South Africa. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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 market announcement.

David Hathorn
Chairman
11 September 2018

INDEPENDENT AUDITOR'S REVIEW REPORT

INDEPENDENT REVIEW REPORT TO KORE POTASH PLC

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2018 which comprises the condensed statement of profit and loss and other comprehensive income, the condensed consolidated statement of financial position, the condensed statement of changes in equity, the condensed consolidated cash flow statement and related notes 1 to 19. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, 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 International Standards on Auditing (UK) 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2018 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the AIM Rules of the London Stock Exchange.

Material uncertainty related to going concern

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the Group does not forecast to have sufficient liquidity to fund its budgeted exploration programme without raising further funds.

As stated in note 2, these events or conditions, along with the other matters as set forth in note 2 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Deloitte LLP

Deloitte LLP
Statutory Auditor
London, United Kingdom
11 September 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2018

	Notes	6 months ended 30 June 2018 US$	6 months ended 30 June 2017 US$	Year ended 31 Dec 2017 US$
Continuing operations				
Interest income		20,454	36,678	50,858
		20,454	36,678	50,858
Expenses				
Directors remuneration	13	(420,210)	(162,080)	(365,371)
Equity compensation benefits	5	(676,255)	(906,265)	(1,919,924)
Salaries, employee benefits and consultancy expense		(712,539)	(455,012)	(1,595,607)
London listing and re-domicile expenses		(1,087,911)	-	(1,549,554)
Other administration expenses	6	(1,994,967)	(865,694)	(1,746,603)
Net unrealised and realised foreign exchange gains		99,749	1,664,560	2,864,226
Fair value change of a derivative financial liability	18	213,313	-	-
Interest and finance expenses		(1,542)	(3,317)	(39,378)
Loss before income tax expense		(4,559,909)	(691,130)	(4,301,353)
Income tax expense	7	(10,881)	-	(42,969)
Loss for the period from continuing operations		(4,570,790)	(691,130)	(4,344,322)
Other comprehensive (loss)/income				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations		(3,786,338)	7,923,150	13,590,884
Other comprehensive (loss)/income for the period		(3,786,338)	7,923,150	13,590,884
Total comprehensive (loss)/income for the period		(8,357,128)	7,232,020	9,246,562
Loss attributable to:				
Owners of the Company		(4,538,341)	(691,130)	(4,344,322)
Non-controlling interest		(32,449)	-	-
		(4,570,790)	(691,130)	(4,344,322)
Total comprehensive (loss)/income attributable to:				
Owners of the Company		(7,892,158)	7,232,020	9,246,562
Non-controlling interest		(464,970)	-	-
		(8,357,128)	7,232,020	9,246,562
Earnings per Share from Continuing Operations				
Basic and diluted loss per share (cents per share)	16	(0.56)	(0.09)	(0.57)

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
AS AT 30 JUNE 2018

	Notes	30 June 2018 US$	30 June 2017 US$	31 Dec 2017 US$
ASSETS				
Current Assets				
Cash and cash equivalents		14,219,356	33,946,629	16,455,490
Trade and other receivables		312,251	230,668	299,399
Total Current Assets		14,531,607	34,177,297	16,754,889
Non-Current Assets				
Trade and other receivables		134,938	121,631	139,163
Property, plant and equipment		357,081	387,827	413,801
Exploration and evaluation expenditure	8	145,043,137	117,038,885	140,254,520
Total Non-Current Assets		145,535,156	117,548,343	140,807,484
TOTAL ASSETS		160,066,763	151,725,640	157,562,373
LIABILITIES				
Current Liabilities				
Trade and other payables	9	846,131	533,416	3,276,317
Derivative financial liability	17	400,200	-	-
Total Current Liabilities		1,246,331	533,416	3,276,317
TOTAL LIABILITIES		1,246,331	533,416	3,276,317
NET ASSETS		158,820,432	151,192,224	154,286,056
EQUITY				
Issued share capital – Ordinary Shares	10	859,234	204,510,196	771,396
Redeemable Preference Shares		-	-	65,631
Reserves		216,046,613	23,010,292	206,805,823
Accumulated losses		(57,620,445)	(76,328,264)	(53,356,794)
Equity attributable to the shareholders of Kore Potash plc		159,285,402	151,192,224	154,286,056
Non-controlling interests		(464,970)	-	-
TOTAL EQUITY		158,820,432	151,192,224	154,286,056

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2018

	Ordinary Shares US$	Share Premium Reserve US$	Merger Reserve US$	Redeemable Preference Share US$	Accumulated Losses US$	Option Reserve US$	Foreign Currency Translation Reserve US$	Owners of the Parent US$	Non-Controlling Interest US$	Total Equity US$
Balance at 1 Jan 2018	**771,396**	**-**	**203,738,800**	**65,631**	**(53,356,794)**	**11,814,770**	**(8,747,747)**	**154,286,056**	**-**	**154,286,056**
Loss for the period	-	-	-	-	(4,538,341)	-	-	(4,538,341)	(32,449)	(4,570,790)
Other comprehensive income	-	-	-	-	-	-	(3,353,817)	(3,353,817)	(432,521)	(3,786,338)
Total comprehensive income	-	-	-	-	(4,538,341)	-	(3,353,817)	(7,892,158)	(464,970)	(8,357,128)
Transfer of previously lapsed options	-	-	-	-	888,202	(888,202)	-	-	-	-
Transactions with owners:										
Issue of shares	87,838	12,806,554	-	-	-	-	-	12,894,392	-	12,894,392
Share based payments	-	-	-	-	-	676,255	-	676,255		676,255
Redeemable Preference Shares cancelled	-	-	-	(65,631)	-	-	-	(65,631)	-	(65,631)
Free-attaching warrants	-	-	-	-	(613,512)	-	-	(613,512)	-	(613,512)
Balance at 30 June 2018	**859,234**	**12,806,554**	**203,738,800**	**-**	**(57,620,445)**	**11,602,823**	**(12,101,564)**	**159,285,402**	**(464,970)**	**158,820,432**
Balance at 1 Jan 2017	**200,572,926**	**-**	**-**	**-**	**(75,637,134)**	**36,279,828**	**(22,338,631)**	**138,876,989**	**-**	**138,876,989**
Loss for the period	-	-	-	-	(691,130)	-	-	(691,130)	-	(691,130)
Other comprehensive income	-	-	-	-	-	-	7,923,150	7,923,150	-	7,923,150
Total comprehensive income	-	-	-	-	(691,130)	-	7,923,150	7,232,020	-	7,232,020
Transactions with owners:										
Issue of shares (net of costs)	3,937,270	-	-	-	-	239,680	-	4,176,950	-	4,176,950
Share based payments	-	-	-	-	-	906,265	-	906,265	-	906,265
Balance at 30 June 2017	**204,510,196**	**-**	**-**	**-**	**(76,328,264)**	**37,425,773**	**(14,415,481)**	**151,192,224**	**-**	**151,192,224**

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2018

	Ordinary Shares US$	Share Premium Reserve US$	Merger Reserve US$	Redeemable Preference Share US$	Accumulated Losses US$	Option Reserve US$	Foreign Currency Translation Reserve US$	Owners of the Parent US$	Non-controlling Interest US$	Total Equity US$
Balance at 1 Jan 2017	**200,572,926**	**-**	**-**	**-**	**(75,637,134)**	**36,279,828**	**(22,338,631)**	**138,876,989**	**-**	**138,876,989**
Loss for the period	-	-	-	-	(4,344,322)	-	-	(4,344,322)	-	(4,344,322)
Other comprehensive income	-	-	-	-	-	-	13,590,884	13,590,884	-	13,590,884
Total comprehensive income	-	-	-	-	(4,344,322)	-	13,590,884	9,246,562	-	9,246,562
Transfer of previously lapsed options	-	-	-	-	26,624,662	(26,624,662)	-	-	-	-
Redeemable Preference Shares	-	-	-	65,631	-	-	-	65,631	-	65,631
Share issue (net of costs)	3,937,270	-	-	-	-	239,680	-	4,176,950	-	4,176,950
Share based payments	-	-	-	-	-	1,919,924	-	1,919,924	-	1,919,924
Scheme of Arrangement	(203,738,800)	-	203,738,800	-	-	-	-	-	-	-
Balance at 31 Dec 2017	**771,396**	**-**	**203,738,800**	**65,631**	**(53,356,794)**	**11,814,770**	**(8,747,747)**	**154,286,056**	**-**	**154,286,056**

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2018

	Notes	6 months ended 30 June 2018 US$	6 months ended 30 June 2017 US$	Year ended 31 Dec 2017 US$
Cash Flows from Operating Activities				
Net cash used in operating activities	18	(4,604,070)	(1,374,158)	(4,957,110)
Cash Flows from Investing Activities				
Payments for plant and equipment		(4,547)	(37,563)	(94,262)
Payments for exploration and evaluation		(11,043,648)	(13,065,335)	(28,023,569)
Interest received		10,675	36,678	50,858
Net Cash Flows Used in Investing Activities		(11,037,520)	(13,066,220)	(28,066,973)
Cash Flows from Financing Activities				
Proceeds from issue of shares		12,894,392	5,000,000	5,000,000
Proceed from Convertible Note		250,000	-	-
Payment for share issue costs		-	(823,050)	(823,050)
Net Cash Flows Generated from Financing Activities		13,144,392	4,176,950	4,176,950
Net decrease in cash and cash equivalents		(2,497,198)	(10,263,428)	(28,847,133)
Cash and cash equivalents at beginning of period		16,455,490	42,609,787	42,609,786
Foreign currency differences		261,064	1,600,270	2,692,837
Cash and Cash Equivalents at Period End		**14,219,356**	**33,946,629**	**16,455,490**

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

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2018

1. REPORTING ENTITY

Kore Potash plc ("the Company") is a public company incorporated by shares and registered in England and Wales and listed on the Australian Securities Exchange (ASX), the Alternative Investment Market operated by the London Stock Exchange (AIM), and a secondary listing on the Johannesburg Stock Exchange (JSE). These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The annual financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2017 were prepared in accordance with International Financial Reporting Standards ("IFRS"s) as adopted by the European Union.

The condensed set of financial statements for the six month period ended 30 June 2018 has been prepared using accounting policies consistent with those set out in the annual financial statements for the year ended 31 December 2017, with adoption of new and revised standards and interpretations as set out below, and in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union.

Statutory accounts

Financial information contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 ("the Act"). The statutory accounts for the year ended 31 December 2017 have been filed with the Registrar of Companies. The report of the auditors on those statutory accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Act.

The financial information for the six months ended 30 June 2018 and 30 June 2017 is unaudited.

Adoption of new and revised standards, amendments and interpretations

From 1 January 2018 the following standards and amendments are effective in the Group's financial statements:

- IFRS 15: Revenue from contracts with customers
- IFRS 9: Financial instruments

The impact of adoption of these standards and the key changes to the accounting policies are disclosed below. The full revised accounting policies applicable from 1 January 2018 will be provided in the Group's consolidated financial statements for the year ending 31 December 2018.

Other amendments to IFRSs that became effective for the period beginning on 1 January 2018 did not have any impact on the Group's accounting policies.

IFRS 15: Revenue from contracts with customers
The implementation of IFRS 15 has not had a material impact on the Group's financial statements as it is currently a pre-revenue business.

IFRS 9: Financial instruments
The Group adopted IFRS 9 from 1 January 2018. In accordance with the transition provisions in the Standard, comparatives have not been restated.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of new and revised standards, amendments and interpretations (Continued)

Classification of financial assets

IFRS 9 requires the use of two criteria to determine the classification of financial assets: the entity's business model for the financial assets and the contractual cash flow characteristics of the financial assets. The Standard goes on to identify three categories of financial assets - amortised cost; fair value through profit or loss (FVTPL); and fair value through other comprehensive income (FVOCI).

There have been no changes to the categorisation of financial assets following the adoption of IFRS 9 and all of the Group's financial assets remain classified at amortised cost.

Impairment

IFRS 9 mandates the use of an expected credit loss model to calculate impairment losses rather than an incurred loss model, and therefore it is not necessary for a credit event to have occurred before credit losses are recognised. The new impairment model applies to the Group's financial assets.

No changes to the impairment provisions were made on transition to IFRS 9. Trade and other receivables are generally settled on a short time frame and the Group's other financial assets are due from counterparties without material credit risk concerns at the time of transition.

Standards not yet mandatorily adopted

The adoption of IFRS 16 Leases, which the Group will adopt for the year commencing 1 January 2019, will impact both the measurement and disclosures of leases over a low value threshold and with terms longer than one year. The Group's assessment of lease agreements that exist across the Group is ongoing. The Group expects to complete its full assessment of the expected financial impact of transition to IFRS 16 in the second half of 2018.

Going Concern

During the half-year ended 30 June 2018, the Group incurred a loss of US$4,570,790 (half-year ended 30 June 2017: US$691,130) and experienced net cash outflows from operating and investing activities of US$15,641,590 (half-year ended 30 June 2017: US$14,440,378). Cash and cash equivalents totaled US$14,219,356 as at 30 June 2018 (at 31 December 2017: US$16,455,490).

The Directors have prepared a cash flow forecast for the period ending 30 September 2019, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period, primarily being corporate costs, exploration expenditure and Definitive Feasibility Study ("DFS") costs related to the Kola Project. The Directors have therefore considered mitigating actions, which include:

a) Completion of a capital raising early in the 2019 calendar year; and
b) Managing and deferring costs where applicable to coincide with the capital raising activity outlined above to ensure all obligations can be met.

As described in Note 11 and 12 of the financial statements, the only committed costs in this period relate to the DFS and operating lease commitments, at total of $5,516,620 with the remaining planned expenditure largely discretionary.

The Directors are planning to raise additional capital in early 2019 to enable the Group to continue to fund its exploration and development programme and fulfill its working capital requirements. The Directors have identified a number of funding options available to the Group and will commence formal discussions once the DFS has been finalised and approved. The Directors note the Group has a history of successfully raising capital on the ASX and more recently on the AIM and JSE.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2018 (CONTINUED)

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Going Concern (Continued)

The Directors have reviewed the Group's overall position and outlook in respect of the matters identified above and are of the opinion that there are reasonable grounds to believe that funding will be secured and therefore that the operational and financial plans in place are achievable and accordingly the Group will be able to continue as a going concern and meet its obligations as and when they fall due. The Directors will continue to pursue further capital raising initiatives in order to have sufficient funds to continue the development of the Kola Project and fund additional exploration and evaluation activities on the Dougou (inclusive of Dougou extension) project and the 'Sintoukola 2' Exploration Permit.

Should the Directors not be successful in achieving the matters set out above, there is a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

In the course of preparing financial statements, management necessarily makes judgements and estimates that can have a significant impact on the financial statements. The most critical accounting judgement relates to the impairment of exploration and evaluation assets, specifically whether the capitalised costs will be recovered by future exploration and development or a sale. The key source of estimation uncertainty relates to the valuation of share based payment transactions. The use of inaccurate assumptions in assessments made for any of these judgements and estimates could result in a significant impact on financial results. The critical accounting judgements and key sources of estimation uncertainty are the same as those disclosed in the Group's consolidated financial statements for the year ended 31 December 2017.

3. FUNCTIONAL AND PRESENTATION CURRENCY

The functional currencies of the Company and the Group's subsidiaries are based on the primary economic environment in which the entity operates. The functional currency of the Company is US dollars. The functional currencies of the subsidiaries are:

Kore Potash Limited – US dollars (USD)
Sintoukola Potash S.A. - CFA Franc BEAC (XAF)
Kore Potash South Africa (Pty) Ltd – South African Rand (ZAR)

The presentational currency of the Group is US dollars.

4. SEGMENT REPORTING

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors, which is responsible for allocating resources and assessing performance of the operating segments.

The Group operates in one segment, being mineral exploration for potash minerals prospects in Central Africa.

5. EQUITY BASED EXPENSE

The expense recognised for directors, employee and consultant services during the half year is shown in the table below:

	6 months ended 30 June 2018 US$	6 months ended 30 June 2017 US$	Year ended 31 Dec 2017 US$
Expense arising from equity-settled share-based payment transactions	676,255	906,265	1,919,924

The Group granted shares rights and options to directors, key management personnel and other employees as part of an incentive for future services and as a reward for past services. During the half-year, the Company approved certain equity-based payments. Details including vesting conditions are detailed in Note 10.

6. ADMINISTRATION EXPENSES

	June 2018 US$	June 2017 US$	Dec 2017 US$
Accounting, company secretary and audit fees	109,750	76,808	179,270
Lodgement, annual review and share registry fees	21,763	24,616	232,784
Legal fees	80,560	233,364	202,629
Marketing and investor relations	106,253	57,684	126,495
Travel and accommodations	601,645	280,759	673,237
Premises and office related costs	271,154	51,883	100,940
Recruitment fee	179,017	-	-
Others	624,825	140,580	231,248
Total	**1,994,967**	**865,694**	**1,746,603**

7. INCOME TAX EXPENSE

Tax for the six month period is charged at 0% (six months ended 30 June 2017: 0%, year ended 31 December 2017: 0%), representing the best estimate of the average annual effective tax rate for the full year applied to the pre-tax income for the six month period and considering the Group's assets are in the exploration phase. The $10,881 charge for H1 2018 (H1 2017: nil) arose on the pre-tax income generated in South Africa for intercompany management services.

8. RECONCILIATION OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	June 2018 US$	June 2017 US$	Dec 2017 US$
Opening balance	140,254,520	95,798,269	95,798,269
Exploration and evaluation expenditure capitalised during the period	8,388,661	13,197,196	30,688,177
Foreign exchange differences	(3,600,044)	8,043,420	13,768,074
Closing balance	**145,043,137**	**117,038,885**	**140,254,520**
Exploration and evaluation expenditure relating to:			
Kola mining project	122,114,047	99,733,785	118,082,437
Dongou mining project	22,929,090	17,305,100	22,172,083
Closing balance	**145,043,137**	**117,038,885**	**140,254,520**

9. TRADE AND OTHER PAYABLES

	30 June 2018	30 June 2017	31 Dec 2017
	US$	US$	US$
Trade and other creditors	48,890	444,327	520,947
Accruals	496,302	89,089	2,710,325
Income tax payable	50,939	-	45,045
Convertible Note*	250,000	-	-
	846,131	**533,416**	**3,276,317**

*On 26 March 2018, the Company entered into a convertible loan agreement ("Convertible Note") with the Chairman, David Hathorn to lend US$250,000 to the Company. The loan does not attract interest and is unsecured. At the Company's Annual General Meeting on 27 June 2018, the shareholders approved the conversion of the Convertible Note into 1,618,250 shares at A$0.20 per share and 250,000 free-attaching warrants. The shares and warrants were issued on 27 July 2018.

10. ISSUED SHARE CAPITAL

	30 June 2018	30 June 2017	31 Dec 2017
	US$	US$	US$
Issued fully paid (Nominal Value)			
Ordinary shares of US$0.001 par value each	859,234	204,510,196	771,396
Fully paid ordinary shares	**859,234**	**204,510,196**	**771,396**

At 30 June 2017, Kore Potash Limited was the parent company of the Group and had 768,158,142 fully paid ordinary shares in issuance with a nominal value of US$204,510,196.

Kore Potash plc became the Group's parent company on 20 November 2017 in accordance with the Scheme of Arrangement with Kore Potash Limited and its shareholders ('the Scheme'). In line with UK Company Law, Kore Potash plc shares have a par value of US$0.001. Under the Scheme, Kore Potash plc issued 768,158,142 ordinary shares (initially to be held in the form of Chess Depositary Interests (CDIs)) as consideration for the transfer of Kore Potash Limited shares to Kore Potash plc. Subsequently on 20 December 2017, 3,237,624 ordinary shares (CDIs) were issued by Kore Potash plc on conversion of certain Performance Rights.

As a result, the Group's fully paid issued capital had a nominal value of US$771,396 at 31 December 2017. The shares in Kore Potash plc were issued on a 1:1 basis with shares in Kore Potash Limited which had a nominal value of US$204,510,196 at the date of the commencement of the Scheme. The surplus value of US$203,738,800 compared to the nominal value of the Kore Potash plc shares has been recognised in a Merger Reserve.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2018 (CONTINUED)

10. ISSUED SHARE CAPITAL (CONTINUED)

Movement in Share Capital

Ordinary shares of US$0.001 par value each

	No. of Shares	US$
Balance at 31 December 2017	771,395,766	771,396
Capital raising on 29 March 2018 @ AUD 0.20 each (i)	83,523,344	83,523
Share-based capital raising costs on 29 March 2018 @ AUD 0.12 each (ii)	4,315,333	4,315
On issue at 30 June 2018	**859,234,443**	**859,234**

(i) On 29 March 2018, a total of US$12,894,659 was raised from existing and new investors through the placing and direct subscription of 83,523,344 ordinary shares in the Company at a placing price of AU$0.20 per new ordinary share. The par value of the 83,523,344 ordinary shares was US$83,523.

(ii) On 29 March 2018, 4,315,333 ordinary shares were issued to Canaccord Genuity Ltd and Rencap Securities (Pty) Limited as part of their placing fee at a deemed issued price of AU$0.12 per ordinary share. The par value of the 4,315,333 ordinary share was US$4,315.

11. OPERATING LEASE ARRANGEMENTS

Leasing Arrangements

Operating leases relate to leases of offices and other property with lease terms of up to 5 years. The Group does not have an option to purchase the leased property at the expiry of the lease periods.

Non-Cancellable Operating Lease Commitments

	30 June 2018	30 June 2017	31 Dec 2017
	US$	US$	US$
Not later than 1 year	185,334	108,810	115,483
Later than 1 year and not later than 5 years	130,823	182,733	85,632
	316,157	**291,543**	**201,115**

No liabilities have been recognised in respect of non-cancellable operating leases.

12. COMMITMENTS FOR EXPENDITURE

Exploration and Evaluation Expenditure Commitments

In order to maintain current rights of tenure to exploration and mining licences, the Group is required to perform respective minimum exploration and development work to meet the minimum expenditure requirements.

The Group has satisfied the minimum exploration expenditure requirements under the mining convention signed by the Company and the RoC on 8 June 2017, to maintain its rights to tenure in relation to the Kola and Dougou (including Dougou Extension) mining projects. The Group plans to develop the Kola and Dougou mining licenses as an aggregated area for the mining site development in accordance with the mining convention signed on 8 June 2017. In addition, one of the key investment promotion provisions for the mining convention includes that the RoC is to be granted a 10% carried equity interest in the project companies, which are currently wholly-owned by Kore Potash Limited's 97%-owned subsidiary, Sintoukola Potash S.A. This will take place after the ratification of the mining convention, which is expected to take place end of the year.

If the Group decides to relinquish certain licences and/or does not meet the obligations of the new mining convention, assets recognised in the statement of financial position may require review to determine the appropriateness of the carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

Kola Definitive Feasibility Study Commitment

On 28 February 2017 the Company signed a contract with TechnipFMC, VINCI Construction Grands Projets, Egis and Louis Dreyfus Armateur (the "French Consortium"), for the implementation of the Kola Definitive Feasibility Study (the "DFS").

At the date of this report, the Group had the following DFS commitment:

	30 June 2018 US$	30 June 2017 US$	31 Dec 2017 US$
Not later than 1 year	5,314,469	21,319,438	9,259,776
Later than 1 year and not later than 5 years	3,241,782	1,017,292	-
	8,556,251	**22,336,730**	**9,259,776**

13. RELATED PARTY TRANSACTIONS

Directors remuneration
The expense of $420,210 recognised (H1 2017: $162,080) includes directors fees paid and remuneration for the current and outgoing Chief Executive Officer.

The Company paid US$3,743 to Piaster Pty Ltd as trustee for the Trollip Family Superannuation Fund for Jonathan Trollip's director fees. John Trollip is a director of and has a beneficial interest in Piaster Pty Ltd.

David Hathorn (Chairman) and Sean Bennett (Managing Director and CEO) were each issued with 25,000 Redeemable (Non-Voting) Preference Shares at £1.00 each in Kore Potash plc (held directly). At 1 January 2018, the amount owing by the two Directors to the Company was USD 65,631 (GBP 50,000). On 23 March 2018, the Preference Shares were redeemed and the amounts payable were de-recognised on redemption.

On 26 March 2018, the Company entered into a convertible loan agreement ("Convertible Note") with the Chairman, David Hathorn to lend US$250,000 to the Company. The loan does not attract interest and is unsecured. At the Company's Annual General Meeting on 27 June 2018, the shareholders approved the conversion of the Convertible Note into 1,618,250 shares at A$0.20 per share and 250,000 free-attaching warrants. The shares and warrants were issued on 27 July 2018.

On 27 June 2018, the shareholders approved the grant of up to 17,200,000 unlisted options to Brad Sampson, valued at a total of $1,171,320 and up to 4,000,000 unlisted options to David Hathorn, valued at a total of $145,600 at the Company's Annual General Meeting.

The shareholders also approved the cancellation of the below existing Performance Rights and the grant of new Performance Rights to the below Non-Executive Directors at the Company's Annual General Meeting.

Director	Number of existing Performance Rights	Number of new Performance Rights
David Hathorn	11,000,000	1,500,000
Jonathan Trollip	2,000,000	750,000
Leonard Math	1,000,000	750,000
David Netherway	Nil	750,000
Timothy Keating	Nil	750,000

The new Performance Rights have a total value of $336,150.

On 27 June 2018, the shareholders also approved the issue of 500,000 and 1,050,000 Performance Rights to Sean Bennett at the Company's Annual General Meeting to recognise his contribution to the Company and the transition of his position as CEO to a successor and his role in successfully implementing the re-domicile of the Group in the United Kingdom, the listing of the Company on the AIM and the JSE and the recent completion of a capital raising. These Performance Rights have a total value of $115,785.

The details of the unlisted options and Performance Rights granted are in the Company's Notice of General Meeting announced on 1 June 2018.

No other director has entered into a material contract (apart from employment) with the company since the incorporation of the company and there were no material contracts involving directors' interests at the half-year end. Remuneration arrangements of key management personnel are disclosed in the annual financial report.

14. DIVIDENDS

No dividends have been paid or provided for during the half-year and for the year ended 31 December 2017.

15. CONTINGENT LIABILITIES AND ASSETS

The Company's subsidiary, Sintoukola Potash S.A. ("SP") has been in litigation before the Administrative Chamber of the Supreme Court of the Republic of Congo and before the Labour Tribunal. These two proceedings result from an action taken by a former employee, as well as a group of 30 claimants following the dismissal of these 31 employees on 20 November 2014.

On 14 June 2018 the Supreme Court confirmed that the retrenchments had followed due process and cancelled the previous decision of the Minister of Labour against SP. The Labour Tribunal action is anticipated to be favourably concluded following the Supreme Court findings. In order to bring to a conclusion the litigation and ensure equitable treatment following the amicable settlement with 4 employees, who have waved any further recourse whatsoever, SP proposes to make an offer to the remaining employees. This offer is subject to acceptance by all staff, which must be received within a set timeframe, failing which the offer will lapse. The Directors have concluded that any possible exposure and cash outflow from the Group would be immaterial.

16. LOSS PER SHARE

	6 months ended 30 June 2018 US$	6 months ended 30 June 2017 US$	Year ended 31 Dec 2017 US$
Earnings reconciliation			
Loss attributable to ordinary shareholders	(4,570,790)	(691,130)	(4,344,322)
	Number	Number	Number
Weighted average number of shares used as the denominator	816,528,346	743,389,891	756,305,819
Basic and diluted loss per share (cents per share)	(0.56)	(0.09)	(0.57)

The warrants issued in the period (please refer to note 17 for details) have not been included in the diluted loss per share calculation as they are anti-dilutive.

Headline earnings/loss per share

It is a JSE listing requirement to disclose headline earnings/loss per share, a non-IFRS measure. It is considered to be a useful metric as it presents the earnings/loss per share after removing the effect of re-measurements to assets and liabilities (for example impairment of property, plant and equipment) otherwise recognised in the profit/loss for the half-year. During the current and prior period there was no difference between earnings/loss per share and headline earnings/loss per share and therefore no reconciliation between the two measures has been presented.

17. DERIVATIVE FINANCIAL INSTRUMENTS

	30 June 2018		30 June 2017		31 Dec 2017	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	US$	US$	US$	US$	US$	US$
Warrants* -		400,200	- -		- -	

*Relates to the value of the free attaching warrants provided to shareholders who participated in the share issue completed on 29 March 2018 (83,523,344 shares issued at AUD 0.20 each). A total of 12,894,659 equity warrants exercisable at AUD 0.30 expiring 29 March 2021 were issued with a Black & Scholes valuation method of US$0.0476 per warrant. The derivative financial liability was revalued at 30 June 2018 using the Black Scholes valuation method with the change in fair value of the derivative financial liability of US$213,313 taken to the statement of profit or loss and other comprehensive income.

The inputs used in the measurement of these warrants were as follows:

Input into the model	At grant date	At 30 June 2018
Spot price	A$0.145	£0.057
Expected volatility	91.67%	106.27%
Life of warrants	3 years	2.75 years
Grant date fair value	US$0.0476	US$0.031

18. NET CASH USED IN OPERATING ACTIVITIES

	6 months ended 30 June 2018 US$	6 months ended 30 June 2017 US$	Year ended 31 Dec 2017 US$
Reconciliation of cash flows from operating activities:			
Loss for the year	(4,570,790)	(691,130)	(4,344,322)
Adjustments for:			
Depreciation expensed	5,382	12,745	16,612
Equity compensation benefits	676,255	906,265	1,919,924
Net realised and unrealised foreign exchange gains	(97,905)	(1,664,560)	(2,864,226)
Fair value change in derivative financial liability	(213,312)		
Interest received not classified as operating activities cash inflow	(10,675)	(36,678)	(50,858)
Operating loss before changes in working capital			
(Increase)/decrease in receivables	(42,544)	25,054	(8,176)
Increase in tax payable	40,583	-	42,970
(Decrease)/increase in payables	(391,064)	74,146	330,966
Net cash used in operating activities	(4,604,070)	(1,374,158)	(4,957,110)

19. SUBSEQUENT EVENTS AFTER BALANCE DATE

On 27 July 2018, the Company's outstanding Convertible Note of US$250,000 was converted into 1,618,250 shares and 250,000 free-attaching warrants.

On 1 August 2018, the Company issued 4,000,000 unlisted options to David Hathorn and 17,200,000 unlisted options to Brad Sampson following shareholder approval at the AGM held on 27 June 2018.

There are no other significant events that have occurred since reporting date requiring separate disclosure.