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ISSUED CAPITAL
(As at – 6 December 2017)
765.5m CDI's
ASX Code: KP2

High grade assay results returned for Kola

Perth, Australia 7 December 2017 – Kore Potash plc (ASX: KP2) ('**Kore**' or the '**Company**'), is pleased to provide an update for the Company's 97%-owned Sintoukola Potash Project, in the Republic of Congo ('**RoC**').

Highlights

- At the Kola Project, assay results confirm outstanding intersections in EK_53 and EK_54, with 61.9 and 60.0 % KCl over a thickness of 2.22 and 3.26 m respectively. These holes were previously reported based on downhole logged gamma-ray data as grading 52.0 and 54.1% respectively[1].

- As stated previously, these holes are 1.5 and 7.0 km southeast of the current Measured and Indicated Resource (Fig. 1) and so suggest the potential to significantly expand the deposit and that additional areas of very high grade Sylvinite exist.

- At the nearby Dougou Extension Prospect (Fig. 3), planned holes DX_05 and DX_06 could not be completed due to difficult ground conditions in the sediments above the evaporite rocks. A decision has been made to end the programme for the foreseeable future, in order to avoid further cost and focus resources on the ongoing Kola Definitive Feasibility Study (DFS).

Sean Bennett, CEO of Kore, commented:

"The assay results for EK_53 and EK_54 of 60-62% KCl are remarkable. These results support the likelihood that Kola is significantly larger than the current resource and that we can expect additional zones of exceptional grade, which could have a positive impact on the Project economics, post DFS. The Dougou Extension drilling campaign shows we have the potential for another Kola style deposit; while this is excellent news, the main focus for the business will be on delivering the Kola DFS next year."

[1] Announcement dated 11 September 2017: Two additional Sylvinite intersections of over 50% KCl indicate potential for extension of Kola 7 km southeast

EK_53 and EK_54

Intersections are 61.9% and 60.0 % KCl over a thickness of 2.22 and 3.26 m respectively, replacing the previously grades based on converted downhole logged 'gamma-ray' data of 52% and 54.1% KCl over 2.20 and 3.20 m. The laboratory analyses were carried out by Intertek (an accredited laboratory) and data was accompanied and supported by industry standard QA-QC sample insertion and verification. The results confirm that the hosting Hangingwall Seam Sylvinite (HWSS) is of exceptional grade, and as mentioned in the announcement on 11 September, indicate the potential for significant expansion of the current Kola resource (Measured and Indicated Resource of 508 Mt grading 35.4% KCl). No additional exploration work is planned until after completion of the Kola DFS. If achieved, a significant increase in the size of the deposit would have obvious implications for the life-of-mine and project economics.

Table 1. Intersections in EK_53 and EK_54 based on assay data. Adjustments for 22 degrees dip has been made for EK_53 to obtain the 'true' thickness.

Drill-hole	From (m)	To (m)	True thickness (m)	KCl% by assay
EK_53	350.61	353.00	2.22	61.9
EK_54	297.24	300.50	3.26	60.0

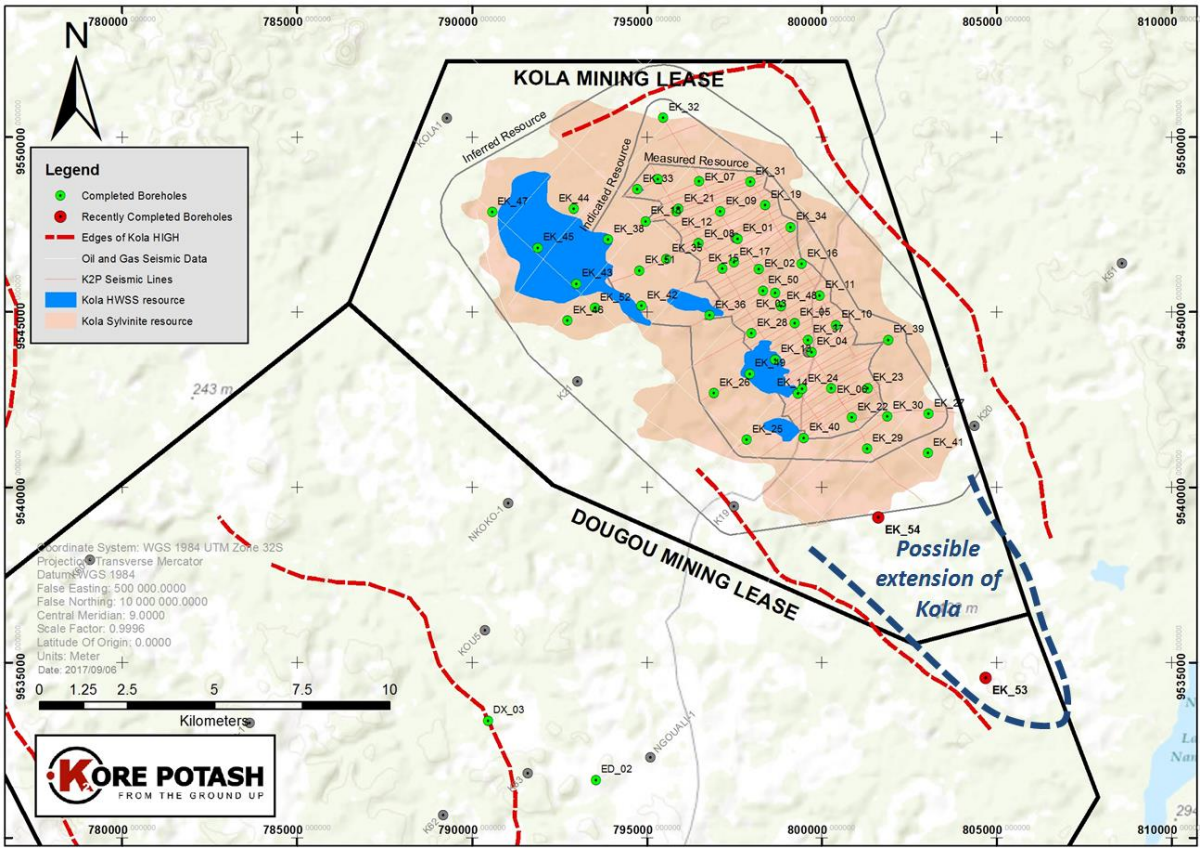

Figure 1. Map showing the Kola Sylvinite, drill-holes EK_53 and EK_54 and the interpreted possible extension. The distribution of the existing HWSS resource is also shown.

Table 2. Collar positions of EK_53 and EK_54. Projection and datum is UTM WGS84 32 S.

Drill-hole	Final Depth m	East m	North m	Hole inclination	Elevation
EK_53	429.0	804700	9534567	vertical	31.0
EK_54	373.2	801633	9539146	vertical	30.9

Dougou Extension drilling programme ends

Dougou Extension Prospect is an area with numerous high grade Sylvinite intersections, 15 km south-west of Kola (Fig. 2 and 3). During Q1 2017 the Company initiated a programme to follow up on previous 55-60% KCl intersections and reported excellent results in September[2]. The Company was confident of further high grade sylvinite in DX_05 and DX_06 but drilling fluid losses in the dolomite overlying the evaporite rocks prevented the completion of the drill-holes to the target depth. Re-drilling the holes was considered, but would have caused the Company to exceed the allocated budget and with a risk of similar problems in the re-drilled holes. If drilling in the area in the future, the drilling methodology will need to be adjusted to increase the chances of reaching the target depth.

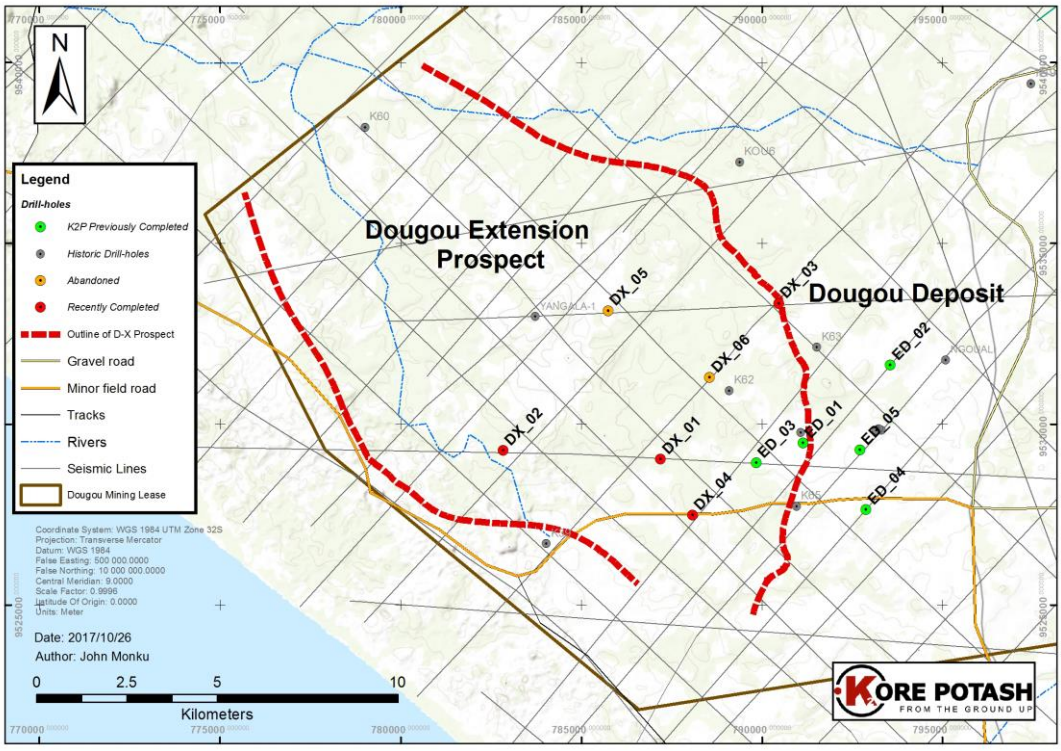

Figure 2. Map showing the interpreted extent of the prospective area for sylvinite at Dougou Extension and all drill-holes.

[2] Announcement dated 11 September 2017: Dougou Extension Prospect Sylvinite intersections up to 8.8 m thick within a zone of 8 by 5 km, open laterally

Interpretation of all intersections in the area, along with available seismic data is underway so that the Company can update the Exploration Target (in terms of a range of tonnes and grade) for Dougou Extension in the near future.

- ENDS –

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About Kore Potash's Projects

Kore Potash (ASX: KP2) is an advanced stage mineral exploration and development company whose primary asset is 97%-owned Sintoukola Potash S.A. (SPSA) in the RoC. SP has 100% ownership of the Kola Mining Lease within which the Company's lead project, the Kola sylvinite deposit is located. SPSA also has 100% ownership of the Dougou Mining Lease within which the Dougou carnallitite Deposit and the Dougou Extension Prospect are situated.

These projects are easily accessed, being located approximately 80 km to the north of the city of Pointe Noire and 15 to 30 km from the Atlantic coast. The Projects have the potential to be among the world's lowest-cost potash producers and their location near the coast offers a transport cost advantage to global fertilizer markets.

The Kola Deposit has a Measured and Indicated sylvinite Mineral Resource of 508 Mt grading 35.4 % KCl[3]. A Definitive Feasibility Study (DFS) which is underway, being conducted by a consortium of world class engineering and construction companies consisting of Technip FMC, Vinci Construction Grands Projects, Egis International and Louis Dreyfus Armateurs (the "French Consortium"). The DFS contract was signed on 28 February 2017 and the study is scheduled to be completed in Q2 2018.

The Dougou Deposit is 15 km southwest of Kola and is a very large carnallitite deposit with a Measured and Indicated Potash Mineral Resource of 1.1 billion tonnes grading 20.6% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallitite within 4 flat-lying seams[4]. A Scoping Study was completed by ERCOSPLAN of Germany in February 2015[5]. This Study indicated that a low capital cost, low operating cost (Life of Mine operating cost of US$68 per tonne MoP), and quick to production carnallite solution mine could be established at Dougou, taking advantage of the deposit quality and availability of low cost energy in the RoC.

[3] Announcement dated 6 July 2017: Updated Mineral Resource for the High-Grade Kola Deposit
[4] Announcement dated 9 February 2015: Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit.
[5] Announcement dated 17 February 2015: Results for the Dougou Potash Project Scoping Study

The Dougou Extension Prospect (previously referred to as Yangala) lies immediately west of Dougou. In 2012 and 2014 the Company drilled 2 holes, both intersecting a flat-lying layer of thickness 4 to 4.5 metres with a grade of between 57 and 60% KCl[6]. Drilling of 4 additional holes in 2017 intersected sylvinite of between 27 and 63% KCl over a range of thicknesses.

Kore Potash's Mineral Resources

		Potash Mineral Resources	
Potash Deposit	**Category**	**Million Tonnes**	**Grade KCl %**
Kola Sylvinite (July 2017)	Measured	216	34.9
	Indicated	292	35.7
	Inferred	340	34.0
Kola Carnallitite (July 2017)	Measured	341	17.4
	Indicated	441	18.7
	Inferred	1,266	18.7
Dougou Carnallitite (February 2015)	Measured	148	20.1
	Indicated	920	20.7
	Inferred	1,988	20.8

Notes: *The Mineral Resource estimates are reported in accordance with the JORC code 2012 edition. The Kola Mineral Resources were reported on the 6 July 2017, and was prepared by Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group. Resources are reported at a cut-off grade of 10% KCl. The Dougou Mineral Resource was prepared by ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN") and reported in the ASX announcement dated 9 February 2015. The form and context of the Competent Person's findings as presented in this document have not materially changed since the resource was first reported. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral Resources are considered to have reasonable expectation for eventual economic extraction using underground mining methods.*

[6] Announcement dated 20 October 2014: Elemental Minerals Announces Exceptional Results from Dougou-Yangala Drilling

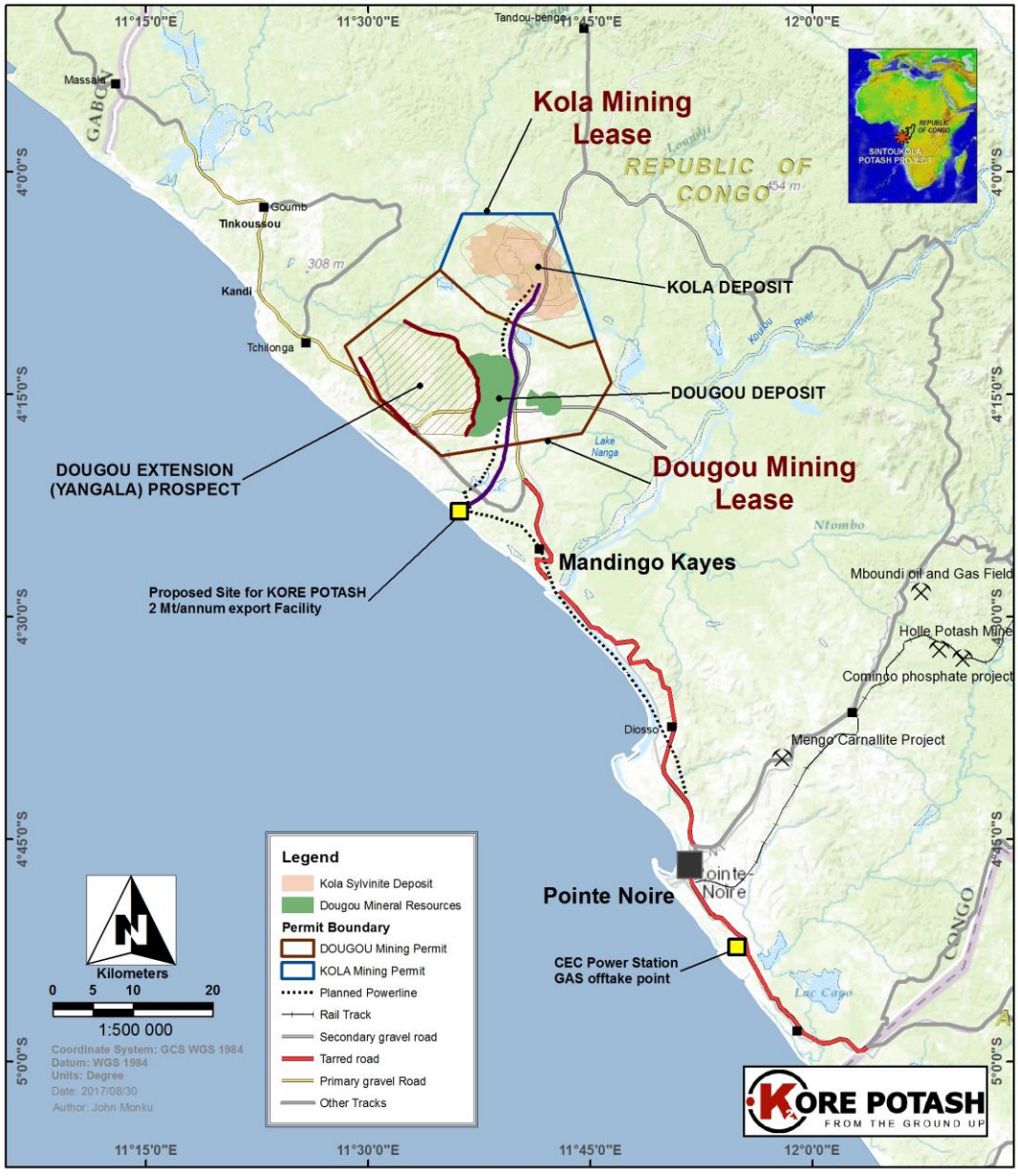

Figure 3. Map showing the location of the Company's projects within the Republic of Congo

Forward-Looking Statements

This news release 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 news release 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 in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr. Andrew Pedley, the Chief Geologist for Kore Potash and a full time employee of the Company. Mr Pedley is a registered scientist (Pr. Sci. Nat) with the South African Council for Natural Scientific Professions (Reg No. 400311/13) and is a member of the Geological Society of South Africa. Mr. Pedley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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” (the JORC Code). Mr. Pedley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information relating to Mineral Resources or Ore Reserves, and the results of economic studies for the Kola and Dougou Deposits, is extracted from previous reports, as referred to in footnotes herein, and available to view on the Company’s website. 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.

APPENDIX 1. Checklist of Assessment and Reporting Criteria in the format of Table 1 of the JORC code 2012 edition

Section 1 - Sampling Techniques and Data

JORC Criteria	JORC Explanation	Commentary
1. SAMPLING TECHNIQUES	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Sampling was carried out according to a strict quality control protocol beginning at the drill rig. Holes were drilled to HQ size (64.5 mm core diameter) core. Sample intervals were between 0.1 and 2.0 metres and sampled to lithological boundaries. All were sampled as half-core and cut using an Almonte© core cutter without water and blade and core holder cleaned down between samples. Sampling and preparation was carried out by trained geological and technical employees. Samples were individually bagged and sealed.
2. DRILLING TECHNIQUES	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Holes were drilled by 12 and 8 inch diameter rotary Percussion through the 'cover sequence', stopping in the Anhydrite Member and cased and grouted to this depth. Holes were then advanced using diamond coring with the use of tri-salt (K, Na, Mg) mud to ensure excellent recovery. Coring was HQ (64.5 mm core diameter) as standard and HQ.
3. DRILL SAMPLE RECOVERY	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. .*	Core recovery was recorded for all cored sections of the holes by recording the drilling advance against the length of core recovered. Recovery is between 95 and 100% for the evaporite and all potash intervals. Figure 2 of the announcement provides an image of the Sylvinite core. The use of tri-salt (Mg, Na, and K) chloride brine to maximize recovery was standard. A fulltime mud engineer was recruited to maintain drilling mud chemistry and physical properties. Core is wrapped in cellophane sheet soon after it is removed from the core barrel, to avoid dissolution in the atmosphere, and is then transported at the end of each shift to a de-humidified core storage room where it is stored permanently.
4. LOGGING	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • The total length and percentage of the relevant intersections logged.	The entire length of each hole was logged, from rotary chips in the 'cover sequence' and core in the evaporite. Logging is qualitative and supported by quantitative downhole geophysical data including gamma, acoustic televiewer images, density and caliper data which correlates well with the geological logging. Due to the conformable nature of the evaporite stratigraphy and the observed good continuity and abrupt contacts, recognition of the potash seams is straightforward and made with a high degree of confidence. Core was photographed to provide an additional reference for checking contacts at a later date.

JORC Criteria	JORC Explanation	Commentary
5. SUB-SAMPLING TECHNIQUES AND SAMPLE PREPARATION	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples were sawn as described above, into two halves. On half was retained at site as a record, and one half sent as a in a batch of samples to Intertek-Genalysis in Perth. • Care was taken to orient the core before cutting so that the retained and submitted halves are as similar as possible. For at least 1 in 20 samples both halves were submitted, as two separate samples – an original and (field) duplicate sample. The results of the duplicate analyses indicate no observable bias. • The field duplicates and the laboratory duplicate data supports the adequacy of the sample size and the sub-sampling procedures. This partially a reflection of the massive layered nature of the mineralisation, with layering that is generally close to perpendicular to the core axis.
6. QUALITY OF ASSAY DATA AND LABORATORY TESTS	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• At the laboratory, samples were crushed to nominal 2 mm then riffle split to derived a 100 g sample for analysis. K, Na, Ca, Mg. S were determined by ICP-OES. Cl is determined volumetrically. Insolubles (INSOL) were determined by filtration of the residual solution and slurry on 0.45 micron membrane filter, washing to remove residual salts, drying and weighing. Loss on drying by Gravimetric Determination (LOD/GR) was also competed as a check on the mass balance. • A full QA-QC programme of insertion of blanks, duplicates and standards to assess repeatibilty of the sampling procedure and the precision and accuracy of the laboratory preparation and analyses. QA-QC data has been assessed and is found acceptable. • Charts for blanks, field duplicates and one of the CRMSs are provided below in figure A1 to A3, with those results belonging in EK_53 and EK_54 batch indicated.

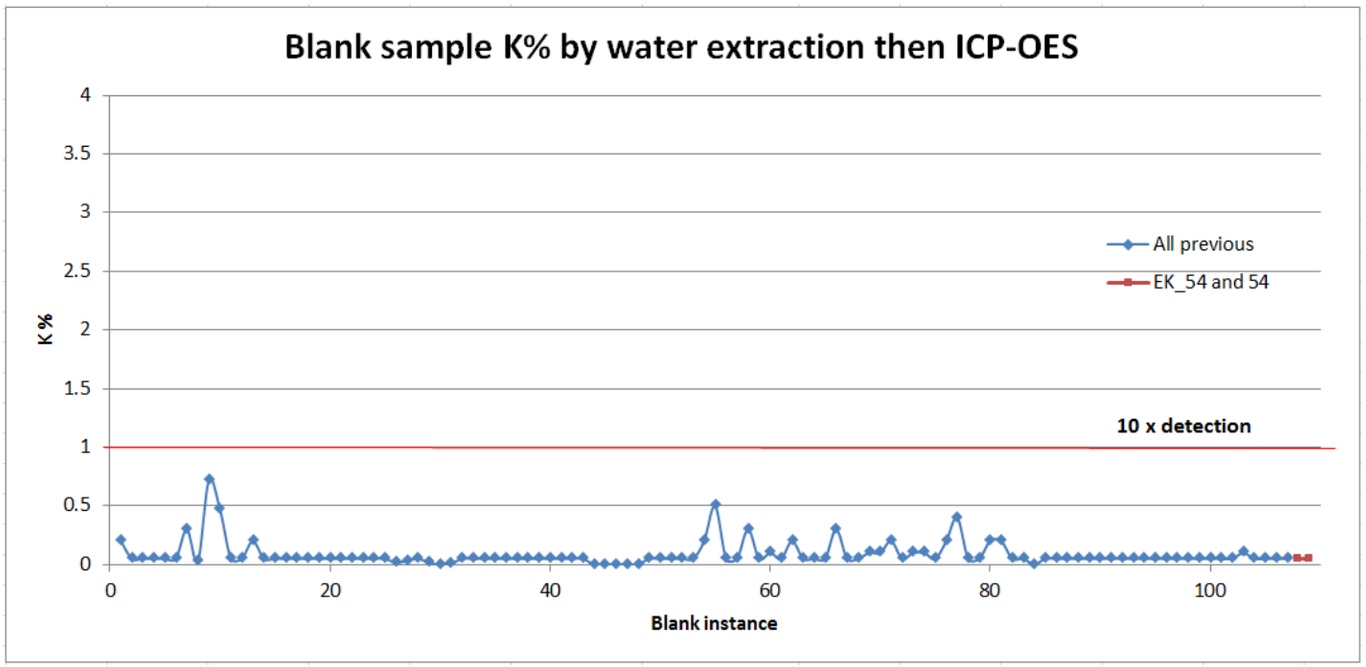

Figure A1

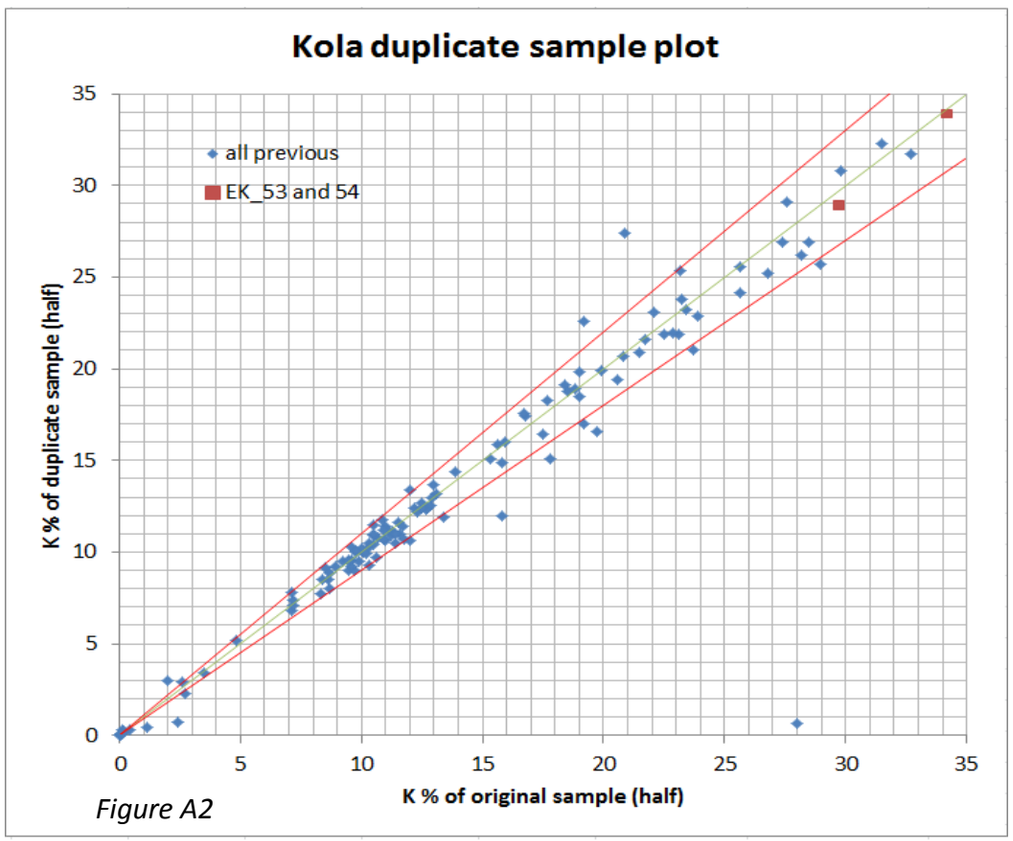

Figure A2

JORC Criteria	JORC Explanation	Commentary

6. QUALITY OF ASSAY DATA AND LABORATORY TESTS CONT'D

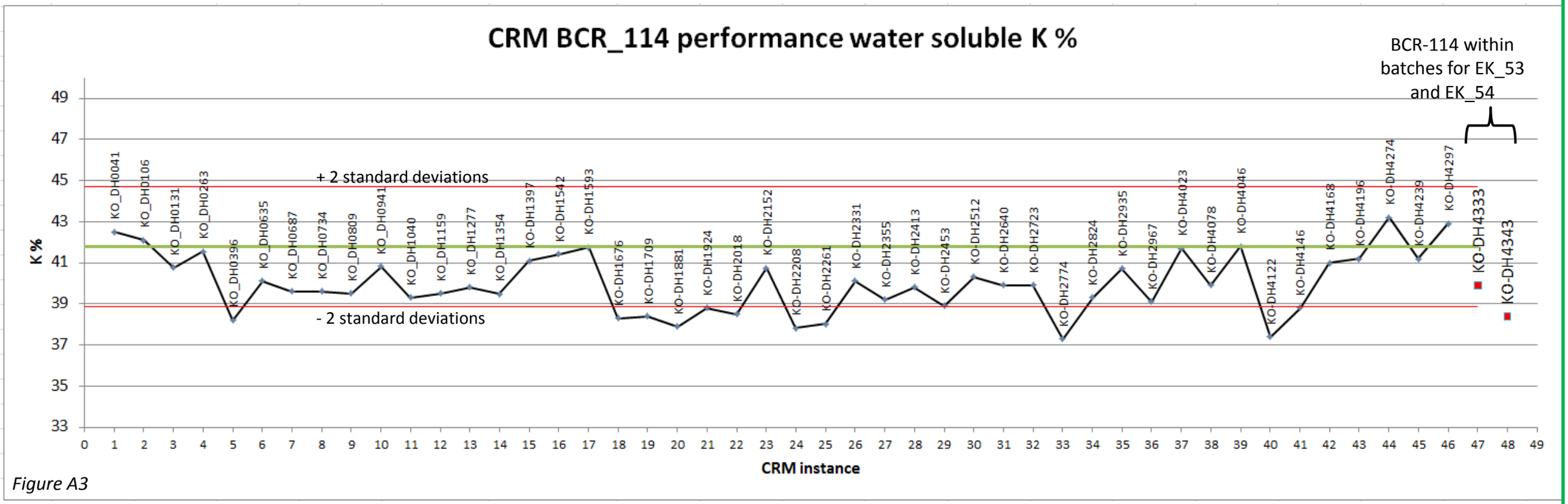

Figure A3

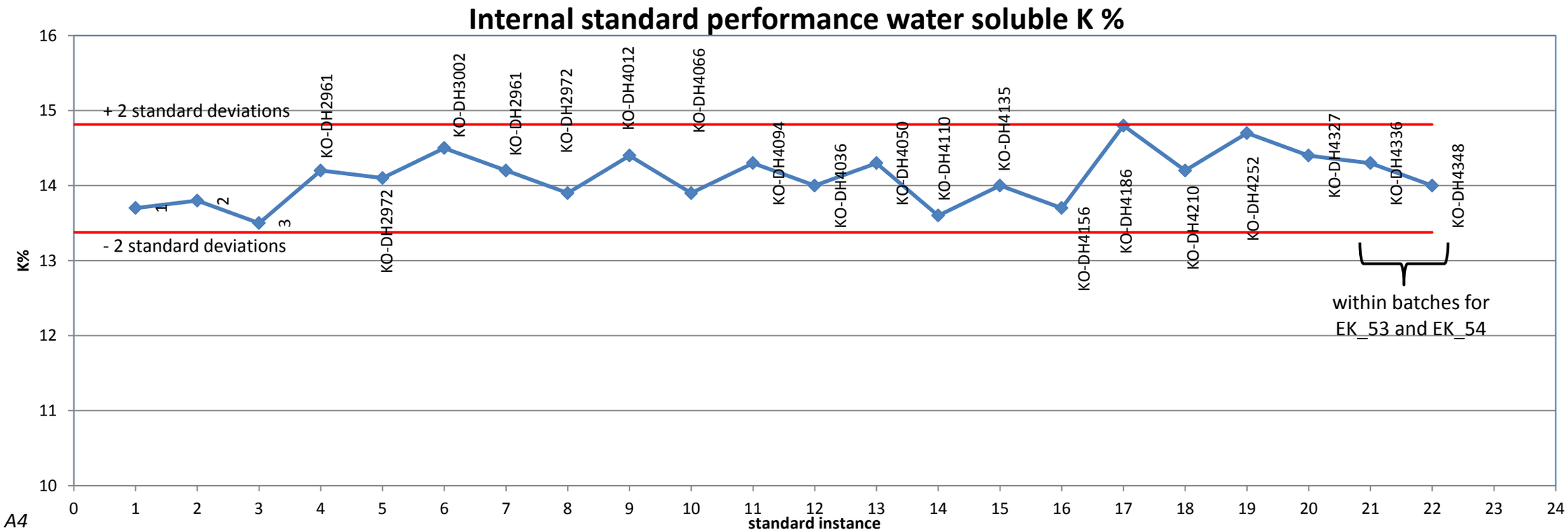

Figure A4

JORC Criteria	JORC Explanation	Commentary
7. VERIFICATION OF SAMPLING AND ASSAYING	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• KCl was originally reported based on conversion of downhole logged gamma-ray data. The comparison with the assay data is provided below. **Assay** / **gamma-ray** **Drill-hole** | **True thickness (m)** | **KCl %** | **True thickness (m)** | **KCl %** EK_53 | 2.22 | 61.9 | **2.20** | **52.0** EK_54 | 3.26 | 60.0 | **3.20** | **54.1** • Given that all other intersections of this seam to date have been between 53 and 63 % KCl and that the QA-QC data for the assay data supports accuracy of the analyses, it is likely that the previously reported grades based on the gamma-ray data understate the actual grade and that the assay results reflect the actual grade. • The intersections have not been verified by any independent personnel.
8. LOCATION OF DATA POINTS	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The holes were positioned using a handheld GPS and so is likely to be accurate to within 5-10 m laterally and 10-20 m vertically. The positions are given in UTM zone 32 S using WGS 84 datum (Table 2 of the announcement).
9. DATA SPACING AND DISTRIBUTION	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Figure 1 of the announcement shows the location of the drillholes which are 5.5 km apart • No compositing has taken place.
10. ORIENTATION OF DATA IN RELATION TO GEOLOGICAL STRUCTURE	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• EK_54 dip was close to horizontal and no correction required. EK_53 dip was 22 degrees, based on core measurement and ATV data and so a correction was made to obtain a true thickness which is reported. • The potash layers are massive and even in EK_53 do not present the possibility of sampling bias due to the moderate dip of the seam and there being no structures are present. The sample duplicate data further supports this.
11. SAMPLE SECURITY	• *The measures taken to ensure sample security.*	• All core is stored at the Koutou core shed at the project field camp/office. Core is wrapped in plastic film and sealed tube bags, and within an air-conditioned room (17-18 degrees C) to minimize deterioration.
12. AUDITS OR REVIEWS	• *The results of any audits or reviews of sampling techniques and data.*	• The Kore sampling procedure has been audited on several occasions by external parties but not the sampling or data specifically relating to EK_53 and EK_54 except by the Company's Chief Geologist
13. MINERAL TENEMENT AND LAND TENURE STATUS	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The intersections are within the Kola Mining Lease and the Dougou Mining Lease, which are held 100% under the local company Kola Mining SARL which is in turn held 100% by Sintoukola Potash SA of the RoC, of which Kore Potash holds a 97% share. • There are no impediments on the security of tenure.

Section 2 - Reporting of Exploration Results

JORC Criteria	JORC Explanation	Commentary
14. EXPLORATION DONE BY OTHER PARTIES	• *Acknowledgment and appraisal of exploration by other parties.*	• Potash exploration was carried out in the area in the1960's by Mines de Potasse d' Alsace SA (MDPA). Holes K6, K18, K19, K20, K21 are within or close to the existing Kola deposit, to the north of EK_53 and EK_54. MDPA also drilled several additional holes in 1988, including KOU4 and KOU23 which were located in the field by Kore. Historic gamma-ray images for these holes was interpreted by Kore as indicating the presence of Sylvinite. EK_53 and EK_54 were drilled 10 m and 15 m away from KOU4 and KOU23 respectively to confirm the interpretation.
15. GEOLOGY		• The potash seams are hosted by the 300-900 m thick Loeme Evaporite formation These sedimentary evaporite rocks belong to the Congo (Coastal) Basin which extends from the Cabinda enclave of Angola to southern from approximately 50 km and extending some 200-300 km offshore. The evaporites were deposited during the Aptian of the Lower Cretaceous, between 125 and 112 million years ago, 'proto Atlantic' seepage-fed sub-sea level basin following the break-up of Gondwana into the African and South America continents. The sedimentation was in a post-rift setting leading to the development of evaporite layers with great continuity; the evaporite is of the basin-wide 'mega-halite' (Warren 2010) • The evaporites formed by the cyclic evaporation of marine-water sourced, seepage-fed brines of basinwide extent ,each cycle generally following the expected brine evolution and resultant mineral precipitation model: dolomite then gypsum then halite then the bitterns of Mg and K as chlorides (as opposed to sulphates). Bittern minerals form when the brine is 60-95 times concentrated (over sea-water concentration). To precipitate the thick potash beds the system experienced prolonged periods within that range of brine concentration, when water inflows equaled losses. • Reflecting the chloride-Mg-K dominated brine composition, halite (NaCl), carnallite ($KMgCl_3 \cdot 6H_2O$) and bischofite ($MgCl_2 \cdot 6H_2O$) account for over 90% of the evaporite rocks. The mineral sylvite (KCl) forms by replacement of carnallitite in areas that have been affected by gentle undulation of the salt as at Kola. • The evaporite is covered by a thick 'cover sequence' (Fig. A5) of carbonate rocks (limestone and dolomitic rocks) and clastic sediments of Cretaceous age (Albian) to recent, which is between 170 and 270 m thick over the Kola deposit, and 327 m in EK_53, suggesting gradual dip of the stratigraphy southeastwards. At the top of the evaporite formation, above the salt dominated part (Salt Member) is an impermeable layer of anhydrite, gypsum and clay typically between 5 and 15 m thick (the Anhydrite Member). • The EK_53 and EK_54 intersections are considered to be along strike of the nearby Kola deposit in which potash is hosted by layers of Sylvinite (sylvite and halite) and Carnallitite (carnallite and halite). The sylvinite at Kola forms flat or gently dipping seams at depths of between 200 and 300 m below surface and are present over an area of approximately 12 km by 8 km. The area is one of gently undulating stratigraphy and overall elevation of the evaporite rocks forming a 'high', thought to be an important control on sylvinite formation. EK_53 is the southern most hole drilled and the HWS is at a depth of 350 m, deeper than within the existing resource area, supporting the interpretation of a very gentle plunge of the 'high' to the SE. • Stratigraphy can be correlated with that at the existing Kola Resource, taking into account a gentle dip towards the southeast (Fig. A6). Available seismic data suggests the host stratigraphy extends within the steadily narrowing 'high' bound laterally by half-graben features ('edges of high' on figure 1 of the announcement). • At Kola the evaporite stratigraphy is elevated over a broad area coinciding with older horst structures in the pre-rift and syn-rift rocks below the evaporite. Structures within an bounding the horst block were reactivated probably from the Oligocene onwards in response to uplift of the West African margin at this time (Spathopoulos, 1996). • Sylvinite formed by the replacement of carnallitite by gradual movement of brine through the upper part of the evaporite (Fig. A7). The process was very efficient; when converted no residual carnallite remains within the sylvite and the contact between the two is abrupt and within the seam, carnallitite is always below the sylvinite. • The contact between the anhydrite member and the underlying salt is an unconformity; the thickness of the Salt Member beneath this contact varies and is the principal control on the extent and distribution of the seams at Kola and is the reason why the uppermost seams such as the Hangingwall Seam are sometimes absent, and the lower seams such as the Upper and Lower Seam are preserved over most of the Kola deposit. • The most widely distributed sylvinite seams at Kola are the Upper and Lower Seams (Fig. A5) which grade between 28% and 35% KCl and average 4 m thick. These seams are always separated by 2.5 to 5m of rock salt. Sylvinite Hangingwall Seam is extremely high grade (typically 50-60% KCl) but is not as widely preserved as the Upper and Lower Seam. Where it does occur it is approximately 60 m above the Upper Seam. The Top Seams are a collection of narrow high grade seams 10-15 m above the Hangingwall Seam but are not considered for extraction at Kola as they are absent in most holes. • In EK_53 and EK_54 sylvinite is hosted by the Hangingwall Seam. The Upper and Lower seams are of Carnallitite. Some of the Top Seam is preserved. It is expected that an unknown distance lateral to the EK_53 and EK_54 intersections, gentle undulation of the seam may cause the Hangingwall seam to be truncated (if shallower laterally) or revert to carnallitite (if deeper laterally). Similarly, areas of sylvinite Upper and Lower Seam should be expected laterally. This model is illustrated in figure A7, for Kola. Additional drilling and the acquisition of new seismic data would be required to model this.

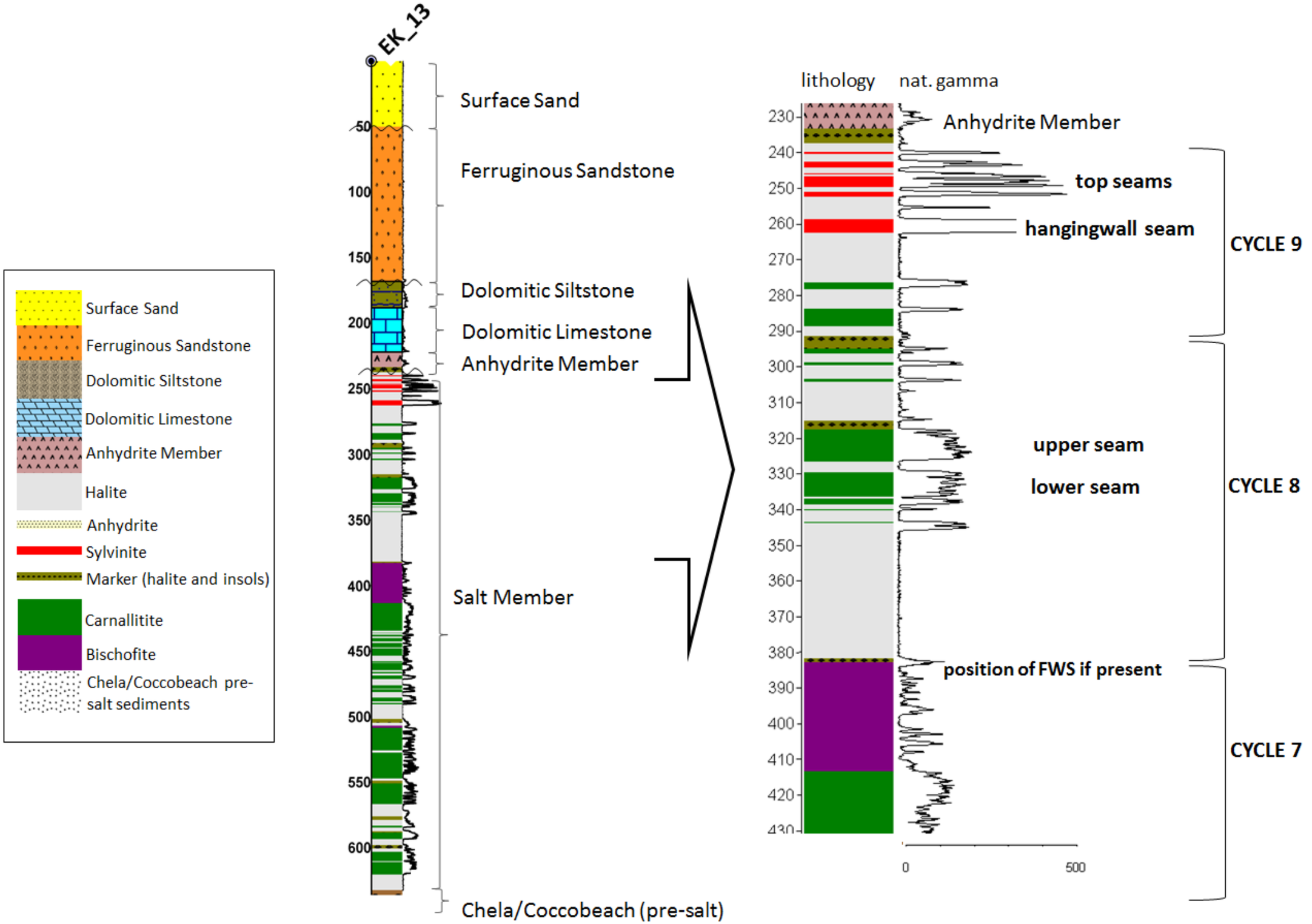

Figure A5. Typical geological column for the Kola area from surface to the (Chela/Coccobeach) sediments below the evaporite rocks, as intersected in EK_13 at Kola. On the right is a close-up of the upper part of the 'salt' hosting the important seams discussed in text. Note: in this hole the Hangingwall seam is also preserved and is sylvinite. The Upper and Lower seams are carnallitite.

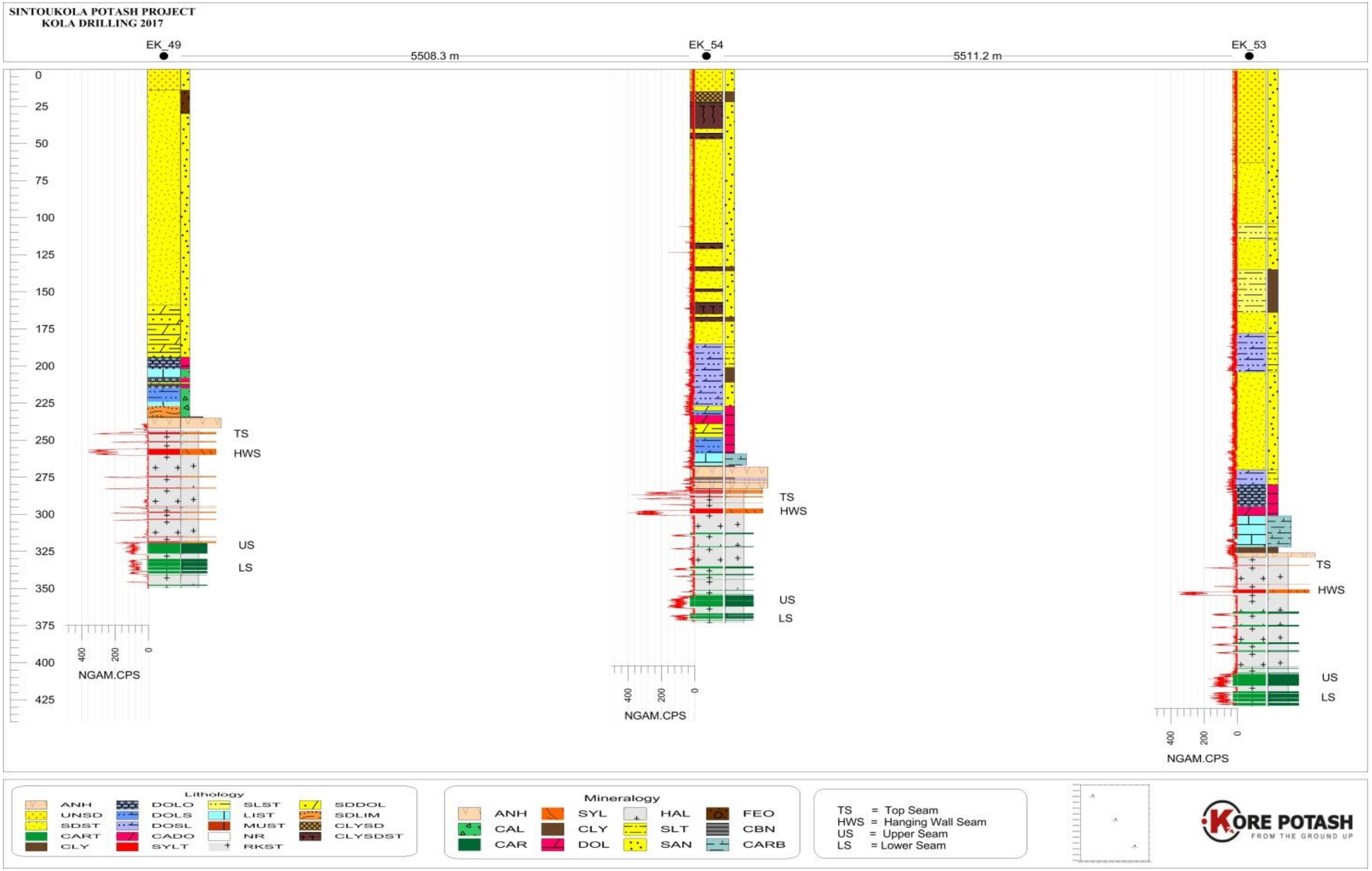

Figure A6. Figure 3. Stratigraphic logs for EK_53 and EK_54, with EK_49 (within the existing Kola resource) shown on the left. Key potash seams are labelled, including the sylvinite HWS. The ease of correlation between holes is apparent. Note, this not a cross-section, continuity of the host rocks is highly likely, but continuity of Sylvinite depends on a number of controls and would require additional exploration to establish.

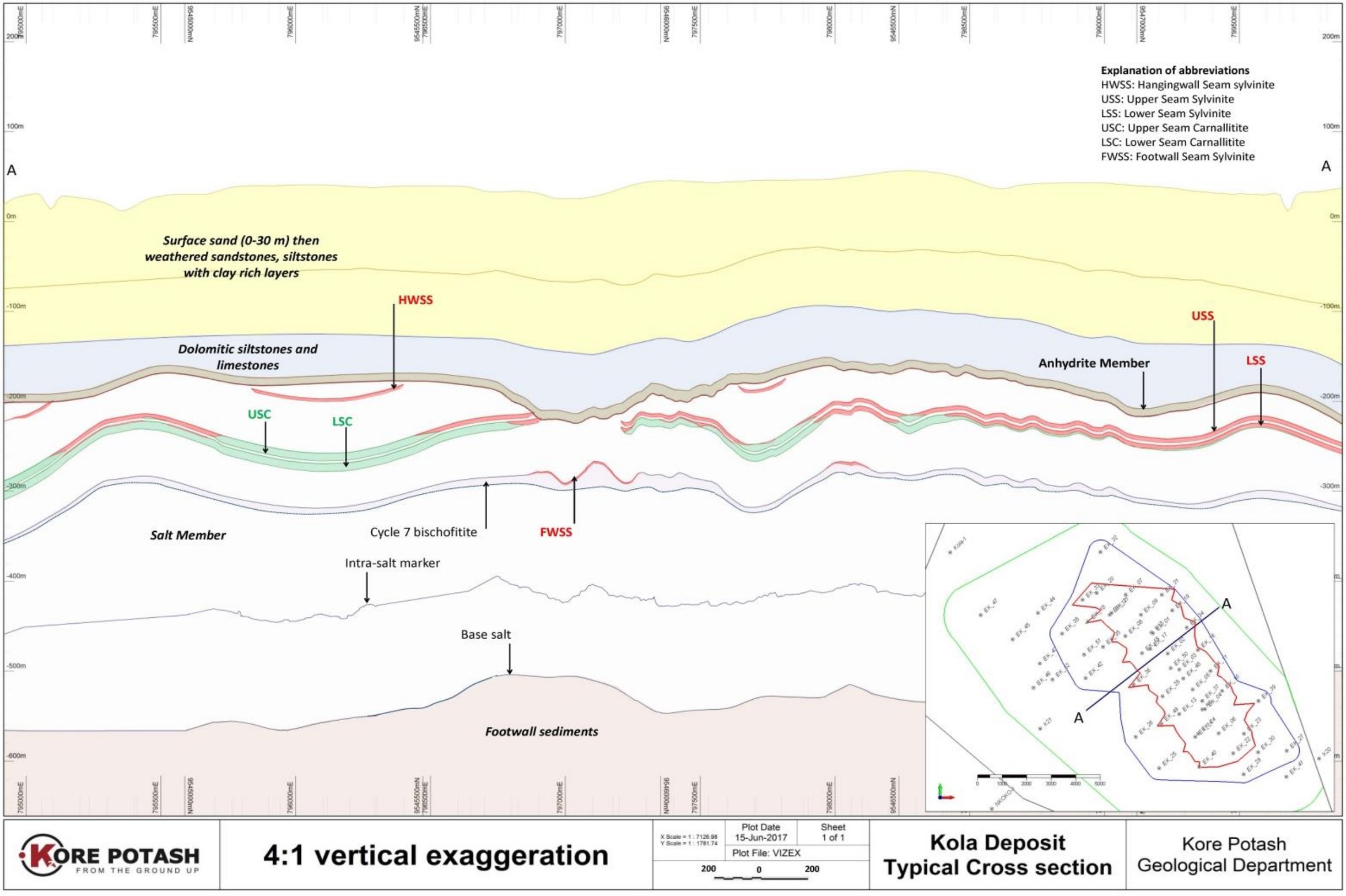

Figure A7. Typical Cross-section through the Kola deposit, several km to the north of EK_53 and EK_54. It is expected that the geological setting and model is very similar. Note the 4 x vertical exaggeration. Sylvinite shown in red. Carnallitite in green.

JORC Criteria	JORC Explanation	Commentary

16. DRILL HOLE INFORMATION	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The borehole collar positions of the holes are provided in Table 2 of the announcement, along with the final depth. Holes were drilled vertically and no significant deviation was reported in drillhole surveys. Positions of the hole in relation to other holes is shown in Figure 1 of the announcement.
		• Additional historical holes have been located in the field, in the area east of EK_54 and it is interpreted from limited information available that they contain further intersections of Sylvinite and Carnallitite, Hangingwall Seam, Upper Seam and Lower Seam but depths, seam thickness and mineralogy need to be confirmed by drilling. The information does however support the likely continuation of widespread Sylvinite in this area, and that the nature of the mineralisation as described in section 15 and illustrated in figure A5 is likely to be similar. This information corroborates the findings of the report.

17. DATA AGGREGATION METHODS	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• For the calculation of the grade over the full thickness of the seams, the standard length weight average method was used to combined results of each sample. • No selective cutting of high or low grade material was carried out as is deemed unjustified given the flat to gently dipping layered massive nature of the potash and absence of localised high grade patches. • There are no narrow higher grade samples or nuggets , in fact all samples within the HWS in EK_53 and EK_54 are between 56 and 66% KCl. • No metal equivalents were calculated.
18. RELATIONSHIP BETWEEN MINERALISATION WIDTHS AND INTERCEPT LENGTHS	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The sylvinite in EK_54 is perpendicular to the core axis and therefore the intersection is within 5% of the true width and so is reported as the true width. As stated in section 10 above, for EK_53 the reported interval has been corrected for an observed 22 degree dip of the seam.
19. DIAGRAMS	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams are provided, including maps, tables, lithological logs.
20. BALANCED REPORTING	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All relevant exploration data is reported. The reporting is balanced and not misleading in any way.

JORC Criteria	JORC Explanation	Commentary
21. OTHER SUBSTANTIVE EXPLORATION DATA	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The thickness of the rocksalt between the Sylvinite and the anhydrite member in EK_53 is 21.7 m which is in excess of the minimum requirement of 15 metres for mining. In EK_54 this interval is 13.5 metres so would need consideration; the minimum salt-back is under review for the DFS currently underway for Kola, it may be shown that it can be reduced in certain areas. • The insoluble content of the sylvinite in both holes is extremely low, being less than 0.15% in both holes.
22. FURTHER WORK	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• As mentioned in section 15, the geological model for Kola is one of seams that gently undulate; as a result, laterally the seams become truncated or revert to carnallitite, over a greater or lesser distance depending on the controlling 'geometries' at any particular point within the deposit. It should be assumed that that this will be the case in the area of EK_53 an EK_54. In order to model this, additional drilling and new seismic data would be required, potentially supporting the delineation of mineral resources. There is no plan currently for this work.

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