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**ISSUED CAPITAL**

(As at – 20 August 2018)  
 860,852,693 Ordinary Shares  
 AIM Code: KP2  
 ASX Code: KP2  
 JSE Code: KP2

## Maiden Sylvinite Mineral Resource at Dougou Extension

### 232 Million Tonnes grading 38.1 % KCl, including 67 Mt grading 60.1% KCl

London, England – 20 August 2018 – **Kore Potash plc** (ASX: KP2, AIM: KP2, JSE: KP2) ("**Kore Potash**" or "**the Company**"), the potash exploration and development company whose flagship asset is the 97%-owned Sintoukola Potash Project ("**Kola**") located within the Republic of Congo ("**RoC**"), is pleased to provide the first sylvinite Mineral Resource Estimate for the Dougou Extension Deposit (the "**Deposit**"), following drilling completed in 2017, and interpretation of earlier drilling and seismic survey data.

The Dougou Extension Deposit is located southwest of the Company's Kola sylvinite Deposit which has Measured and Indicated Mineral Resources of 508 Mt grading 35.4% KCl. Sylvinite is a rock type comprised primarily of the potash mineral sylvite (KCl) and halite (NaCl). Sylvinite is the most important source of Potash worldwide.

#### Highlights

- Total sylvinite Mineral Resources at Dougou Extension of **232 Mt of sylvinite grading 38.1% KCl**, comprised of:
  - **Indicated Mineral Resource of 111 Mt sylvinite grading 37.2% KCl**, and
  - **Inferred Mineral Resource of 121 Mt sylvinite grading 38.9 %KCl.**
- The Deposit is contained within two horizontal or gently dipping sylvinite seams, the Hangingwall Seam (HWS) and the Top Seam (TS). **The Hangingwall Seam is very high grade, containing 67 Mt grading 60.1% KCl.**
- Dougou Extension is the **Company's third potash Deposit** along with the Kola sylvinite Deposit and the Dougou carnallite Deposit and takes **Kore's total sylvinite Mineral Resource to 1 billion tonnes**
- The **shallow seams** within this new Deposit are 310 metres and 490 metres below surface and are situated at the southern end of an area approximately **30 km long** and up to **12 km wide**, that remains **prospective for additional sylvinite mineralisation** (Figure 1).
- The Deposit is situated **15 km from the Company's planned processing and export facility for the Kola Project**, on the Atlantic coast. The sylvinite has **extremely low amounts of insoluble material and magnesium**, less than 0.3% and 0.1% respectively, which is **advantageous for low cost Muriate of Potash (MoP) production.**
- This Deposit adds to the Company's **Kola sylvinite Deposit, increasing the Company's total sylvinite Mineral Resources by 27% to 1.08 billion tonnes with an average grade of 35.5% KCl** (Table 4).

- The Dougou Extension Mineral Resource has potential to provide additional feed to **increase the processing life at the planned Kola Project** and/or to contribute to an **increase in scale of the Kola project**. These options are planned to be assessed by the Company following completion of the Kola Definitive Feasibility Study.

**Brad Sampson, CEO of Kore, commented:**

*“The maiden sylvinite Mineral Resources at Dougou Extension brings a third deposit within our permits in the Republic of Congo, and reinforces our view that this new basin hosts large globally important, shallow, and high-grade potash Deposits. We remain excited with the potential for these Deposits to supply potash to African and International agrinutrient markets for multiple generations”.*

*“With the development of Kola our primary focus, this new Deposit creates potential for sylvinite from Dougou Extension to be processed at the planned Kola facility and provides yet more evidence that the start of production from this world-class basin will be a disruptive force in the fertiliser sector for decades to come.”*

**Table 1. Sylvinite Mineral Resource Estimate for the Dougou Extension Deposit**, dated 20 August 2018 using a 15% KCl cut-off grade, reported in accordance with JORC 2012.

| Seam                              | Category     | Million Tonnes of Sylvinite | Grade (KCl %) | Average seam thickness (m) |
|-----------------------------------|--------------|-----------------------------|---------------|----------------------------|
| HWS                               | Indicated    | 30                          | 58.8          | 3.8                        |
| HWS                               | Inferred     | 37                          | 61.2          | 3.4                        |
| <b>HWS</b>                        | <b>TOTAL</b> | <b>67</b>                   | <b>60.1</b>   | <b>3.6</b>                 |
| TS                                | Indicated    | 81                          | 29.3          | 5.4                        |
| TS                                | Inferred     | 84                          | 29.0          | 5.1                        |
| <b>TS</b>                         | <b>TOTAL</b> | <b>165</b>                  | <b>29.1</b>   | <b>5.2</b>                 |
| <b>TOTAL INDICATED</b>            |              | <b>111</b>                  | <b>37.2</b>   | <b>5.0</b>                 |
| <b>TOTAL INFERRED</b>             |              | <b>121</b>                  | <b>38.9</b>   | <b>4.6</b>                 |
| <b>TOTAL INDICATED + INFERRED</b> |              | <b>232</b>                  | <b>38.1</b>   | <b>4.7</b>                 |

**Location**

The Dougou Extension Sylvinite Deposit is located in the Koulou District of the Republic of Congo, within the Company's Dougou mining permit. The Deposit is situated approximately 15 kilometres southeast of the Company's Kola Deposit, close to the infrastructure corridor linking Kola with the planned process plant and export facility on the Atlantic coast (Figure 1).

## Strategic Importance

Historically, the Republic of the Congo was an important supplier of MoP to international markets. Between 1969 and 1977 one mining operation in the RoC produced up to 450,000 tonnes per annum of MoP and the presence of Potash in the RoC is well known.

The Company's Preliminary Feasibility Study for the Sintoukola Project ("Kola") indicated that a mining and processing operation to produce MoP at Kola could produce MoP to supply international markets at very low costs of production. The Company subsequently engaged a consortium of French engineering companies who are currently completing a Definitive Feasibility Study on the Kola Project.

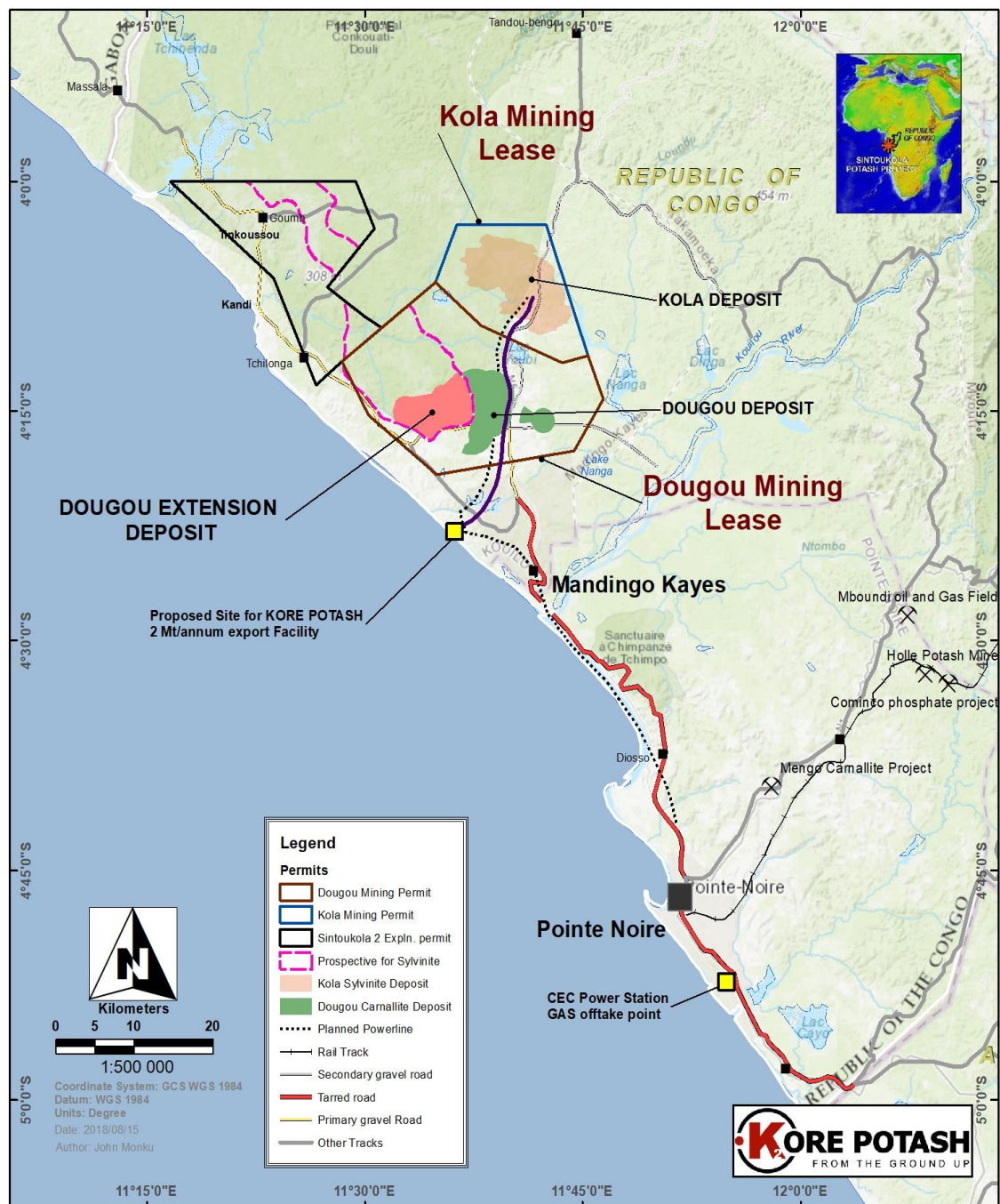
Dougou Extension is the Company's third potash Deposit along with the Kola sylvinite Deposit and the Dougou carnallite Deposit (Table 4).

The Dougou Extension Mineral Resources increase the Company's total sylvinite Mineral Resources by 27% to 1.08 billion tonnes with an average grade of 35.5% KCl (Table 4).

This Deposit is located approximately 15 kilometres from the potash processing plant the Company is planning to construct for the Kola project (Figure 1). With transport distances to the planned processing plant approximately half that of Kola sylvinite and similar chemical properties to the Kola sylvinite, this Deposit may be suitable to supply feed into the planned Kola plant.

Potential exists for sylvinite from this Deposit to increase the operating life and/or the production rate of Kore's planned operations in the RoC.

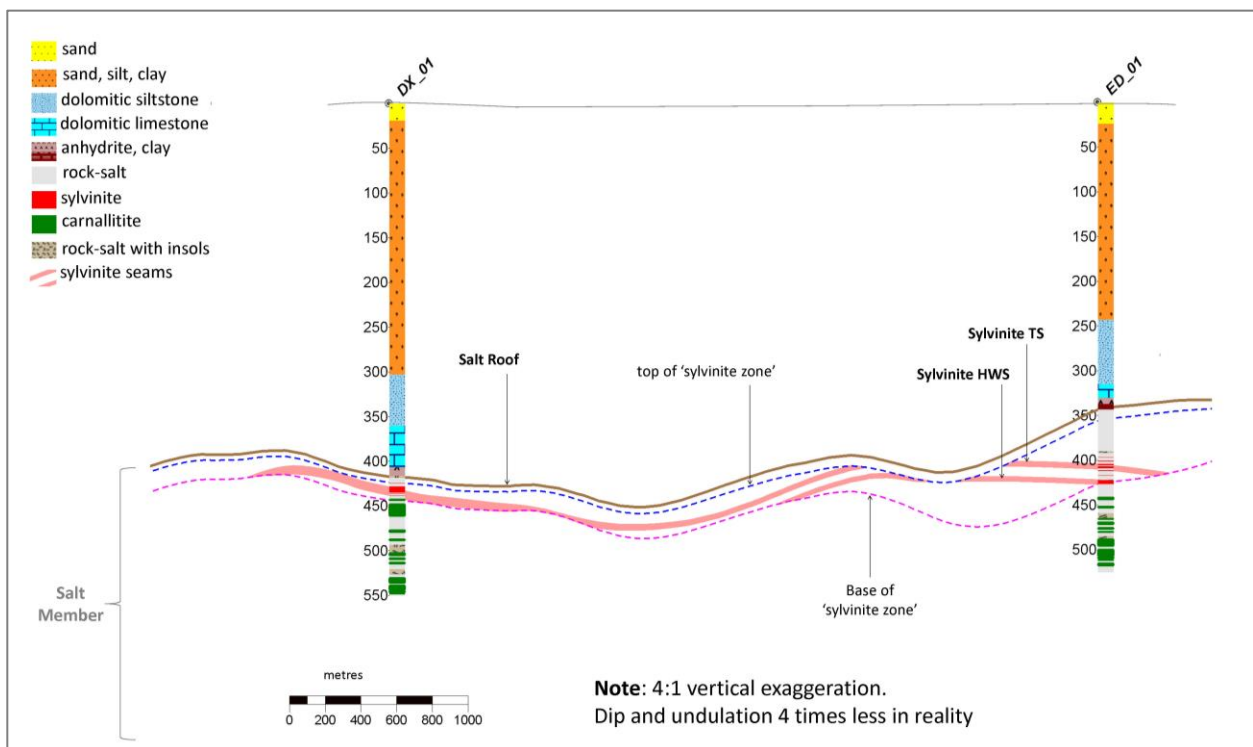
Kore Potash's permits shown in Figure 1 cover 955 km<sup>2</sup> of the onshore Congo sedimentary Basin and the Company's exploration activity has confirmed that these permits hosts extensive sylvinite and carnallite potash mineralisation. Dougou Extension is at the southern end of a zone 30 km in length and 5 to 12 km wide (Figure 1), recognised by the Company as being prospective for additional sylvinite based on the structural setting interpreted from 2D seismic survey data. The Company intends assess these strategic options further after the completion of the Kola Definitive Feasibility study which is underway.



**Figure 1. Dougou Extension Deposit location at the southern end of the prospective zone for sylvinitic**

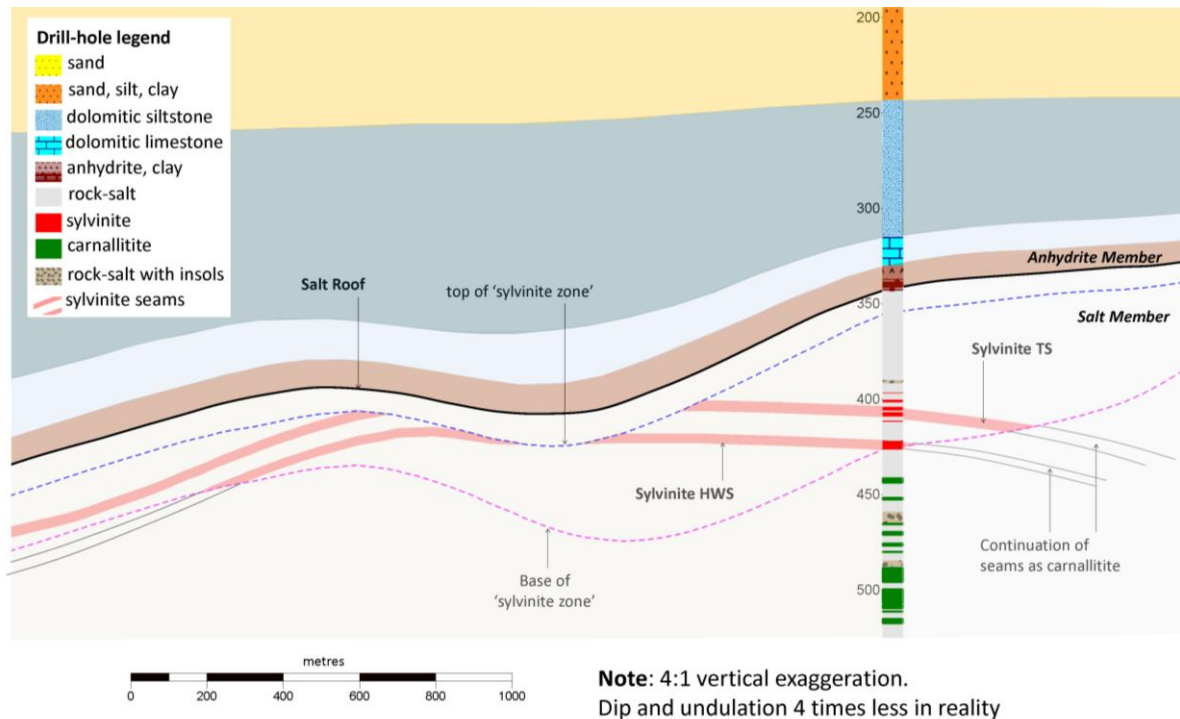
## Geology

The sylvinite at Dougou Extension is contained within two seams, the Hangingwall Seam (HWS) and the Top Seam (TS), separated by between 10 and 15 m of rock-salt (Figures 2 and 3). The seams are at a depth of between 310 metres and 490 metres below surface. These seams sit within the upper part of a 400-500 m thick Salt Member (or 'Salt'). The Salt is capped by a thick layer (10-16 m) of clay and anhydrite (Figure 3).



At Dougou Extension, sylvinite formed via replacement of pre-existing carnallite (carnallite is a rock type comprised primarily of the potash mineral carnallite ( $\text{KMgCl}_3 \cdot 6\text{H}_2\text{O}$ ) and halite) within the upper 40-80 metres of the Salt. Below this depth the TS and HWS are carnallite. The Mineral Resource Estimate excludes all carnallite. The HWS and TS are flat or gently dipping (mostly less than 5 degrees) and have an average thickness of 3.6 and 5.2 metres respectively. The Mineral Resources within the HWS are approximately twice the grade of those contained in the TS, being comprised of approximately 60% of the mineral sylvite.





**Figure 3. Close-up of part of figure 2 showing important aspects of the resource model in cross-section.**

Sylvinite is overlain by massive rock-salt and as at the nearby Kola Deposit, the sylvinite and immediate host rock have extremely low amounts of insoluble material and magnesium. All drill-hole intersections of the HWS and TS at Dougou Extension contain less than 0.3% insolubles and less than 0.1% of magnesium.

The eastern extent of the Deposit is bound by the Dougou carnallite Deposit, in which carnallite is contained within the HWS, TS and two deeper seams.

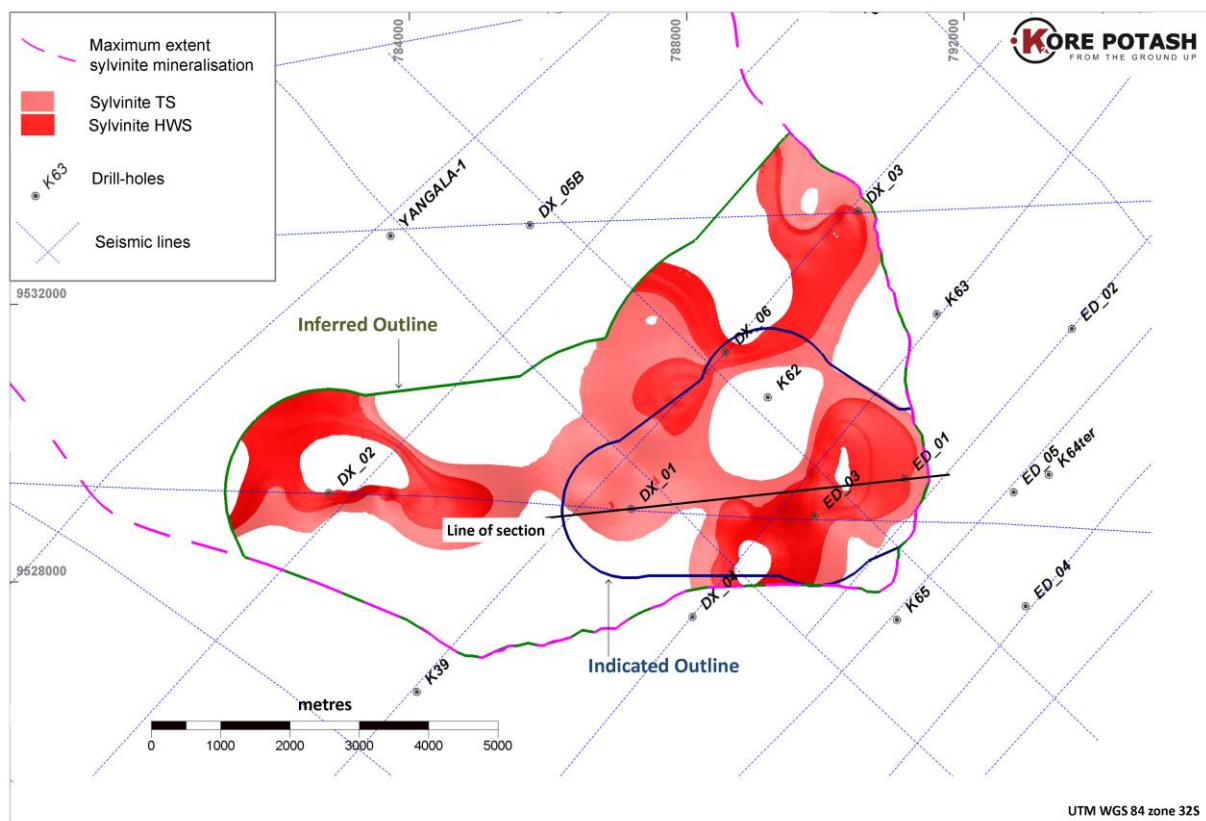
## Exploration Data

The Mineral Resource Estimate was based upon data for 13 holes within or around the deposit area, drilled by Kore or previous explorers. The interpretation of approximately 160 line km of oil-industry 2D seismic survey data aided modelling of surfaces between the drill-holes. Six drill-holes within the Mineral Resource extent intersected sylvinite in either the HWS or TS or in both seams. These intersections are listed in Table 3. Kore's drill-holes were made by diamond coring of the Salt, using a tri-salt brine to achieve over 95% recovery. Core is either of PQ or HQ size (85 or 65 mm diameter) and samples were sawn half-core of between 0.1 and 0.2 m length. All samples were submitted to Intertek in Perth where they were crushed to a nominal 2 mm size and then riffle split to derive a 100 g sample for 'pulp' then analysis by ICP-OES. All of Kore's assay data was subject to Industry Standard QA-QC procedure, from sampling through to analysis. Holes DX\_05B and DX\_06 stopped above the Salt Member.

## Mineral Resource Model and Estimate

The Mineral Resources were estimated by Kore and the MSA Group of Johannesburg (MSA), prepared in accordance with the JORC 2012 guidelines.

The important surfaces were modelled from the drill-hole and seismic data, these being the roof of the Salt and the roof of the HWS and TS. Seam mineralogy (sylvinite or carnallite) and the seam thickness was then modelled using drill-hole intersections coupled with surfaces for the top and base of the 'sylvinite zone', based on the drill-hole data, as illustrated in Figures 2 and 3. Estimation of the thickness of the seams and intervening rock-salt used inverse distance weighting cubed (IDW<sup>3</sup>). Within the 'sylvinite zone', if the seams are present they are sylvinite. Below the 'sylvinite zone' the seams are carnallite and above it, immediately below the Salt roof the seams are leached (no KCl content). To reflect the unconformity at the top of the Salt the seam model was 'truncated' by the Salt roof surface. The lateral extent of the sylvinite was also controlled in plan-view by the 'maximum extent of sylvinite' shown as a dashed pink line on Figure 4, which is a conservative limit for sylvinite mineralization based on interpretation of seismic and drill-hole data, and also forms the boundary with the Dougou carnallite Deposit.



**Figure 4. Top seam and Hangingwall Seam sylvinite in plan-view, and limits of the Indicated and Inferred Mineral Resources. Figure 2 provides the cross section along the "line of section".**

The potash grade (KCl %) was estimated by inverse distance weighting squared (IDW<sup>2</sup>) of composited 'assay data' for sylvinite intersections, into a 50 by 50 m block model.

The average bulk density of the HWS sylvinite is 2.02 g/cm<sup>3</sup> and the TS is 2.11 g/cm<sup>3</sup>. The bulk densities were based on grade as KCl% is directly proportional to the proportion of the minerals sylvite (density 1.99 g/ cm<sup>3</sup>) and halite (density 2.16 g/ cm<sup>3</sup>) present, and are supported by a large amount of pycnometer and other check data.

All blocks with a height of less than 1 metre were excluded from the MRE. An additional 10% reduction of the MRE tonnage was made to account for un-modelled geological losses that may or may not affect the deposit.

### Mineral Resource Classification

The limits of Inferred and Indicated Mineral Resources are based on the support data spacing summarised below. Seismic survey data on 1.5 to 2.4 km spaced lines is present over both the Inferred and Indicated Mineral Resources.

- Indicated Mineral Resources limited to sylvinite within an area guided by a 1.0 km radius of the drill-holes DX\_01, K62, ED\_03, ED\_01
- Inferred Mineral Resources limited to sylvinite within an area guided by a 2.5 km radius of inner holes, and a 1.5 km radius beyond 'outer' holes, and excludes the Indicated Mineral Resource area.

Both Inferred and Indicated 'outlines' were then cut by a boundary interpreted to be the maximum extent of sylvinite

**Appendix 1 contains the JORC 2012 'Table 1' Checklist for the reporting of Exploration results, Mineral Resources and Ore Reserves.**

**Table 2. Drill-hole collar positions for all holes within the Dougou Extension Deposit area.** (UTM zone 32 S, WGS84 datum). All holes were drilled vertically.

| Company     | BH ID | East m | North m | Elevation m | Depth m |
|-------------|-------|--------|---------|-------------|---------|
| Kore Potash | ED_01 | 791145 | 9529491 | 55.29       | 525.15  |
| Kore Potash | ED_03 | 789849 | 9528941 | 62.94       | 492.15  |
| Kore Potash | DX_01 | 787204 | 9529046 | 54.08       | 551.73  |
| Kore Potash | DX_02 | 782841 | 9529280 | 43.10       | 484.38  |
| Kore Potash | DX_03 | 790477 | 9533344 | 55.50       | 421.88  |
| Historic    | K52   | 791163 | 9529489 | 56.57       | 1050    |
| Historic    | K62   | 789179 | 9530654 | 59.79       | 531     |



**Table 3. All intersections of the TS and HWS within the Dougou Extension Deposit area.**

| Drill-hole                                  | Seam             | Mineralogy | Depth From (m) | Depth To (m) | True Thickness (m) | KCl % by assay |
|---|------------------|------------|----------------|--------------|--------------------|----------------|
| ED_01                                       | Top Seam         | Sylvinite  | 403.98         | 409.14       | 5.16               | 31.8           |
|   | Hangingwall Seam | Sylvinite  | 421.93         | 426.40       | 4.47               | 57.7           |
| ED_03                                       | Top Seam         | halite     | 385.60         | 387.60       | 2.00               | 0.0            |
|   | Hangingwall Seam | Sylvinite  | 398.95         | 403.16       | 4.21               | 59.5           |
| DX_01                                       | Top Seam         | Sylvinite  | 428.84         | 437.59       | 8.75               | 27.2           |
|   | Hangingwall Seam | Carnallite | 449.40         | 462.35       | 12.95              | 24.6           |
| DX_02                                       | Top Seam         | truncated  | -              | -            | -                  | -              |
|   | Hangingwall Seam | Sylvinite  | 429.40         | 430.43       | 0.93               | 61.6           |
| DX_03                                       | Top Seam         | Sylvinite  | 309.43         | 314.30       | 4.87               | 29.9           |
|   | Hangingwall Seam | Sylvinite  | 323.90         | 324.51       | 0.61               | 62.9           |
|   | Hangingwall Seam | Carnallite | 324.51         | 336.90       | 12.39              | 25.1           |
| K52 Historic potash hole (twinned by ED_01) | Top Seam         | Sylvinite  | 406.15         | 411.02       | 4.87               | 31.9           |
|   | Hangingwall Seam | Sylvinite  | 423.55         | 427.16       | 3.61               | 57.5           |
| K62 Historic potash hole                    | Top Seam         | Carnallite | 440.41         | 449.10       | 8.69               | 19.1           |
|   | Hangingwall Seam | Carnallite | 455.42         | 461.98       | 6.56               | 24.3           |

**Table 4. Kore's Potash Mineral Resources, provided as Gross and Net Attributable (to Kore's 97% holding)**

## KOLA SYLVINITE DEPOSIT

| Mineral Resource Category             | Gross          |             |                              | Net Attributable |             |                              |
|---------------------------------------|----------------|-------------|------------------------------|------------------|-------------|------------------------------|
|                                       | 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                          |
| <b>Sub-Total Measured + Indicated</b> | <b>508</b>     | <b>35.4</b> | <b>180</b>                   | <b>492</b>       | <b>35.4</b> | <b>174</b>                   |
| Inferred                              | 340            | 34.0        | 116                          | 330              | 34.0        | 112                          |
| <b>TOTAL</b>                          | <b>848</b>     | <b>34.8</b> | <b>295</b>                   | <b>822</b>       | <b>34.8</b> | <b>286</b>                   |

## DOUGOU EXTENSION SYLVINITE DEPOSIT

| Mineral Resource Category             | Gross          |             |                              | Net Attributable |             |                              |
|---------------------------------------|----------------|-------------|------------------------------|------------------|-------------|------------------------------|
|                                       | 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                           |
| <b>Sub-Total Measured + Indicated</b> | 111            | 37.2        | 41                           | 108              | 37.2        | 40                           |
| Inferred                              | 121            | 38.9        | 47                           | 117              | 38.9        | 46                           |
| <b>TOTAL</b>                          | <b>232</b>     | <b>38.1</b> | <b>88</b>                    | <b>225</b>       | <b>38.1</b> | <b>85</b>                    |

## TOTAL SYLVINITE, KOLA & DOUGOU EXTENSION DEPOSITS COMBINED

|                                 |       |      |     |       |      |     |
|---------------------------------|-------|------|-----|-------|------|-----|
| Measured + Indicated + Inferred | 1,080 | 35.5 | 384 | 1,048 | 35.5 | 372 |
|---------------------------------|-------|------|-----|-------|------|-----|

## DOUGOU CARNALLITE DEPOSIT

| Mineral Resource Category             | Gross          |             |                              | Net Attributable |             |                              |
|---------------------------------------|----------------|-------------|------------------------------|------------------|-------------|------------------------------|
|                                       | 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                          |
| <b>Sub-Total Measured + Indicated</b> | 1,068          | 20.6        | 220                          | 1,036            | 20.6        | 214                          |
| Inferred                              | 1,988          | 20.8        | 414                          | 1,928            | 20.8        | 401                          |
| <b>TOTAL</b>                          | <b>3,056</b>   | <b>20.7</b> | <b>634</b>                   | <b>2,964</b>     | <b>20.7</b> | <b>615</b>                   |

## KOLA CARNALLITE DEPOSIT

| Mineral Resource Category             | Gross          |             |                              | Net Attributable |             |                              |
|---------------------------------------|----------------|-------------|------------------------------|------------------|-------------|------------------------------|
|                                       | 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                           |
| <b>Sub-Total Measured + Indicated</b> | 783            | 18.1        | 142                          | 760              | 18.1        | 138                          |
| Inferred                              | 1,266          | 18.7        | 236                          | 1,228            | 18.7        | 229                          |
| <b>TOTAL</b>                          | <b>2,049</b>   | <b>18.5</b> | <b>378</b>                   | <b>1,988</b>     | <b>18.5</b> | <b>367</b>                   |

**Table 4 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. 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 Mineral Resource Estimate was reported on the 20 of August 2018; the CP is Mr. Andrew Pedley of Kore Potash. The Dougou Extension MRE is reported using a CoG of 15% KCl.
- The Dougou Mineral Resource Estimate was reported on the 9 February 2015; the Competent Persons are Dr. Sebastiaan van der Klauw and Ms. Jana Neubert of ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN").
- 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.

**Competent Person Statement**

All information in this report that relates to the Mineral Resource Estimate for the Dougou Extension Deposit 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.

**Forward-Looking Statements**

This 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 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 Mineral 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.

– ENDS –

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[www.korepotash.com](http://www.korepotash.com)

## About Kore Potash's Projects

Kore Potash (ASX: KP2) is an advanced stage mineral exploration and development company whose primary asset is 97%-owned interest in the Sintoukola project, a potash project located in the Republic of Congo. The Sintoukola project comprises the Kola sylvinite Deposit, Dougou Extension sylvinite Deposit and the Dougou carnallite Deposit. These deposits are within the Kola and Dougou Mining Permits.

These projects are located approximately 80 km to the north of the city of Pointe Noire which has a major port facility, and within 30 km of 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 sylvinite Deposit** has a Measured and Indicated sylvinite Mineral Resource Estimate of 508 Mt grading 35.4 % KCl<sup>1</sup>. The deposit is 'open' laterally; future exploration, if carried out may support further increase in the extent of the deposit. A Definitive Feasibility Study ("DFS") which is underway, being conducted by a consortium of world class engineering and construction companies consisting of Technip France, Vinci Construction Grands Projets, Egis International and Louis Dreyfus Armateurs SAS (the "French Consortium" or the "FC"). The DFS contract was signed on 28 February 2017 and the study will be presented to Kore for review in September 2018.

**The Dougou Extension sylvinite Deposit** contains a total sylvinite Mineral Resource Estimate of 232 Mt grading 38.1% KCl (as reported herein), hosted by two seams. The resource includes 67 Mt grading 60.1 Mt. Dougou Extension is located 15 km southwest of Kola. The deposit is 'open' to the north; future exploration, if carried out may support an increase in the size of the deposit.

**The Dougou carnallite Deposit** immediately east of Dougou Extension, is very large, having 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 carnallite within 4 flat-lying seams<sup>2</sup>. A Scoping Study was completed by ERCOSPLAN of Germany in February 2015<sup>3</sup>. 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.

1: Announcement dated 6 July 2017: Updated Mineral Resource for the High-Grade Kola Deposit

2: Announcement dated 9 February 2015: Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit.

3: Announcement dated 17 February 2015: Results for the Dougou Potash Project Scoping Study

## APPENDIX 1. JORC 2012 Table 1

### Abbreviations used:

- DX: Dougou Extension
- MRE: Mineral Resource Estimate
- TS: Top Seam
- HWS: Hangingwall Seam

### Section 1 - Sampling Techniques and Data

| JORC Criteria                   | JORC Explanation   | Commentary  |
|---------------------------------|--|---|
| <b>1.1 SAMPLING TECHNIQUES</b>  | <ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>Sampling of Kore's holes was carried out according to a standard operating procedure (SOP) beginning at the drill rig. Diligent implementation of the SOP is monitored internally, and has been reviewed by external parties. Holes were drilled to either PQ or HQ size (85 or 65 mm core diameter).</li> <li>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, with the blade and core holder cleaned down between samples. Samples were individually bagged and sealed.</li> <li>In all cases, core was cut along a 'centre-line' marked such that both halves are as close to identical as possible, most relevant where layers are gently dipping.</li> <li>At the laboratory samples were crushed to nominal 2 mm then riffle split to derive a 100 g sample for analysis.</li> <li>Historical holes were drilled by Mines de Potasse d' Alsace S.A (MDPA) during the late 1960's and early 1970's. There is no description of the sampling methodology for these holes. K52 was the only historical hole used in the estimate of grade for the DX MRE and was twinned by Kore's hole ED_01 (20 m away) to validate the historic grade and geology data.</li> <li>Further discussion on sampling representivity is provided in section 1.5.</li> </ul> |
| <b>1.2. DRILLING TECHNIQUES</b> | <ul style="list-style-type: none"> <li>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).</li> </ul>  | <ul style="list-style-type: none"> <li>Holes were drilled in two stages. Rotary Percussion (12 then 8 inch or similar diameter) 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 acceptable recovery (over 95%). Coring was HQ (65 mm core diameter) or PQ (85 mm core diameter). All holes were drilled vertically.</li> </ul>   |



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| <b>1.3. DRILL SAMPLE RECOVERY</b>                         | <ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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.</i></li> </ul>                            | <ul style="list-style-type: none"> <li>• Core recovery was recorded for all cored sections of Kore Potash's 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. A fulltime mud engineer was recruited to maintain drilling mud chemistry and physical properties. Mud properties are recorded in drilling reports for each hole.</li> <li>• 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.</li> <li>• Recovery data is not available for all historic boreholes. Those that are available report &gt;95%. K52 is the only historical hole used in the grade estimate and was twinned by ED_01 (20 m away; the results of which strongly support the reliability of the K52 assay data.</li> <li>• Reflecting the good core recovery there are no concerns relating to bias due to selection recovery/loss. The twin-hole data indicates that this is also applicable to K52.</li> </ul>  |
| <b>1.4. LOGGING</b>                                       | <ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The entire length of Kore's holes were logged geologically, from rotary chips in the 'cover sequence' and from the core in the evaporite, according to an SOP and using a set format. Logging is qualitative and supported by quantitative downhole geophysical data including gamma, acoustic televiewer images, which provides an additional check on conventional core logging due to the clear gamma response of the potash layers; the gamma data also clearly identifies sylvinite from carnallite.</li> <li>• Both potash types are easily identified in core; sylvinite is typically reddish or pinkish in colour and medium grained. Carnallite is coarser grained, greasy and orange in colour.</li> <li>• Due to the conformable nature of the evaporite stratigraphy and the observed continuity and abrupt nature of contacts, recognition of the potash seams can be made with a high degree of confidence. Core was photographed to provide an additional reference and record.</li> <li>• High quality geological logs were available for historic potash exploration holes used in the model, based on cored holes. The Company's twinning of K52 provided confirmation of the reliability of these historic logs. For historic oil well Yangala-1 the original geological logging was based on rotary cuttings and so is less detailed. The positions of the seams in these holes was interpreted by Kore.</li> </ul> |
| <b>1.5 SUB-SAMPLING TECHNIQUES AND SAMPLE PREPARATION</b> | <ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Kore's samples were sawn as described above, into two halves. One half was retained at site as a record, and one half sent in a batch of samples to the laboratory, Intertek of Perth.</li> <li>• 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</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>  | <p>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.</p> <ul style="list-style-type: none"> <li>• The field duplicates and the laboratory duplicate data supports that the sample size and the sub-sampling procedures are appropriate. This is partially a reflection of the massive layered nature of the mineralisation, with layering that is generally close to perpendicular to the core axis.</li> </ul>  |
| <b>1.6 QUALITY OF ASSAY DATA AND LABORATORY TESTS</b> | <ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul> | <ul style="list-style-type: none"> <li>• All analyses were carried out at Intertek in Perth. At the laboratory, samples were crushed to nominal 2 mm then riffle split to derive 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 completed as a check on the mass balance.</li> <li>• A full QA-QC programme of insertion of blanks, duplicates and standards to assess repeatability 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. QA-QC samples make up 17% of the total number of samples submitted which is in line with industry norms. Sample chain of custody was secure from point of sampling to point of reporting</li> <li>• In addition to Kore's drill-holes one historical hole K52 was used for the grade estimation. This hole was 'twinning' by Kore's hole ED_01 which strongly supports the K52 data reliability. Assay data for other historic hole within the deposit area, K62 was not used in the grade estimation, both the TS and HWS being of carnallite (and hence not within the sylvinite wireframe).</li> </ul> |
| <b>1.7. VERIFICATION OF SAMPLING AND ASSAYING</b>     | <ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Sampling data is captured into MS Excel then imported along with assay data into a customised MS Access database. On import, checks on data are made for errors such as overlapping intervals, gaps, duplicate intervals.</li> <li>• The support data for the grade and thickness of the mineralised intervals used for the MRE was repeatedly checked. Assay data was also plotted against gamma data, which provides an additional check of the depth of the seams and their thickness and a secondary check on the grade as the total gamma-ray count, when converted to API units is directly proportional to potassium content, if the correct corrections for hole diameter, mud density and are made.</li> <li>• All drill-hole data is stored in the Company's MS Access database</li> <li>• As stated, K52 was the only historic hole for which assay data was used in the MRE. To validate the data, this historic hole was twinned by ED_01, which confirmed the accuracy of the K52 data.</li> </ul>   |

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| <b>1.8. LOCATION OF DATA POINTS</b>                                  | <ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Within the DX deposit area, drill-hole collars for ED_01, ED_03, DX_01, K62 were surveyed by a professional surveyor using a DGPS, and expected to be accurate to within 100 mm in X, Y and Z. DX_02 and DX_03 were surveyed using a handheld GPS and elevation control from a SRTM DTM data, and are likely to be accurate to within 5-8 m laterally and vertically. Variation of this amount is not considered to impact on the Mineral Resource Estimate due to the large scale and fact that the model is 'hung' from the roof of salt, but only holes surveyed by DGPS were used in the Indicated MRE area.</li> <li>• The drill-hole positions are given in UTM zone 32 S using WGS 84 datum (Table 2 of the announcement).</li> <li>• Topographic elevation is from SRTM 90 satellite data, though of relatively low resolution, it is sufficient at this stage, as the deposit is an underground mining project.</li> </ul>  |
| <b>1.9. DATA SPACING AND DISTRIBUTION</b>                            | <ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>                        | <ul style="list-style-type: none"> <li>• Figure 4 of the announcement shows the location of the drill-holes. Those influencing the MRE are spaced between 1.4 and 4 km apart.</li> <li>• Between drill-holes, oil-industry seismic data was important in modelling the geometry of key surfaces between holes. Seismic lines are between 1.5 and 2.4 km apart and extend across all parts of the deposit in different orientations, as shown in figure 4 of the announcement.</li> <li>• Owing to the continuity of the depositional setting of the seam contacts and other surfaces can be easily correlated hole-to-hole. The change from sylvinite to carnallite is obvious in drill-holes. Between drill-holes, on seismic data the general geometry of the evaporite layering is discernable, along with the reflector at the top of the Salt. The change from sylvinite to carnallite is not visible. As described in Section 3.5, a method of modelling of this contact between holes was developed, based on the geological controls on sylvinite.</li> <li>• The CP has sufficient confidence that the data spacing and the methods used in the modelling are sufficient to support grade and geological continuity that is consistent with the classification applied.</li> </ul> |
| <b>1.10. ORIENTATION OF DATA IN RELATION TO GEOLOGICAL STRUCTURE</b> | <ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The potash layers are massive and of relatively uniform grade distribution, being controlled by the original horizontally layered sedimentary deposition of the potash mineral carnallite.</li> <li>• Intersections have a sufficiently low angle of dip, and drill-holes are vertically drilled; a correction of thickness for apparent thickness is not warranted for the MRE. The intersected thickness is taken as the true thickness.</li> </ul>  |
| <b>1.11. SAMPLE SECURITY</b>   | <ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• The chain of custody of samples is secure. At the rig, the core is under full-time supervision of Company geologists, working around the clock.</li> </ul>   |

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|   |  | <p>At the end of each drilling shift, the core is transported by Kore Potash staff to a secure site where it is stored in a locked room.</p> <ul style="list-style-type: none"> <li>Sampling and packing of samples is carried out under the observation of Company staff; packed samples are transported directly from the site by Company staff to DHL couriers in Pointe Noire 3 hours away. From here DHL airfreight all samples to the laboratory in Perth.</li> </ul>  |
| <b>1.12. AUDITS OR REVIEWS</b>                      | <ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Kore's sampling standard operating procedures for logging and sampling have been audited on several occasions by external parties, for the completion of the MRE for the Kola and Dougou Deposits.</li> <li>The supporting data has been thoroughly checked by the CP, including inspection of all logging sheets and laboratory analysis certificates, and all other data supporting the MRE. Data has not been specifically reviewed by any external parties.</li> <li>The MSA Group carried out standard drill-hole database validations when importing the data into Datamine software for the MRE.</li> </ul>  |
| <b>Section 2 - Reporting of Exploration Results</b> |  |  |
| <b>JORC Criteria</b>                                | <b>JORC Explanation</b>  | <b>Commentary</b>  |
| <b>2.1 MINERAL TENEMENT AND LAND TENURE STATUS</b>  | <ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>The Dougou Extension Deposit is entirely within the Dougou Mining Permit (issued on the 9<sup>th</sup> May 2017 under decree No. 2017-139) which is held 100% by the local company Dougou Mining SARL which is in turn held 100% by Sintoukola Potash SA RoC, which Kore Potash holds a 97% share.</li> <li>There are no impediments on the security of tenure.</li> </ul>  |
| <b>2.2 EXPLORATION DONE BY OTHER PARTIES</b>        | <ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Potash exploration was carried out in the area in the 1960's by Mines de Potasse d' Alsace S.A. Holes K52 and K62 are within the Deposit area (intersections summarised in Table 3 of the announcement). High quality geological logs are available for these holes. Hole K52 intersected Sylvinite HWS and was the initial reason for Kore's interest in the area, beginning with the twin-hole drilling of K52 in 2012 by ED_01.</li> <li>Oil exploration well Yangala-1 (outside of the DX deposit) was drilled in 1961 by Societe des Petrole d'Afrique Equatoriale (SPAFE).</li> <li>2D Seismic data was acquired by oil exploration companies British Petroleum Congo and Chevron during the 1980's and by Morel et Prom in 2006. The Company acquired SEG-Y files for these surveys and this data has guided the exploration and deposit modelling at Dougou Extension.</li> </ul> |

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| <p><b>2.3. GEOLOGY</b></p> |  | <ul style="list-style-type: none"> <li>• The potash seams are hosted by the 400-500 m thick Loeme Evaporite formation, comprised of sedimentary evaporite rocks with minor clastic layers. These rocks are within the Congo Basin which extends from the Cabinda enclave of Angola to southern Gabon, from approximately 50 km inland, extending some 200-300 km offshore. The evaporites were deposited during the Aptian epoch of the Lower Cretaceous, probably between 125 and 112 million years ago, within a sub-sea level basin following the break-up of Gondwana into the African and South American continents. Importantly, the sedimentation was in a post-rift setting leading to the development of evaporite layers with significant continuity.</li> <li>• In terms of classification nomenclature, the evaporite is of the basin-wide 'mega-halite' type, formed by the cyclic evaporation of sea-water sourced, seepage-fed brines in an extensive subsiding basin, 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). To precipitate the thick potash beds the system experienced prolonged periods within relatively narrow a range of high salinity.</li> <li>• Reflecting the chloride-Mg-K dominated brine composition, halite (NaCl), carnallite (KMgCl<sub>3</sub>·6H<sub>2</sub>O) and bischofite (MgCl<sub>2</sub>·6H<sub>2</sub>O) account for over 90% of the evaporite rocks. Sylvinite is only found close to the top of the Salt. Carnallite is a rock comprised predominantly of carnallite and halite. Sylvinite is a rock comprised predominantly of sylvite (KCl) and halite. The term 'rock-salt' is used to refer to a rock comprising of halite without appreciable other minerals/materials.</li> <li>• Importantly, bischofite does not occur in the floor or roof of the HWS and TS, in fact the nearest is over 130 m below these seams.</li> <li>• The Salt was deposited in a cyclic manner; 11 cycles have been recognised, of which most are preserved at Dougou Extension, the important 'Top Seam' (TS) and 'Hangingwall Seam' (HWS) potash seams are within the mid to upper part of cycle 9.</li> <li>• All layers in the Salt member have good continuity and the thickness of the interval between them is consistent. Even narrow mm-scale layers or sub-layers can be correlated many km. In most holes all potash layers are present and have a low angle of dip (&lt;15 degrees).</li> <li>• Where sylvinite, the TS and HWS have an average thickness of 5.2 and 3.6 metres respectively. The HWS is relatively high grade being comprised of a single massive bed of approximately 60% sylvite. The TS is made up of a number of narrow high grade sylvinite layers interbedded with rock-salt and so has a lower overall grade than the HWS.</li> <li>• Similar to the Company's Kola Deposit, at Dougou Extension the evaporite stratigraphy is slightly elevated and slightly thinned relating to the presence of a horst block forming a paleo-topographic high in the underlying pre and syn-rift rocks referred to as the 'Yangala High'.</li> </ul> |
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|                                    |  | <ul style="list-style-type: none"> <li>• Capping the salt dominated part (Salt Member or 'Salt') is low permeability layer of anhydrite, gypsum and clay (the Anhydrite Member) between 10 and 16 m thick over the deposit. It is at a depth of between 290 and approximately 520 m at DX. Importantly, the contact between the Anhydrite Member and the underlying salt is an unconformity. Reflecting this, and that the layers of the Salt are gently undulating, in some areas there is a greater thickness of Salt above the seams than in others, or the seams may be 'truncated' (illustrated in Fig. 2 and 3 of the announcement).</li> <li>• The Anhydrite Member is covered by a thick 'cover sequence' of carbonate rocks and clastic sediments (Fig. 2 of the announcement) of Cretaceous age (Albian) to recent.</li> <li>• The potash seams were originally deposited as carnallite but have been replaced in some areas by sylvinite, by a process of non-destructive leaching of Mg, OH and some NaCl from carnallite, converting it to sylvite. This process has taken place preferentially over the Yangala High, initiating at the top of the Salt Member and typically not advancing further than 40 m below this contact, but rarely as much as 80 m (as in drill-hole ED_01). The thickness of the Salt above the seams is the principal control on the whether the seam is sylvinite or carnallite, and thus the extent of the sylvinite Mineral Resources. The process advanced on a downward moving 'front' and was very efficient; when converted no residual carnallite remains within the sylvinite. Un-replaced carnallite may occur below the sylvinite (never above it) but the contact is always abrupt and easily identified in core. As a general rule, the conversion leads to a halving of thickness and a doubling of grade.</li> <li>• Very close to the roof of the Salt the sylvinite may be further 'leached', leaving reddish coloured halite with no or residual KCl, referred to as 'ghost seams' but still identifiable, as is the case for the TS in ED_03..</li> </ul> |
| <b>2.4. DRILL HOLE INFORMATION</b> | <ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>• <i>easting and northing of the drill hole collar</i></li> <li>• <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>dip and azimuth of the hole</i></li> <li>• <i>down hole length and interception depth</i></li> <li>• <i>hole length.</i></li> </ul> </li> <li>• <i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>• 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 drill-hole downhole surveys.</li> <li>• Positions of the holes in relation to other holes are shown in Figure 4 of the announcement. All drill-holes are shown on the map and the potash intersections (or absence of) for all holes within the deposit area, including historic holes, are listed in Table 3 of the announcement. No information is excluded.</li> </ul>   |

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| <b>2.5 DATA AGGREGATION METHODS</b>   | <ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul> | <ul style="list-style-type: none"> <li>For the calculation of the grade over the full thickness of the seams, the standard 'length-weighted' compositing method was used to combine individual results within each seam intersection.</li> <li>No selective cutting of high or low grade material was carried out as is not justified given massive nature of the potash mineralization and absence of localised high/low grade areas.</li> <li>For the TS some of the sub-seams making up the seam are relatively narrow but the composite intervals selected do not include unjustifiably thick intervals of low grade material.</li> <li>No metal equivalents were calculated.</li> </ul>  |
| <b>2.6 RELATIONSHIP BETWEEN MINERALISATION WIDTHS AND INTERCEPT LENGTHS</b> | <ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>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').</i></li> </ul>   | <ul style="list-style-type: none"> <li>Core and acoustic televiewer images provide a reliable measurement of dip (and the latter provides azimuth). Seams have sufficiently low degree of dip, and drill-holes are vertical so correction of thickness for apparent thickness is not warranted.</li> </ul>  |
| <b>2.7 DIAGRAMS</b>   | <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Relevant diagrams are provided in the announcement including a map showing the extent of sylvinite of the TS and HWS, and a representative cross-section.</li> </ul>   |
| <b>2.8 BALANCED REPORTING</b>   | <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>   | <ul style="list-style-type: none"> <li>All relevant exploration data is reported. All intersections including carnallite and leached seams within the deposit area are provided in Table 3 of the announcement.</li> </ul>  |
| <b>2.9 OTHER SUBSTANTIVE EXPLORATION DATA</b>                               | <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>   | <ul style="list-style-type: none"> <li>Though process or geotechnical test-work has not been carried out on the DX sylvinite, based on observations of the core, it is similar in mineral composition, texture and grain size as the sylvinite at Kola for which testing has been completed, for the Kola Pre-Feasibility and Definitive Feasibility Studies. The HWS hosts part if the Indicated MRE at Kola.</li> <li>The Anhydrite Member at DX appears to be of relatively uniform thickness which would be positive in terms of hydrogeology, as this unit is a very effective aquitard, separating the Salt from potential aquifers in the 'Cover Rocks'.</li> <li>Holes DX_05B and DX_06 were stopped above the Salt due to drilling difficulties relating to loss of drilling fluid.</li> </ul> |
| <b>2.10 FURTHER WORK</b>  | <ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> </ul>  | <ul style="list-style-type: none"> <li>No further exploration work is planned at present.</li> </ul>  |

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|  | <ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>   | <ul style="list-style-type: none"> <li>If further work is carried out, this may be aimed at expanding the deposit, by carrying out additional drilling, initially in the vicinity of 'failed holes' DX_05B and DX_06 (Figure 4 of the announcement)</li> <li>Additional holes between DX_01 and DX_02 may support conversion of Inferred Mineral Resources in that area to Indicated.</li> <li>It may be helpful to carry out some new seismic surveying ahead of drilling, to better guide the latter.</li> <li>DGPS surveys for the collars for DX_02, DX_03 and other holes not yet surveyed is important for holes that may support possible future expansions of the Indicated MRE area.</li> <li>Mineralogical work is recommended, to further support the similarity of the DX sylvinite with that of the Kola deposit. If studies are carried out, the work programme should include geotechnical, hydrogeological and process characterisation and test work.</li> </ul>                                   |
| <b>Section 3 – Estimation and Reporting of Mineral Resources</b> |   |   |
| <b>JORC Criteria</b>   | <b>JORC Explanation</b>   | <b>Commentary</b>   |
| <b>3.1. DATABASE INTEGRITY</b>                                   | <ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>                         | <ul style="list-style-type: none"> <li>Geological data is recorded in hardcopy then captured digitally. During import into Micromine® software, an error file is generated identifying any overlapping intervals, gaps and other forms of error. The data is then compared visually in the form of strip logs against geophysical data.</li> <li>Laboratory data was imported from csv files into an Access database, where sorting of 'original' and QA-QC samples was carried out, and for checking for errors as part of the import process. Original laboratory result certificates are kept in pdf format.</li> <li>For the MRE a 'stratigraphic file' was generated, as synthesis of key geological units including the seam contacts and the roof of the Salt, based on geological, geophysical and assay data.</li> <li>The grade, depth and thickness data for all mineralised intervals and other important surfaces used in the MRE were repeatedly checked to ensure no errors were present.</li> </ul> |
| <b>3.2. SITE VISITS</b>  | <ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>   | <ul style="list-style-type: none"> <li>The CP, has visited the site on numerous occasions between 2012 and present, to set-up and monitor exploration procedures, and to develop a geological understanding of the deposit and the controls on sylvinite mineralisation.</li> </ul>   |
| <b>3.3. GEOLOGICAL INTERPRETATION</b>                            | <ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> </ul> | <ul style="list-style-type: none"> <li>Recognition and correlation of potash and other important layers or contacts in and between drill-holes is straightforward and did not require assumptions to be made; each being distinct when thickness, grade distribution, and stratigraphic position relative to other layers is considered. Correlation is further aided by the use of downhole</li> </ul>   |

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|  | <ul style="list-style-type: none"> <li><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li><i>The factors affecting continuity both of grade and geology.</i></li> </ul>   | <p>geophysical data. The abrupt nature of the contacts between rock-salt, carnallite and sylvinite aids the confident 'picking' of seams.</p> <ul style="list-style-type: none"> <li>Between drill-holes there is reliance on seismic data to guide the geometry of the seams, which in turn influences the extent of sylvinite. Some uncertainty is inherent in seismic interpretation, especially further away from control points (drill-holes); this is reflected in the allocation of the Indicated or Inferred categories.</li> <li>The addition of more seismic and drill-hole data may result in a change to the model and estimate in the Inferred area, but it is unlikely that change would be severe, with a similar chance of an updated model resulting in a larger or smaller tonnage.</li> <li>The geological model for the formation of sylvinite at DX is summarised in section 2.3. It is well understood. This geological model was applied in the creation of the model for the MRE, as described in 3.5.</li> <li>Where sylvinite, the grade and other attributes of each seam is relatively consistent. The factors affecting continuity are as follows: <ul style="list-style-type: none"> <li>Where the seams are truncated at the unconformity at the top of the Salt Member the seams are absent (as illustrated in Fig. 2 of the announcement)</li> <li>Beyond the replacement 'front' the sylvinite stops and carnallite is found. This is an abrupt change affecting the continuity. (as illustrated in Fig. 2 of the announcement)</li> <li>Close to the roof of the Salt, the sylvinite may be 'leached' and is barren. This was excluded from the model.</li> </ul> </li> <li>No faults have been interpreted within the Salt, within the deposit area.</li> </ul> |
| <b>3.4 DIMENSIONS</b>                          | <ul style="list-style-type: none"> <li><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>   | <ul style="list-style-type: none"> <li>The DX deposit extent covers an area of approximately 4 by 10 km (Fig. 4 of the announcement). The TS and HWS are found at a depth of approximately 310 to 490 m below surface. Dip of the seams is low, rarely greater than 5 degrees.</li> <li>Within this area the sylvinite is not continuous; there are large internal areas where the seams are carnallite, generally in areas where, due to gentle undulation, the seams are a greater distance from the top of the Salt Member.</li> <li>The thickness of the sylvinite is relatively consistent, averaging 5.2 m for the TS and 3.6 m for the HWS.</li> </ul>   |
| <b>3.5 ESTIMATION AND MODELLING TECHNIQUES</b> | <ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li><i>The assumptions made regarding recovery of by-products.</i></li> </ul> | <ul style="list-style-type: none"> <li>All drill-holes within and surrounding the deposit were used for the construction of the model (Figure 4 of the announcement). Even if not sylvinite, the holes around the deposit contain the same seams (TS and HWS) and the 'roof of Salt' and are therefore useful in guiding the contacts and surfaces at the margins and beyond the deposit extent.</li> <li>The seismic data was imported in SEG-Y format into Micromine™ 2013 software and viewed in section and in 3D. A velocity of between 3900 and 4200 m/s was used to depth adjust the seismic data, 'hanging' it from the top of the Salt Member, an obvious reflector that can be 'tied' to the same contact in drill-hole data.</li> </ul>  |

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|  | <ul style="list-style-type: none"> <li>• <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li>• <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li>• <i>Any assumptions behind modelling of selective mining units.</i></li> <li>• <i>Any assumptions about correlation between variables.</i></li> <li>• <i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li>• <i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li>• <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The 'roof of Salt' and the 'roof of HWS' surfaces were modelled as 'strings' by Kore (in Micromine 2013). Between holes the seismic data was used to model the 'roof of the HWS' and the 'roof of Salt'. MSA imported these into Leapfrog Geo to create surfaces. Then (in Datamine Studio 3) using the surface for the 'roof of HWS' as a reference horizon, the floor of the HWS then the floor and roof of the TS were created, by 'gridding' using Inverse Distance Weighting cubed (IDW<sup>3</sup>) of the thickness (as intersected in the drill-holes) of the interval between these surfaces from the 'roof of HWS' reference horizon. By this method 'seam models' for the HWS and TS (irrespective of whether they are carnallite or sylvinite) were created.</li> <li>• To determine the extent and thickness of the sylvinite, the 'downward' limit of the process leading to sylvinite formation was recorded in drill-holes, for example at the contact of sylvinite over carnallite. The thickness of this interval was gridded using IDW<sup>3</sup> to create a sub-horizontal surface 'suspended' from the 'roof of Salt' surface, then used to cut the earlier seam models, resulting in surfaces for the top and base of the sylvinite portion of the HWS and the TS. In an identical method, the thin zone of leaching of the potassium from the sylvinite at the very top of the Salt Member was also cut from the model. The products of these steps were 'sylvinite-only' wireframes for the HWS and the TS. Within the wireframe adjustments were made to remove the influence of thickness derived from carnallite intersections of TS and HWS outside of the sylvinite wireframes. These wireframes were checked against all borehole intersections on screen in Micromine. Figures 2 and 3 of the announcement illustrate the final wireframes used for the estimation, along with other key geological surfaces.</li> <li>• Blocks of 50 by 50 metres, with variable height were created within the HWS and TS sylvinite wireframes. Grade (KCl%) was then estimated into these blocks by IDW<sup>2</sup>, using the composited drill-hole assay data. Typical spacing between holes is between 1.4 and 4.0 km apart. Density was calculated for each block, based on the grade, as discussed in section 3.11.</li> <li>• In the CPs view, the model reflects the geological controls well, and is more appropriate to the deposit type than the potash industry standard method of using circles around holes for 2D polygonal estimation. Given the well understood controls, it provides an estimation of tonnes and grade appropriate to the respective classification.</li> <li>• The overall vertical grade variation within both the HWS and the TS is minimal and so the grade model did not require adjusting for the proportion/part of the seam present, if not complete for a given composite.</li> <li>• There are no 'outlier' in terms of grade, relating to the massive layered nature of the sylvinite and its high grade and lateral continuity within the sylvinite. No top or bottom cutting was carried out. The CP is confident in the grade estimation method used, aided by the fact that the grade variation between holes is not significant. More complex</li> </ul> |
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|  |   | <p>methods such as kriging were not deemed necessary or appropriate given the relatively small data-set and relatively uniform grade.</p> <ul style="list-style-type: none"> <li>• The block model estimated grades were checked in cross-section in Micromine, comparing against the supporting assay data, for all drill-holes.</li> <li>• Both Mg and insoluble material are considered deleterious elements but are only present in very small quantities in all intersections; less than in most deposits globally. They were not estimated into the block model. In all intersections they are &lt;0.1 and &lt;0.3% respectively.</li> <li>• The eastern and southern limits of the deposit were cut by a 'sylvinite extent' (Fig. 4 of the announcement) interpreted from seismic data but also strongly supported by the resource model itself. Beyond this extent, the seams are considered to be carnallite-only, to the east of DX within the adjacent Dougou carnallite Deposit. The 'sylvinite extent' reflects the limit of the influence of the Yangala High, as described in section 2.3.</li> <li>• Extrapolation beyond data points is limited to a distance deemed appropriate in terms of the confidence of the classification into Inferred and Indicated, as described in section 3.13</li> <li>• A check estimate was made, using a volume created by multiplying the average thickness of the sylvinite with the extent of the sylvinite (as determined by a proportional representation of sylvinite to carnallite within the deposit area). The check supports the reported MRE.</li> </ul> |
| <b>3.6 MOISTURE</b>                      |   | <ul style="list-style-type: none"> <li>• The sylvinite seams are dry and the estimate is on a dry basis. Moisture content was checked by weighing before and after 'drying'.</li> </ul>   |
| <b>3.7 CUT-OFF PARAMETERS</b>            | <ul style="list-style-type: none"> <li>• <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• In all cases, the transition from high grade sylvinite to barren rock-salt or carnallite is abrupt, typically over a 10 mm interval. Due to this 'binary' nature of the material, a standard cut-off grade approach is not really applicable. However, for reporting, a 15% KCl cut-off was used though no blocks in the model fall below this. The cut-off for the nearby Kola deposit is 10% KCl as determined from an application of modifying factors from feasibility work; therefore for DX, 15% KCl is considered conservative. The Mg and insoluble content is so low and consistent at DX that it is not a consideration in cut-off.</li> </ul>   |
| <b>3.8 MINING FACTORS OR ASSUMPTIONS</b> | <ul style="list-style-type: none"> <li>• <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The feasibility work for the nearby Kola deposit provides guidance due to the apparent similarities of the deposits.</li> <li>• DX would likely be suited to conventional underground mining using a room and pillar layout. This is the planned method for the nearby Kola deposit which is similar in terms of seam thickness and geometry, and is also sylvinite. Pillars are left in place for long term stability of the mine openings.</li> </ul>  |

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|  |   | <ul style="list-style-type: none"> <li>• The absence of 'difficult' lithologies such as bischofite or clay/shale rich layers is advantageous in terms of geotechnical stability of the roof and floor of the mine.</li> <li>• At Kola, drum-cutting continuous mining machines (CMs) are planned; these would likely be the preferred choice of machine for DX. Minimum mining height for these machines is typically between 1.5 and 2.5 m depending on the size of CM used.</li> <li>• At DX, the average height of the HWS and TS is 4.7 metres. For the DX MRE, all blocks with a height of less than 1.0 m were excluded from the estimate. Given the high grade of the deposit, an additional 0.5 m or more could be accepted as planned dilution in these areas.</li> <li>• As at Kola, a vertical shaft would likely be the most suitable means of accessing the DX deposit, being the lowest risk option for passing the poorly consolidated weathered sediments of the 'cover rocks'.</li> <li>• Of importance is that the DX deposit appears to be overlain by a thick 10 to 16 m thick layer of anhydrite and clay, providing a low permeability hydrogeological barrier (an aquitard) separating possible aquifers in the Cover Rocks from the Salt Member. This would need to be further tested and modelled.</li> <li>• The thickness of rock-salt between the TS and the HWS is always in excess of 8 metres thus providing a thick 'sill pillar' between the seams. Based on test work and 2D and 3D geotechnical modelling at Kola, a 'sill pillar' of this thickness is likely to be more than sufficient to allow mining of both seams even where 'superimposed'.</li> </ul> |
| <b>3.9 METALLURGICAL FACTORS OR ASSUMPTIONS</b>  | <ul style="list-style-type: none"> <li>• <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Sylvinite is the most commonly mined and processed ore of potash globally.</li> <li>• A large amount of process test work carried out for the nearby Kola deposit for feasibility studies. The sylvinite at DX appears to be similar, being comprised of medium to coarse-grained sylvite and halite, with consistently low quantities of insoluble material and magnesium.</li> <li>• Given the similarity (as observed in core) of the DX sylvinite with that at the Kola Deposit, it is likely that the DX ore is similarly amenable to conventional flotation and this should be confirmed by test-work if the project is advanced further.</li> </ul>  |
| <b>3.10 ENVIRONMENTAL FACTORS OR ASSUMPTIONS</b> | <ul style="list-style-type: none"> <li>• <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The deposit area is outside of the 'Integral' zone Conkuati Douali National Park. It is within the 'buffer' and 'economic development' zones of the park. A comprehensive Environmental Social Impact Assessment (ESIA) was prepared and approved, for the Dougou Mining Permit.</li> <li>• At the mine site, infrastructure would be limited to the shaft related infrastructure, and conveyance of the ore. Processing of sylvinite would be at the planned plant for Kola, located at the coast, 15 km south of DX (figure 1 of the announcement) which is permitted for the production of Mt Muriate of Potash (MoP).</li> <li>• Waste from possible mining and processing is dissolved halite (salt-water), which is then diluted and discharged into the ocean.</li> </ul>  |

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|                            |   | <ul style="list-style-type: none"> <li>Any future scoping or feasibility work for DX would benefit significantly from the large amount of social and environmental assessment and planning work carried out for the Kola feasibility study.</li> </ul>   |
| <b>3.11 BULK DENSITY</b>   | <ul style="list-style-type: none"> <li><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></li> <li><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i></li> <li><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul> | <ul style="list-style-type: none"> <li>Conventional 'Archimedes Principle' density measurements are problematic due to the soluble nature of the core. At nearby Kola, it has been shown that density of sylvinite is directly correlated to the relative proportion of sylvite and halite (which have known densities of 1.99 and 2.16 g/cm<sup>3</sup> respectively), which can be determined from the KCl content. This density is referred to as the 'mineralogically determined density' and is a method is used routinely in some operating potash mines. At DX the method is made simpler due to the extremely small amounts (&lt;2.5%) of other minerals. An equation and 'curve' for the conversion of KCl to density was developed, based on pycnometer density and the 'mineralogically determined density' data. Based on this curve, a density was assigned to each block for the HWS and TS using the formula <math>DENSITY = (KCL - 742.53) / (-337.53)</math>. The average for the seams is 2.02 and 2.11 g/cm<sup>3</sup> for the HWS and TS respectively. This is similar to sylvinite density of deposits elsewhere, typically between 2.00 and 2.15 g/cm<sup>3</sup>.</li> </ul>   |
| <b>3.12 CLASSIFICATION</b> | <ul style="list-style-type: none"> <li><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li><i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>   | <ul style="list-style-type: none"> <li>The bulk of the DX deposit is classified as Inferred, being supported by relatively widely-spaced drill-hole and seismic data. Within this area grade and geological continuity is implied but will require additional data-points to verify.</li> <li>A relatively small area of the deposit has sufficient drill-hole control and seismic data to be able to assume continuity of grade and geology sufficient for it to be classified as Indicated Mineral Resources.</li> <li>For the extent of the Mineral Resources within the Inferred and Indicated categories, the following was deemed appropriate by the CP, based on an understanding of the controls on the sylvinite, and confidence in the model in relation to data points:</li> <li>Indicated Mineral Resource: sylvinite within a polygon guided by a 1 km radius of the drill-holes DX_01, K62, ED_03, ED_01</li> <li>Inferred Mineral Resource: sylvinite within a polygon guided by a 2.5 km radius of inner holes and a 1.5 km radius beyond 'outer' holes, and with the removal of the area of the Indicated MRE.</li> <li>Both the Indicated and Inferred extents were 'cut' by the limit of 'maximum extent of sylvinite' (described in section 3.5 and shown in Figure 4 of the announcement).</li> <li>Indicated Mineral Resources are supported by drill-holes with collar positions surveyed by a DGPS.</li> <li>Mineral Resources for the different categories for each seam within the DX Deposit are shown in Table 1 of the announcement.</li> </ul> |

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| <b>3.13 AUDITS OR REVIEWS</b> | <ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul> | <ul style="list-style-type: none"> <li>• In using MSA to assist with the resource model, there has been 3<sup>rd</sup> party review of the drill-hole data, the resource model, and estimation procedure.</li> <li>• An external audit has not been carried out.</li> </ul> |

## Glossary of Terms

| Term                 | Explanation  |
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| agrinutrient         | nutrients applied to crops to assist with their growth and health  |
| Albian               | The uppermost subdivision of the Early/Lower Cretaceous epoch/series. Its approximate time range is $113.0 \pm 1.0$ Ma to $100.5 \pm 0.9$ Ma (million years ago)   |
| anhydrite            | Anhydrous calcium sulphate, $\text{CaSO}_4$ .  |
| Aptian               | a subdivision of the Early or Lower Cretaceous epoch or series and encompasses the time from $125.0 \pm 1.0$ Ma to $113.0 \pm 1.0$ Ma  |
| aquifer              | An underground layer of water-bearing permeable rock, rock fractures or unconsolidated materials (gravel, sand, or silt)   |
| aquitard             | A zone within the earth that restricts the flow of groundwater from one aquifer to another.  |
| assay                | in this case refers to the analysis of the chemical composition of samples in the laboratory   |
| bischofite           | Hydrous magnesium chloride minerals with formula, $\text{MgCl}_2 \cdot 6\text{H}_2\text{O}$ and $\text{CaMgCl}_2 \cdot 12\text{H}_2\text{O}$   |
| brine                | Brine is a high-concentration solution of salt in water  |
| caliper              | a tool used to measure the width of an opening or object, in this case the diameter of the hole or the width of the drill core   |
| carbonate            | any rock composed mainly of carbonate minerals such as calcite or dolomite   |
| carnallite           | an evaporite mineral, a hydrated potassium magnesium chloride with formula $\text{KMgCl} \cdot 3 \cdot 6(\text{H}_2\text{O})$  |
| carnallitite         | a rock comprised predominantly of the minerals carnallite and halite   |
| clastic              | Clastic rocks are composed of fragments, or clasts, of pre-existing minerals and rock.   |
| clay                 | A fine-grained sedimentary rock.   |
| collars (drill-hole) | the top of the drill-hole  |
| composite (sample)   | an interval of uniform length for which attributes such as grade are determined by combining or cutting original samples of greater or lesser length, to obtain a uniform support size   |
| conformable          | refers to layers of rock between which there is no loss of the geological record   |
| continuous miner     | a mining machine that uses a rotating cutting device, typically a drum or a boring unit, to cut the ore  |
| core (drill)         | the cylindrical length of rock extracted by the process of diamond drill coring  |
| Cretaceous           | the last of the three periods of the Mesozoic Era. The Cretaceous began 145.0 million years ago and ended 66 million years ago   |
| cross-section        | an image showing a slice (normally vertical) through the sub-surface   |
| diamond coring       | the method of extracting cores of rock by using a circular diamond-tipped bit (though may be tungsten carbide)   |
| dip                  | in this case refers to the angle of inclination of a layer of rock, measured in degrees or % from horizontal   |
| dolomite             | anhydrous carbonate mineral composed of calcium magnesium carbonate, ideally $\text{CaMg}(\text{CO}_3)_2$ . The term is also used for a sedimentary carbonate rock composed mostly of the mineral dolomite. mineral form is indicated by italic font |
| domain (mineral)     | a spatial zone within which material is modelled/expected to be of a type or types that can be treated in the same way, in this case in terms of resource estimation   |
| drill-hole           | a hole drilled to obtain samples of the mineralization and host rocks, also known as boreholes or just holes   |
| euhedral             | crystals with well defined crystal form  |
| evaporite            | Sediments chemically precipitated due to the evaporation of an aqueous solution or brine   |
| extraction ratio     | refers to the amount of mineralized material mined as a ratio of the amount that is left in place  |



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| fault                      | A planar fracture or discontinuity in a volume of rock, across which there has been significant displacement as a result of rock mass movement.  |
| gamma-ray                  | A gamma ray or gamma radiation is penetrating electromagnetic radiation arising from the radioactive decay of atomic nuclei.   |
| geotechnical               | Refers to the physical behavior of rocks, particularly relevant for the Mine design requiring geotechnical engineering   |
| Gondwana                   | Gondwana or Gondwanaland, was a supercontinent that formed from the unification of several cratons in the Late Neoproterozoic, merged with Euramerica in the Carboniferous to form Pangaea, and began to fragment in the Mesozoic  |
| graben                     | A graben is a basin bound by normal faults either side, formed by the subsidence of the basin due to extension   |
| gridding                   | a term used to refer to estimation of data into a grid of cells from data values spaced more widely than the cells   |
| gypsum                     | soft sulfate mineral composed of calcium sulfate dehydrate, with the chemical formula $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$ .  |
| halite                     | The mineral form of sodium chloride (NaCl), salt.  |
| halokinesis                | Halokinesis is refers to salt tectonics, which includes the mobilization and flow of subsurface salt, and the subsequent emplacement and resulting structure of salt bodies  |
| hematite                   | sometimes spelt as haematite, it is the mineral form of iron(III) oxide ( $\text{Fe}_2\text{O}_3$ ), one of several iron oxides.   |
| horst                      | a horst is a raised fault block bounded by normal faults. A horst is a raised block of the Earth's crust that has lifted, or has remained stationary, while the land on either side (grabens) have subsided  |
| hydrogeological            | is the area of geology that deals with the distribution and movement of groundwater in the subsurface  |
| hydrographically           | In this text refers to the basin being hydrographically isolated, being without an open water connection to the sea  |
| Indicated Mineral Resource | An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve. |
| Inferred Mineral Resource  | An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.  |
| insoluble material         | in this report, refers to material that cannot be dissolved by water such as clay, quartz, anhydrite   |
| Inverse Distance weighting | <i>Inverse distance weighting</i> (IDW) is a type of deterministic method for multivariate interpolation with a known scattered set of points. The assigned values to unknown points are calculated with a <i>weighted</i> average of the values available at the known points.  |
| JORC                       | The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, as published by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia   |
| limestone                  | Limestone is a sedimentary rock. Its major materials are the minerals calcite and aragonite which are different crystal forms of calcium carbonate ( $\text{CaCO}_3$ ), mostly derived or in the form of skeletal fragments of marine organisms such as coral, forams and molluscs   |
| lithological               | refers to the observed characteristics if a rock type (or lithology)   |

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| Measured Mineral Resource | A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve. |
| Mineral Deposit           | A mineral deposit is a natural concentration of minerals in the earth's crust.  |
| Mineral Reserve           | the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified   |
| Mineral Resource          | A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.  |
| mud-rotary                | a method of drilling using a rotating destructive bit to penetrate the rocks and using water with various additives referred to as the drilling fluid or 'mud'  |
| muriate of potash (MoP)   | The saleable form of potassium chloride, comprising a minimum of 95% KCl  |
| Oligocene                 | is a geologic epoch of the Paleogene Period and extends from about 33.9 million to 23 million years before the present  |
| organics                  | in this report refers to material of organic origin such as plant debris or peat, or bituminous material  |
| outsalting                | a term used in evaporite geology that refers to the movement of ions out of a layer in the evaporite by fluid (or brine) initially under saturated with respect to that ion   |
| overburden                | a general term referring to rocks above the rocks hosting the ore.  |
| pillars (in mining)       | the columns of rock left in place in mining to support the Mine opening, either within the mined out areas (rooms) or adjacent to them  |
| potash                    | refers to any of various mined and manufactured salts that contain potassium in water-soluble form. In this report generally refers to the potassium bearing rock types   |
| Pre-Cambrian              | The Precambrian (or Pre-Cambrian, sometimes abbreviated pЄ, or Cryptozoic) is the earliest part of Earth's history, set before the current Phanerozoic Eon, between 4600 to 541 Ma  |
| pycnometer                | A laboratory device used for measuring the density of solids.   |
| recovery (of drill core)  | refers to the amount of core recovered as a % of the amount that should have been recovered if no losses incurred.  |
| recrystallization         | when minerals dissolve or partly dissolve and then re-form typically with a different size and texture  |
| rift                      | refers to the splitting apart of the earth's crust due to extension, typically resulting in crustal thinning and normal faulting  |
| rock-salt                 | rock comprising predominantly of the mineral halite   |
| room-and-pillar           | a method of mining whereby the ore is extracted in blocks, leaving pillars of rock behind to support the opening  |
| sediment                  | A naturally occurring material that is broken down by processes of weathering and erosion, and is subsequently transported by the action of wind, water, or ice, and/or by the force of gravity acting on the particles.  |
| seismic                   | in this case seismic reflection, a method of exploration geophysics that uses the principles of seismology to estimate the properties of the Earth's subsurface from reflected seismic waves. The method requires a controlled seismic source of energy, such as dynamite or Tovex blast, a specialized air gun or a seismic vibrator   |
| stratigraphy              | Stratigraphy is a branch of geology concerned with the study of rock layers (strata) and layering (stratification). It is primarily used in the study of sedimentary and layered volcanic rocks   |
| strike                    | refers to the direction of preferred control of the mineralization be it structural or depositional. In this direction it is expected that there be greater correlation of attributes   |

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| subrosion     | in evaporite geology refers to the process of erosion by dissolution along a surface that is within the sub-surfaces, in this case at the top of the Salt Member                 |
| sylvinite     | a rock type comprised predominantly of the mineral sylvite and halite  |
| sylvite       | an evaporite mineral, potassium chloride (KCl)   |
| unconformably | refers to the relationship between a layer and the layer below it, when the contact between them is an unconformity  |
| unconformity  | An unconformity is a buried erosional or non-depositional surface separating two rock masses or strata of different ages, indicating that sediment deposition was not continuous |