



KORE POTASH – REVIEW OF OPERATIONS FOR THE QUARTER ENDED 30 SEPTEMBER 2018

London, England – 30 October 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**" or the "**Project**"), located within the Republic of Congo ("**RoC**"), provides the following quarterly update, for the period to 30 September 2018 (the "**Quarter**").

HIGHLIGHTS

- Kola Definitive Feasibility Study ("**DFS**") is at an advanced stage. On 29 October 2018, the Company received 15 volumes of the DFS documentation from the consortium of French engineering companies ("**the French Consortium**" or "**FC**"). Although the remaining volume is being finalised, the Company now has sufficient information to commence its formal review.
- The Company declared a maiden sylvinite Mineral Resource Estimate for the Dougou Extension Sylvinite Deposit on 20 August 2018.
- A Licence for the company to use an Offshore Area for the transshipment of potash and the discharge of waste brine has been authorised by the Minister of Transport, Civil Aviation and Merchant Marine of the RoC and was issued to the company on 6 September 2018.
- Amendments to the Kola environmental and social impact assessment (the "**ESIA**") have been made reflecting project design changes since the ESIA was approved. Work on a restructured ESIA continues and when completed it will be reviewed by the regulator before submission to the Minister of Environment for approval.
- The Company awaits feedback from the Ministry of Mines and Geology on whether further action is required by the Company to finalise the Mining Convention for the Kola project. The Convention has been approved by Cabinet and reviewed by the RoC Parliament.
- At the end of the Quarter the Company held USD 11.7 million cash at bank.

Brad Sampson, Chief Executive Officer of Kore Potash, commented:

"Completion of the DFS is a critical step towards unlocking the potential of the Sintoukola Project area. The Company looks forward to finalising the review of the DFS and sharing the outcomes with Shareholders.

"The Kola deposit is a globally significant Potash deposit and we expect the DFS to forecast operating costs that demonstrate the potential for production at Kola to be disruptive in the Potash market and generate significant cash flows for multiple generations.

CORPORATE ACTIVITIES

- Appointment of St James's Corporate Services Limited ("SJCS"), a specialist company secretarial and corporate administration services provider, as interim joint company secretary with effect from 1 October 2018. SJCS joins current Joint Company Secretary, Henko Vos (based in Perth, Western Australia). The Board has received and accepted the resignation of Francesca Wilson as Joint Company Secretary of the Company with effect from 30 September 2018.

OPERATIONAL ACTIVITIES

The Kola Definitive Feasibility Study

- The Company's activities are focused on the development of the Project and the Company is currently working to complete a DFS on this project. The DFS is being undertaken with a consortium of French engineering companies comprised of Technip France, Vinci Construction Grands Projets, Egis International and Louis Dreyfus Armateurs SAS.
- On 29 October the FC completed transmission to the Company of 15 of the 16 DFS volumes. The Company anticipates receipt of the final volume shortly.
- The Company now has sufficient information to commence its internal review of the DFS and the results of the review will be shared with the Board and then shareholders.

Power and Gas

- A non-binding Memorandum of Understanding (MoU) for the potential supply of power was signed between Kola Potash Mining S.A. and Centrale Electrique du Congo (CEC). The MoU, signed during the quarter, confirms the power price for the Project's economic assessment.
- A non-binding term sheet for potential gas supply was signed in the quarter between ENI, New Age, SNPC (a joint venture which owns the offshore gas concession Marine XII) and Kola Potash Mining S.A. The gas will be used for the drying operations and the term sheet confirms the gas price for the Project's economic assessment.

Environmental and social impact assessment ("ESIA")

- The Kola ESIA was performed during 2012 and approved on 10 October 2013 following the issuance of the certificate of environmental compliance by the Minister of Environment of the RoC. This constituted a key regulatory requirement to be granted the Kola Mining License.
- The Kola DFS design has incorporated a number of value-adding design changes since the approval of the ESIA and the Company had undertaken to amend the ESIA accordingly.
- The amended ESIA was submitted to the Director General of the office of the Minister of Environment and public consultations were held with Interested and Affected Parties on the amendments.
- Additional environmental and socio-economic data collection for the gas pipeline corridor was carried out during the quarter and some restructuring of the ESIA is required following a request from the regulator. A social impact assessment of the villages adjacent to the gas pipeline and powerlines has been conducted to improve the baseline data on these villages for the ESIA report.

- When completed the restructured ESIA will be resubmitted to the regulator for their review, prior to the Minister of Environment's final approval.
- Marine field work and laboratory analysis to confirm brine disposal assessments were conducted and ecotoxicological analysis on the waste brine was concluded. These studies support the disposal of brine into the ocean.
- An impact assessment for plantation areas potentially affected by the Project's gas pipeline, powerline and roads was compiled and submitted to the regulator for approval.
- A Resettlement Action Plan ("RAP") for the Project area and a second framework RAP for the services corridor (for gas and power conveyance) have been prepared.
- The ESIA for the Dougou Mining License was approved by the Minister of Environment of the RoC on 13 July 2018. The ESIA approval is granted for a 12 month period and is renewable annually until construction of the Project commences.

Workstreams initiated with RoC stakeholders and authorities

- On 16 October 2018, the Company received a letter of comfort from the Ministry of Energy and Hydraulic of the RoC confirming the Company's exclusive rights to operating the power transmission line when financed and built by the Company for the mining project.
- On 12 September 2018, the Company announced final approval from the Minister of Transport, Civil Aviation and Merchant Marine for the use of the preferred trans-shipment zone. This confirms the design assumption on the transshipment arrangement in accordance with the DFS design and costing.
- On 13 August 2018, a new Declaration d'Utilité Publique ("**DUP**") covering the entire Project land area (mine, over land conveyor, process plant and services corridors) was signed by the Ministry of Land Affairs and Public Domain. The DUP, which has not yet been gazetted, will define any compensation arrangements required due to Kore's activity on the land area.

RoC regulatory requirements

- The Mining Convention (approved by the cabinet on 8 June 2017) has been reviewed by commissions of the two chambers of the RoC Parliament and the Company awaits feedback on whether any further actions are required before the Mining Convention is approved by the President.
- Government approval has been requested for the intra-group transfer of the Dougou Mining License from Sintoukola Potash S.A. to the operating entity Dougou Potash Mining S.A.

Exploration activity

- No field-work exploration activities were undertaken during the period.
- Based on results from drilling in 2017 and earlier, and an interpretation of historic seismic data, the Company declared a maiden sylvinite Mineral Resource Estimate for the Dougou Extension Sylvinite Deposit on 20 August 2018. The combined Inferred and Indicated sylvinite Mineral Resource Estimate is 232 Mt grading 38.1% KCl (Table 1), reported according to JORC 2012. Added to the Kola Sylvinite Deposit, this new deposit brings the Company's total sylvinite Mineral Resources to over 1 billion tonnes.

Cash Balances

- At 30 September 2018, the company had USD 11.7 million cash at bank.

For further information, please visit www.korepotash.com or contact:

Kore Potash
Brad Sampson – CEO

Tel: +27 11 469 9140

Tavistock Communications
Jos Simson
Edward Lee

Tel: +44 (0) 20 7920 3150

Canaccord Genuity – Nomad and Broker
Martin Davison
James Asensio

Tel: +44 (0) 20 7523 4600

Johannesburg Office: +27 11 469 9140

www.korepotash.com

- ENDS -

About Kore Potash's Projects

Kore Potash 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 and carnallite Deposits, the Dougou Extension sylvinite Deposit and the Dougou carnallite Deposit (Table 1). These deposits are within the Kola and Dougou Mining Licenses. The Sintoukola project also includes the Sintoukola 2 Exploration License.

Sintoukola is 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. Sintoukola has the potential to be among the world's lowest-cost potash producers and its 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 million tonnes grading 35.4 % KCl. A Definitive Feasibility Study ("DFS") is being conducted by a consortium of French engineering and construction companies. The deposit is 'open' laterally; drill-holes completed in 2017 intersected high-grade sylvinite several km southeast of the Deposit. It is shallow relative to most potash mines; the proposed shaft bottom will be 270 m below surface.

The Dougou Extension sylvinite Deposit contains a total sylvinite Mineral Resource Estimate of 232 Mt grading 38.1% KCl, hosted by two seams. The Mineral Resource includes 67 Mt grading 60.1 % KCl. Dougou Extension is located 15 km southwest of Kola. A large zone that is considered prospective for sylvinite extends a further 25 km northwards, within the Dougou Mining License and the 'Sintoukola 2' Exploration License.

The Kola and Dougou Extension sylvinite Deposits are considered high grade relative to most potash deposits globally and have the advantage of having very low content of insoluble material, less than 0.3% which provides a further processing advantage.

The Dougou carnallite Deposit has 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. A Scoping Study was completed in February 2015. This Study indicated that a Life of Mine operating cost of US\$68 per tonne MoP was achievable.

- Muriate of Potash (MoP) is the saleable form of potassium chloride (KCl), comprising of a minimum 95% KCl.
- Sylvinite is a rock type comprised predominantly of the potash mineral sylvite (KCl) and halite (NaCl).
- Carnallite is a rock type comprised predominantly of the potash mineral carnallite ($\text{KMgCl}_3 \cdot 6\text{H}_2\text{O}$) and halite (NaCl).

Table 1: Kore's Potash Mineral Resources, provided as Gross and Net Attributable (to Kore's 97% holding), prepared and reported according to the JORC Code, 2012 edition.

SYLVINITE DEPOSITS

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
Sub-Total Measured + Indicated	508	35.4	180	492	35.4	174
Inferred	340	34.0	116	330	34.0	112
TOTAL	848	34.8	295	822	34.8	286

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
Sub-Total Measured + Indicated	111	37.2	41	108	37.2	40
Inferred	121	38.9	47	117	38.9	46
TOTAL	232	38.1	88	225	38.1	85

TOTAL SYLVINITE, KOLA & DOUGOU EXTENSION DEPOSITS COMBINED

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

CARNALLITE DEPOSITS

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
Sub-Total Measured + Indicated	1,068	20.6	220	1,036	20.6	214
Inferred	1,988	20.8	414	1,928	20.8	401
TOTAL	3,056	20.7	634	2,964	20.7	615

KOLA CARNALLITE DEPOSIT

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
Sub-Total Measured + Indicated	783	18.1	142	760	18.1	138
Inferred	1,266	18.7	236	1,228	18.7	229
TOTAL	2,049	18.5	378	1,988	18.5	367

Note: Table entries are rounded to the appropriate significant figure.

Forward-Looking Statements

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

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

Competent Person Statement

The information relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves in this report is based on, or extracted from previous reports referred to herein, and available to view on the Company's website www.korepotash.com. The Kola Mineral Resource Estimate was reported 6 July 2017 in an announcement titled 'Updated Mineral Resource for the High Grade Kola Deposit'. It was prepared by Competent Person Mr. Garth Kirkham, P.Geol., of Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group, and a member of the Association of Professional Engineers and Geoscientists of British Columbia. The Dougou carnallite Mineral Resource Estimate was reported 9 February 2015 in an announcement titled 'Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit'. It was prepared by Competent Persons Dr. Sebastiaan van der Klauw and Ms. Jana Neubert, senior geologists and employees of ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH and members of good standing of the European Federation of Geologists. The Dougou Extension sylvinite Mineral Resource Estimate was reported 20 August 2018 in an announcement titled 'Maiden Sylvinite Mineral Resource at Dougou Extension'. It was prepared by Competent Person Mr. Andrew Pedley a full-time employee of Kore Potash, a registered professional natural scientist with the South African Council for Natural Scientific Professions and member of the Geological Society of South Africa. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.