

23 April 2021

**Kore Potash Plc**  
("Kore Potash" or the "Company")

**Review of Operations for the Quarter ended 31 March 2021**

Kore Potash plc, the potash development company with 97%-ownership of the Kola and DX Potash Projects in the Sintoukola Basin, located within the Republic of Congo ("RoC"), provides the following quarterly update, for the period to 31 March 2021 (the "Quarter").

**Quarterly Highlights:**

**The Kola Potash Project**

- Following ongoing discussions with a number of financiers who indicated potential interest in financing the Kola project, on 1 April 2021 the Company and the Summit Consortium signed a non-binding Memorandum of Understanding to arrange the total financing required for the construction of the Kola Potash Project.

**DX Project Definitive Feasibility Study ("DX DFS")**

- Work continued on Phase 1 of the DX Definitive Feasibility Study
- The current Phase 1 work programme of the DX DFS remains planned for completion during May 2021.
- During the quarter, the Company's consultants completed work on the production well specifications, rock mechanics testing, the blanket design to control cavern formation and initial aquifer modelling.
- The drilling campaign at DX was completed during the quarter. A total of seven diamond drill holes were completed and the Company is currently awaiting assay results.

**Corporate Highlights**

- Questco Corporate Advisory Proprietary Limited was appointed as the Company's JSE Limited Sponsor on 5 March 2021.
- On 11 March 2021 the Company's Chief Financial Officer, Mr Andrey Maruta, notified the Company of his resignation. During Andrey's notice period of 3 months the Company will commence the process to select his replacement.
- On 31 March 2021, the Company held USD 3.18 million cash at bank.
- On 8 April 2021, the Company announced that it has conditionally raised, in aggregate, approximately USD 12.5 million at a price of 1.1 pence (2.0 Australian cents) per new Ordinary Share. This fundraise is conducted in two separate tranches. The Company has successfully raised approximately USD 5.5 million of the total under tranche one, with the balance of approximately USD 7 million remaining under tranche two. The Company will be seeking shareholder approval at a General Meeting scheduled for 5 May 2021 for the shares to be issued and funds to be raised under tranche two.

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

*"The Company is excited at the opportunity presented to us by the Summit Consortium to potentially finance the construction of the world class Kola Project. Pursuing this opportunity is the Company's focus over the next 12 months.*

*Our recent fundraise puts Kore on firm financial footing to complete our portion of the work needed on Kola for optimisation and beyond.*

*At the same time, the development of the DX project remains important and once we complete the current work programme at DX, we will review what the next steps will be for the DX project.”*

## **Operational activities**

### **DX DFS**

- At end of March 2021, progress on the first phase of the DX Definitive Feasibility Study was:
  - The planned diamond drilling has been completed on seven additional drill holes (drill hole numbers DX 10 to DX 16).
  - The preparation of samples was completed and shipped to the SGS Lakefield laboratory in Canada for assay. The Company is currently awaiting the final assay report.
  - Testing of rock mechanics properties (both unconfined compressive strength and triaxial compressive strength) were completed on samples from previously drilled core and from core taken from drill holes DX 12 and 13. The initial test report has been received.
  - Creep tests at the Institut fur Gebirgsmechanik laboratory in Germany have also been completed and the test report received.
  - The geomechanical modelling utilising the rock mechanics properties and creep results has been completed on ten production scenarios.
  - SQM has completed the planned test works within their pilot plant to confirm the project assumptions around magnesium content in the process. The draft report on this has been received by the Company for review.

There were no mining production or construction activities during the Quarter.

### **Next steps**

During the quarter ending 30 June 2021 the Company aims to:

#### **Kola**

- Finalise an Optimisation Agreement with SEPCO Electric Power Construction Corporation (“SEPCO”) to put the contractual framework in place for the Kola optimisation study
- Complete the transfer of Kola data to SEPCO to facilitate the optimisation study
- Receive reports from SEPCO on the progress of the Kola optimisation study

#### **DX**

- Receive assay results from the recent drilling programme and release the results.
- Commence an update of the geological model to incorporate the DX Phase 1 DFS drilling results.

### **Quarterly cashflow report**

In accordance with the ASX Listing Rules, the Company will also lodge its cashflow report for the Quarter today. Included in those cashflows are non-executive directors’ fees and CEO salary of approximately USD 158k settled in cash. The Company settled outstanding directors’ fees for the quarter ended 31 December 2020 through the issue of 2,909,389 ordinary shares, as announced on 15 January 2021. The Company also settled outstanding directors’ fees for the quarter ended 31 March 2021 through the issue of 1,103,296 ordinary shares, as announced on 9 April 2021. The Company also issued 1,250,000 ordinary shares, as announced on 9 April 2021, to satisfy the unconditional vesting

of the third and final tranche of the Performance Rights issued to certain Non-Executive Directors on 29 March 2021, being the third anniversary of admission to trading on AIM.

The Company invested USD 995k in exploration in the Quarter which comprised USD 867k related to DX DFS study and design work, USD 78k in sourcing DX DFS related drilling and other consumables, and USD50k in DX DFS management related costs. The Company ended the Quarter with USD 3.18 million of cash at bank.

This announcement has been approved for release by the Board.

**ENDS**

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### Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and wholly owns Kore Potash Limited of Australia. Kore Potash Limited has a 97% holding in SPSA in the RoC. SPSA is the 100% owner of Dougou Potash Mining S.A. which will hold the Dougou Mining Lease upon the transfer from SPSA to Dougou Potash Mining S.A. through the issue of a Presidential Decree. In addition, SPSA were recently awarded the Sintoukola 2 Exploration Permit. The Kola Deposit is located within the Kola Mining Lease. The Dougou Mining lease hosts the Dougou Deposit and the Dougou Extension Deposit.

**Table 1: Schedule of mining tenements (Republic of Congo) \***

<b>Project &amp; Type</b>	<b>Tenement Issued</b>	<b>Company Interest</b>	<b>Title Registered to</b>
Kola Mining	Decree 2013-412 of 9 August 2013	100% potassium rights only	Kola Potash Mining S.A.
Dougou Mining	Decree 2017-139 of 9 May 2017	100% potassium rights only	Sintoukola Potash S.A.
Sintoukola2 Exploration	Decree 2018-34 of 9 February 2018	100% potassium rights only	Sintoukola Potash S.A.

\* these remain unchanged from the quarter ended 31 December 2020.

**Kore's Potash Mineral Resources and Ore Reserves - Gross and according to future 90% interest (10% by the RoC government)**

KOLA SYLVINITE DEPOSIT						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	216	34.9	75.4	194	34.9	67.8
Indicated	292	35.7	104.3	263	35.7	93.9
Sub-Total Measured + Indicated	508	35.4	179.7	457	35.4	161.7
Inferred	340	34.0	115.7	306	34.0	104.1
<b>TOTAL</b>	<b>848</b>	<b>34.8</b>	<b>295.4</b>	<b>763</b>	<b>34.8</b>	<b>265.8</b>

Ore Reserve Category	Gross			Net Attributable (90% interest)		
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	62	32.1	19.8	56	32.1	17.9
Probable	91	32.8	29.7	82	32.8	26.7
<b>TOTAL</b>	<b>152</b>	<b>32.5</b>	<b>49.5</b>	<b>137</b>	<b>32.5</b>	<b>44.6</b>

Ore Reserves are not in addition to Mineral Resources but are derived from them by the application of modifying factors

DOUGOU EXTENSION SYLVINITE DEPOSIT (HWSS and TSS)						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	-	-	-	-	-	-
Indicated	79	39.1	30.8	71	39.1	27.7
Sub-Total Measured + Indicated	79	39.1	30.8	71	39.1	27.7
Inferred	66	40.4	26.7	59	40.4	24.0
<b>TOTAL</b>	<b>145</b>	<b>39.7</b>	<b>57.5</b>	<b>130</b>	<b>39.7</b>	<b>51.8</b>

Ore Reserve Category	Gross			Net Attributable (90% interest)		
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	-	-	-	-	-	-
Probable	17.7	41.7	7.4	16	41.7	6.6
<b>TOTAL</b>	<b>17.7</b>	<b>41.7</b>	<b>7.4</b>	<b>16</b>	<b>41.7</b>	<b>6.6</b>

Ore Reserves are not in addition to Mineral Resources but are derived from them by the application of modifying factors

DOUGOU CARNALLITE DEPOSIT							
		Gross			Net Attributable (90% interest)		
Mineral	Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
	Measured	148	20.1	29.7	133	20.1	26.8
	Indicated	920	20.7	190.4	828	20.7	171.4
	Sub-Total Measured + Indicated	1,068	20.6	220.2	961	20.6	198.2
	Inferred	1,988	20.8	413.5	1789	20.8	372.2
	TOTAL	3,056	20.7	633.7	2750	20.7	570.3

KOLA CARNALLITE DEPOSIT							
		Gross			Net Attributable (90% interest)		
Mineral	Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
	Measured	341	17.4	59.4	307	17.4	53.5
	Indicated	441	18.7	82.6	397	18.7	74.4
	Sub-Total Measured + Indicated	783	18.1	142.0	705	18.1	127.8
	Inferred	1,266	18.7	236.4	1140	18.7	212.8
	TOTAL	2,049	18.5	378.5	1844	18.5	340.6

### **Competent Persons Statements**

All Mineral Resource and Ore Reserves are reported in accordance with the JORC Code (2012 edition). Numbers are rounded to the appropriate decimal place. Rounding 'errors' may be reflected in the "totals". 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.Geo., 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 on 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 is reported herein. Ms. Vanessa Santos, P.Geo. of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Ms. Santos is a licensed professional geologist in South Carolina (Member 2403) and Georgia (Member 1664), USA, and is a registered member (RM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 04058318). 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.

### **Forward-Looking Statements**

This release contains certain statements that are "forward-looking" with respect to the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. Forward-looking statements include those containing words such as: "anticipate", "believe", "expect," "forecast", "potential", "intends," "estimate," "will", "plan", "could", "may", "project", "target", "likely" and similar expressions identify forward-looking statements. By their very nature forward-looking statements are subject to known and unknown risks and uncertainties and other factors which are subject to change without notice and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct, which may cause the Company's 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. Neither the Company, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur. Except as required by law, and only to the extent so required, none of the Company, its subsidiaries or its or their directors, officers, employees, advisors or agents or any other person shall in any way be liable to any person or body for any loss, claim, demand, damages, costs or expenses of whatever nature arising in any way out of, or in connection with, the information contained in this document.