

10 October 2022

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

Kola Potash project construction contract and financing update

Kore Potash (AIM: KP2, ASX: KP2, JSE:KP2), the potash development company with 97%-ownership of the Kola and DX Potash Projects in the Sintoukola Basin, located in the Republic of Congo ("**RoC**"), provides the following update on the construction contract and financing for the Kola Project ("**Kola**").

Kola construction contract

Kore Potash signed a Memorandum of Understanding ("**MoU**") with the Summit Consortium ("**Consortium**") in April 2021 for the optimisation of Kola, the provision of an Engineering, Procurement and Construction ("**EPC**") contract proposal and to provide a debt and royalty financing proposal for the full construction cost of Kola.

The receipt of the Optimisation Study ("**Study**") on Kola was announced to shareholders on 1 April 2022 and detailed results announced on 27 June 2022 following completion of the Company's review of the Study reports.

On 28 June 2022 the Company announced that it had signed a Heads of Agreement ("**HoA**") for the construction of the Kola with SEPCO Electric Power Construction Corporation ("**SEPCO**"), the engineering partner of the Consortium and that it expected to receive an EPC contract proposal from SEPCO in August 2022.

Following some delays caused by multiple COVID lockdowns within China, SEPCO has now delivered the EPC proposal for Kola to the Company. The EPC proposal has been approved for presentation to Kore by the Boards of SEPCO, and its parent company, Power Construction Corporation of China ("**Power China**").

The EPC proposal reflects the capital cost and construction timeline reported in the Study and the terms agreed to in the HoA. The EPC proposal includes an EPC Agreement which details the contractual terms in a format congruent with the FIDIC silver book (2nd Edition 2017) conditions of contract.

There are a number of proposed contractual terms that the Company believes now require further discussion before acceptance. These discussions have already commenced and Kore and SEPCO are making every effort to expedite this process. It may transpire that SEPCO will require further SEPCO and Power China Board approvals prior to the finalisation of the contractual terms.

Kola financing

The Consortium has communicated that it remains committed to the financing of Kola and are currently awaiting Kore and SEPCO finalising the EPC contract terms prior to presenting its royalty and debt financing proposal for the full construction cost of Kola.

This announcement has been approved for release by the Board of Kore Potash.

Market Abuse Regulation

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

ENDS

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