

8 August 2023

KORE POTASH PLC
("Kore Potash" or "the Company")

Revised agreement with SEPCO

Kore Potash plc, 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**"), is pleased to announce that it has entered into a revised agreement ("**Agreement**") with SEPCO Electric Power Construction Corporation ("**SEPCO**") to provide the Company with an Engineering, Procurement and Construction ("**EPC**") contract for the construction of the Kola Potash Project ("**Kola**" or the "**Project**").

Following completion of SEPCO's Parent Company, PowerChina International Group Limited's ("**PowerChina**") review of the Kola design and construction schedule (announced on 31 March 2023), one of the agreed outcomes is that further engineering design works must be completed prior to PowerChina and SEPCO jointly presenting an EPC Proposal and EPC contract to the Company.

To assist in advancing these works as rapidly as possible, PowerChina has subcontracted five technical groups who have commenced additional design and engineering works. Specific design areas include the underground mine, mineral processing jetty and transshipment operations, energy transportation and storage, conveyor systems and material handling (the "**Works**"). PowerChina has advised the Company that the Works will cost in excess of US\$10 million to complete. Illustrating PowerChina's commitment to Kola, it has capped Kore Potash's contribution at a maximum of US\$5 million of these costs with the balance of the cost to be paid by PowerChina.

Under the Agreement Kore Potash is required to make an initial payment of US\$1 million within three days of signing this agreement and the remainder, which is contingent upon the Company completing further fund raises and SEPCO delivery of the EPC contract, is planned to be paid in three tranches between 25 October 2023 and 12 months from the date that the Company signs the EPC contract.

The Company has been advised that PowerChina, SEPCO and the subcontractors are well progressed with the Works, having commenced immediately following the direction from PowerChina that further work was required, and in advance of reaching this Agreement with the Company on costs.

SEPCO has had personnel living in the RoC for the past 6 months who continue dialogue with potential service providers, and who have conducted site visits to Kola collecting information to further enable the Works. SEPCO plans to mobilise a larger team to Kola during the second half of August, for a period of up to eight weeks, and who are expected to collect additional information on the planned service corridors, planned conveyor route, and geomechanical information on foundation materials in the proposed processing plant and infrastructure areas.

SEPCO has committed to a work schedule that provides for:

- Site visits during the months of August 2023 and September 2023
- Completion of all of the engineering design works before end December 2023.
- EPC Contract offer to be made to the Company during January 2024.
- Kore Potash and SEPCO scheduled to sign the EPC contract before the end of January 2024.

PowerChina and SEPCO have confirmed that on completion of the Works they will have all of the information required to issue an EPC contract to the Company. Importantly PowerChina and SEPCO have indicated that certain of the works to be completed now would have formed part of front end design and engineering (FEED) works which would have been completed at the inception of the Project, which assist with reducing certain timelines during the construction phase.

The Company and the intended financiers within the Summit Consortium are highly supportive and recognise that undertaking these Works now should further de-risk the design of Kola to the benefit

of the Company, the financiers, and the constructor.

Kore Potash continues to work with the Summit Consortium to provide financing for the full construction cost of Kola which is intended to be based on royalty and debt finance.

The Summit Consortium has advised that the financing proposal for the full construction cost of Kola will be provided to the Company within six weeks of EPC terms being finalised.

Market abuse regulation

Market Abuse Regulation (MAR) Disclosure The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

This announcement has been approved for release by the Board.

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