



**KORE POTASH PLC**

**HALF-YEARLY REPORT**

**FOR THE 6 MONTHS ENDED  
30 JUNE 2023**

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## CORPORATE DIRECTORY

### **COMPANY REGISTRATION NUMBER**

United Kingdom 10933682

### **NON-EXECUTIVE CHAIRMAN**

David Hathorn

### **CHIEF EXECUTIVE OFFICER**

Brad Sampson

### **JOINT COMPANY SECRETARY**

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Australian Securities Exchange (ASX)

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ISIN: GB00BYP2QJ94

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David Netherway

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## GLOSSARY

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
\$ or USD	Denotes USD or United States dollars	The official currency of the United States of America and its territories, as well as being the functional and presentation currency of the Company and the Group.
2018 UK Code	2018 UK Corporate Governance Code	The UK corporate governance code that came into effect on 1 January 2018 and applies to accounting reference periods commencing on and after 1 January 2019.
AGM	Annual General Meeting	The mandatory yearly gathering of the Company's interested shareholders. The latest AGM was held on 20 June 2023.
AIM	Alternative Investment Market	AIM (formerly the Alternative Investment Market) is a market operated by the London Stock Exchange.
ASX	Australian Securities Exchange	The ASX is Australia's primary securities exchange.
AUD	Australian dollars	The official Australian currency.
Board	The board of directors of Kore Potash plc	
Carnallite/ Carnallite	A rock type comprised predominantly of the potash mineral carnallite (KMgCl <sub>3</sub> ·6H <sub>2</sub> O) and halite (NaCl)	Carnallite may be replaced by the word carnallite for simplicity.
CDIs	CHESS Depository Interests	CDIs are instruments traded on the ASX that allow non-Australian companies to list their shares on the exchange and use the exchange's settlement systems. In the Company's case, one CDI is equivalent to one share traded on the AIM market or on the JSE.
CEO	Chief Executive Officer	Chief Executive Officer of Kore Potash plc.
CFO	Chief Financial Officer	Chief Financial Officer of Kore Potash plc.
Company	Kore Potash plc	Kore Potash plc is public company incorporated and registered in England and Wales (registered number 10933682).
COO	Chief Operating Officer	
COVID-19	Coronavirus 2019	An acute disease in humans caused by a coronavirus. It was originally identified in 2019 and became a pandemic in 2020.
DFS	Definitive Feasibility Study	A DFS is an evaluation of a proposed mining project to determine whether the mineral resource can be mined economically.
Dougou	Denotes the Dougou Project	The Dougou Project (including the Dougou Extension (DX) Project) is part of the Sintoukola Potash Project.
DPM	Dougou Potash Mining S.A.	DPM is located in the RoC and is one of the subsidiaries of SPSA.
DUP	Déclaration d'Utilité Publique	A DUP or translated as a "declaration of public utility", is a formal recognition in RoC law that a proposed project has public benefits.
DX	Dougou Extension	The Dougou Extension sylvinitic solution mining project.
ENFI	China ENFI Engineering Corporation	
EPC	Engineering, Procurement and Construction	A particular form of contracting arrangement used in some industries where the EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.
ESIA	Environmental and social impact assessment	A process for predicting and assessing the potential environmental and social impacts of a proposed project, evaluating alternatives and designing appropriate mitigation, management and monitoring measures.

## GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
GBP	British pound sterling	The official currency of the United Kingdom.
Granular MoP	The selling description for compacted MoP.	
Group	Kore Potash plc and its controlled entities	A list of the controlled entities within the Group is included in Note 8 of the 2022 Annual Report.
HoA	Heads of Agreement	
Insoluble material	Here refers to clays, organic material and other insoluble components of the sylvinite	Low insoluble content is considered advantageous.
IRR	Internal Rate of Return	
JORC	Australasian Joint Ore Reserves Committee	JORC is sponsored by the Australian mining industry and its professional organisations.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves	The JORC Code is one of the most accepted standards for the reporting of a company's Mineral Resources and Ore Reserves.
JSE	Johannesburg Stock Exchange	The securities exchange, licensed under the Financial Market Act (No 19 of 2012), as amended from time to time, operated by JSE Limited.
KCl	Potassium Chloride	
Km	Kilometres	
KMP	Key Management Personnel	Refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Kola	Denotes the Kola Project.	The Kola Project is part of the Sintoukola Potash Project.
Kore Potash	Kore Potash plc	See definition for "Company" above.
KPI	Key Performance Indicator	
KPM	Kola Potash Mining S.A	KPM is located in the RoC and is one of the subsidiaries of SPISA.
LSE	London Stock Exchange	The LSE is the primary stock exchange in the United Kingdom.
LTIP	Long Term Incentive Plan	
Mining Convention	Denotes the mining convention signed by the Group and the government of RoC.	The mining convention governs the conditions of construction, operation and mine closure of the Kola and Dougou (including Dougou Extension) mining projects.
MoP	Muriate of Potash	The saleable form of potassium chloride (KCl), comprising of a minimum 95% KCl.
MoU	Memorandum of Understanding	The MoU was signed on 6 April 2021 by the Company and Summit.
Mt/Mtpa	Million tonnes/Million tonnes per annum	
NED	Non-Executive Director	Non-Executive Director of Kore Potash plc.
NPV	Net Present Value	
OIA	Oman Investment Authority (former SGRF)	OIA, is a sovereign wealth fund in Oman, and is one of the Company's substantial shareholders. Its investment in the Company is held in the name of Princess Aurora Company Pte.
Period	The current reporting period for the Half Yearly Report commencing 1 January and ending 30 June.	

## GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
Potash	Refers to potassium compounds, especially those of potassium chloride (MoP) or sulfate (SoP)	Refer to MoP and SoP for the definitions on the two main types of potash.
PowerChina	PowerChina International Group Limited	
PFS	Pre – Feasibility Study	A PFS is a comprehensive study of a range of options for the technical and economic viability of a mining project that has advanced to a stage where a preferred mining method is established, and an effective method of mineral processing is determined. A PFS is at a lower confidence level than a Feasibility Study.
RoC	Republic of Congo	The RoC is where the Group’s exploration activities are located.
Rock-salt	In this case, a rock comprised predominantly of the mineral halite (NaCl)	
SBP	Share-Based Payment(s)	
SEPCO	SEPCO Electric Power Construction Corporation	
Sintoukola Potash Project	Denotes the large potash project operated by the Group through SPSA located in the Koulou Province of the Republic of Congo	The Sintoukola Potash Project includes the Kola Project, the Dougou Project and the Dougou Extension Project (previously known as the Yangala Project).
SJCS	St James’s Corporate Services Limited	SJCS, together with Henko Vos, are the Company’s joint company secretary.
SoP	Sulfate of Potash	Also called potassium sulphate, arcanite, or archaically known as potash of sulphur. SoP is the inorganic compound with formula K <sub>2</sub> SO <sub>4</sub> . It is a white water- soluble solid. It is commonly used in fertilisers, providing both potassium and a source of sulphur.
SPSA	Sintoukola Potash S.A.	SPSA is the Company’s 97%-owned subsidiary located in the RoC, owned through the Company.
SQM	Sociedad Quimica y Minera de Chile S.A.	SQM is a New York listed Chilean lithium & potash company and is one of the Company’s substantial shareholders.
Standard MoP	The selling description for uncompacted MoP.	
Summit	Summit Africa Limited	
Summit Consortium	The Summit Consortium refers to Summit, BRP Global Limited, SEPCO and their subcontractor ENFI.	
Sylvinite	A rock type comprised predominantly of the potash mineral sylvite (KCl) and halite (NaCl)	
TPA	Tonnes per annum	
2018 UK Code	2018 UK Corporate Governance Code	

## DIRECTORS' REPORT

The Board of Directors of Kore Potash plc ("Kore Potash" or "Company") presents herewith the half-yearly report of Kore Potash plc and its subsidiaries ("the Group") for the six months ended 30 June 2023.

### DIRECTORS

The names of the directors of the Company in office during the 6 months or since the end of the half year were:

David Hathorn	Non-Executive Chairman
Brad Sampson	Chief Executive Officer
Jonathan Trollip	Non-Executive Director
David Netherway	Non-Executive Director
Pablo Hernandez Mac-Donald	Non-Executive Director (Resigned with effect from 20 June 2023)
Wouter Poulinx	Non-Executive Director (Appointed with effect from 24 July 2023)

All directors were in office from the beginning of the half-year until the date of this report unless otherwise stated.

### PRINCIPAL ACTIVITY

The principal activity of the Group during the financial half year was exploration for potash minerals prospects and project development at the Company's Sintoukola Potash Project, including the Kola and Dougou Potash Permits in the RoC. There were no significant changes in the nature of activities of the Group during the half year.

### OPERATING RESULTS

Net operating loss after tax for the 6 months ended 30 June 2023 was USD 464,983 (H1 2022: USD 903,210).

At 30 June 2023, the Group had USD 167,201,357 in capitalised Exploration and Evaluation asset (31 Dec 2022: USD 162,729,194). Cash and cash equivalents decreased by USD 2,491,375 during the Period to USD 2,555,254 at 30 June 2023.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT

The Board is pleased to present its review of the potash exploration and development activities of the Group, whose flagship asset is the Sintoukola Potash Project, located within the RoC.

The Group is developing its globally significant potash deposits in the RoC, which are ideally located to supply the important Brazilian agricultural market and high growth African markets. The potash deposits are high grade, shallow, and close to the coast with access to infrastructure. The Sintoukola Potash Project also has district scale development potential with over 6 billion tonnes of potash mineral resources located 35 kilometres from the coast.

Feeding the world's growing population, as arable land per capita declines requires increasing application of fertiliser. Potassium (from potash) is a key nutrient, essential for high quality and high yield food production to meet this need. As a result, the increasing demand for potash, as well as the potential for the Group to be one of the lowest cost suppliers of potash to the South American and African markets, puts the Group in a good position to increase its business value over the long term.

### PROJECT OVERVIEW

The Sintoukola Potash Project comprises the Kola sylvinite and carnallite deposits, DX sylvinite deposit and Dougou carnallite deposits. These deposits are all situated within the Kola and Dougou Mining Licenses.

The Sintoukola Basin is located approximately 80 km to the north of the city of Pointe Noire, which has a major port facility, and within 35 km of the Atlantic coast. The Sintoukola Potash Project has the potential to be among the world's lowest-cost potash producers, and its location near the coast offers a transport cost advantage in comparison to existing global potash producers.

## DIRECTORS' REPORT (CONTINUED)

### PROJECT OVERVIEW (CONTINUED)

The Kola sylvinite deposit has a Mineral Resource of 848 Mt with an average grade of 34.8% KCl at an average depth of approximately 250 metres below the surface. The Kola DFS was announced on 29 January 2019, which determined Proved and Probable Ore Reserves totalling 152.4 Mt with an average grade of 32.5% KCl. The deposit is open laterally and an exploration target for the southward extension of sylvinite was announced on 21 November 2018. A non-binding MoU for the completion of a capital optimisation study on Kola, presentation of an EPC proposal and financing for the construction of Kola, was signed with the Summit Consortium and announced on 6 April 2021. On the 27 June 2022, the Company announced the Optimisation Study was completed with optimised construction costs of USD 1.83 billion and a shortened construction schedule of 40 months.

The results of the updated DX PFS were announced on 24 January 2023, which determined that the DX Deposit contains a total sylvinite Mineral Resources of 129 Mt with an average grade of 24.9% KCl, Proven and Probable Ore Reserves of 9.3 Mt with an average grade of 35.7% KCl. DX is located 15 km southwest of Kola. The DX deposit is open laterally, and an Exploration Target for the northward extension of sylvinite at DX was announced on 21 November 2018.

The Kola and DX sylvinite deposits are high grade relative to most potash deposits globally. They contain less than 0.3% insoluble material which provides a further processing advantage over other potash deposits.

The Dougou carnallite deposit has a Mineral Resource of 3.056 billion tonnes with an average grade of 20.7% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallite within four flat-lying seams. The Dougou deposit remains open laterally and at depth. A scoping study was completed and announced in February 2015.

### SUMMARY OF KEY DEVELOPMENTS

#### HIGHLIGHTS

- Discussions continue towards finalising terms for the EPC contract at the Kola Project.
- PowerChina and SEPCO have commenced work to support the provision of guarantees regarding an EPC contract for Kola.
- Summit Consortium has confirmed that the financing proposal for the full capital cost of Kola will be provided within six weeks of finalisation of EPC contract terms.
- On 24 January 2023, the Company announced an update of the JORC (2012) compliant Mineral Resource, Ore Reserve, PFS information and Production Target at the DX Project. The updated Mineral Resource incorporates the most recent drilling results and interpretation of the geophysical data.
- Cash and cash equivalents, at 30 June 2023 was USD 2,555,254.
- The exploration and evaluation assets at 30 June 2023 was USD 167,201,357, an increase of USD 4,472,163 from USD 162,729,194 at 31 December 2022. During the Period the Company capitalised USD 1,882,884 in exploration and evaluation expenditure and the expenditure increased by USD 2,589,279 as a result of the weakening of the USD against the currency of the RoC.
- Despite the on-going Russian/Ukraine conflict and increasing fuel prices, the Group's operations have not been materially impacted during the Period.



## DIRECTORS' REPORT (CONTINUED)

### OPERATIONAL ACTIVITIES

#### Kola Potash Project

Kore Potash signed a Memorandum of Understanding with the Summit Consortium in April 2021 for the Optimisation of Kola, the provision of an EPC contract proposal and to provide a debt and royalty financing proposal for the full construction cost of Kola.

The results of the Optimisation Study announced on 27 June 2022 supported moving to the next phase of Kola's development.

On 28 June 2022, the Company announced that it had signed a HoA for the construction of Kola with SEPCO.

Under the HoA, SEPCO undertook to continue negotiations with Kore Potash towards an EPC contract for the construction of Kola. Importantly, the HoA recognises the outcomes of the Optimisation Study, and confirmed the capital cost of Kola, the construction period and related EPC contract terms.

Discussions with SEPCO to finalise key EPC terms continue.

Recognising the world-class scale of Kola, the length of the proposed construction period and the total financing requirement, Kore Potash has requested that SEPCO's parent company, PowerChina, provides the typically required EPC contract guarantees, including performance and retention bonds supporting the completion of construction and the operating performance of Kola.

PowerChina is now actively involved in the process to finalise the EPC contract terms. As part of this process, PowerChina is reviewing aspects of the Kola design and the planned construction schedule and has had direct communications with the management of Kore Potash.

PowerChina's review has generated a number of potential design improvements to the Kola Project that identify potential opportunities to further reduce the capital cost and the construction schedule. Discussions on incorporating these design improvements into the EPC contract continue.

PowerChina has engaged a number of external experts to support its review of the Kola design and they require completion of this review to support the provision of the required EPC contract guarantees.

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 successful outcomes of the Optimisation Study were in line with the Consortium's requirements and supported the ongoing financing discussions. The financing parties of the Consortium have again reinforced their ongoing strong interest in financing Kola and await finalisation of the EPC contract terms.

The 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.

Kore Potash continues to hold the view that the members of the Consortium have the capability to provide the required financing to commit to the construction of Kola and that pursuing this financing opportunity currently remains the best strategy for Kore Potash's shareholders.

Key members of the Kore Potash Board and the Summit Consortium, including SEPCO and PowerChina, met with the Ministry of Mines during the period. The Ministry of Mines feedback from the visit was positive and that it improved the Ministry's understanding of the financing process.

## DIRECTORS' REPORT (CONTINUED)

### OPERATIONAL ACTIVITIES (CONTINUED)

#### Dougou Extension (DX) Sylvinitic Defined Feasibility Study Phase 1

The DX Project update of the JORC (2012) compliant Mineral Resource, Ore Reserve, PFS information and Production Target was announced on the 24 January 2023. The updated Mineral Resource incorporates the most recent drilling results and interpretation of the geophysical data. A summary of the results is presented below:

- Production Target of 15.5Mt sylvinitic at a grade of 30.63 % KCl demonstrates initial project life of 12 years at a production rate of 400,000 tpa MoP.
- Production Target based on Proven and Probable Ore Reserves and 13% of the Inferred Mineral Resources that represents 30% of the life of project MoP production.
- NPV10 (real) of USD 275 million and 27% IRR on a real post tax basis at life of project average granular MoP price of USD 450/t.
- Approximately 2.9 years post-tax payback period from first production.
- Proven and Probable Ore Reserve of 9.31 Mt sylvinitic at an average grade of 35.7% KCl.
- Mineral Resource of 129 Mt at an average grade of 24.8% KCl.
- Higher confidence in the distribution of Sylvinitic within the Top Seams and improved understanding of the Sylvinitic/Carnallite boundary within the Hanging Wall Seam.

The updated information confirms that the DX Project is a financially attractive, low capital cost project with a shorter construction period than Kola.

At present, the Company remains focused on completing the financing of Kola and moving forward to construction of Kola as soon as possible. The Company is now exploring what strategic options are available for the DX project.

#### Environmental and Social Impact Assessment (“ESIA”)

The Minister of Tourism and Environment of the RoC issued certificates on 31 March 2020 granting a 25-year approval period for the ESIA's for both the Dougou and the Kola Mining Licenses. This approval aligned with the provisions of the Mining Convention in place between the Government and Kore and eliminated the previous requirement for annual re-approvals. The Company plans in the future to seek approval for amendments to the ESIA for the Dougou Mining License to include the planned mining and processing of the DX sylvinitic Deposit which sits within the Dougou Mining License.

#### Mining Convention and Research Convention

The Company continues to engage with the RoC Government to implement the commitments contained within the Mining Convention. This includes the intra-group transfer of the Dougou Mining License from SPSA to the operating entity DPM. and the transfer of a 10% shareholding in KPM and DPM to the State.

#### Impact of Russia/Ukraine Conflict

- The conflict has not had a material adverse impact on the Company's activities during the Period.
- Fuel prices have risen and have not had a material impact on the operations in the RoC.
- Fuel shortages have been experienced in the RoC however, the Company has maintained sufficient fuel inventory to ensure the operations are not impacted by these shortages.
- Inflation has not had a material impact on the Group's activities.

## DIRECTORS' REPORT (CONTINUED)

### PRINCIPAL RISKS

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The directors have considered the principal risks facing the Group and concluded they have not changed since the publication of the annual report for the year ended 31 December 2022, which are summarised below:

- Capital requirement and ability to attract future funding;
- Country risk in RoC;
- Change in potash commodity prices and market conditions;
- Geological and technical risk posed to exploration and commercial exploitation success;
- Environmental and occupational health and safety risks;
- Government policy change;
- Retention of key staff; and
- Climate change.

### GOING CONCERN

The 30 June 2023 half-yearly report has been prepared on a going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

Cash and cash equivalents, at 30 June 2023 were USD 2,555,254 (31 December 2022: USD 5,046,629), with a decrease of USD 2,491,375 related to exploration and evaluation expenditure and Kore Potash operating expenditure. For the Period ended 30 June 2023 the Group recorded a net loss of USD 464,983 (31 December 2022: USD 1,513,953) and at 30 June 2023 had a net working capital position of USD 2,123,316 (31 December 2022: USD 4,497,385). The Group also recorded a net cash outflow from operating activities for the period ended 30 June 2023 of USD 577,006 (31 December 2022: USD 1,236,245).

On 8 August 2023, the Company announced the successful completion of a USD 1.0 million fund raise. A total of 124,384,000 new Ordinary Shares were issued on the 11 August 2023 at the subscription price of 0.5p for a total value of USD 0.8 million. The Company also entered into two Convertible Loans with the Chairman of Kore Potash, David Hathorn by way of two separate trusts for an aggregate value of USD 0.2 million which are convertible into 15,548,000 shares per loan. The conversion of the loans is subject to shareholder approval at a General Meeting scheduled for 21 September 2023 and if approved will result in 31,096,000 new Ordinary Shares being issued.

The Directors note that the announced capital raise remains partially subject to shareholder vote and therefore is not completed at the date that these interim financial statements are approved.

Based on the Group's cash flow forecast the Group will need to access additional capital in Q4 2023 for the working capital requirements for Kore Potash for the period up to receiving and accepting the EPC contract proposal from SEPCO and the financing proposal for the complete construction of Kola from the Summit Consortium to ensure the realisation of assets on an orderly basis and the extinguishment of liabilities as and when they fall due. Upon accepting the EPC and financing for the construction of Kola additional capital will be required for the working capital requirements of Kore Potash until the commencement of production. The Directors have reviewed the Group's overall position and outlook in respect of the matters identified above and are of the opinion that there are reasonable grounds to believe that funding will be secured and therefore that the operational and financial plans in place are achievable and accordingly the Group will be able to continue as a going concern and meet its obligations as and when they fall due. The Directors are also aware that the Group has the option, if necessary, to relinquish certain projects and reduce administration costs in order to minimise its capital raising requirements.

Based on these facts, the Directors consider the going concern basis of preparation to be appropriate for this financial report. However, as at the date of this report the Company has not secured a fundraising through the issue of new equity and/or through debt funding. These conditions indicate that a material uncertainty exists which may cast significant doubt upon the Group's ability to continue as a going concern and the Group may therefore be unable to realise its assets and discharge its liabilities in the ordinary course of business.

## DIRECTORS' REPORT (CONTINUED)

### GOING CONCERN (CONTINUED)

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern. The directors reviewed a cash flow forecast for the period ending 31 December 2024, which indicates that the Group will have insufficient liquidity to meet its working capital requirements to the end of the going concern period (September 2024).

### Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and has a 97% holding in SPSA in the RoC. SPSA is the 100% owner of DPM, which holds the Dougou Mining Lease and KPM, which holds the Kola Mining Lease. The Dougou Mining lease hosts the Dougou Deposit and the DX Deposit. The Kola Deposit is located within the Kola Mining Lease.

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

Project & Type	Tenement Issued	Company Interest	Title Registered to
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 Revised Decree No 2021-389 of 2 August 2021	100% potassium rights only	Sintoukola Potash S.A.

### About Kore Potash's Projects

Kore Potash is an advanced stage mineral exploration and development company whose primary asset is a 97%-owned interest in the Sintoukola project, a potash project located in the RoC. The Sintoukola project comprises the DX sylvinitic Deposit, the Kola sylvinitic and carnallite Deposits, and the Dougou carnallite Deposit. These deposits are within the Dougou and Kola Mining Licenses.

Sintoukola is located approximately 80 km to the north of the city of Pointe Noire which has a major port facility, and within 35 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 fertiliser markets.

The Kola sylvinitic Deposit has a Measured and Indicated sylvinitic Mineral Resource of 848 Mt grading 34.8% KCl. The results of a DFS were announced on 29 January 2019, which determined Ore Reserves of 152.4 Mt with an average grade of 32.5% KCl. The deposit is open laterally; an Exploration Target for the Southward extension of sylvinitic was announced on the 21 November 2018.

The DX sylvinitic Deposit contains a total sylvinitic Mineral Resource Estimate of 129 Mt grading 24.9% KCl, hosted by two seams. The results of the updated PFS were announced on 24 January 2023, which determined Ore Reserves of 9.3 Mt with an average grade of 35.7% KCl. DX is located 15 km southwest of Kola. The deposit is open laterally; an Exploration Target for the northward extension of sylvinitic was announced on the 21 November 2018.

The DX and Kola sylvinitic 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 3.056 billion tonnes grading 20.7% KCl (at a depth of between 400 and 600 meters) hosted by 35-40 meters 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 USD 68 per tonne MoP was achievable.

- MoP is the saleable form KCl, comprising of a minimum 95% KCl.
- Sylvinitic 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 (KMgCl<sub>3</sub>·6H<sub>2</sub>O) and halite (NaCl).

## DIRECTORS' REPORT (CONTINUED)

### Kore's Potash Mineral Resources

Table 2: Kore's Potash Mineral Resources and Ore Reserves, provided as Gross and Net Attributable (to Kore's 97% holding), prepared and reported according to the JORC Code, 2012 edition.

#### SYLVINITE DEPOSITS

<b>KOLA SYLVINITE DEPOSIT</b>						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt
Measured	216	34.9	75.4	194	34.9	67.8
Indicated	292	35.7	104.3	263	35.7	93.9
<b>Sub-Total Measured + Indicated</b>	<b>508</b>	<b>35.4</b>	<b>179.7</b>	<b>457</b>	<b>35.4</b>	<b>161.7</b>
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 Mt	Average Grade KCl %	Contained KCl Mt	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt
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

<b>DOUGOU EXTENSION SYLVINITE DEPOSIT (HWSS and TSS)</b>						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt
Measured	20	32.4	6.5	18	32.4	5.9
Indicated	8	23.1	1.8	7	23.1	1.6
<b>Sub-Total Measured + Indicated</b>	<b>28</b>	<b>29.9</b>	<b>8.3</b>	<b>25</b>	<b>29.9</b>	<b>7.5</b>
Inferred	101	23.5	23.8	91	23.5	21.4
<b>TOTAL</b>	<b>129</b>	<b>24.8</b>	<b>32.1</b>	<b>116</b>	<b>24.8</b>	<b>28.9</b>

Ore Reserve Category	Gross			Net Attributable (90% interest)		
	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt	Sylvinite Mt	Average Grade KCl %	Contained KCl Mt
Proved	6.1	32.5	2.0	5.5	32.5	1.8
Probable	3.2	41.8	1.3	2.9	41.8	1.2
<b>TOTAL</b>	<b>9.3</b>	<b>35.7</b>	<b>3.3</b>	<b>8.4</b>	<b>35.7</b>	<b>3.0</b>

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

#### CARNALLITE DEPOSITS

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

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

## DIRECTORS' REPORT (CONTINUED)

### 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 Resources were 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.Ge., 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 Ore Reserves for sylvinite at Kola was first stated on 29 January 2019 in an announcement titled "Kola Definitive Feasibility Study" and was prepared by Met-Chem. The Competent Person for the estimate was Mr Mo Molavi, member of good standing of Engineers and Geoscientists of British Columbia. The Ore Reserves were reviewed when the changes to the underlying assumptions (as detailed in the 27 June 2022 announcement "Kola Project optimisation study outcomes") were made and Mr Molavi verified that the Ore Reserves remained unchanged.

The Dougou carnallite Mineral Resources were 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 and Ore Reserve Estimate were reported in an announcement titled "Updated Dougou Extension (DX) PFS and Production Target" on 24 January 2023. Dr. Douglas F. Hambley, Ph.D., P.E., P.Eng., P.G of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Mr. Hambley is a licensed professional geologist in states of Illinois (Member 196-000007) and Indiana (Member 2175), USA, and is an Honorary Registered Member (HRM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 1299100RM), a Recognised RPO included in a list that is posted on the ASX website from time to time and Dr. Michael Hardy was the Competent Person for the Ore Reserves, and he is a registered member in good standing (Member #01328850) of Society for Mining, Metallurgy and Exploration (SME) which is an RPO included in a list that is posted on the ASX website from time to time.

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 statements of 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.



**David Hathorn**  
Chairman  
11 September 2023



**Brad Sampson**  
Chief Executive Officer  
11 September 2023



## INDEPENDENT REVIEW REPORT TO KORE POTASH PLC

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the half-yearly report for the six months ended 30 June 2023 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34: Interim Financial Reporting, the London Stock Exchange AIM Rules for Companies, and the rules of the Australian Stock Exchange.

We have been engaged by the Company to review the condensed consolidated set of financial statements in the half-yearly report for the six months ended 30 June 2023 which comprises the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows, and related notes.

### Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” (“ISRE (UK) 2410”). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2a, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed consolidated set of financial statements included in this half-yearly report has been prepared in accordance with UK adopted International Accounting Standard 34: Interim Financial Reporting.

### Material uncertainty related to going concern

We draw attention to the Going concern section in note 3 to the half-yearly report, which explains that the Group will need to access additional capital in Q4 2023 which is not yet secured. As stated in the Going concern section in note 3, these events or conditions indicate that a material uncertainty exists which may cast significant doubt on the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however future events or conditions may cause the Group to cease to continue as a going concern.

### Responsibilities of directors

The directors are responsible for preparing the half-yearly report in accordance with UK adopted International Accounting Standard 34: Interim Financial Reporting, the London Stock Exchange AIM Rules for Companies, and the rules of the Australian Stock Exchange, which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the Group’s annual accounts having regard to the accounting standards applicable to such annual accounts.

In preparing the half-yearly report, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT REVIEW REPORT TO KORE POTASH PLC

### Auditor's responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed consolidated set of financial statement in the half-yearly report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

### Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the rules of the London Stock Exchange AIM Rules for Companies and the rules of the Australian Stock Exchange and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

DocuSigned by:

BDO LLP

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BDO LLP

Chartered Accountants

London UK

11 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 30 JUNE 2023

		6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year ended 31 Dec 2022 USD Audited
	Notes			
Directors' remuneration		(151,769)	(198,521)	(418,962)
Equity compensation benefits	5	-	(8,523)	(9,412)
Salaries, employee benefits and consultancy expense		(95,704)	(207,766)	(293,292)
Administration expenses	6	(273,020)	(222,798)	(546,507)
Interest income		51,348	17,029	66,956
Interest and finance expenses		(1,395)	(2,182)	(3,935)
Net realised and unrealised foreign exchange gain (loss)		5,557	(280,449)	(308,801)
<b>Loss before income tax expense</b>		<b>(464,983)</b>	<b>(903,210)</b>	<b>(1,513,953)</b>
Income tax income/(expense)	7	-	-	-
<b>Loss for the period</b>		<b>(464,983)</b>	<b>(903,210)</b>	<b>(1,513,953)</b>
<b>Other comprehensive income/(loss)</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences gain/(loss) on translating operations		2,540,490	(11,887,165)	(8,660,408)
<b>Other comprehensive profit/(loss) for the period</b>		<b>2,540,490</b>	<b>(11,887,165)</b>	<b>(8,660,408)</b>
<b>Total comprehensive profit/(loss) for the period</b>		<b>2,075,507</b>	<b>(12,790,375)</b>	<b>(10,174,361)</b>
<b>Loss attributable to:</b>				
Owners of the Company		(464,474)	(903,210)	(1,513,822)
Non-controlling interest		(509)	-	(131)
		<b>(464,983)</b>	<b>(903,210)</b>	<b>(1,513,953)</b>
<b>Total comprehensive profit/(loss) attributable to:</b>				
Owners of the Company		2,076,016	(12,790,375)	(10,174,230)
Non-controlling interest		(509)	-	(131)
		<b>2,075,507</b>	<b>(12,790,375)</b>	<b>(10,174,361)</b>
<b>Loss per share</b>				
Basic and diluted loss per share (cents per share)	14	(0.01)	(0.03)	(0.04)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		30 June 2023	30 June 2022	31 Dec 2022
		USD	USD	USD
	Notes	Unaudited	Unaudited	Audited
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents		2,555,254	7,628,417	5,046,629
Trade and other receivables		140,479	145,458	200,251
<b>Total Current Assets</b>		<b>2,695,733</b>	<b>7,773,875</b>	<b>5,246,880</b>
<b>Non-Current Assets</b>				
Trade and other receivables		39,218	99,562	38,597
Property, plant and equipment		373,633	433,385	385,103
Exploration and evaluation expenditure	8	167,201,357	157,518,638	162,729,194
<b>Total Non-Current Assets</b>		<b>167,614,208</b>	<b>158,051,585</b>	<b>163,152,894</b>
<b>TOTAL ASSETS</b>		<b>170,309,941</b>	<b>165,825,460</b>	<b>168,399,774</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables	9	572,417	803,064	749,469
Derivative financial liability		26	26	26
<b>Total Current Liabilities</b>		<b>572,443</b>	<b>803,090</b>	<b>749,495</b>
<b>Non-Current Liabilities</b>				
<b>Total Non-Current Liabilities</b>		-	-	-
<b>TOTAL LIABILITIES</b>		<b>572,443</b>	<b>803,090</b>	<b>749,495</b>
<b>NET ASSETS</b>		<b>169,737,498</b>	<b>165,022,370</b>	<b>167,650,279</b>
<b>EQUITY</b>				
Issued share capital – Ordinary Shares	10	3,421,937	3,420,177	3,420,177
Reserves		223,948,269	218,347,816	221,586,467
Accumulated losses		(57,069,485)	(56,183,040)	(56,793,651)
<b>Equity attributable to the shareholders of Kore Potash plc</b>		<b>170,300,721</b>	<b>165,584,953</b>	<b>168,212,993</b>
Non-controlling interests		(563,223)	(562,583)	(562,714)
<b>TOTAL EQUITY</b>		<b>169,737,498</b>	<b>165,022,370</b>	<b>167,650,279</b>

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2023

Notes	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non-controlling Interest USD	Total Equity USD
<b>Balance as at 1 Jan 2023</b>	<b>3,420,177</b>	<b>44,537,309</b>	<b>203,738,800</b>	<b>(56,793,651)</b>	<b>734,259</b>	<b>(27,423,901)</b>	<b>168,212,993</b>	<b>(562,714)</b>	<b>167,650,279</b>
<i>Loss for the period</i>	-	-	-	(464,474)	-	-	(464,474)	(509)	(464,983)
<i>Other Comprehensive (loss)/gain</i>	-	-	-	-	-	2,540,490	2,540,490	-	2,540,490
<i>Total Comprehensive (loss)/gain</i>	-	-	-	(464,474)	-	2,540,490	2,076,016	(509)	2,075,507
Transactions with owners:									
Issue of Shares	10, 15(b)	1,760	-	-	-	-	1,760	-	1,760
Conversion of performance rights	10, 15(b)	-	-	188,640	(188,640)	-	-	-	-
Share Based payments	10, 15(b)	-	-	-	9,952	-	9,952	-	9,952
<b>Balance at 30 June 2023</b>	<b>3,421,937</b>	<b>44,537,309</b>	<b>203,738,800</b>	<b>(57,069,485)</b>	<b>555,571</b>	<b>(24,883,411)</b>	<b>170,300,721</b>	<b>(563,223)</b>	<b>169,737,498</b>

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE 6 MONTHS ENDED 30 JUNE 2023**

Notes	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non-controlling Interest USD	Total Equity USD
<b>Balance as at 1 Jan 2022</b>	<b>3,375,494</b>	<b>44,205,971</b>	<b>203,738,800</b>	<b>(55,422,779)</b>	<b>708,486</b>	<b>(18,623,503)</b>	<b>177,982,470</b>	<b>(562,583)</b>	<b>177,419,887</b>
Loss for the period	-	-	-	(903,210)	-	-	(903,210)	-	(903,210)
Other Comprehensive (loss)/gain	-	-	-	-	-	(11,887,165)	(11,887,165)	-	(11,887,165)
Total Comprehensive (loss)/gain	-	-	-	(903,210)	-	(11,887,165)	(12,790,375)	-	(12,790,375)
Kore Potash Ltd South Africa wound down	-	-	-	138,500	-	(139,989)	(1,489)	-	(1,489)
Transactions with owners:									
Issue of Shares	44,683	331,338	-	-	-	-	376,021	-	376,021
Cancellation of performance rights	10, 15(b)	-	-	4,449	(4,449)	-	-	-	-
Share Based payments	10, 15(b)	-	-	-	18,327	-	18,327	-	18,327
<b>Balance at 30 June 2022</b>	<b>3,420,177</b>	<b>44,537,309</b>	<b>203,738,800</b>	<b>(56,183,040)</b>	<b>722,364</b>	<b>(30,650,657)</b>	<b>165,584,953</b>	<b>(562,583)</b>	<b>165,022,370</b>

*The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE 6 MONTHS ENDED 30 JUNE 2023**

Notes	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non-controlling Interest USD	Total Equity USD
<b>Balance at 1 Jan 2022</b>	<b>3,375,494</b>	<b>44,205,971</b>	<b>203,738,800</b>	<b>(55,422,779)</b>	<b>708,486</b>	<b>(18,623,503)</b>	<b>177,982,470</b>	<b>(562,583)</b>	<b>177,419,887</b>
Loss for the period:	-	-	-	(1,513,822)	-	-	(1,513,822)	(131)	(1,513,953)
Other comprehensive (loss)/gain	-	-	-	-	-	(8,660,408)	(8,660,408)	-	(8,660,408)
Total comprehensive (loss)/gain	-	-	-	(1,513,822)	-	(8,660,408)	(10,174,230)	(131)	(10,174,361)
Kore Potash Ltd SA Divestment	-	-	-	138,501	-	(139,989)	(1,488)	-	(1,488)
Transactions with owners:									
Conversion of performance rights 10, 15(b)	-	-	-	4,449	(4,449)	-	-	-	-
Share issues 10, 15(b)	44,683	331,338	-	-	-	-	376,021	-	376,021
Share issue costs	-	-	-	-	11,895	-	11,895	-	11,895
Share based payments 10, 15(c)	-	-	-	-	18,327	-	18,327	-	18,327
<b>Balance at 31 Dec 2022</b>	<b>3,420,177</b>	<b>44,537,309</b>	<b>203,738,800</b>	<b>(56,793,651)</b>	<b>734,259</b>	<b>(27,423,901)</b>	<b>168,212,993</b>	<b>(562,714)</b>	<b>167,650,279</b>

*The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE 6 MONTHS ENDED 30 JUNE 2023**

		6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Yearended 31 Dec 2022 USD Audited
	<b>Notes</b>			
<b>Cash Flows from Operating Activities</b>				
Payments to suppliers and employees		(577,006)	(697,416)	(1,236,245)
<b>Net cash flows (used in) operating activities</b>	16	<u>(577,006)</u>	<u>(697,416)</u>	<u>(1,236,245)</u>
<b>Cash Flows from Investing Activities</b>				
Payments for plant and equipment		-	(658)	(633)
Payments for exploration and evaluation		(1,984,021)	(2,497,533)	(4,574,363)
Interest received		51,348	17,029	66,956
<b>Net cash flows (used in) investing activities</b>		<u>(1,932,673)</u>	<u>(2,481,162)</u>	<u>(4,508,040)</u>
<b>Cash Flows from Financing Activities</b>				
Proceeds from issue of shares		1,760	550	550
<b>Net cash flows generated from financing activities</b>		<u>1,760</u>	<u>550</u>	<u>550</u>
<b>Net decrease in cash and cash Equivalents</b>				
		<b>(2,507,919)</b>	<b>(3,178,028)</b>	<b>(5,743,735)</b>
Cash and cash equivalents at beginning of period		5,046,629	11,092,509	11,092,509
Foreign currency differences		16,544	(286,064)	(302,145)
<b>Cash and Cash Equivalents at Period End</b>		<u><b>2,555,254</b></u>	<u><b>7,628,417</b></u>	<u><b>5,046,629</b></u>

*The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.*

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 1. REPORTING ENTITY

The half-yearly report of the Group for the six months ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 11 September 2023.

The Company is a public company incorporated and registered in England and Wales with primary dual listing on AIM and on the ASX, and a secondary listing on the JSE. The registered office of the Company is 45 Gresham Street, London, United Kingdom EC2V 7BG.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

The financial statements for the year ended 31 December 2022 were prepared in accordance with UK adopted international accounting standards.

The half-yearly report does not include all the information and disclosures required in the annual report and should be read in conjunction with the annual report for the year ended 31 December 2022, and any public announcements made by Kore Potash Plc during the interim reporting period. The annual report was prepared in accordance with IFRS as adopted by the UK and is available on the website ([www.korepotash.com](http://www.korepotash.com)).

#### (b) Statutory Accounts

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2022 were approved by the board of directors on 30 March 2023 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and contained a material uncertainty related to going concern.

The financial information for the six months ended 30 June 2023 and 30 June 2022 is unaudited.

#### (c) New Standards, Interpretations and Amendments Adopted by the Group

The accounting policies adopted in the preparation of the half-yearly report are consistent with those followed in the preparation of the Group's annual report for the year ended 31 December 2022 with the exception of those noted below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New standards, interpretations and amendments effective from 1 January 2023 had no impact on the group

- IFRS 17 Insurance Contracts
- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)
- IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction).

#### (d) Standards and Interpretations in issue not yet adopted

The directors have also reviewed all Standards and Interpretations in issue not yet adopted for the Period ended 31 December 2022. As a result of this review the directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

New standards, interpretations and amendments effective from 1 January 2024 not yet adopted

- IFRS 16 Leases (Amendment -Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment -Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment -Classification of Liabilities with Covenants)
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment).

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (e) Critical Accounting Judgements and Estimates

There have been no material revisions to the judgements and estimates basis from the annual report for the year ended 31 December 2022.

### 3. GOING CONCERN

The 30 June 2023 half-yearly report has been prepared on a going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

Cash and cash equivalents, at 30 June 2023 were USD 2,555,254 (31 December 2022: USD 5,046,629), with a decrease of USD 2,491,375 related to exploration and evaluation expenditure and Kore Potash operating expenditure. For the Period ended 30 June 2023 the Group recorded a net loss of USD 464,983 (31 December 2022: USD 1,513,953) and at 30 June 2023 had a net working capital position of USD 2,123,316 (31 December 2022: USD 4,497,385). The Group also recorded a net cash outflow from operating activities for the period ended 30 June 2023 of USD 577,006 (31 December 2022: USD 1,236,245).

On 8 August 2023, the Company announced the successful completion of a USD 1.0 million fund raise. A total of 124,384,000 new Ordinary Shares were issued on the 11 August 2023 at the subscription price of 0.5p for a total value of USD 0.8 million. The Company also entered into two Convertible Loans with the Chairman of Kore Potash, David Hathorn by way of two separate trusts for an aggregate value of USD 0.2 million which are convertible into 15,548,000 shares per loan. The conversion of the loans is subject to shareholder approval at a General Meeting scheduled for 21 September 2023 and if approved will result in 31,096,000 new Ordinary Shares being issued.

The Directors note that the announced capital raise remains partially subject to shareholder vote and therefore is not completed at the date that these interim financial statements are approved.

Based on the Group's cash flow forecast the Group will need to access additional capital in Q4 2023 for the working capital requirements for Kore Potash for the period up to receiving and accepting the EPC contract proposal from SEPCO and the financing proposal for the complete construction of Kola from the Summit Consortium to ensure the realisation of assets on an orderly basis and the extinguishment of liabilities as and when they fall due. Upon accepting the EPC and financing for the construction of Kola additional capital will be required or the working capital requirements of Kore Potash until the commencement of production. The Directors have reviewed the Group's overall position and outlook in respect of the matters identified above and are of the opinion that there are reasonable grounds to believe that funding will be secured and therefore that the operational and financial plans in place are achievable and accordingly the Group will be able to continue as a going concern and meet its obligations as and when they fall due. The Directors are also aware that the Group has the option, if necessary, to relinquish certain projects and reduce administration costs in order to minimise its capital raising requirements.

Based on these facts, the Directors consider the going concern basis of preparation to be appropriate for this financial report. However, as at the date of this report the Company has not secured a fundraising through the issue of new equity and/or through debt funding. These conditions indicate that a material uncertainty exists which may cast significant doubt upon the Group's ability to continue as a going concern and the Group may therefore be unable to realise its assets and discharge its liabilities in the ordinary course of business.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern. The directors reviewed a cash flow forecast for the period ending 31 December 2024, which indicates that the Group will have insufficient liquidity to meet its working capital requirements to the end of the going concern period (September 2024).



## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 4. SEGMENT REPORTING

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of directors, which is responsible for allocating resources and assessing performance of the operating segments. Management has determined that the Company and the Group has one reporting segment being mineral exploration in Central Africa.

As the Group is focused on mineral exploration in Central Africa, management makes resource allocation decisions by reviewing the working capital balance, comparing cash balances to committed exploration expenditure and reviewing the current results of exploration work performed. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date and capital available to the Company. The information provided to the chief operating decision maker using the internal reporting framework is prepared on the same basis as the financial information that is used to produce this condensed consolidated interim financial report.

### 5. EQUITY COMPENSATION BENEFITS

The expense recognised for directors, employee and consultant services during the 6 months is shown in the table below:

	6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year Ended 31 Dec 2022 USD Audited
Equity-based payments – directors, key management personnel and other employees	-	8,523	9,412

The equity-based payments capitalised as Exploration and Evaluation Expenditure for the 6 months ended 30 June 2023 was USD 9,952 (H1 2022: USD 9,803).

The full details of equity-based payments issued for the Period ended 30 June 2023 are disclosed in Note 15.

### 6. ADMINISTRATION EXPENSES

	6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year ended 31 Dec 2022 USD Audited
Accounting, company secretary and audit fees	83,468	61,051	237,473
Insurance expenses	26,243	27,419	54,164
Compliance, registration and other tax fees	55,084	57,390	120,404
Legal fees	4,213	-	-
Marketing and investor relations	44,488	46,863	86,481
Premises and office related costs	4,380	4,242	8,285
Travel and accommodations	-	227	-
Professional fees	-	72	72
Other expenses	55,144	25,534	39,628
<b>Total</b>	<b>273,020</b>	<b>222,798</b>	<b>546,507</b>

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 7. INCOME TAX EXPENSE

From 1 April 2023, the Corporation Tax main rate for non-ring-fenced profits will be 25% applying to profits over £0.25 million. A small profits rate with profits of £0.05 million or less so Corporation Tax at 19%. Profit needs to be apportioned for first 3 month which is January 2023 to March 2023 for 19% corporation tax rate and from April 2023 to December 2023 at 25% corporation tax (or at 19% based on small profits rate) (six months ended 30 June 2022: 19%, year ended 31 December 2022: 19%), representing the best estimate of the average annual effective tax rate applied to the pre-tax income and considering the Group's assets are in the exploration phase. There is no income tax income for H1 2023 and the income tax charge for H1 2022 of USD nil and 31 December 2022 USD nil.

No deferred tax has been recognised in respect of the Group's tax losses at 31 December 2022 of USD 19,763,277 that are available for offset against any future taxable profits in the companies in which the losses arose.

### 8. RECONCILIATION OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2023 USD Unaudited	30 June 2022 USD Unaudited	31 Dec 2022 USD Audited
Opening balance	162,729,194	166,613,902	166,613,902
Exploration and evaluation expenditure capitalized during the period	1,882,884	2,921,600	5,064,934
Foreign exchange differences	2,589,279	(12,016,864)	(8,949,642)
Closing balance	<b>167,201,357</b>	<b>157,518,638</b>	<b>162,729,194</b>
Exploration and evaluation expenditure relating to:			
Kola mining project	135,557,018	127,531,658	131,725,943
Dougou mining project	31,644,339	29,986,980	31,003,251
Closing balance	<b>167,201,357</b>	<b>157,518,638</b>	<b>162,729,194</b>

### 9. TRADE AND OTHER PAYABLES

	30 June 2023 USD Unaudited	30 June 2022 USD Unaudited	31 Dec 2022 USD Audited
Trade and other creditors	95,323	18,654	47,162
Accruals	107,482	391,128	311,409
Employee benefits and related payables	369,612	392,721	390,898
Other payables	-	561	-
	<b>572,417</b>	<b>803,064</b>	<b>749,469</b>

**NOTES TO THE HALF-YEARLY REPORT  
FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

**10. ISSUED SHARE CAPITAL**

	30 June 2023 USD Unaudited	30 June 2022 USD Unaudited	31 Dec 2022 USD Audited
3,421,937,120 fully paid ordinary shares at par value of USD0.001 each (30 June 2022: 3,420,177,120 fully paid ordinary shares at par value of USD0.001, 31 December 2022: 3,420,177,120 fully paid ordinary shares at par value of USD0.001)			
Fully paid ordinary shares	3,421,937,120	3,420,177,120	3,420,177,120

***Movement in Share Capital of Consolidated Entity***

Date	Details	No. of Shares	USD
<b>31 December 2021</b>	<b>Balance at 31 December 2021</b>	<b>3,375,494,446</b>	<b>3,375,494</b>
05 May 2022	Issue of Equity (i)	550,000	550
13 June 2022	Issue of Equity – SQM – Technical services agreement (ii)	44,132,674	44,133
<b>30 June 2022</b>	<b>Balance at 30 June 2022</b>	<b>3,420,177,120</b>	<b>3,420,177</b>
<b>31 December 2022</b>	<b>Balance at 31 December 2022</b>	<b>3,420,177,120</b>	<b>3,420,177</b>
3 April 2023	Issue of Equity (iii)	1,760,000	1,760
<b>30 June 2023</b>	<b>Balance at 30 June 2022</b>	<b>3,421,937,120</b>	<b>3,421,937</b>

- (i) On 5 May 2022, a total of 550,000 ordinary shares were issued to certain employees and ex-employees following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans of which 283,333 ordinary shares were issued to Gavin Chamberlain, COO.
- (ii) On 13 June 2022, the Company issued 44,132,674 ordinary shares to SQM in lieu of fees payable for the DX DFS Phase 1 work completed under the Technical Services Agreement.
- (iii) On 3 April 2023, a total of 1,760,000 ordinary shares were issued to certain an ex-employee following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans.

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 11. EXPLORATION AND EVALUATION EXPENDITURE COMMITMENTS

There are no minimum expenditure requirements with respect to the Group's mining licenses. One of the key investment promotion provisions for the Mining Convention includes that the RoC is to be granted a 10% carried equity interest in the project companies, which are currently wholly owned by the Group's subsidiary, SPSA.

### 12. REMUNERATION OF KEY MANAGEMENT PERSONNEL

The remuneration of the directors and Key Management Personnel of the group during the half year ended 30 June 2023 was as follows:

#### 1 January 2023 to 30 June 2023

	Short-Term Benefits			Post-Employment Benefits	Options / Performance Rights (i)	Total USD
	Fees/Basic Salary USD	Annual Bonus USD	Termination benefits USD	Superannuation USD	USD	
<i>Executive Directors</i>						
Brad Sampson	275,000	-	-	-	-	275,000
<i>Non-Executive Directors</i>						
David Hathorn	50,000	-	-	-	9,952	59,952
Jonathan Trollip	31,500	-	-	-	-	31,500
David Netherway	40,250	-	-	-	-	40,250
Pablo Hernandez Mac-Donald (ii)	-	-	-	-	-	-
	<b>396,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,952</b>	<b>406,702</b>
<i>Executives</i>						
Henko Vos (iii)	19,697	-	-	-	-	19,697
SJCS	32,148	-	-	-	-	32,148
Gavin Chamberlain	25,510	-	48,199	-	-	73,709
Amanda Farris	97,659	-	-	-	-	97,659
	<b>175,015</b>	<b>-</b>	<b>48,199</b>	<b>-</b>	<b>-</b>	<b>223,214</b>
<b>Total</b>	<b>571,765</b>	<b>-</b>	<b>48,199</b>	<b>-</b>	<b>9,952</b>	<b>629,916</b>

- (i) Options as share-based payment arrangements and performance rights granted under the STIP, LTIP and other schemes are expensed over the vesting period, which includes the years to which they relate and their subsequent vesting periods.
- (ii) Pablo Hernandez Mac-Donald resigned as a NED on 20 June 2023.
- (iii) Nexia Perth Pty Ltd has been engaged to provide accounting, administrative and company secretarial services on commercial terms. Mr Vos is currently employed by Nexia Perth.

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 12. REMUNERATION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

The remuneration of the directors and Key Management Personnel of the group during the half year ended 30 June 2022 was as follows:

#### 1 January 2022 to 30 June 2022

	Short-Term Benefits			Post-Employment Benefits	Options / Performance Rights (i) USD	Total USD
	Fees/Basic Salary USD	Annual Bonus USD	Termination benefits USD	Superannuation USD		
<i>Executive Directors</i>						
Brad Sampson	275,000	-	-	-	16,938	291,938
<i>Non-Executive Directors</i>						
David Hathorn	50,000	-	-	-	1,155	51,155
Jonathan Trollip	31,500	-	-	-	-	31,500
David Netherway	40,250	-	-	-	-	40,250
Pablo Hernandez Mac-Donald (ii)	-	-	-	-	-	-
	<b>396,750</b>	-	-	-	<b>18,093</b>	<b>414,843</b>
<i>Executives</i>						
Henko Vos (iii)	19,753	-	-	-	-	19,753
SJCS	31,533	-	-	-	-	31,533
Gavin Chamberlain	153,433	-	-	-	117	153,550
Amanda Farris	103,045	-	-	-	-	103,045
	<b>307,764</b>	-	-	-	-	<b>307,881</b>
<b>Total</b>	<b>704,514</b>	-	-	-	<b>18,210</b>	<b>722,724</b>

- (i) Options as share-based payment arrangements and performance rights granted under the STIP, LTIP and other schemes are expensed over the vesting period, which includes the years to which they relate and their subsequent vesting periods.
- (ii) Pablo Hernandez Mac-Donald resigned as a NED on 20 June 2023.
- (iii) Nexia Perth Pty Ltd has been engaged to provide accounting, administrative and company secretarial services on commercial terms. Mr Vos is currently employed by Nexia Perth.

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 12. REMUNERATION OF KEY MANAGEMENT PERSONNEL (CONTINUED)

The remuneration for each Director and KMP of the Group during the year ended 31 December 2022 was as follows:

#### 1 January 2022 to 31 December 2022

	Short-Term Benefits			Post-Employment Benefits	Options / Performance Rights (i) USD	Total USD
	Fees/Basic Salary USD	Annual Bonus USD	Termination benefits USD	Superannuation USD		
<i>Executive Directors</i>						
Brad Sampson	550,000	-	-	-	18,716	568,716
<i>Non-Executive Directors</i>						
David Hathorn	100,000	-	-	-	11,272	111,272
Jonathan Trollip	63,000	-	-	-	-	63,000
David Netherway	80,500	-	-	-	-	80,500
Sameer Oundhakar (ii)	-	-	-	-	-	-
Pablo Hernandez Mac-Donald	-	-	-	-	-	-
	<b>793,500</b>	-	-	-	<b>29,988</b>	<b>823,488</b>
<i>Executives</i>						
Henko Vos (iii)	38,944	-	-	-	-	38,944
SJCS	63,182	-	-	-	-	63,182
Gavin Chamberlain	306,125	-	-	-	234	306,359
Amanda Farris	195,220	-	-	-	-	195,220
	<b>603,471</b>	-	-	-	<b>234</b>	<b>603,705</b>
<b>Total</b>	<b>1,396,971</b>	-	-	-	<b>30,222</b>	<b>1,427,193</b>

- (i) Options as share-based payment arrangements and performance rights granted under the STIP, LTIP and other schemes are expensed over the vesting period, which includes the years to which they relate and their subsequent vesting periods.
- (ii) Sameer Oundhakar resigned as a NED on 21 December 2022.
- (iii) Nexia Perth Pty Ltd has been engaged to provide accounting, administrative and company secretarial services on commercial terms. Mr Vos is currently employed by Nexia Perth.

### 13. RELATED PARTY TRANSACTIONS

Arrangements with related parties continue to be in place in line with those disclosed in the 2022 Annual Report.

On 19 September 2020 shareholders approved the issue of up to 63,417,499 ordinary shares to SQM, the Company's second largest shareholder, for the provision of certain services in relation to the DX DFS proposed to be undertaken by the Company for a maximum fee of USD 540,000 (Technical Services Shares). The Company obtained an ASX waiver from ASX listing rule 10.13.5 granting the Company a period of 10 months post receipt of shareholder approval to issue the Technical Services Shares.

As the ASX waiver for the granting of the shares to SQM had passed the Company sought approval at the 2021 Annual General Meeting held on the 9 June 2022 for the issue of 44,132,674 ordinary shares to SQM for the value of the work performed USD 375,470. Shareholders approved the resolution, and the shares were issued on 13 June 2022.

On 9 June 2022, David Hathorn was granted 9,000,000 options, as approved at the Annual General Meeting held on 9 June 2022 and pursuant to the Directors and Executives Share Option Plan. The options will only vest, and be exercisable into shares, subject to the Company obtaining a financing package to fully fund the development of the Company's Kola Project approved by the Board.

Subsequent to the period end on 8 August 2023, Harlequin Investments Ltd a substantial shareholder of the Company, holding 10.77% of the Company's issued share capital prior to the USD 1m Fundraise, agreed to subscribe for 31,096,000 new Ordinary Shares.

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 13. RELATED PARTY TRANSACTIONS (CONTINUED)

Subsequent to the period end on 8 August 2023, David Hathorn, participated in the USD 1m Fundraise, by way of two Convertible Loans of USD 0.1 million each, via two separate trusts further details of which are set out below. A General Meeting will be held on 21 September 2023 to seek approval of the conversion of the Convertible Loans from both trusts which are associated with David Hathorn, a related party of the Company, following which (if approved) 15,548,000 new ordinary shares of USD 0.001 each will be issued to each trust, resulting in 31,096,000 new ordinary shares being issued in aggregate. Each Convertible Loan has a zero interest coupon, must be converted immediately following the approval of shareholders at the General Meeting and is otherwise repayable by the Company within three months from 24 July 2023, should shareholders not approve the conversion.

### 14. LOSS PER SHARE

	6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year ended 31 Dec 2022 USD Audited
Earnings reconciliation			
Loss attributable to ordinary shareholders	(464,983)	(903,210)	(1,513,953)
	Number	Number	Number
Weighted average number of shares used as the denominator	3,406,795,172	3,379,809,670	3,400,159,288
Basic and diluted loss per share (cents per share)	(0.01)	(0.03)	(0.04)

Options, equity warrants, and performance rights are considered to be potential ordinary shares. However, as the Group is in a loss position, they are anti-dilutive in nature, as their exercise would not result in a diluted earnings per share. The options warrants and performance rights have therefore not been included in the determination of diluted loss per share.

#### Headline loss per share

It is a JSE listing requirement to disclose headline earnings/loss per share, a non-IFRS measure. It is considered to be a useful metric as it presents the earnings/loss per share after removing the effect of re-measurements to assets and liabilities (for example impairment of property, plant and equipment) otherwise recognised in the profit/loss for the half- year. During the current and prior periods there was no difference between earnings/loss per share and headline earnings/loss per share and therefore no reconciliation between the two measures has been presented.

**NOTES TO THE HALF-YEARLY REPORT  
FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

**15. SHARED BASED PAYMENTS**

**a) Options**

**Movement in unlisted options as share based payment arrangements during the Period:**

<b>Exercise Period</b>	<b>Exercise Price</b>	<b>Balance 1 Jan 2023</b>	<b>Options Granted</b>	<b>Options Issued</b>	<b>Options Cancelled</b>	<b>Balance 30 June 2023</b>
		<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
On or before 1 Jan 2024	GBP 0.022	20,000,000	-	-	-	20,000,000
On or before 19 Jul 2024	GBP 0.022	26,900,000	-	-	-	26,900,000
On or before 9 Jun 2027	GBP 0.022	9,000,000	-	-	-	9,000,000
		<b>55,900,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,900,000</b>

**Options granted during the Period**

No options were granted during the period.

**Options issued during the Period**

No options were issued during the period.

**Options cancelled during the Period:**

No options were cancelled during the period.

**b) Performance Rights**

**Movement in Performance Rights as share based payment arrangements during the Period:**

<b>Rights series</b>	<b>Grant Date</b>	<b>Expiry Date</b>	<b>Balance 1 Jan 2023</b>	<b>Rights Lapsed</b>	<b>Rights Converted</b>	<b>Rights Cancelled</b>	<b>Balance 30 June 2023</b>
			<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
15	29/05/2017	31/05/2022	1,760,000	-	(1,760,000)	-	-
			<b>1,760,000</b>	<b>-</b>	<b>(1,760,000)</b>	<b>-</b>	<b>-</b>

**Performance Rights converted into ordinary shares during the Period:**

On 3 April 2023, a total of 1,760,000 ordinary shares were issued to an ex-employee following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans.

**Performance Rights cancelled during the Period:**

No performance rights were cancelled during the period.



## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 16. CASH FLOW INFORMATION

	6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year ended 31 Dec 2022 USD Audited
Cash and cash equivalents	2,555,254	7,628,417	5,046,629
<b>Cash and cash equivalents presented at Condensed Consolidated Statement of Cash Flows</b>	<b>2,555,254</b>	<b>7,628,417</b>	<b>5,046,629</b>

Reconciliation of cash flows from operating activities with loss after tax is as follows:

	6 months ended 30 June 2023 USD Unaudited	6 months ended 30 June 2022 USD Unaudited	Year ended 31 Dec 2022 USD Audited
<b>Reconciliation of cash flows from operating activities:</b>			
Loss for the year	(464,983)	(903,210)	(1,513,953)
Adjustments for:			
Equity compensation benefits	-	8,523	9,412
Net realised and unrealised foreign exchange gains	(7,097)	290,506	320,162
Interest received not classified as operating activities cash inflow	(51,348)	(17,029)	(66,956)
<b>Operating loss before changes in working capital</b>	<b>(523,428)</b>	<b>(621,210)</b>	<b>(1,251,335)</b>
Decrease/(increase) in receivables	66,604	31,847	(10,597)
Decrease in payables	(120,182)	(108,053)	25,687
<b>Net cash used in operating activities</b>	<b>(577,006)</b>	<b>(697,416)</b>	<b>(1,236,245)</b>

### 17. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

#### Revised agreement with SEPCO

On the 8 August 2023 the Company announced that it entered into a revised agreement with SEPCO to provide the Company with an EPC contract for the construction of the Kola Potash Project.

Following completion of SEPCO's parent company, PowerChina's review of the Kola design and construction schedule (announced on 31 March 2023), one of the agreed outcomes was 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. PowerChina has advised the Company that the engineering design works would cost in excess of USD 10.0 million to complete. Illustrating PowerChina's commitment to Kola, it has capped the Company's contribution at a maximum of USD 5.0 million of these costs with the balance of the cost to be paid by PowerChina. Under the revised agreement Kore Potash is required to make an initial payment of USD 1.0 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.

## NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2023 (CONTINUED)

### 17. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE (CONTINUED)

#### **Fundraise of USD 1.0 million**

On 8 August 2023 the Company announced the successful completion of a share subscription, which has raised USD 0.8 million through the issue of 124,384,000 new ordinary shares of USD 0.001 each in the Company to certain eligible existing shareholders at a price of 0.5 pence per share and the issue of Convertible Loans by the Company

with an aggregate value of USD 0.2 million. The gross proceeds of the fundraise of USD 1.0 million will be used to further advance work that is expected to lead to the delivery of an Engineering, Procurement and Construction contract for the Kola Potash Project.

David Hathorn, the Chairman of Kore Potash, participated in the fundraise, by way of two Convertible Loans of USD 0.1 million each, via two separate trusts further details of which are set out below. A General Meeting will be held on 21 September 2023 to seek approval of the conversion of the Convertible Loans from both trusts which are associated with David Hathorn, a related party of the Company, following which (if approved) 15,548,000 new ordinary shares of USD 0.001 each will be issued to each trust, resulting in 31,096,000 new ordinary shares being issued in aggregate. Each Convertible Loan has a zero interest coupon, must be converted immediately following the approval of shareholders at the General Meeting and is otherwise repayable by the Company within three months from 24 July 2023, should shareholders not approve the conversion.

The Company's two largest shareholders, the OIA and SQM were offered the opportunity to subscribe for new ordinary shares at a price of 0.5 pence per share as is required under their Investment Agreements with the Company.

### 18. CONTINGENT LIABILITIES

There has been one commercial dispute settled in the RoC Tribunal of Commerce in favour of the Company in 2015 - 2016, however the funds arising from this of USD 33,000 have not yet been released to the Company.

There is a claim from a former RoC Finance and Administration Manager who claims unfair dismissal. This claim has been brought to court by the complainant as the mediation attempt at the Inspector of Labour's office in Pointe Noire in the RoC failed.