

12 October 2023

Kore Potash Plc

("Kore Potash" or "the Company")

Review of Operations for the quarter ended 30 September 2023

Kore Potash (AIM: KP2, ASX: KP2, JSE:KP2), the potash development company with 97%-ownership of the Kola Potash Project ("**Kola**" or the "**Kola Project**") and Dougou Extension Potash Project ("**DX**") in the Sintoukola Basin, located in the Republic of Congo ("**RoC**"), provides its quarterly update for the period ended 30 September 2023 (the "**Quarter**").

Quarterly Highlights

Projects

- Revised agreement signed with SEPCO Electric Power Construction Corporation ("**SEPCO**") to provide the Company with an Engineering, Procurement and Construction ("**EPC**") contract for the construction of Kola.
- Letter of support received from the Minister of State and Minister for Geology and Mining Industry of the RoC (the "**Ministry**" or "**Minister of Mines**") in relation to the Company's development of the Kola Project.
- PowerChina International Group Limited ("**PowerChina**") commenced work in the RoC to support the provision of guarantees regarding an EPC contract for Kola.

Corporate

- On 24 July 2023, Wouter Pulinx was appointed as a non-executive director nominated by Sociedad Química y Minera de Chile S.A ("**SQM**").
- Successful completion of US\$1.0 million fundraise.
- The Company released its Half Year Report for the six months ended 30 June 2023 on 12 September 2023.
- The Company held a General Meeting ("**GM**") on 21 September 2023.
- As of 30 September 2023, the Company held US\$1.1 million in cash.

Operational Activities

Kola EPC

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 ("**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 Heads of Agreement ("**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 Study, and confirmed the capital cost of Kola, the construction period and related EPC contract terms.

Recognising the world-class scale of Kola, the length of the proposed construction period and the total financing requirement, Kore Potash 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.

On 8 August 2023 Kore Potash entered into a revised agreement ("**Agreement**") with SEPCO to provide the Company with an EPC contract for the construction of the Kola Project. Following completion of SEPCO's Parent Company, PowerChina's, review of the Kola design and construction schedule 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.

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 costs to be paid by PowerChina.

An initial payment of US\$1.0 million was made in August as required under the agreement and the remainder, which is contingent upon the Company completing further fund raises and SEPCO's 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.

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 has mobilised a larger team to Kola, for a period of up to eight weeks, and which is collecting 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:

- Completion of all of the engineering design works before the end of 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 the front end design and engineering (FEED) works which would have been completed at the inception of the Project, which will assist with reducing certain timelines during the construction phase.

Kola Financing

Kore Potash continues to work with the 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 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 path forward for Kore Potash's shareholders.

Congo Government Relations

The Minister of Mines wrote a letter to Kore Potash that pledges the Ministry and the Republic of Congo's support for Kore's development of its projects at Kola and Dougou ("**Projects**").

The Minister acknowledged that some of the development objectives for the Projects, as outlined in the Mining Convention, have not yet been met. He also assures the Ministry's steadfast support, in the form of a moral guarantee, to assist in addressing remaining challenges to completing the financing of Kola. The Minister reaffirmed the validity of the Company's mining tenement titles and the Mining Convention which is the operating agreement between the Company and the Government.

He further conveyed a pledge of security reflecting the RoC's confidence in Kore Potash to support ongoing dialogue and action towards the development of our projects in the RoC.

The Minister of Mines of the RoC showed further support for the Company's development of the Kola Project during a visit to the Kola Project in September.

Kore Potash held a ceremony at the intended location of the Kola processing plant in recognition of the extensive development work completed by Kore Potash to date. The ceremony also recognised the commencement of work on the ground at the Kola site by SEPCO which is currently conducting detailed surveys and foundation testing programmes in the plant site area.

The ceremony was held near the village of Yanga in the Kouilou province of the RoC. The Minister, members of his Ministry and local dignitaries were in attendance along with the Chairman of Kore Potash David Hathorn, Mr Warren Thompson from the Summit Consortium and SEPCO Vice President Zhang Quan.

DX Potash Project

At present, the Company remains focused on completing the financing of Kola and moving forward to the construction of Kola as soon as possible.

The Company is continuing to explore what strategic options are available for the DX project.

Corporate

On 24 July 2023, Wouter Pulinx was appointed as a non-executive director nominated by SQM.

The successful completion of a share subscription, which has raised US\$ 0.8 million through the issue of 124,384,000 new Ordinary Shares of US\$0.001 each in the Company to certain eligible existing shareholders at a price of 0.5 pence per Ordinary Share and the issue of convertible loans by the Company with an aggregate value of US\$ 0.2 million ("**Convertible Loans**") (collectively the "**Fundraise**"), was completed on the 8 August 2023.

The Company released its Half Year Report for the six months ended 30 June 2023 on 12 September 2023.

At the Company's GM, held on 21 September 2023, all resolutions were duly passed on a poll by the requisite majority.

The GM was held, inter alia, to approve the issue of 31,096,000 new Ordinary Shares of US\$0.001 each in the Company at 0.5 pence per Ordinary Share in line with the Fundraise.

David Hathorn, the Chairman of Kore Potash, participated in the Fundraise via two separate trusts, for a total of 31,096,000 new Ordinary Shares for a total value of US\$0.2 million. These shares were issued under ASX listing rule 10.11.1, having received the relevant shareholder approvals at the GM which extinguished the Convertible Loans.

As at 30 September 2023, the Company held US\$1.1 million in cash.

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

Quarterly cashflow report

In accordance with the ASX Listing Rules, the Company will also lodge its cashflow report for the Quarter today. Included in those cashflows are non-executive directors' fees and the CEO's salary of US\$271,000 settled in cash.

The Company invested US\$2,021,000 in exploration in the Quarter, which comprised US\$1,983,000 related to the Kola Study and US\$38,000 for the DX DFS Study. The Company ended the Quarter with US\$1.1 million in cash.

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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Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and wholly owns Kore Potash Limited of Australia. Kore Potash Limited has a 97% shareholding in Sintoukola Potash SA (“SPSA”) in the RoC. SPSA has 100% ownership of Kola Potash Mining SA (“KPM”). KPM has 100% ownership of the Kola Mining Lease on which the Kola Deposit is situated. The Kola Deposit is located within the Kola Mining Lease. SPSA is also the 100% owner of the Dougou Mining Lease. The Dougou Mining lease hosts the Dougou Deposit and the DX Deposit.

Under the existing Mining Convention, the RoC Government is entitled to 10% ownership in the Kola and DX Projects. The transfer of this 10% awaits instructions from the Government and the Mineral Resources and Ore Reserves are shown below in gross and 90% attributable bases.

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.

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

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

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

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

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

	Gross			Net Attributable (90% interest)		
Ore Reserve Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
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
TOTAL	9.3	35.7	3.3	8.4	35.7	3.0

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

DOUGOU CARNALLITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	148	20.1	29.7	133	20.1	26.8
Indicated	920	20.7	190.4	828	20.7	171.4
Sub-Total Measured + Indicated	1,068	20.6	220.2	961	20.6	198.2
Inferred	1,988	20.8	413.5	1,789	20.8	372.2
TOTAL	3,056	20.7	633.7	2,750	20.7	570.3

KOLA CARNALLITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	341	17.4	59.4	307	17.4	53.5
Indicated	441	18.7	82.6	397	18.7	74.4
Sub-Total Measured + Indicated	783	18.1	142.0	705	18.1	127.8
Inferred	1,266	18.7	236.4	1,140	18.7	212.8
TOTAL	2,049	18.5	378.5	1,844	18.5	340.6

Competent Persons Statements

All Mineral Resource and Ore Reserves are reported in accordance with the JORC Code (2012 edition). Numbers are rounded to the appropriate decimal place. Rounding 'errors' may be reflected in the "totals".

The Kola Mineral 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.Geo., of Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group, and a member of the Association of Professional Engineers and Geoscientists of British Columbia. The 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 Recognized 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.