

31 July 2024

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

Review of Operations for the Quarter ended 30 June 2024

Kore Potash (AIM: KP2, ASX: KP2, JSE: KP2, A2X: KP2), the potash development company with 97%-ownership of the Kola Potash Project ("Kola" or the "Kola Project") and Dougou Extension ("DX") Potash Project in the Sintoukola Basin, located in the Republic of Congo ("RoC"), provides its quarterly update for the period ended 30 June 2024 (the "Quarter").

Quarterly Highlights

Projects

- PowerChina International Group Limited ("PowerChina") delivered the Engineering, Procurement and Construction ("EPC") proposal and draft EPC contract to the Company on 6 February 2024.
- Kore Potash and PowerChina commenced further detailed negotiation on the EPC proposal and draft EPC contract. The Company met senior PowerChina officials in Beijing in May 2024 and again in Dubai in July 2024, where both parties satisfactorily resolved all outstanding commercial points. The agreements are now with the respective legal counsels of both parties to finalise the agreements. When the agreements are in final state Kore Potash and PowerChina will work towards fixing a date for signing ceremony with the Minister of Mines and his colleagues of the Republic of Congo in Brazzaville. Following the signing ceremony relevant details of the agreement will be made public.

Corporate

- On 4 April 2024, the Company announced the appointment of Mr J. M. André ("André") Baya as non-board Chief Executive Officer ("CEO") effective from 15 April 2024.
- On 15 April 2024, the Company granted options over 35,000,000 new Ordinary Shares (**new Ordinary Shares**) to management.
- On 7 May 2024, the Company announced a secondary listing on the A2X exchange (**A2X**) with effect from 14 May 2024.
- The Company held a General Meeting on 13 May 2024 to approve a conditional fundraising of US\$150,000.
- The Company held its Annual General Meeting on 6 June 2024.
- On 27 June 2024, the Company announced the appointment of Amit Mehta as a non-executive director to the Board, nominated by Oman Investment Authority ("OIA"), with effect from 26 June 2024.
- As of 30 June 2024, the Company held US\$0.96 million in cash.
- Successful completion of US\$1.221 million fundraising on 1 July 2023 with a further US\$60,000 conditionally raised subject to shareholder approval at a General Meeting to be held on 23 August 2024.

Operational Activities

Kola EPC

Kore Potash signed a Memorandum of Understanding with the Summit Consortium ("Consortium") in April 2021 for the Optimisation of Kola, the provision of an EPC contract proposal, and a debt and royalty financing proposal for the total 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 Electric Power Construction Corporation ("SEPCO"). Under the HoA, SEPCO undertook to continue negotiations with Kore Potash towards an EPC contract for the construction of Kola. Importantly, the HoA recognised that the Study's outcomes 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, provide 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 the 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 before PowerChina and SEPCO jointly present an EPC proposal and EPC contract to the Company.

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

Two payments of US\$1.0 million each were made in August and November 2023, as required under the Agreement. The remaining payments are contingent upon the Company completing further fund raises and PowerChina and SEPCO's delivery of the EPC contract. The remaining payments are planned to be paid in two tranches, 12 months from date of the execution of the EPC contract.

PowerChina, SEPCO and the subcontractors, in pursuit of the timeline objectives, commenced the Works before reaching an agreement with the Company on costs.

PowerChina delivered the EPC proposal and draft EPC contract on 6 February 2024.

Kore Potash and PowerChina continue to negotiate the EPC proposal and draft the EPC contract. The Company met PowerChina senior officials in Beijing in May 2024 and then again in Dubai in July 2024 where both parties satisfactorily resolved all outstanding commercial points to enable Kore Potash and PowerChina to conclude the agreements. The agreements are now with the respective legal counsels of both parties to finalise the agreements. When the agreements are in final state Kore Potash and PowerChina will work towards fixing a date for signing ceremony with the Minister of Mines and his colleagues of the Republic of Congo in Brazzaville. Following the signing ceremony relevant details of the agreement will be made public.

Kola Financing

Kore Potash continues to work with the Consortium to provide financing for the total 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 the finalisation of the EPC contract terms.

The Consortium has advised that the financing proposal for the total construction cost of Kola will be provided to the Company within six weeks of the execution of the EPC Contract.

Kore Potash maintains that the Consortium members can provide the required financing for Kola's construction of Kola and that pursuing this financing opportunity remains the best path forward for Kore Potash's shareholders.

Congo Government Relations

On 21 August 2023, the Minister of Mines wrote a letter to the Company that pledged the Ministry and the RoC'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 assured the Ministry's steadfast support, in the form of a moral guarantee, to assist in addressing the 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.

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 2023.

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. The ceremony also recognised the commencement of work on the ground at the Kola site by SEPCO.

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, Warren Thompson from the Summit Consortium and SEPCO Vice President Zhang Quan.

On 24 February 2024 David Hathorn and Warren Thompson met with The Minister of Mines of the RoC to update him on the EPC progress.

The Company's CEO, André Baya was received by His Excellency, Minister Pierre Oba, and his Adviser, Professor Hilaire Elenga, in Brazzaville on 18 April 2024. He updated the Minister of Mines of the RoC regarding the Kola EPC contracting progress. Minister Oba reiterated the full support of the Congolese Government in the development of Kola which is in line with the Government's plan to develop and create jobs in the region in which Kola is located.

While discussions with PowerChina were progressing, the CEO also engaged with the Ministry of Mines in the RoC to plan the organization of the signature ceremony which should take place in Brazzaville. The Company are waiting to update the Minister and finalise the date and venue as soon as the legal process is completed.

DX Potash Project

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 also exploring what strategic options are available for the DX project.

Corporate

On 4 April 2024, the Company announced the appointment of André Baya as non-board CEO effective from 15 April 2024.

André has over 20 years of experience in the global mining and agriculture sectors and brings significant African experience including having held senior positions for groups with operations in the RoC. Immediately prior to joining Kore Potash, André worked as a management consultant, leading the corporate re-engineering of Fraser Alexander (Pty) Ltd.'s African subsidiaries and the corporate development of Fortescue Mining Group's Belinga iron ore project in Gabon.

Prior to this, André was Country and General Manager for a variety of global mining corporations including Sundance Resources, Cominco, Roxgold, Alliance Mining Commodities, Orezone and Central Copper Resources. Other notable positions include Chief Operating Officer at Managem Group, the international Moroccan mining group, where he was responsible for the management of the Managem Group's operations and development projects across eight African nations.

Between 1985 and 2001, André spent 15 years in trade and agriculture, in both technical and managerial roles for industrial chemicals and agrochemicals businesses in Africa and beyond.

On 15 April 2024, the Company granted options over 35,000,000 new Ordinary Shares to management.

On 7 May 2024, the Company announced a secondary listing on A2X, with effect from 14 May 2024.

The Company held a General Meeting on 13 May 2024 where a conditional fundraise of US\$150,000 was approved.

The Company held its Annual General Meeting on 6 June 2024.

On 27 June 2024, the Company announced the appointment of Amit Mehta as a non-executive director to the Board, nominated by OIA, with effect from 26 June 2024.

Mr Mehta is the Senior Manager in the Private Equity team at OIA, the Sovereign Wealth fund of Oman. He oversees the diversified investments strategy covering the Metals and Mining investments, Renewables and Energy Transition sector. He has over 14 years of Private Equity and Investment Banking experience working across the New York and Middle East regions. His position within OIA gives him commercial and corporate perspectives that will be of value to Kore Potash.

As at 30 June 2024, the Company held US\$0.96 million in cash.

On 1 July 2024 the Company raised US\$1,221,000 via the issue of 87,503,183 new ordinary shares of US\$0.001 each in the Company (the "**Unconditional Subscription Shares**") with existing and new shareholders at a price of 1.1 pence per share ("**Subscription Price**").

On 1 July 2024 the Company also announced that David Hathorn, Chairman of Kore Potash conditionally subscribed for 4,299,454 new Ordinary Shares of US\$0.001 each in the Company at a price of 1.1 pence per new Ordinary Share, for a total consideration of US\$60,000 (the "**Conditional Subscription**"). The Conditional Subscription is subject to approval by the shareholders at a General Meeting scheduled to be held on 23 August 2024.

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.

The Company invested US\$492,000 in exploration in the Quarter, which comprised US\$489,000 related to the Kola Study and US\$3,000 for the DX DFS Study. The Company ended the Quarter with c.US\$0.96 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							
Mineral Resource Category	Gross			Net Attributable (90% interest)			Con mill
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %		
Measured	216	34.9	75.4	194	34.9		
Indicated	292	35.7	104.3	263	35.7		
Sub-Total Measured + Indicated	508	35.4	179.7	457	35.4		
Inferred	340	34.0	115.7	306	34.0		
TOTAL	848	34.8	295.4	763	34.8		

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

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

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

Ore Reserve Category	Gross			Net Attributable (90% interest)			Co mi
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %		
Proved	6.1	32.5	2.0	5.5	32.5		
Probable	3.2	41.8	1.3	2.9	41.8		
TOTAL	9.3	35.7	3.3	8.4	35.7		

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

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

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

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.

information, please contact ms@seg.com or visit www.ms.com.

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