

Keras Resources plc / Index: AIM / Epic: KRS / Sector: Mining

1 August 2024

Keras Resources plc ('Keras' or the 'Company')

Commencement of commercial production at the Integrated Delta Processing Plant

Keras Resources plc (AIM: KRS) ("Keras") is pleased to announce the commencement of commercial production of PhoSul® granules at its Integrated Delta Processing facility, Utah. Several upgrades and optimisations were implemented progressing from hot commissioning to commercial production, with consistent production now having been achieved by the operational team from contractor Burningham Enterprises Group operating on a single shift basis to maintain and improve upon nameplate saleable product output of 5 tons per hour. The timely achievement of this milestone was made materially smoother with on-site input from the Company's joint venture ("JV") partners PhoSul LLC, which has saved Keras both time and cost.

The JV will spend the coming months operating on a single shift basis ironing out early production improvements, progressing to double shift operations during the fourth quarter of 2024 and progressively to continuous operations during the first quarter of 2025.

Per previous announcements, PhoSul®'s formulation has been specifically developed to improve Phosphorous ("P₂O₅") availability to crops, where results from field tests have demonstrated significant yield and quality improvements over competitor rock phosphate sources. With current traditional phosphate fertilizer production and use under increased environmental pressure, PhoSul® further helps to solve Phosphorous run-off and water resource contamination, a key component of the Company's organic identity.

Preparations for the 2024 summer mining season have commenced, during which the Company plans to produce between 8,000 and 10,000 tons dictated by demand during the back end of summer and early fall. 100% owned Falcon Isle Resources ("FIR") will sell rock phosphate to the JV, building up to steady-state sales of approximately 10,500 tons per annum, in addition to internal sales of approximately 6,500 tons per annum.

Graham Stacey, CEO of Keras, commented, *"It is naturally an exciting time for us to be building a PhoSul® stockpile at our Delta Facility. Organic granulation requires a very specific formula and the blending of the PhoSul® ingredients in the design ratio, supplemented with moisture, an organic binder and a dust control agent in the overall product blend has been a challenging process which we will continue to optimise with strong support from our PhoSul LLC JV colleagues. An important part of our transition to sales will include moisture and hardness testing as well as 240 size guide number ("SGN") analysis on an ongoing basis. Our intention is to produce 240SGN product in bulk in the short-to medium-term, with the option to produce 1 ton bags should demand dictate.*

"The move to Delta has been a significant shift in our operating model, we look forward to settling into our new facility, optimising operations and growing our sales without the distractions we've experienced to date, and delivering profitability to our shareholders. We look forward to announcing our output and profitability forecasts during the coming weeks."

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under Article 7 of the Market Abuse Regulation (EU) No. 596/2014 (as amended) as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended). Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

****ENDS****

For further information please visit www.kerasplc.com, follow us on Twitter @kerasplc or contact the following:

| | | |
|--|--------------------------------|----------------------|
| Graham Stacey | Keras Resources plc | info@kerasplc.com |
| Nominated Adviser & Joint Broker Ewan Leggat / Caroline Rowe | SP Angel Corporate Finance LLP | +44 (0) 20 3470 0470 |
| Joint Broker Damon Heath / Erik Woolgar | Shard Capital Partners LLP | +44 (0) 207 186 9900 |

Notes:

Keras Resources (AIM: KRS) wholly owns the Diamond Creek organic phosphate mine in Utah, US. Diamond Creek is one of the highest-grade organic phosphate deposits in the US and is a fully integrated mine to market operation with in-house mining and processing facilities. Keras's 100% held subsidiary Falcon Isle Resources Corp. ("FIR") recently entered into a 50/50 Joint Venture with Idaho-based PhoSul LLC to produce PhoSul®, a certified organic 240 SGN granule tailored specifically to increase P₂O₅ available to crops, from FIR's Integrated Processing facility in Delta, Utah. The Integrated Processing Facility produces a variety of organic phosphate products including milled 10 mesh and 50 mesh P₂O₅ products as well as PhoSul® granules which can be tailored to customer organic fertiliser requirements.

The Company is focused on continuing to build market share in the fast-growing US organic fertiliser market and build Diamond Creek into the premier organic phosphate producer in the US .

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCBRGDRXSXDGSB