31 March 2021

Kore Potash Plc

("Kore Potash" or the "Company")

AUDITED FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Kore Potash plc the potash development company with 97%-ownership of the Kola and DX Potash Projects in the Sintoukola Basin, located within the Republic of Congo (“RoC”), is pleased to announce the publication of the annual financial report of the Company for the year ended 31 December 2020 (“FY 20”).

The full financial report is available online at the Company’s website (www.korepotash.com). The Company also advises that an ASX Appendix 4G (Key to Disclosures: Corporate Governance Council Principles and Recommendations) and its current Corporate Governance Statement have been released today and will shortly be available on the Company's website.

Summary of key developments

- The Company completed a Pre-Feasibility Study (PFS) on the 400 ktpa Dougou Extension (DX) Sylvinite solution mining project and released a summary of results on 13 May 2020. On 9 November 2020, the Company further updated the DX PFS production target. This included the reporting of:
    - Maiden Probable Sylvinite Ore Reserves 17.7 Mt at a grade of 41.7% KCl.
    - A revised Sylvinite Mineral Resource of 145 Mt at a grade of 39.7% KCl.
    - Attractive life-of-mine cost of sales, free on board (FOB) of approximately USD 86.61/t MoP
    - Mine life of approximately 30 years based on a production of 400 kt/year.
    - Estimated base case initial capital cost of approximately USD 286 million (real 2020)
    - Estimated 21-month construction period which provides the Company with near term production options
    - Base case real ungeared IRR of approximately 23.4% and base case post-tax ungeared NPV10 (real) of approximately USD 421 million on an attributable basis at life-of-mine average Muriate of Potash (“MoP”) price for granular product of USD 422/t
    - Average base case annual post construction, post-tax, free cash flow of approximately USD 95 million and approximately 4.3 years post-tax payback period from first production.
    - The execution and interpretation of a 60-line km 2D seismic survey over the area that coincided with the Indicated Mineral Resource which incorporated into the PFS geological model.
    - The drilling and analysis of 2 new drill holes within the Inferred Mineral Resource boundary; this data was incorporated into the PFS geological model.

Further details of the summary of the DX PFS are available on the Company’s website.

- The Company raised USD 8 million to undertake the first phase of a Definitive Feasibility study (DFS) on the DX Sylvinite solution mining project through the placing and direct subscription of new ordinary shares in the Company which was approved by shareholders on 26 August 2020.
- Work commenced on the DX DFS in September 2020.
- Discussions continued during the year with a number of potential funding partners who have indicated potential interest in financing the Kola project.
- In addition, the Company continued dialogue with engineering and construction companies with the capability to conduct further optimisation of the Kola design and capital cost.
- Ms Trinidad Maris Reyes Perez joined the Board of the Company on 20 November 2020, replacing Mr Jose Antonio Merino as the nominee director of Sociedad Quimica y Minera de Chine S.A.

- On 14 December 2020, the Company reported receipt of correspondence received from the Minister of Mines expressing dissatisfaction with the pace of development of the Kola Potash project. Since then, the Company has continued to communicate constructively and openly with the Minister of Mines to ensure the parties remain fully engaged as Kore Potash progresses the development of its projects.

Summary of financials

- During the year ended 31 December 2020, the Group's total comprehensive loss was USD 8.2 million (2019: USD 7.3 million) and the Group experienced net cash outflows from operating and investing activities of USD 9.3 million (2019: USD 11.3 million). Cash and cash equivalents totalled USD 5.6 million as at 31 December 2020 (2019: USD 7.6 million).

- Group net assets increased in the year to USD 178 million from USD 162 million. This was primarily driven by the fund raise of USD 7.5 million during the year.

- The Directors prepared a cash flow forecast for the period ending 31 December 2022, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (31 March 2022), primarily being corporate costs, exploration expenditure, and DFS costs related to the Kola and Dougou Projects. Please refer to Note 1 to the financial statements for more detail on the going concern statement.

- Accordingly, the Directors resolved to undertake certain mitigating actions including a capital raise in Q2 – Q3 2021. The Company has begun discussions with its major shareholders with regards to its near and mid-term funding requirements.

- The ability of the Group to continue as a going concern is dependent on achieving the matters set out above. These conditions indicate a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Brad Sampson, Chief Executive of Kore Potash, commented: "*We have made good progress during the course of 2020. Despite the difficult circumstances facing the global economy Kore has been able deliver on planned workstreams and advance the projects.*

"Current rising food prices show the importance of fertilisers, including potash to the global economy. With high-grades and beneficial location the Sintoukola Basin is one of most promising potash deposits in the world. It has the potential to produce the MoP needed by farmers around the world for generations.

"In addition, the potential scale and long life of the projects mean that when in production Kore's mines can form a key plank of the Republic of Congo's export economy.

"With this in mind we are all the more determined to maintain our momentum into 2021 and beyond. We look forward to informing shareholders and all stakeholders of continued developments soon."

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REVIEW OF OPERATIONS AND STRATEGIC REPORT

Corporate activities

- On 21 January 2020, a total of 3,811,398 ordinary shares were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash fees for the quarter ended 31 December 2019.

- On 7 April 2020, a total of 7,770,939 ordinary shares were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash fees for the quarter ended 31 March 2020. In addition, a total of 1,250,000 ordinary shares were issued to David Hathorn, David Netherway, Jonathan Trollip and Tim Keating following the unconditional vesting of Performance Rights on 29 March 2020, at a subscription price of USD 0.001 per ordinary share.

- On 25 June 2020, a total of 2,258,333 ordinary shares were issued to certain current and former employees to satisfy the conversion of vested Performance Rights in ordinary shares, at a subscription price of USD 0.001 per ordinary share.

- In addition, 4,000,000 ordinary shares were issued to Align Research Limited as consideration for equity research services.

- On 27 June 2020, 4,000,000 unlisted Options exercisable at GBP 0.11 each expired unexercised.

- On 21 September 2020, a total of USD 7,481,937 was raised from existing and new investors through the placing and direct subscription of 882,688,876 ordinary shares in the Company at a placing price of GBP0.0065 per ordinary share.

- On 13 October 2020, a total of 2,755,838 ordinary shares were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash fees for the quarter ended 30 June 2020.In addition, a total of 3,810,983 ordinary shares were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash fees for the quarter ended 30 September 2020.

- On 20 November 2020, Trinidad Reyes Perez was appointed a non-executive director of the Company nominated by SQM to replace Jose Antonio Merino who had resigned with effect from that date.

- Subsequent to the year-end, on 15 January 2021, a total of 2,909,381 ordinary shares were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash fees for the quarter ended 31 December 2020. In addition, a total of 3,071,251 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, at a subscription price of USD 0.001 per ordinary share and 9,297,751 Performance Rights, Performance Shares and unlisted Options were cancelled.

- Subsequent to the year-end, on 10 March 2021, the Company's Chief Financial Officer, Mr Andrey Maruta, informed the Board of his intention to leave Kore Potash in order to accept a position at another company. Andrey will continue to work as the Company's Chief Financial Officer through his contractual notice period of 3 months. His last day of employment will be 10 June 2021. During Andrey's notice period the Company will commence the process to select his replacement and will update shareholders on the new appointment in due course.

Operational and exploration activity

Dougou Extension (DX) Pre-Feasibility Study (PFS) Status Update

The Company reports the following status of the DX definitive feasibility study:

- The planned diamond drilling was completed within the schedule and the company is awaiting assay results.
- Geo-mechanical testing of samples by Agapito Associates Inc. ("AAI") is complete and the test report is expected in Q2 2021.
- Creep tests at the Institut fur Gebirgsmechanik laboratory in Germany are completed and results have been received in March 2021.

Kola Sylvinite Project

- Discussions continued with a number of potential funding partners who have indicated potential interest in financing the Kola project.
- In addition, the Company continued dialogue with engineering and construction companies with the capability to conduct further optimisation of the Kola design and capital cost.

Mining Convention

- The Mining Convention covering the proposed staged development of the Kola and Dougou Mining Licences was gazetted into law on 29 November 2018 following ratification by the Parliament of the RoC. The gazetting of the Mining Convention provides security of title and the right to develop and operate the Kola Project as well as the adjacent Dougou and Dougou Extension deposits. Under the Mining Convention the RoC government will be granted a 10% carried equity interest in the project companies (DPM and KPM, which are wholly owned by SPSA). The Company currently awaits completion of formalities by the Government to enable transfer of the 10% equity interest to the State.
- The Mining Convention concludes the framework envisaged in the 25-year renewable Kola and Dougou Mining Licences granted in August 2013 and May 2017, respectively. The Mining Convention provides certainty and enforceability of the key fiscal arrangements for the development and operation of Kola and Dougou Mining Licences, which amongst other items include import duty and VAT exemptions and agreed tax rates during mine operations. See Note 7 to the financial statements for further details on the terms and conditions of the Mining Convention.
- The Mining Convention provides strengthened legal protection of the Company's investments in the RoC through the settlement of disputes by international arbitration.
- On 14 December 2020, the Company reported receipt of correspondence received from the Minister of Mines expressing dissatisfaction with the pace of development of the Kola Potash project. Since then, the Company continued to communicate constructively and openly with the Minister of Mines to ensure the parties remain fully engaged as Kore Potash progresses the development of its projects.

Authorisation obtained from RoC authorities

- The Minister of Tourism and Environment of the Republic of Congo issued certificates on 31 March 2020 granting 25-year approvals to the ESIAs for both the Dougou and the Kola Mining Licences
- On 1 October 2020, an authorisation was obtained from the Ministry of Environment for SPSA to import and store the chemicals needed for the drilling campaign on the DX project, a further confirmation letter was received 30 November 2020.
- Ministry of Tourism and Environment authorised the environmental management plan for the DFS drilling on Kore's DX Project on 14 October 2020, a further formal confirmation letter was received on 27 November 2020.

Workstreams initiated with RoC authorities

- On 21 January 2020, Kore Potash through its subsidiary SPSA submitted to the Ministry of Mines a draft Shareholders agreement for comment.

- On 27 March 2020, Kore Potash through its subsidiary SPSA submitted to the Ministry of Mines the annual mining activity report for information, as required by the Mining Convention.

- On 30 April 2020, Kore Potash through its subsidiary SPSA submitted to the Ministry of Mines the French translation of the Kore quarterly report and project update for information.

- On 13 May 2020, Kore Potash through its subsidiary SPSA submitted to the Ministry of Mines the French translation of the Kore announcement of the DX PFS results for information.

- On 23 June 2020 Kore Potash through its subsidiary SPSA sent a new set a of formal letters to the Ministry of Mines asking for governmental actions in relation with its permits and is closely monitoring progress:
  - Correction to the GPS coordinates appearing in the granting decree of Dougou exploitation permit,
  - Transfer of the Dougou exploitation permit from SPSA to DPM,
  - Rectify the granting decree of the Kola exploitation Licence to ensure the permit is firstly being attributed to Sintoukola Potash and then transfer to Kola Potash
  - Change to the duration of the Sintoukola 2 exploration permit as it appears on the granting decree, from 2 years to 3 years.

- On 12 November 2020 Kore Potash through its subsidiary SPSA received a response to its letter dated 23 June 2020. This letter responded to the following:

  - The GPS coordinates appearing in the granting decree of Dougou exploitation permit are regarded as correct and no correction will be required,
  - The transfer of the Dougou exploitation permit from SPSA to DPM is accepted in principle and the Government will initiate the process
  - In order to rectify the granting decree of the Kola exploitation Licence to ensure the permit is firstly being attributed to Sintoukola Potash and then transfer to Kola Potash, the Government has requested additional supporting documentation
  - The change to the duration of the Sintoukola 2 exploration permit as it appears on the granting decree, from 2 years to 3 years, was rejected. The Sintoukola 2 exploration permit has now expired at the end of February 2021 but the Company is considering reapplying for extension of the permit.

Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and wholly owns Kore Potash Limited of Australia. The Company has a 97% shareholding in SPSA in the RoC (see Note 11(f)). SPSA is currently the 100% owner of Kola Potash Mining S.A. which is the sole owner of the Kola Mining Lease and currently 100% owner of Dougou Potash Mining S.A. which is the sole owner of the Dougou Mining Lease (Figure 2). SPSA also owns the Sintoukola 2 Exploration Permit. The Sintoukola 2 exploration permit has now expired at the end of February 2021 and the Company is considering applying for extension of the permit.

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	100% potassium rights only	Sintoukola Potash S.A.
Sintoukola2 Exploration	Decree 2018-34 of 9 February 2018	100% potassium rights only	Sintoukola Potash S.A.

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

Changes to Potash Mineral Resources and Ore Reserves between 2019 and 2020

Tables 1 and 2 provide a comparison of the Company's Mineral Resources and Ore Reserves, year-on-year between 2019 and 2020, as per ASX Listing rule 5.21.4.

The Dougou Extension Sylvinite deposit has a revised Mineral Resource Estimate which was published on the completion of the DX PFS, released on 13 May 2020. In this revised Mineral Resource Estimate there was a reduction of 24% in the Indicated Mineral Resource and a 42% reduction in the Inferred Mineral Resource. This change was as a result of additional information becoming available as a result of drilling of 2 holes and completion of the 60-line km 2D seismic survey within the boundary of Indicated Mineral Resource.

There are no changes to the other Mineral Resources as reported in 2019.

Table 1. Comparison of Potash Mineral Resources year-on-year between 2019 and 2020.

MINERAL RESOURCES	**Category**	**2019** **Million Tonnes**	**2019** **Grade KCl %**	**2019** **Contained KCl (Mt)**	**2020** **Million Tonnes**	**2020** **Grade KCl %**	**2020** **Contained KCl (Mt)**
Kola Sylvinite deposit	Measured	216	34.9	75	216	34.9	75
	Indicated	292	35.7	104	292	35.7	104
	Measured + Indicated	508	35.4	180	508	35.4	180
	Inferred	340	34.0	116	340	34.0	116
	TOTAL	**848**	**34.8**	**295**	**848**	**34.8**	**295**
Dougou Extension Sylvinite deposit	Measured	0	0.0	0	0	0.0	0
	Indicated	111	37.2	41	79	39.1	31
	Measured + Indicated	111	37.2	41	79	39.1	31
	Inferred	121	38.9	47	66	40.4	27
	TOTAL	**232**	**38.1**	**88**	**145**	**39.7**	**58**
Kola Carnallite deposit	Measured	341	17.4	59	341	17.4	59
	Indicated	441	18.7	83	441	18.7	83
	Measured + Indicated	783	18.1	142	783	18.1	142
	Inferred	1,266	18.7	236	1,266	18.7	236
	TOTAL	**2,049**	**18.5**	**378**	**2,049**	**18.5**	**378**
Dougou Carnallite deposit	Measured	148	20.1	30	148	20.1	30
	Indicated	920	20.7	190	920	20.7	190
	Measured + Indicated	1,068	20.6	220	1,068	20.6	220
	Inferred	1,988	20.8	414	1,988	20.8	414
	TOTAL	**3,056**	**20.7**	**634**	**3,056**	**20.7**	**634**

TOTAL MINERAL RESOURCES	Measured	705	23.3	165	705	23.3	165
	Indicated	1,764	23.7	419	1,732	23.6	408
	Measured + Indicated	2,469	23.6	583	2,437	23.5	572
	Inferred	3,715	21.9	813	3,660	21.7	793
	TOTAL	**6,185**	**22.6**	**1,396**	**6,097**	**22.4**	**1,365**

Table 2. Comparison of Ore Reserves year-on-year between 2019 and 2020.

Ore Reserves

A maiden Ore Reserve was declared during 2020 for the Dougou Extension Sylvinite deposit on the back of the release of the results of the Pre-feasibility study on 13 May 2020. There were no changes to the Kola Ore Reserves in 2020.

ORE RESERVES		**2019**			**2020**		
	Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl (Mt)**	**Million Tonnes**	**Grade KCl %**	**Contained KCl (Mt)**
Kola Sylvinite deposit	Proved	61.8	32.1	19.8	61.8	32.1	19.8
	Probable	90.6	32.8	29.7	90.6	32.8	29.7
	TOTAL	**152.4**	**32.5**	49.5	**152.4**	**32.5**	49.5

ORE RESERVES		**2019**			**2020**		
	Category	**Million Tonnes**	**Grade KCl %**	**Contained KCl (Mt)**	**Million Tonnes**	**Grade KCl %**	**Contained KCl (Mt)**
Dougou Extension Sylvinite deposit	Proved	0	0	0	0	0	0
	Probable	0	0	0	17.7	41.7	7.4
	TOTAL	**0**	**0**	0	**17.7**	**41.7**	**7.4**

Notes:
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 Resource Estimate was 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 Kola Ore Reserves are based on information compiled or reviewed by, Mo Molavi, P. Eng., who has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Molavi is a Competent Person as defined by the JORC Code 2012 Edition, having a minimum of five years of experience that is relevant to the style of mineralization and type of deposit described in this report, and to the activity for which he is accepting responsibility. Mr Molavi is member of good standing of Engineers and Geoscientists of British Columbia (Registration Number 37594) which is an ASX-Recognized Professional Organization (RPO). Mr Molavi is a consultant working as a sub-contractor to Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group and have been engaged by Met-Chem to review the documentation for Kola Deposit.
The Dougou Carnallite Mineral Resource estimate was 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 is reported herein. Ms. Vanessa Santos, P.Geo. of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Ms. Santos is a licensed professional geologist in South Carolina (Member 2403) and Georgia (Member 1664), USA, and is a registered member (RM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 04058318).
The Dougou Extension Ore Reserves are based on information compiled or reviewed by, Dr. Michael Hardy, a Competent Person who 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. Dr. Michael Hardy has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr. Michael Hardy president of Agapito Associates Inc is not associated or affiliated with Kore Potash or any of its affiliates.
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 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.

Figure 1. Location of the Sintoukola Project showing the Kola, Dougou and Dougou Extension Projects
(available at www.korepotash.com)

BUSINESS MODEL

The Company's business strategy for the financial year ahead and in the foreseeable future is to continue exploration and development activities on the Company's existing potash mineral projects in the RoC. The Company's current activities do not generate any revenues or positive operating cash flow. Future development necessary to commence production will require significant capital expenditures.

PRINCIPAL RISKS

The Company's business strategy is subject to numerous risks, some outside the Board and management's control. These risks can be specific to the Company, generic to the mining industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting the Group and its future performance include but are not limited to:

- capital requirement and ability to attract future funding;

The Group will have sizeable capital requirements as it proceeds to develop its projects. The future development of these projects will depend on the Group's ability to obtain additional required financing. The Group may not be able to obtain financing on favourable terms or at all. If financing is not available, it could result in a delay or indefinite postponement of development or production at the Group's projects, or in a loss of project ownership or earning opportunities by the Group. The Group currently has no source of funding for the financing of the capital needs of its business and future activities, other than by the issuance of additional securities of the Group.

The Group continues to actively engage and develop relationships with potential lenders, export credit agencies and equity investors. The Group also has two large long-term strategic investors, SQM and OIA, with extensive capital resources.

Factors beyond the Company's control, including pandemic diseases such as COVID-19 (coronavirus), can affect the stock markets and in doing so impair the Company's ability to attract investors and lenders. This in turn could have an impact on any fund raising or financing arrangements that the Company may require to pursue.

- country risk in the RoC

The operations of the Group are conducted in the RoC and as such are exposed to various levels of political, economic and other natural and man-made risks and uncertainties over which the Group has no or limited control. Changes, if any, in mining, environmental or investment policies or shifts in political attitude in the RoC may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's local management has regular consultations with the local community and actively seeks to employ locally, where possible. Additionally, the CEO and other relevant senior management have established good relationships with the official local and country establishments e.g. the Ministry of Mines and Geology and the Ministry of Environment with whom regular contact and consultation is maintained. In addition, the Group benefits from the UK-Congo bilateral investment treaty, which provides strengthened legal protection to the Group's investments in the RoC.

On 14 December 2020, the Company reported receipt of correspondence received from the Minister of Mines expressing dissatisfaction with the pace of development of the Kola Potash project. Since then, the Company continued to communicate constructively and openly with the Minister of Mines to ensure the parties remain fully engaged as Kore Potash progresses the development of its projects.

- change in potash commodity prices and market conditions;

The operations of the Group are conducted in the ROC, and as such are exposed to various levels of political, economic and other natural and man-made risks and uncertainties over which the Group has no or limited control. Changes, if any, in mining, environmental or investment policies or shifts in political attitude in the ROC may have a material adverse effect on the Group's business, financial condition and results of operations.

- geological and technical risk posed to exploration and commercial exploitation success;

Mining complexities arising from geotechnical, hydro-geological conditions and undetected geological phenomena may adversely impact the efficiency of the operation to the extent that the operation becomes financially unviable. Additionally, human error by the miners, equipment failure, mistakes in planning the operations, and encountering unforeseen obstacles could each affect the profitability of the Group.

The Group has appointed reputable third-party technical consultants with specific skills to undertake the feasibility and engineering studies. The Group intends to appoint well regarded, highly reputable ECM contractors to develop the Group's projects.

- environmental and occupational health and safety risks;

Environmental, safety and health incidents including pandemic diseases like COVID-19 (coronavirus) could result in harm to the Group's employees, contractors or local communities and adversely affect the Group's relationship with local stakeholders. Ensuring safety and wellbeing is critical to the Group and part of the Group's core values. An environmental incident, poor safety record or serious accidents could have a long-term impact on the Group's morale, reputation, project development and production.

The Group seeks to continuously improve its health, safety and environmental risk management procedures, with particular focus on the early identification of risks and the prevention of incidents, injuries and fatalities.

In order to maintain a COVID-19 free bubble during the drilling campaign a COVID-19 testing, and control procedure were introduced for all people going to the exploration camp. All new employees were housed in the camp, they were placed in a quarantine area in the camp and tested for COVID-19. They were kept in the quarantine for 7 days and only allowed to commence work once a negative test and 7-day quarantine was completed. No one was allowed to leave the confines of the camp and work site until there period of employment was completed. Monthly testing of all people within the camp was also implemented to ensure ongoing maintenance of a "COVID-19 free bubble". This procedure also dealt with the actions required to deal with positive cases to ensure safe treatment of the affected party and to maintain a safe environment for remaining staff. The procedure identified a separate confinement area for people that tested positive and working with the Congo Department of Health also identified the procedure to follow with Department of health to obtain treatment for infected parties. The drilling campaign was completed with 5 positive cases being identified, all of which were safely isolated and treated. The Group's operations are subject to Environmental and Social Assessment permits, which are granted by the RoC government, for a period of 25 years.

- government policy changes;

The mineral exploration and development activities and future operations of the Group are subject to various laws and regulations governing mineral concession acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

New rules and regulations could be enacted, or existing rules and regulations could be applied or amended in a manner that could have a material and adverse effect on the business, financial condition and results of operations of the Group.

The Group monitors changes in legislation for relevant jurisdictions to enable rapid and effective response. The Group also consults with tax, legal, accounting and regulatory experts as required to ensure that any upcoming changes in legislations are proactively accounted for.

- retention of key staff.

The attraction and retention of persons skilled in the development, operation, exploration and acquisition of mining properties are important factors in enabling the Group to fulfil its strategic ambitions and to build further expertise, knowledge and capabilities within the Group. Being unable to do so would compromise the Group's ability to deliver on its strategic objectives.

The Group's performance management system and incentive schemes are designed to attract and retain key employees by creating suitable reward and remuneration structures linked to key performance milestones and provide personal development opportunities.

For more details of the financial risk management objectives and policies of the Group, please refer to Note 14 to the financial statements.

This is not an exhaustive list of risks faced by the Company or an investment in it. There are other risks generic to the stock market and the world economy as a whole and other risks generic to the mining industry, all of which can impact on the Company. The management of risks is integrated into the development of the Company's strategic and business plans and is reviewed and monitored regularly by the Board. Further details on how the Company monitors, manages and mitigates these risks are included as part of the Audit and Risk Committee Report contained within the Corporate Governance Report.

On 14 December 2020, the Company reported receipt of correspondence received from the Minister of Mines expressing dissatisfaction with the pace of development of the Kola Potash project. Since then, the Company continued to communicate constructively and openly with the Minister of Mines to ensure the parties remain fully engaged as Kore Potash progresses the development of its projects.

DIRECTORS' SECTION 172 STATEMENT

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' statement required under section 414CZA of The Companies Act 2006.

The matters set out in section 172(1) (a) to (f) are that a Director must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

(a) the likely consequences of any decision in the long term;
(b) the interests of the Company's employees;
(c) the need to foster the Company's business relationships with suppliers, customers and others;
(d) the impact of the Company's operations on the community and the environment;
(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
(f) the need to act fairly between members of the Company.

Stakeholder Engagement

Kore Potash adheres to sound corporate governance policies and attaches considerable importance to and strives to engage transparently and effectively on a continuous basis with a variety of stakeholders, including shareholders, employees, contractors, suppliers, government bodies and local communities and environment in which it operates.

Shareholders:

The Company's 2 largest shareholders, SQM and OIA, by virtue of their respective Investment Agreements, has each appointed a director to the board. As such they are involved in all principal decisions taken by the board, other than in cases where conflicts of interests may arise. All other existing substantial shareholders have regular meetings throughout the year with the Chairman, CEO and CFO, although due to the COVID-19 pandemic these have mainly been conducted by teleconference calls. Prior consultation with significant shareholders is undertaken in respect of all issues requiring the approval of shareholders in general meeting. In addition, all significant matters raised, or areas of concern specified by such shareholders during such meetings in respect of the Company's operations, strategy and other significant business matters are taken into account by the board when taking principal decisions.

In September 2020, the Company completed an equity placing to raise approximately USD 7.5 million, in which both SQM and OIA participated.

At the Company's AGM held on 26 June 2020, all resolutions were passed with at least 97% of the votes cast in favour. The CEO, CFO and non-executive directors, including the chair of each Committee, are usually available at and following general meetings of the Company when shareholders have the opportunity to ask questions on the business of the meeting and more generally on Company matters. However, as shareholders were unable to attend this year's AGM in person due to COVID-19 restrictions, they were afforded the opportunity to dial-in to listen to the business of the meeting and to raise questions with the Board in advance of the meeting by e-mail. Additionally, following the conclusion of the formal business of the AGM, the CEO provided an update on the Company's DX PFS.

All substantial shareholders that own more than 3% of the Company's shares are listed in the relevant section of this Report.

Further details of engagement with shareholders can be found within the Corporate Governance Report.

Employees:
Kore Potash attaches great importance to its employees and their professional development and provides fair remuneration with incentives for its senior personnel through share option schemes that are performance related. Further details of these are included in the Remuneration Report on pages 57 to 70. Further, the Company gives full and fair consideration to applications for employment irrespective of age, gender, colour, ethnicity, disability, nationality, religious beliefs or sexual orientation.

The Company maintains an open line of communication between its employees, senior management and the board of directors. Specifically, during the year the COO and CFO held weekly virtual meetings with key employees where open questioning and sharing of concerns was encouraged. No significant issues were raised during such meetings.

The Board has had oversight on issues raised by the employees and management actions throughout the year via monthly management reports to the Board which detail any personnel complaints or grievances and action management have committed to in order to resolve issues.

In normal circumstances, members of the Board periodically visit all parts of the business and interact with employees. However, due to COVID-19 restrictions this was not possible during the course of this year. It is intended that such practice will resume once the restrictions are lifted, and it is safe to do so. Nonetheless, the COO made regular visits to the operation in the RoC during the year and actively engaged with all RoC employees. In addition, David Hathorn visited the RoC operations in December 2020 and post year-end in February 2021.

David Netherway, a non-executive director, is the appointed designated director responsible for workplace engagement in accordance with the 2018 Corporate Governance Code. However, no such engagement has been possible by him during the year due to the restrictions imposed as a result of the COVID-19 pandemic.

Contractors and Suppliers:
The Group has a prompt payment policy and seeks to ensure that all liabilities are settled within each supplier's terms. Through fair dealings the Group aims to cultivate the goodwill of its contractors, consultants and suppliers.

Corporate and local management work closely with contractors and suppliers in the UK and the RoC to ensure they work within the parameters of their respective terms of engagement and do not have a detrimental effect on the Company's business and project timeline. See pages 7 to 22 in the Review of Operations for latest progress on exploration activities.

Governmental Bodies, local communities and environment:
The Group takes significant cognisance of the importance to the communities in which it operates and is grateful for their support and involvement in the Company's exploration and development activities.

The Group has had ongoing engagements with the local community in order to ensure there are open lines of communication for any concerns to be raised and to ensure there is two-way communication between the Group and the local communities. The company has a full-time community liaison officer that has direct contact with all 11 local chiefs via company supplied cell phones in order to facilitate quick and harmonious communications between the company and the communities. In particular, in order to keep the local communities up to date with regards to the progress of the projects and also to maintain good communication with the local stakeholders, a number of community meetings were held with the population of each of the 11 villages in the projects impact zone.

The CEO and the COO and other relevant senior management have established good relationships with the official local and country establishments e.g. the Ministry of Mines and Geology and the Ministry of Environment with whom regular contact and consultation is maintained. The restriction of travel in 2020 has meant that direct communications have been less than previous years. However, ongoing discussions between the Company and the various Ministries has been maintained through written communications.

The Kola DFS design had incorporated a number of value-adding design changes since the approval of the ESIA and the Company had undertaken to amend the ESIA accordingly. The Minister of Tourism and Environment of the Republic of Congo issued certificates on 31 March 2020 granting 25-year approvals to the ESIAs for both the Dougou and the Kola Mining Licences.

Principal decisions taken by the board during the period

Principal decisions are defined as those that have long-term strategic impact and are material to the Group and those that are significant to the Group's key stakeholder groups. In making the principal decisions, the board considered the alignment with its stated strategy, the outcome from its stakeholder engagement, the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company.

Details of the principal decisions taken by the board during the period in respect of the completion of the DX PFS, the raising of approximately USD 7.5 million to complete the first phase of the DX DFS and for general working capital requirements and the commencement of the drilling programme on the DX Project are contained under the Summary of Key Developments within the Strategic Report.

Competent Person Statement

The information relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves in this report is based on, or extracted from previous reports referred to herein, and is available to view on the Company's website www.korepotash.com

The Kola Mineral Resource Estimate was reported on 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 Reserve Estimate for Sylvinite at Kola was first reported on 29 January 2019 in an announcement titled 'Kola Definitive Feasibility Study' and was prepared by Met-Chem; the Competent Person for the estimate is Mr Molavi, member of good standing of Engineers and Geoscientists of British Columbia.

The Dougou Carnallite Mineral Resource Estimate was 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 was reported on 13 May 2020 in an announcement titled 'Dougou Extension (DX) Project Pre-Feasibility Study'. It was prepared by Competent Person Ms. Vanessa Santos, P.Geo. of Agapito Associates Inc. Ms. Santos is a licensed professional geologist in South Carolina (Member 2403) and Georgia (Member 1664), USA, and is a registered member (RM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 04058318), a Recognized Professional Organization' (RPO) included in a list that is posted on the ASX website from time to time.

The Ore Reserve Estimate for Sylvinite at Dougou Extension was reported on 13 May 2020 in an announcement titled 'Dougou Extension (DX) Project Pre-Feasibility Study and was prepared Dr. Michael Hardy, a Competent Person who 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 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 report contains statements that are "forward-looking". Generally, the words "expect," “potential”, "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature and whilst there is a reasonable basis for making such statements regarding the proposed placement described herein; forward-looking statements are subject to known and unknown risks and uncertainties that may cause our 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. Statements in this report regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as resource estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

This Review of Operations and Strategic Report was approved by the board of directors on 30 March 2021 and is signed on its behalf by:

____________________________ _________________________________

Non-Executive Chairman	Chief Executive Officer
David Hathorn	Brad Sampson
30 March 2021	30 March 2021

DIRECTORS' REPORT

The Directors present their annual report on Kore Potash and the Group for the financial year ended 31 December 2020.

The Corporate Governance statement set out in pages 34 to 72 forms part of this Directors' Report.

Directors

The names of directors of the Company in office at any time during or since the end of the year are:

David Hathorn	Non-Executive Chairman
Brad Sampson	Chief Executive Officer
Jonathan Trollip	Non-Executive Director
Timothy Keating	Non-Executive Director
David Netherway	Non-Executive Director
Jose Antonio Merino	Non-Executive Director (resigned with effect from 20 November 2020)
Trinidad Reyes Perez	Non-Executive Director (appointed with effect from 20 November 2020)

Directors have been in office of the Company since the start of the financial year to the date of this report unless otherwise stated.

Joint Company Secretary

Mr Henko Vos
St James's Corporate Services Limited

Principal Activities and Significant Changes in Nature of Activities

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

Operating Results

The net loss after tax of the Group for the year ended 31 December 2020 amounted to USD 3,144,172 (31 December 2019: USD 4,202,752).

Dividends Paid or Recommended

No dividends were paid during the year and the directors do not intend to recommend the payment of a final dividend for the financial year under review (2019: nil).

Review of Operations and Strategic Report

Please refer to pages 7 to 22 of the Annual Report.

Significant Changes in State of Affairs

Board Changes

On 20 November 2020, Trinidad Reyes Perez was appointed a non-executive director of the Company nominated by SQM to replace Jose Antonio Merino who resigned with effect from that date.

Capital Raise

On 21 September 2020, a total of USD 7,481,937 was raised to undergo work on the Dougou Extension PFS and general working capital requirements in connection with the AIM and JSE listings. This was raised from existing and new investors through the placing and direct subscription of 882,688,876 new ordinary shares in the Company at a placing price and subscription price of GBP 0.0065 per new ordinary share.

Other capital movements:

On 21 January 2020, 3,811,398 ordinary shares of USD 0.001 each were issued in lieu of cash remuneration or part remuneration for the quarter ended 31 December 2019 to David Hathorn, David Netherway and Jonathan Trollip in line with the cost reduction strategy announced on 29 June 2019. The par value of this issue was USD3,811.

On 7 April 2020, 7,770,939 ordinary shares of USD 0.001 each were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash remuneration or part remuneration for the quarter ended 31 March 2020.

On 25 June 2020, a total of 2,258,333 ordinary shares of USD0.001 each were issued to certain current and former employees of the Company to satisfy the conversion of vested Performance Rights in ordinary shares. Of these, 1,410,000, were issued to Gavin Chamberlain, the Company's Chief Operating Officer.

On 25 June 2020, Align Research Limited, an unrelated party to the Company, has initiated coverage on the Company and will provide on-going equity research services to the Company. As consideration for these services, 4,000,000 ordinary shares of USD0.001 each in the Company were issued to Align Research Limited at an agreed price of 0.75p per share, being the prevailing price at the date of signing the agreement.

On 13 October 2020, the Company issued in lieu of payment, 6,566,821 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 6,567.

On 15 January 2020, the Company issued in lieu of payment, 5,980,640 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 5,981.

CDI Movement
During the year the number of CDIs quoted on the ASX increased by 41,359,992 as a result of transfers between CDIs quoted on the ASX and ordinary shares quoted on AIM and the JSE.

Significant Events Subsequent to Reporting Date
Details of the Group's significant events subsequent to the reporting date are included in Note 16 to the financial statements.

Political Contributions and Charitable Donations
During the current and previous years, the Group did not make any political contributions and charitable donations.

Employee Engagement
Details of how the directors have engaged with the employees and how the directors have had regard to employee interests and the effect of that regard, including on the principal decisions taken by the company during the financial year, are included in the Section 172 Statement contained within the Strategic Report.

Business Relationships
Details of the how the directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others and the effect of that regard, including on the principal decisions taken by the Company during the financial year are included in the Section 172 Statement contained within the Strategic Report.

AGM
This report and financial statements will be presented to shareholders for their approval at the next AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Auditors
Following the appointment of BDO LLP as the Company auditors on 28 June 2019, a resolution to reappoint BDO LLP as the Company auditors was proposed at the AGM and passed by the requisite majority. A resolution for BDO LLP's reappointment will be proposed at the forthcoming AGM.

The Use of Financial Instruments by the Group
The Group has exposure to the following risks from their use of financial instruments:
- market risk,
- credit risk, and
- liquidity risks.

For more details of the financial risk management objectives and policies of the Group, please refer to Note 144 to the financial statements.

Employment Policies
The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of gender, age, marital status, creed, colour, race or ethnic origin.

Health and Safety
The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, a Health, Safety and Environmental Committee has been established to review the health and safety policy and risks of the Group and make recommendations to the Board. The Group provides training and support to employees and sets demanding standards for workplace safety. The Group recorded no lost time injuries in 2020 and completed the year with a LTIFR of nil.

Payment to Suppliers
The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement provided the supplier has met the terms and conditions. Under normal operating conditions, suppliers are paid within 30 days of receipt of invoice.

Future Developments
The Group will continue its mineral exploration activities with the objective of finding further mineralised resources, particularly potash and the development of the Kola and the Dougou deposits. The Company will also consider the acquisition of further prospective exploration interests.

Environmental Issues
The Group operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of shareholders, employees and suppliers. In respect of the current year under review, the Directors are not aware of any particular or significant environmental issues which have been raised in relation to the Group's operations. The Group holds exploration permits and mining licences in the RoC. The Group's operations are subject to environmental legislation in this jurisdiction in relation to its exploration activities.

Unissued Shares under Options and Equity Warrants
Share options outstanding at the date of this report:

Exercise Period	**Exercise Price**	**Number of Options**
Options expiring on or before 19 July 2024	GBP 0.022	26,900,000
Options expiring on or before 1 January 2024	GBP 0.022	27,000,000
Equity warrants expiring on or before 29 March 2021	AUD 0.30	13,144,659
		67,044,659

The holders of these options and equity warrants do not have the right, by the virtue of the option or equity warrant, to participate in any share issue or interest issue of the Company. There was no exercise of unlisted options or equity warrants during the year. However, 4,000,000 unlisted options exercisable at GBP 0.11 expired on 27 July 2020.

Performance Rights
Performance rights outstanding at the date of this report:

Class	Expiry	Number of Rights
Director Performance Rights	01/03/2021	4,500,000
Employee Performance Shares (Long Term)	31/05/2022	1,760,000
Non-Executive Director Performance Rights	22/05/2022	1,250,000
Employee Performance Shares (Short Term)	17/03/2025	1,466,666
		8,976,666

The performance rights holders do not hold any voting rights or rights to participate in dividends unless the rights have vested and were converted to fully paid ordinary shares. There were two exercises of performance rights during the year, with 1,250,000 exercised on 7 April 2020, and 2,258,333 exercised on 25 June 2020. During the year 11,579,107 performance rights were cancelled. See Note 11(a) to the financial statements for further details on the performance rights issued and cancelled during the year.

Information on Directors

David Hathorn Non-Executive Chairman *BCom, CA*	Mr Hathorn joined the Group in November 2015. Mr Hathorn retired in 2017 from the Mondi group where he had been CEO for 17 years. The Mondi group is an international packaging and paper group, employing around 25,000 people across more than 30 countries, listed on the LSE and the JSE. Prior to the demerger of the Mondi group from Anglo American plc, Mr Hathorn was a member of the Anglo-American group executive committee from 2003 and an executive director of Anglo-American plc from 2005, serving on several boards of the group's major mining operations.
Interest in Shares and Options as at 31 December 2020	116,177,565 Fully Paid Ordinary Shares 500,000 Performance Rights each expiring 22 May 2022 250,000 Equity warrants exercisable at AUD 0.30 each expiring 29 March 2021
Directorships held in other listed entities	None
Former directorships of listed companies in last three years	None
Brad Sampson Chief Executive Officer *B Eng (Mining) Hons, MBA, AMP, GAICD, MAusIMM*	Mr Sampson is a mining engineer and joined the Group in June 2018. He has more than 30 years' resources industry experience across numerous locations including West and Southern Africa. In addition to significant mine development and operating experience, Brad has held leadership positions at several publicly listed companies. Brad was most recently CEO of ASX listed Tiger Resources Limited, a copper producer in the Democratic Republic of the Congo which in January 2018 entered

	into a binding agreement to sell its assets to a Chinese group for USD 250 million. Prior to this, Brad held senior positions at Newcrest Mining Ltd, one of the world's largest gold mining companies, including General Manager of Newcrest's West African operations. From 2008 to 2013, Brad was the CEO of AIM/ASX listed Discovery Metals Ltd, where he was hired to lead the project financing, construction and subsequent production of the Company's flagship copper asset in Botswana. Other notable positions include General Manager at Goldfields' operations in South Africa and Australia.
Interest in Shares and Options as at 31 December 2020	2,464,705 Fully Paid Ordinary Shares 26,900,000 Unlisted Options exercisable at GBP 0.202 each expiring 19 July 2024
Directorships held in other listed entities	Agrimin Limited (from 22 April 2016)
Former directorships of listed companies in last three years	None
Jonathan Trollip Non-Executive Director *B.A (Hons) LLM, FAICD*	Mr Trollip joined the Group in April 2016 and is a globally experienced Director (both executive and non-executive) with over 30 years of commercial, corporate, governance and legal and transactional expertise. He is currently Non-Executive Chairman of ASX listed Global Value Fund Ltd, Future Generation Investment Company Ltd, Plato Income Maximiser Ltd, Spheria Emerging Companies Ltd and Antipodes Global Investment Company Ltd and a non-executive director of Propel Funeral Partners Limited. He also holds various private company directorships in the commercial and not-for-profit sectors.
Interest in Shares & Options as at 31 December 2020	5,116,190 Fully Paid Ordinary Shares 250,000 Performance Rights each expiring 22 May 2022
Directorships held in other listed entities	Future Generation Investment Company Limited (from 8 October 2013) Global Value Fund Limited (from 20 March 2014) Antipodes Global Investment Company Limited (from 13 July 2016) Plato Income Maximiser Limited (from 20 February 2017) Spheria Emerging Companies Limited (from 12 September 2017) Propel Funeral Partners Limited (from 19 September 2017)
Former directorships of listed companies in last three years	None
Trinidad Maria Reyes Perez Non-Executive Director	Ms Reyes Perez joined SQM as a graduate in 2012 and is currently M&A Director, prior to which she worked in a variety of roles across SQM. Trinidad is a qualified Civil Engineer having graduated from Pontificia Universidad Católica de Chile.
Interest in Shares & Options as at 31 December 2020	None
Directorships held in other listed entities	None

Former directorships of listed companies in last three years	None
Timothy Keating Non-Executive Director *BSc*	Mr Keating joined the Group in November 2016 following the completion of the strategic investment in the Group by OIA. Mr Keating is Head of Mining Investment Private Equity at OIA, a sovereign wealth fund of the Sultanate of Oman. Prior to joining SGRF in 2015, Mr Keating was CEO of African Nickel Limited, a nickel sulphide development company where he grew the business through several acquisitions, project development and fund raisings. He also worked at Investec Bank for the Commodities and Resource Finance Team (2004 – 2010) and at Black Mountain Mine owned by Anglo American plc, in South Africa. He is a Non-Executive Director of Kenmare Resources plc.
Interest in Shares & Options as at 31 December 2020	500,000 Fully Paid Ordinary Shares 250,000 Performance Rights each expiring 22 May 2022
Directorships held in other listed entities	Kenmare Resources plc (14 October 2016 – 17 March 2021)
Former directorships of listed companies in last three years	None
David Netherway Non-Executive Director *B.Eng (Mining), CDipAF, F.Aus.IMM, F.IoM3, C.E.*	Mr Netherway joined the Group in December 2017 and is a mining engineer with over 40 years of experience in the mining industry. He was involved in the construction and development of the New Liberty, Iduapriem, Siguiri, Samira Hill and Kiniero gold mines in West Africa and has mining experience in Africa, Australia, China, Canada, India and the Former Soviet Union. Mr Netherway served as the CEO of Shield Mining until its takeover by Gryphon Minerals. Prior to that, he was the CEO of Toronto listed Afcan Mining Corporation, a China focused gold mining company that was sold to Eldorado Gold in 2005. He was also the Chairman of Afferro Mining which was acquired by IMIC in 2013. Mr Netherway has held senior management positions in a number of mining companies including Golden Shamrock Mines, Ashanti Goldfields and Semafo Inc and is currently the Chairman of AIM and TSX-V listed Altus Strategies plc, and a non-executive Director of ASX-listed Canyon Resources Ltd. He also holds various private company directorships.
Interest in Shares & Options as at 31 December 2020	5,845,744 Fully Paid Ordinary Shares 250,000 Performance Rights each expiring 22 May 2022
Directorships held in other listed entities	Altus Strategies plc (ALS:AIM & ALTS:TSX-V) (from 9 May 2017) Canyon Resources Ltd (CAY:ASX) (from 17 March 2014)
Former directorships of listed companies in last three years	Avesoro Resources Inc. (ASO: TSX & AIM) (from 1 February 2011 to 8 January 2020) Kilo Goldmines Ltd (KGL:TSX-V) (from 7 July 2011 to 16 March 2020)
José Antonio Merino Non-Executive Director *B.Eng* Civil Engineer	Mr Merino joined the Group in May 2019 and is currently the Mergers and Acquisitions Director at SQM. He joined SQM in 2016, prior to which he worked at EPG Partners as head of a mining private equity fund, at ASSET Chile, a Chilean

(Resigned on 20 November 2020)	boutique investment bank, and at Santander Investment. He is a qualified Civil Engineer having graduated from Pontificia Universidad Católica de Chile.
Interest in Shares & Options as at date of resignation	None
Directorships held in other listed entities	None
Former directorships of listed companies in last three years	None

Joint Company Secretaries

Henko Vos *B.Compt, CA, ACIS, RCA*	Mr Vos is a member of the Governance Institute of Australia, the Australian Institute of Company Directors and Chartered Accountants Australia and New Zealand with more than 20 years' experience working within public practice, specifically within the area of corporate and accounting services both in Australia and South Africa. He holds similar secretarial roles in various other listed public companies in both industrial and resource sectors. Mr Vos is an employee of Nexia Perth, a mid-tier corporate advisory and accounting practice.
St James's Corporate Services Limited ("SJCS")	SJCS is operated by co-owners, Phil Dexter and Jane Kirton (ACIS), both of whom acquired SJCS in September 2014 after having worked for SJCS since its inception in June 1998 and its former parent company in excess of 20 years. Mr Dexter has over 40 years' experience in the company secretarial environment and has worked in the natural resources sector since 1977. During that time Mr Dexter has worked with most of the leading South African mining companies and assisted on numerous corporate transactions involving acquisitions, reorganisations and restructurings, rights offers and fund raisings. Ms Kirton has over 20 years' experience in the company secretarial environment and qualified as a Chartered Secretary in 2007. Ms Kirton has worked with most of the leading South African mining companies and assisted on numerous corporate transactions involving acquisitions, reorganisations and restructurings, rights offers and fund raisings. Ms Kirton is an Associate of the Institute of Chartered Secretaries and Administrators.

Board and Committee Meetings Attendance

Attendance of directors and committee members at board and committee meetings held during the year is set out in the table below.

	Board Meetings	**Audit and Risk Committee Meetings**	**Remuneration and Nomination Committee Meetings**	**Health, Safety and Environment Meetings** (iii)
David Hathorn	7/7		1/1	-
Brad Sampson	7/7	-	-	-
Jonathan Trollip	7/7	3/3	1/1	-
Timothy Keating	6/7	-	-	-
David Netherway	7/7	3/3	1/1	-

José Antonio Merino (i)	2/4	-	-	-
Trinidad Reyes Perez (ii)	3/3	-	-	-

(i) Meetings attended prior to ceasing to be a director on 20 November 2020.
(ii) Meetings attended since appointment as a director on 20 November 2020.
(iii) Health, safety and environmental matters are reported on each month in management reporting to the Board and are part of each Board meeting agenda. With limited operational activity during the feasibility study phases, creating a low-risk environment no separate Health, Safety and Environment Committee meetings were held during the period.

Directors' Conflicts of Interest
The Board has formal procedures to deal with Directors' conflicts of interest. In the instance where there is a transactional conflict of interest identified, the Director would not take part in the discussion or determination of any matter in respect of which he had disclosed a transactional conflict of interest. There were no transactional conflicts of interest concerning any Director that arose during the year.

Directors' Service Contracts
The Chief Executive Officer is employed on an ongoing basis, which may be terminated by either party giving 6 months' notice.
Each non-executive director has a letter of appointment for an initial term of 3 years. The appointment of the non-executive director may be terminated by the Company giving 1 month notice, by the non-executive director by immediate notice and also in accordance with the Company's articles of association.

Indemnifying Officers and Directors and Officers Liability Insurance
The Group has agreed to indemnify the Directors of the Company, against all liabilities to another person that may arise from their position as directors of the Company and the Group, except where the liability arises out of conduct involving a lack of good faith.

Appropriate insurance cover is maintained by the Company in respect of its Directors and Officers. During the financial year the Group agreed to pay an annual insurance premium of USD 96,330 (2019: USD 79,413) in respect of directors' and officers' liability and legal expenses' insurance contracts, for directors, officers and employees of the Company. The insurance premium relates to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever the outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty.

Share Dealing Code
The Company has adopted a share dealing code for directors and applicable employees (within the meaning given in the AIM Rules for Companies) in order to ensure compliance with Rule 21 of the AIM Rules for Companies and the provisions of the Market Abuse Regulations relating to dealings in the Company's securities. The Board considers that the Share Dealing Code is appropriate for a company whose shares are admitted to trading on AIM, the ASX and the JSE.

Proceedings on Behalf of Group
No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

Statement of disclosure of information to auditors
As at the date of this report the serving Directors confirm that:

(a) so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
(b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going Concern

During the year ended 31 December 2020, the Group incurred a loss of USD 3,144,172 (year ended 31 December 2019: USD 4,202,752) and experienced net cash outflows from operating and investing activities of USD 9,277,027 (year ended 31 December 2019: USD 11,257,647). Cash and cash equivalents totalled USD 5,555,000 at 31 December 2020 (at 31 December 2019: USD 7,578,727).

The Directors have prepared a cash flow forecast for the period ending 31 December 2022, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (31 March 2022), primarily being corporate costs and some work on the 1st Phase of the Definitive Feasibility Study ("DFS") related to the DX Project.

The Group anticipates a deficit of c.USD 1.3 million towards the end of Q1 2022.

The Directors have considered various mitigating actions, which include raising additional capital in Q2 – Q3 2021 to enable the Group to continue to fund its working capital requirements through the going concern period. The Directors have identified a number of funding options available to the Group. The Directors note the Group has a history of successfully raising capital on the AIM and JSE, and in the past on the ASX. However, factors beyond the Company's control, including pandemic diseases such as COVID-19, which affect the stock markets, may in turn have a negative impact on any fund raising

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 will continue to pursue further capital raising initiatives in order to have sufficient funds to continue the development of the DX Project and for general corporate purposes.

The ability of the Group to continue as a going concern is dependent on achieving the matters set out above. These conditions indicate a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include adjustments relating 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.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the Group and Company for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group and the undertakings included in the consolidation taken as a whole;
- the review and operations and strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement and the Directors' Report was approved by the Board of Directors on 30 March 2021 and is signed on its behalf by:

____
Non-Executive Chairman
David Hathorn
30 March 2021

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Chief Executive Officer
Brad Sampson
30 March 2021

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board is committed to the principles of good corporate governance and to maintaining the highest standards and best practice of corporate governance. In this regard the Board has given consideration to the provisions set out in the 2018 UK Code and has taken due regard of the principles of good governance set out therein in relation to the size and stage of development of the Company. The Board has also given consideration to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

The Board is conscious that the corporate governance environment is constantly evolving and the charters and policies under which it operates its business are monitored and amended as required.

The Board currently comprises one executive director and five non-executive directors, including the Chairman.

Since inception, the Company has the following appropriately constituted committees, each with formally delegated duties and responsibilities set out in respective written Terms of Reference:

- Audit and Risk Committee
- Remuneration and Nomination Committee
- Health, Safety and Environmental Committee

The Company also has in place appropriate guidance, training, policies and procedures to ensure compliance with the Bribery Act 2010 and Australian and South African laws governing anti-bribery and anti-corruption.

COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

The Board recognizes the value and importance of maintaining the highest standards of corporate governance and aims to comply with the provisions set out in the 2018 UK Code. Although compliance with the 2018 UK Code is not compulsory for AIM companies, the Directors intend to apply the provisions, where practicable, so as to adhere to the highest standards of governance. Accordingly, the sections below detail how the Group has complied with the 2018 UK Code and explains the reasons for any non-compliance.

BOARD LEADERSHIP AND COMPANY PURPOSE

Principles

A. A successful company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.
B. The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.
C. The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed.
D. In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.
E. The board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.

Provisions

1.	The board should assess the basis on which the company generates and preserves value over the long-term. It should describe in the annual report how opportunities and risks to the future success of the business have been considered and addressed,	The Kore strategy remains to develop a cash generative potash project in the RoC. Financing project development relies on the ongoing support of existing shareholders and ability to attract new equity finance.

	the sustainability of the company's business model and how its governance contributes to the delivery of its strategy.	
2.	The board should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the company's purpose, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken. In addition, it should include an explanation of the company's approach to investing in and rewarding its workforce.	Kore has 46 employees. In normal circumstances members of the Board periodically visit all parts of the business and interact with employees. However, due to COVID-19 restrictions this has not been possible during the year. The CEO meets with all employees on a regular basis. However, due to COVID-19 restrictions, no direct engagement with the workforce has taken place since March 2020. During the year the COO and CFO held weekly virtual meetings with key employees where open questioning and sharing of concerns was encouraged. The Board has oversight on issues raised and management actions via monthly management reports to the Board which detail any community or personnel complaints, or grievances and action management have committed to in order to resolve issues. Each employee's performance is reviewed annually and employee development planning within the Congolese workforce is being developed.
3.	In addition to formal general meetings, the chair should seek regular engagement with major shareholders in order to understand their views on governance and performance against the strategy. Committee chairs should seek engagement with shareholders on significant matters related to their areas of responsibility. The chair should ensure that the board as a whole has a clear understanding of the views of shareholders.	The Group's communication strategy requires communication with shareholders and stakeholders in an open, regular and timely manner. The Company's 2 largest shareholders, OIA and SQM, are represented on the Board. In addition, face-to face meetings are usually undertaken throughout the year with some of the major shareholders, as well as with analysts and brokers but due to COVID-19 restrictions consultations with major shareholders and discussions with analysts and brokers have generally been conducted via teleconference calls. As shareholders were this year unable to attend the Annual General Meeting in person, a dial-in facility was made available to shareholders to listen to business of the meeting and shareholders were also afforded the opportunity to submit questions to the Board in advance of the AGM by e-mail. Following the conclusion of the formal business of the AGM the CEO provided an update on the Company's DX PFS.

4.	When 20 per cent or more of votes have been cast against the board recommendation for a resolution, the company should explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result. An update on the views received from shareholders and actions taken should be published no later than six months after the shareholder meeting. The board should then provide a final summary in the annual report and, if applicable, in the explanatory notes to resolutions at the next shareholder meeting, on what impact the feedback has had on the decisions the board has taken and any actions or resolutions now proposed.	At the Company's AGM held on 26 June 2020, all resolutions were passed on a poll by more than 97% of the votes cast.
5.	The board should understand the views of the company's other key stakeholders and describe in the annual report how their interests and the matters set out in section 172 of the Companies Act 2006 have been considered in board discussions and decision-making. The board should keep engagement mechanisms under review so that they remain effective. For engagement with the workforce, one or a combination of the following methods should be used: • a director appointed from the workforce; • a formal workforce advisory panel; • a designated non-executive director. If the board has not chosen one or more of these methods, it should explain what alternative arrangements are in place and why it considers that they are effective.	Refer to the section 172 Statement. In addition, David Netherway is the appointed designated non-executive director responsible for workplace engagement. However, due to COVID-19 restrictions, no direct engagement with the workforce has taken place during the year.
6.	There should be a means for the workforce to raise concerns in confidence and – if they wish – anonymously. The board should routinely review this and the reports arising from its operation. It should ensure that arrangements are in place for the proportionate and independent investigation of such matters and for follow-up action.	○ The CEO holds regular meetings with all employees where open questioning and sharing of concerns is encouraged. However, due to COVID-19 restrictions, no direct engagement with the workforce has taken place since March 2020 however during the year the COO and CFO held weekly virtual meetings with key employees where open questioning and sharing of concerns was encouraged. ○ ○ In addition, a confidential Whistleblowing Policy is in force which allows employees to raise suspected breaches of the Code of Conduct with designated management. No employee will be disadvantaged or prejudiced in the event that a suspected breach is reported in good faith. ○

		The Board, through the Audit and Risk Committee, is informed of material incidents reported.
7.	The board should take action to identify and manage conflicts of interest, including those resulting from significant shareholdings, and ensure that the influence of third parties does not compromise or override independent judgement.	Investment agreements are in place with the 2 major shareholders, who have representatives on the board and which address influence and conflicts of interest. In addition, a register of directors' interests is maintained and updated as required. The board has formal procedures to deal with Directors' conflicts of interests. In any instance where a transactional conflict of interest is identified, the Director concerned would not take part in in the discussion or determination of any matter in respect of which he had a disclosed transactional conflict of interest. During the year no transactional conflicts of interest arose.
8.	Where directors have concerns about the operation of the board or the management of the company that cannot be resolved, their concerns should be recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the chair, for circulation to the board, if they have any such concerns.	○ All directors have the opportunity at board meetings to raise concerns on any issues including the operation of the board or the management of the company and give their independent views on all matters being discussed. All such concerns and views are recorded in the minutes. NEDs are also able to raise any such concerns during the annual board and Chairman's internal evaluation, the results of which are disclosed in the minutes of the board meeting at which the evaluations are discussed. ○

Principles

F. The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

G. The board should include an appropriate combination of executive and non-executive (and, in particular, independent non-executive) directors, such that no one individual or small group of individuals dominates the board's decision-making. There should be a clear division of responsibilities between the leadership of the board and the executive leadership of the company's business.

H. Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account.

I. The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.

Provisions

9.	The chair should be independent on appointment when assessed against the circumstances set out in Provision 10. The roles of chair and chief executive should not be exercised by the same	David Hathorn was considered independent on appointment and, in the Board's view, continues to remain independent as he is not involved in any executive capacity, has no material business

	individual. A chief executive should not become chair of the same company. If, exceptionally, this is proposed by the board, major shareholders should be consulted ahead of appointment. The board should set out its reasons to all shareholders at the time of the appointment and also publish these on the company website.	relationships with the Company nor is associated with any such material investor and has no close family or other business relationships with the Company or any of its directors or senior executives. The division of responsibilities between the Non-Executive Chairman and the CEO is clearly defined in writing. However, they work closely together to ensure effective decision making and the successful delivery of the Group's strategy.

10.	The board should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • is or has been an employee of the company or group within the last five years; • has, or has had within the last three years, a material business relationship with the company, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the company; • has received or receives additional remuneration from the company apart from a director's fee, participates in the company's share option or a performance-related pay scheme, or is a member of the company's pension scheme; • has close family ties with any of the company's advisers, directors or senior employees; • holds cross-directorships or has significant links with other directors through involvement in other companies or bodies; • represents a significant shareholder; or • has served on the board for more than nine years from the date of their first appointment Where any of these or other relevant circumstances apply, and the board nonetheless considers that the non-executive director is independent, a clear explanation should be provided.	The Board considers David Netherway and Jonathan Trollip to be independent as they are not involved in any executive capacity, have no business relationships with the Company nor are associated with any such investor and have no close family or other business relationships with the Company or any of its directors or senior executives. Given the small quantum of shares held by and Performance Rights and Options awarded to each independent non-executive director the Board is of the view that these do not affect their independent judgement.
11.	At least half the board, excluding the chair, should be non-executive directors whom the board considers to be independent.	During the year the Board consisted of the Non-Executive Chairman, the CEO, 2 non-executive directors and 2 independent non-executive directors. During the course of the year, 1 non-executive director resigned and 1 non-executive director was appointed. During the year at least half the Board, excluding the Non-Executive Chairman,

		were not non-executive directors considered to be independent. Due to the current stage of development of the Company's projects this is not considered to impair the judgement of the Board as a whole but the matter is kept under review and the appointment of a further independent non-executive director will be considered when deemed appropriate.

12.	The board should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and serve as an intermediary for the other directors and shareholders. Led by the senior independent director, the non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary.	In terms of the Company's Articles of Association, the Directors may appoint a person to be a director to fill a casual vacancy and may appoint from time to time any one or more of their body to be the holder of an executive office and may also remove such person from any such office. In addition, the Remuneration and Nomination Committee, which comprises entirely of independent non-executive directors, identifies and recommends to the Board candidates to become new Directors to fill casual vacancies as and when they arise. Further, the Committee gives full consideration to succession planning for directors, including executive directors. The Committee also reviews and recommends an appropriate remuneration policy for executives and considers the performance of any executive director against his performance objectives when considering the executive director's annual remuneration review.
13.	Non-executive directors have a prime role in appointing and removing executive directors. Non-executive directors should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives. The chair should hold meetings with the non-executive directors without the executive directors present.	In terms of the Company's Articles of Association, the Directors may appoint a person to be a director to fill a casual vacancy and may appoint from time to time any one or more of their body to be the holder of an executive office and may also remove such person from any such office. In addition, the Remuneration and Nomination Committee, which comprises entirely of independent non-executive directors, identifies and recommends to the Board candidates to become new Directors to fill casual vacancies as and when they arise. Further, the Committee gives full consideration to succession planning for directors, including executive directors.

		The Committee also reviews and recommends an appropriate remuneration policy for executives and considers the performance of any executive director against his performance objectives when considering the executive director's annual remuneration review.

14.	The responsibilities of the chair, chief executive, senior independent director, board and committees should be clear, set out in writing, agreed by the board and made publicly available. The annual report should set out the number of meetings of the board and its committees, and the individual attendance by directors.	As mentioned in Provision 9. above, the responsibilities of the Non-Executive Chairman and the CEO are clearly defined in writing. In addition, the CEO has entered into a contract of employment so that he can clearly understand the requirements of the role. Each non-executive director, including the Senior Independent non-executive director, has a Letter of Appointment in place to ensure they clearly understand the requirements of their role. Details of executive directors' service contracts and the Chairman's and non-executive directors appointment letters are provided within the Directors Report, copies of all of which are also available for inspection by request at the Company's registered office during normal business hours and at the AGM. The number of meetings of the Board and its committees and the individual attendance by directors is set out within the Directors Report.
15.	When making new appointments, the board should take into account other demands on directors' time. Prior to appointment, significant commitments should be disclosed with an indication of the time involved. Additional external appointments should not be undertaken without prior approval of the board, with the reasons for permitting significant appointments explained in the annual report. Full-time executive directors should not take on more than one non-executive	Non-executive directors are required to disclose prior appointments and other significant commitments and are required to inform the Board of any changes or additional commitments in a timely manner. Details of the non-executive external appointments can be found on pages 26 to 30. Before accepting new appointments, non-executive directors are required to obtain approval from the Chairman and the Chairman requires approval from the whole Board. It is essential that no appointment causes a conflict of interest or

	directorship in a FTSE 100 company or other significant appointment.	impacts on the Non-Executive Director's commitment and time spent with the Group in their existing appointment. The CEO has no other current non-executive directorships in a listed entity.
16	All directors should have access to the advice of the company secretary, who is responsible for advising the board on all governance matters. Both the appointment and removal of the company secretary should be a matter for the whole board.	All directors have access to the advice and services of the joint company secretaries and each director, and each board committee member may take obtain independent professional advice at the Company's expense, subject to prior notification to the other non-executive directors and the joint company secretaries. The joint company secretaries are accountable directly to the Board through the Chairman. The Company currently has two (2) joint company secretaries, one based in London and one based in Australia. Both the appointment and removal of the company secretary is a matter for the whole Board.

COMPOSITION, SUCCESSION AND EVALUATION

Principles

J. Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

K. The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and membership regularly refreshed.

L. Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.

Provisions

17.	The board should establish a nomination committee to lead the process for appointments, ensure plans are in place for orderly succession to both the board and senior management positions, and oversee the development of a diverse pipeline for succession. A majority of members of the committee should be independent non-executive directors. The chair of the board should not chair the committee when it is dealing with the appointment of their successor.	The Remuneration and Nomination Committee is comprised of Jonathan Trollip, as Chairman of the Committee, together with David Hathorn and David Netherway. The Remuneration and Nomination Committee Report is on pages 55 and 56 and details how the Company has complied with the relevant sections of the Code or explains the reasons for any areas of non-compliance. All newly appointed directors are provided with an induction programme which is tailored to their existing skills and experience, a legal update on directors' duties and responsibilities and one-on-one meetings with members of the senior management team are undertaken. The Board is informed of any material changes to governance, laws and regulations affecting the Group's business by the Chairman in conjunction with the Group's joint company secretaries.
18.	All directors should be subject to annual re-election. The board should set out in the papers accompanying the resolutions to elect each	All directors are subject to annual re-election. Shareholders are provided with all material information in the notice of meetings to assist in

	director the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success.	informing the decision on whether or not to elect or re-elect a director as well as reasons why their contribution is, and continues to be, important to the Company's long-term sustainable success.
19.	The chair should not remain in post beyond nine years from the date of their first appointment to the board. To facilitate effective succession planning and the development of a diverse board, this period can be extended for a limited time, particularly in those cases where the chair was an existing non-executive director on appointment. A clear explanation should be provided.	David Hathorn has been the Non-Executive Chairman for approximately 2 and a half years, having been appointed a Director and Non-Executive Chairman on 25 August 2017.
20.	Open advertising and/or an external search consultancy should generally be used for the appointment of the chair and non-executive directors. If an external search consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.	No such appointments were made during the year.

21.	There should be a formal and rigorous annual evaluation of the performance of the board, its committees, the chair and individual directors. The chair should consider having a regular externally facilitated board evaluation. In FTSE 350 companies this should happen at least every three years. The external evaluator should be identified in the annual report and a statement made about any other connection it has with the company or individual directors.	During the year the Company undertook an internal evaluation of the board and its committees. In addition, an appraisal of the Non-Executive Chairman's performance was led by David Netherway as the Senior Independent Non-Executive Director.
22.	The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board. Each director should engage with the process and take appropriate action when development needs have been identified.	Each director of the Company at the time participated in the Board and Committee evaluations, as applicable, the results of which were discussed at a board meeting attended by all directors. No significant areas of development were identified that required appropriate action to be taken.
23.	The annual report should describe the work of the nomination committee, including: • the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline; • how the board evaluation has been conducted, the nature and extent of an external evaluator's contact with the board and individual directors, the outcomes and actions taken, and how it has or will influence board composition; • the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives; and	The Remuneration and Nomination Committee Report on pages 55 to 56 sets out, inter alia, the objectives of the Committee, the processes that are used in relation to appointments, its approach to succession planning, how the board evaluation has been conducted, the policy on diversity and inclusion and the gender balance of senior management and their direct reports.

	• the gender balance of those in the senior management and their direct reports.	

AUDIT, RISK AND INTERNAL CONTROL

Principles

M. The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.

N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.

O. The board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.

Provisions

24.	The board should establish an audit committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies, two. The chair of the board should not be a member. The board should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole shall have competence relevant to the sector in which the company operates.	The Audit and Risk Committee comprises of 2 members, both of whom are independent Non-Executive Directors, of which David Netherway is considered by the Board to have recent and relevant financial experience.

25.	The main roles and responsibilities of the audit committee should include: • monitoring the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance, and reviewing significant financial reporting judgements contained in them; • providing advice (where requested by the board) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company's position and performance, business model and strategy; • reviewing the company's internal financial controls and internal control and risk management systems, unless expressly addressed by a separate board risk committee composed of independent non-executive directors, or by the board itself; • monitoring and reviewing the effectiveness of the company's internal audit function or, where there is not one, considering annually whether there is a need for one and making a recommendation to the board;	The main roles and responsibilities of the Committee are set out in its Terms of Reference, a copy of which can be found on the Company's website.

	• conducting the tender process and making recommendations to the board, about the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor; • reviewing and monitoring the external auditor's independence and objectivity; • reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements; • developing and implementing policy on the engagement of the external auditor to supply non-audit services, ensuring there is prior approval of non-audit services, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the board on any improvement or action required; and • reporting to the board on how it has discharged its responsibilities.	

26.	The annual report should describe the work of the audit committee, including: o the significant issues that the audit committee considered relating to the financial statements, and how these issues were addressed; o an explanation of how it has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans; o in the case of a board not accepting the audit committee's recommendation on the external auditor appointment, reappointment or removal, a statement from the audit committee explaining its	Details of the work of the Committee during the year are set out in the Audit and Risk Committee Report on pages 53 to 54.

	recommendation and the reasons why the board has taken a different position (this should also be supplied in any papers recommending appointment or reappointment); o where there is no internal audit function, an explanation for the absence, how internal assurance is achieved, and how this affects the work of external audit; and o an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services.	
27.	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the company's position, performance, business model and strategy.	The Directors' Responsibility Statement is set out on page 33.
28.	The board should carry out a robust assessment of the company's emerging and principal risks. The board should confirm in the annual report that it has completed this assessment, including a description of its principal risks, what procedures are in place to identify emerging risks, and an explanation of how these are being managed or mitigated.	The Board has carried out a robust assessment of the Company's emerging and principal risks, details of which are set out within the Review of Operations and Strategic Report. The only emerging risk during the year was in respect of COVID-19 and this is referred to in Strategic Report on page 16 under the section headed capital requirement and ability to attract funding and on page 17 under the section headed environmental and occupational health and safety risks.
29.	The board should monitor the company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls.	Kore Potash has a Risk Matrix which is reviewed by the Board on a regular basis. The Board considers the Company's risk management and internal control systems to be sound and effective.

30.	In annual and half-yearly financial statements, the board should state whether it considers it appropriate to adopt the going concern basis of accounting in preparing them, and identify any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.	The CEO and CFO provide, at the end of each reporting period, a formal statement to the board confirming that the Group's financial reports present a true and fair view, in all material respects, and that the Group's financial condition and operational results have been prepared in accordance with the relevant accounting standards. The statement also confirms the integrity of the Group's financial statements and that it is founded on a sound system of risk management and internal compliance and controls which implemented in accordance with the policies approved by the Board, and that the Group's risk management and internal compliance and control systems, to the

		extent they relate to financial reporting, are operating efficiently and effectively in all material respects.

31.	Taking account of the company’s current position and principal risks, the board should explain in the annual report how it has assessed the prospects of the company, over what period it has done so and why it considers that period to be appropriate. The board should state whether it has a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, drawing attention to any qualifications or assumptions as necessary.	During the year ended 31 December 2020, the Group incurred a loss of USD 3,144,172 (year ended 31 December 2019: USD 4,202,752) and experienced net cash outflows from operating and investing activities of USD 9,277,027 (year ended 31 December 2019: USD 11,257,647). Cash and cash equivalents totalled USD 5,555,000 at 31 December 2020 (at 31 December 2019: USD 7,578,727). The Directors have prepared a cash flow forecast for the period ending 31 December 2022, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (31 March 2022), primarily being corporate costs and some work on the 1st Phase of the Definitive Feasibility Study (“DFS”) related to the DX Project. The Group anticipates a deficit of c.USD 1.3 million towards the end of Q1 2022. The Directors have considered various mitigating actions, which include raising additional capital in Q2 – Q3 2021 to enable the Group to continue to fund its working capital requirements through the going concern period. The Directors have identified a number of funding options available to the Group. The Directors note the Group has a history of successfully raising capital on the AIM and JSE, and in the past on the ASX. However, factors beyond the Company’s control, including pandemic diseases such as COVID-19, which affect the stock markets, may in turn have a negative impact on any fund raising. 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 will continue to pursue further capital raising initiatives in order to have sufficient funds to continue the development of the DX Project and for general corporate purposes. The ability of the Group to continue as a going concern is dependent on achieving the matters set out above. These conditions indicate a material

		uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include adjustments relating 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 consider that a period of 1.5 years from the financial statement date is appropriate as the assumptions made in the review about market conditions are expected to remain valid over this period. The Directors have also carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity, as documented in the Review of Operations and Strategic Report on pages 7 to 22, which has informed the assessment of viability.

Principles

P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values and be clearly linked to the successful delivery of the company's long-term strategy.

Q. A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome.

R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.

Provisions

32.	The board should establish a remuneration committee of independent non-executive directors, with a minimum membership of three, or in the case of smaller companies, two. In addition, the chair of the board can only be a member if they were independent on appointment and cannot chair the committee. Before appointment as chair of the remuneration committee, the appointee should have served on a remuneration committee for at least 12 months.	The Remuneration and Nomination Committee is comprised of Jonathan Trollip, as Chairman, together with David Netherway and David Hathorn, who was considered independent on his appointment as a Director and Chairman of the board. Jonathan Trollip has had relevant experience of listed company directors and senior executive remuneration in his former capacity as chairman of ASX listed Spicers Limited and in his current role as non-executive director of ASX listed Propel Funeral Partners Limited
33.	The remuneration committee should have delegated responsibility for determining the policy for executive director remuneration and setting remuneration for the chair, executive directors and senior management. It should review workforce	The Remuneration and Nomination met once during the year to consider the 2019 STIP Awards and the 2020 STIP Target Awards for key management personnel, to confirm the 1st tranche of the 2019 LTIP Options, to consider staff salary reviews and to

	remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for executive director remuneration.	consider the CEO's 2019 STIP Award and the 2020 STIP parameters and weightings. In relation to these matters, it made a number of recommendations to the Board which the Board accepted.

34.	The remuneration of non-executive directors should be determined in accordance with the Articles of Association or, alternatively, by the board. Levels of remuneration for the chair and all non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for all non-executive directors should not include share options or other performance-related elements.	The remuneration of non-executive directors is determined by the board, taking cognisance of the Company's Articles of Association and their time commitment and responsibilities. Additional remuneration is paid to the Chairman of the Board and the chair of each Board Committee in order to reflect the time commitment and responsibilities required for those roles. No increase in non-executive directors' remuneration was made during the year. In addition, at the proposal of the Chairman, his salary was reduced to USD 100,000 per annum with effect from 1 July 2020 to reflect the current market environment and the company's financial position. The Non-Executive Chairman has been awarded Share Options, as approved by shareholders at the June 2020 AGM. The Share Options have been structured to recognise the Company's current state of development and the key project milestones that are critical to the success of the Company, which may result in the Share Options being exercisable within three years from award. Following the achievement of these project milestones and the expiration and/or satisfaction of the conditions of the Share Options, the Board intends to adopt a new incentive scheme that will be more in line with the recommendations of the 2018 UK Code. Certain non-executive Directors are entitled to Performance Rights which unconditionally vest on the first, second and third anniversaries of the Company's Admission to AIM i.e. on 29 March 2019, 21 March 2020 and 29 March 2021, in accordance with the Company's AIM Admission Document dated 26 March 2018. In order to subscribe for the shares in respect of the vested Performance Rights each non-executive director is required to subscribe USD 0.001 per share.
35.	Where a remuneration consultant is appointed, this should be the responsibility of the remuneration committee. The consultant should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors. Independent judgement should be exercised when evaluating the advice of external third parties and when	An external remuneration consultant is appointed as and when required to advise the Committee However, no such appointment was required during the year.

	receiving views from executive directors and senior management.	

36.	Remuneration schemes should promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests. Share awards granted for this purpose should be released for sale on a phased basis and be subject to a total vesting and holding period of five years or more. The remuneration committee should develop a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.	During 2020 the Remuneration and Nomination Committee reviewed the remuneration package of the CEO. It was agreed to defer any recommendation with respect to the CEO's remuneration package, including any short term bonus, pending further clarification on the overall position of the Company, including the outcome of the DX DFS and the Company's projected cash position.
37.	Remuneration schemes and policies should enable the use of discretion to override formulaic outcomes. They should also include provisions that would enable the company to recover and/or withhold sums or share awards and specify the circumstances in which it would be appropriate to do so.	Details of the Company's remuneration scheme and policies are set out within the Remuneration Report.
38.	Only basic salary should be pensionable. The pension contribution rates for executive directors, or payments in lieu, should be aligned with those available to the workforce. The pension consequences and associated costs of basic salary increases and any other changes in pensionable remuneration, or contribution rates, particularly for directors close to retirement, should be carefully considered when compared with workforce arrangements.	Details of the pension arrangements, including contribution rates, for the CEO are set within the Remuneration Report.
39.	Notice or contract periods should be one year or less. If it is necessary to offer longer periods to new directors recruited from outside the company, such periods should reduce to one year or less after the initial period. The remuneration committee should ensure compensation commitments in directors' terms of appointment do not reward poor performance. They should be robust in reducing compensation to reflect departing directors' obligations to mitigate loss.	The CEO is employed on an ongoing basis, which may be terminated by either party giving 6 months' notice. Each non-executive director has a letter of appointment for an initial term of 3 years (with the exception of the Chairman whose agreement continues until terminated by the Board or in accordance with its terms). The appointment of the non-executive director may be terminated by the Company giving 1 month notice, by the non-executive director by immediate notice and also in accordance with the Company's Articles of Association.

40.	When determining executive director remuneration policy and practices, the remuneration committee should address the following: • clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;	The CEO's remuneration was subject to detailed consideration by the Remuneration and Nomination when the current CEO was employed in 2018. This was reflected in the CEO's employment contract and considered again in 2029. During 2020 the Remuneration and Nomination Committee gave further consideration to the CEO's remuneration and the results of those considerations are set out in section 36 above.

	• simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand; • risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated; • • predictability – the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy; • proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the company should be clear. Outcomes should not reward poor performance; and • alignment to culture – incentive schemes should drive behaviours consistent with company purpose, values and strategy.	
41.	There should be a description of the work of the remuneration committee in the annual report, including: • an explanation of the strategic rationale for executive directors' remuneration policies, structures and any performance metrics; • reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps; • a description, with examples, of how the remuneration committee has addressed the factors in Provision 40; • whether the remuneration policy operated as intended in terms of company performance and quantum, and, if not, what changes are necessary; • what engagement has taken place with shareholders and the impact this has had on remuneration policy and outcomes; • what engagement with the workforce has taken place to explain how executive remuneration aligns with wider company pay policy; and • to what extent discretion has been applied to remuneration outcomes and the reasons why.	The Remuneration and Nomination Report on pages 57 to 70 sets out, inter alia the objectives of the Committee and a description of the work carried out during the year.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ("the Committee") comprises 2 members, both of whom are independent Non-Executive Directors, David Netherway is considered by the Board to have recent and relevant financial experience.

The Committee meets formally at least twice a year and otherwise as required and also meets with the Company's external auditors at least twice a year.

The Committee assists the Board in discharging its responsibilities with regard to financial reporting, including reviewing the Group's annual and half year financial statements, accounting policies, key judgments and estimates taken, internal and external audit and controls, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors and advising on the appointment of external auditors.

In addition, the Committee is responsible for ensuring the integrity of the financial information reported to shareholders and internal control systems and ensuring effective risk management and financial control frameworks have been implemented. The Committee also ensures that appropriate procedures, resources and controls are in place to comply with the AIM Rules for Companies and the Market Abuse Regulations, monitors compliance thereof and seeks to ensure that the Company and its nominated advisor are in contact on a regular basis.

The Committee also helps to address risk management, and is committed to maintain a risk management framework that seeks to:

- Avoid the likelihood of unacceptable outcomes and costly surprises;
- Provide greater openness and transparency in decision making and ongoing management processes;
- Provide for a better understanding of issues associated with the Group's activities;
- Comprise an effective reporting framework for meeting corporate governance requirements; and
- Allow an appropriate assessment of innovative processes to identify risks before they occur and allow informed judgement.

The Committee is also responsible for approving, reviewing and monitoring the Company's risk management policy. The objectives of this risk management policy are to:

- Provide a structured risk management framework that will provide Senior Management and the Board with comfort that the risks confronting the organisation are identified and managed effectively;
- Create an integrated risk management process owned and managed by the Group's personnel that is both continuous and effective;
- Ensure that the management of risk is integrated into the development of strategic and business plans, and the achievement of the Group's vision and values; and
- Ensure that the Board is regularly updated with reports by the committee.

Management is responsible for efficient and effective risk management across the activities of the Group. This includes ensuring the implementation of policies and procedures that address risk identification and control, training and reporting. The CEO is responsible for ensuring the process for managing risks is integrated within business planning and management activities.

The Board reviews the effectiveness of the implementation of the risk management system and internal control system annually. When reviewing risk management policies and the internal control system the Board takes into account the Company's legal obligations and also considers the reasonable expectations of the Company's stakeholders, including shareholders, employees, customers, suppliers, creditors, consumers and the wider community.

The Group does not currently have an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks with senior personnel and Directors. Once the Group is at a size and scale that warrants an Internal Auditor, the Board will be responsible for the appointment and overseeing of the Internal Auditor.

The Group currently is not subject to any material exposure to environmental and social sustainability risks. The principal areas of risk for the Company are detailed on pages 16 to 18 of the Annual Report.

During the year, the Committee reviewed the planning of the 2020 annual report including consideration of the financial statements and going concern (including material uncertainty), impairment assessment of the exploration and evaluation assets, other key judgments and estimates, value proposition and business model. The Committee received and considered memoranda from management regarding these matters, and also took into account the views of the external auditor. The Committee concluded that no impairment charge was necessary for the exploration and evaluation assets and that the going concern basis is the appropriate method to prepare the annual report on.

Following the appointment of BDO LLP, as the Company's auditors with effect from 28 June 2019, a resolution to reappoint BDO LLP as auditors was proposed and passed by the requisite majority at the AGM held on 26 June 2020. A resolution will be proposed at this year's AGM to reappoint BDO for the forthcoming financial year.

The Board via the Committee is satisfied that the provision of non-audit services during the year as disclosed in note 18 is compatible with the Financial Reporting Council's Ethical Standard in the UK as well as other general standard of independence for auditors. The Directors are satisfied that non-audit services did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence under all relevant independence rules.

The Committee assesses the quality of the external audit annually and considers the performance of BDO LLP and its associates taking into account the Committee's own assessment, feedback from senior finance personnel and views from BDO LLP and its associates on their performance as detailed in a report of their audit findings at the year end, which they presented to the Committee at its meeting in March 2021. Based on this review, the Committee was satisfied with the effectiveness of the audit for the year ended 31 December 2020.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee ("the Committee") has three members, two of whom are independent Non-Executive Directors, including the chair, Jonathan Trollip. The Committee also comprises David Netherway and David Hathorn.

The Committee is required to meet annually and at such other times as required. Its objectives are to

- maintain a board of directors that has an appropriate mix of skills, experience and knowledge to be an effective decision-making body;
- ensure that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;
- review and recommend an appropriate remuneration policy, the objective of which shall be to attract, retain and motivate executive directors of the quality required to successfully run the Company, without paying more than is necessary having regard to market comparables; and
- adhere to the principle that no director or senior executive shall be involved in any decisions as to their own remuneration.

The Committee undertakes a detailed selection process as per the Company's recruitment and diversity policy to appoint or re-appoint a director to the Board. Included in this process are appropriate reference checks which include but not limited to character reference, police clearance certificate and bankruptcy to ensure that the Board remains appropriate for that of an AIM, ASX or JSE quoted company.

In addition, the Committee is responsible for considering and recommending board candidates for election or re-election, reviewing succession planning, determining the terms of employment and total remuneration of the executive director and Chairman and considering the Group's incentive schemes.

Directors' Remuneration and Share Option Schemes

The Non-Executive Chairman and CEO have been awarded Share Options, as approved by shareholders at the June 2019 AGM. The Share Options have been structured to recognise the Company's current state of development and the key project milestones that are critical to the success of the Company, which may result in the Share Options being exercisable within three years from award. Following the achievement of these project milestones and the expiration and/or satisfaction of the conditions of the Share Options, the Board intends to adopt a new incentive scheme that will be more in line with the recommendations of the 2018 UK Code.

Diversity Policy

The Group is committed to an inclusive workplace that embraces and promotes diversity, while respecting International, Sovereign, UK, South African, RoC and Australian laws.

It is the responsibility of all directors, officers, employees and contractors to comply with the Group's Diversity Policy and report violations or suspected violations in accordance with this Diversity Policy.

The Group recognises the value of a diverse work force and believes that diversity supports all employees reaching their full potential, improves business decisions, business results, increases stakeholder satisfaction and promotes realisation of the Group's vision.

Diversity may result from a range of factors including but not limited to gender, age, ethnicity and cultural backgrounds. The Company believes the individual differences between people add to the collective skills and experience of the Group and ensure it benefits by selecting from all available talent.

Given the Group's size, early stage of development and relatively small number of employees (46 average number of employees in 2020 of which 8 are females), the Group is yet to define measurable objectives for achieving diversity targets and expects to set in place a range of objectives that are consistent with its growth strategy in future.

Group and Individual Expectations

- Ensure diversity is incorporated into the behaviours and practises of the Group;
- Facilitate equal employment opportunities based on job requirements only using recruitment and selection processes which ensures we select from a diverse pool;
- Engage professional search and recruitment firms when needed to enhance our selection pool;
- Help to build a safe work environment by acting with care and respect at all times, ensuring there is no discrimination, harassment, bullying, victimisation, vilification or exploitation of individuals or groups;
- Develop flexible work practices to meet the differing needs of our employees and potential employees;
- Attract and retain a skilled and diverse workforce as an employer of choice;
- Enhance customer service and market reputation through a workforce that respects and reflects the diversity of our stakeholders and communities that we operate in;
- Make a contribution to the economic, social and educational well-being of all of the communities it serves;
- Meet the relevant requirements of domestic and international legislation appropriate to the Group's operations;
- Create an inclusive workplace culture; and
- Establish measurable diversity objectives and monitor and report on the achievement of those objectives annually.

Evaluation of Senior Executives

Arrangements put in place by the Board to monitor the ongoing performance of the Group's Executives include:

- A review by the Board of the Group's financial performance;
- Annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the Group;

- An analysis of the Group's prospects and projects; and
- A review of feedback obtained from third parties, including advisors (where applicable).

Informal evaluations of the CEO and other Senior Executive's individual performance and overall business measures are undertaken progressively and periodically throughout the financial year.

HEALTH, SAFETY AND ENVIRONMENTAL COMMITTEE

The Health, Safety and Environmental Committee ("the Committee") is chaired by David Netherway and comprises David Hathorn, Brad Sampson and Gavin Chamberlain (COO) and is required under its Terms of Reference to meet formally at least twice a year and at such other times as required. However, as health, safety and environmental matters are reported on each month in management reporting to the Board and are part of each Board meeting agenda and with limited operational activity during the feasibility study phases, creating a low-risk environment, no separate Committee meetings were held during the year.

The Committee is responsible for assisting the Board in fulfilling its oversight responsibilities with respect to health, safety and environmental matters affecting the Group, including recommending various policies and policy changes in relation to these areas to be adopted by the Group, reviewing the compliance status and any material non-compliance and, in the event of an incident, reviewing the incident and considering the remedial actions being taken.

Remuneration Report

This Remuneration Report sets out information about the remuneration of Kore Potash's key management personnel for the financial year ended 31 December 2020. The term '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. The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel (KMP)
- remuneration policy
- relationship between the remuneration policy and company performance
- key terms of employment contracts
- remuneration of KMP

KMP of the Company and the Group

This report details the nature and amount of remuneration for the KMP of ***the Group. KMP during the financial year 2020 were:***

Executive Directors	
Brad Sampson	Chief Executive Officer (appointed on 4 June 2018)
Non-Executive Directors	
David Hathorn	Non-Executive Chairman (appointed on 25 August 2017)
Jonathan Trollip	Non-Executive Director (appointed on 17 November 2017)
Timothy Keating	Non-Executive Director (appointed on 17 November 2017)
David Netherway	Non-Executive Director (appointed on 12 December 2017)
Trinidad Maria Reyes Perez	Non-Executive Director (appointed on 20 November 2020)
José Antonio Merino	Non-Executive Director (resigned on 20 November 2020)
Executives	
Henko Vos	Joint Company Secretary (appointed on 17 November 2017)
SJCS	Joint Company Secretary (appointed on 1 October 2018)
Andrey Maruta	Chief Financial Officer (appointed on 21 September 2019)
Gavin Chamberlain	Chief Operating Officer (appointed 1 October 2017)

Remuneration Policy

The remuneration policy of Kore Potash has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Remuneration and Nomination makes recommendations to the Board in relation to the composition of the Board, the appointment of the CEO and succession planning, and remuneration for directors and senior executives. The Board endeavours with its remuneration policy to attract and retain high calibre executives and directors to run and manage the Group within the constraints of the financial position of the Group.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary and superannuation, where applicable. The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain high calibre executives and reward them for performance that results in long-term growth in shareholder wealth. Executives may also be entitled to participate in the employee share and option arrangements.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability and the Company's financial capacity constraints. Independent external advice is sought when required. During the financial year, independent external advice was sought on appropriate remuneration of directors to better reflect market practice for comparable companies listed on AIM, and this resulted during the financial year in the implementation of revised remuneration arrangements for all non-executive directors. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Group, although to assist with the Company's cash position some non-executive directors have agreed to receive a portion of their fees by way of Company shares rather than cash. However, to align directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. The Board has adopted the Kore Potash Performance Rights Plan to establish an incentive plan aiming to create a stronger link between employee performance and reward and increasing shareholder value by enabling the participants of the plan to have a greater involvement with and share in the future growth and profitability of the Company.

Key Terms of Employment Contracts with Executive KMPs

Key Terms of Employment Contracts for the financial year ending 31 December 2020:

Name	**Base Salary per Annum**	**Term of Agreement**	**Notice Period**
Brad Sampson (Chief Executive Officer, appointed 4 June 2018)	USD 550,000	No fixed term	6-month notice period
Andrey Maruta (Chief Financial Officer, appointed 23 September 2019)	GBP 172,500	No fixed Term	3-month notice period
Gavin Chamberlain (Chief Operating Officer)	USD 280,500	No fixed term	3-month notice period

Non-Executive Director Arrangements

Non-executive directors receive a board fee and fees for chairing or participating on board committees, see table below. They do not receive performance-based pay (except via options and performance rights under the Group's performance rights plan) or retirement allowances. The fees are inclusive of superannuation. The Chairman does not receive additional fees for participating in or chairing committees.

Fees are reviewed annually by the Board taking into account comparable roles and market data provided by the Board's independent remuneration adviser. The current base annual fees were reviewed with effect from 1 April 2020.

	Base Salary Per Annum
Base fees	
Chairman	USD 100,000
Senior independent non-executive director	USD 66,500
Other non-executive directors	USD 56,000
Additional fees	
Audit and risk committee – Chair	USD 7,000
Audit and risk committee – member	-
Remuneration and nomination – Chair	USD 7,000
Remuneration and nomination – member	-
Health, safety and environmental – Chair	USD 7,000
Health, safety and environmental – member	-

All non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board's policies and terms, including remuneration, relevant to the office of director. Directors with special responsibilities are disclosed within the various committee reports in the Corporate Governance Report on pages 53 to 56.

At the proposal of the Chairman, his salary was reduced to USD 100,000 from USD 156,000 per annum with effect from 1 July 2020 to reflect the current market environment and the company's financial position.

KMP Remuneration

The remuneration for each Director and KMP of the Group during the year ended 31 December 2020 was as follows:

1 January 2020 to 31 December 2020 single figure table

	Short-Term Benefits			**Post-Employment Benefits**		
	Fees/Basic Salary USD	**Annual Bonus USD**	**Termination benefits USD**	**Superannuation USD**	**Options / Performance Rights *(i)* USD**	**Total USD**
Executive Directors						
Brad Sampson	549,557	146,693	-	-	208,173	904,423
Non-Executive Directors						
David Hathorn	120,300	-	-	-	202,151	322,451
Jonathan Trollip	62,685	-	-	-	38,563	101,248
Trinidad Maria Reyes Perez *(iii)*	-	-	-	-	-	-
Timothy Keating	13,998	-	-	-	11,360	25,358
David Netherway	80,500	-	-	-	11,360	91,860
José Antonio Merino *(iii)*	13,998	-	-	-		13,998
	841,038	**146,693**	**-**	**-**	**471,607**	**1,459,338**
Executives						
Henko Vos *(ii)*	12,158	-	-	-	-)	12,158
SJCS	77,159	-	-	-	-)	77,159

Gavin Chamberlain	280,500	-	-	-	187,135	467,635
Andrey Maruta	172,500	-	-	-	116,810	289,310
	542,317	**-**	**-**	**-**	**303,945**	**846,262**
Total	**1,383,355**	**146,693**	**-**	**-**	**775,552**	**2,305,600**

(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) ***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.***

(iii) ***Trinidad Maria Perez Peres was appointed as a non-executive director on 20 November 2020, following the resignation of Jose Antonio Merino on 20 November 2020 as non-executive director.***

Brad Sampson was the highest paid Director during the 2020 year and details of his remuneration are disclosed above.

KMP Remuneration

The remuneration for each Director and KMP of the Group during the year ended 31 December 2019 was as follows:

1 January 2019 to 31 December 2019 single figure table

	Short-Term Benefits			**Post-Employment Benefits**		
	Fees/Basic Salary USD	**Annual Bonus USD**	**Termination benefits USD**	**Superannuation USD**	**Options / Performance Rights USD**	**Total USD**
Executive Directors						
Brad Sampson	550,000	50,397	-	-	442,813	1,043,210
Non-Executive Directors						
David Hathorn	156,000	-	-	-	171,195	327,195
Jonathan Trollip	65,113	-	-	3,195	42,597	110,905
Leonard Math	31,500	-	-	-	87,898	119,398
Timothy Keating	55,992	-	-	-	23,010	79,002
David Netherway	71,750	-	-	-	22,838	94,588
José Antonio Merino	55,992	-	-	-	-)	55,992
	986,347	**50,397**	**-**	**3,195**	**790,351**	**1,830,290**
Executives						
Henko Vos	22,486	-	-	-	-)	22,486
SJCS	72,257	-	-	-	-)	72,257
John Crews	224,473	-	25,347	-	58,442	308,262
Julien Babey	211,871	-	47,115	-	70,691	329,677
Gavin Chamberlain	286,110	-	-	-	55,658	341,768
Andrey Maruta	48,171	-	-	-	-	48,171
Guy de Grandpre	216,627	-	-	-	-	216,627
	1,081,995	**-**	**72,462**	**-**	**184,791**	**1,339,248**
Total	**2,068,342**	**50,397**	**72,462**	**3,195**	**975,142**	**3,169,538**

Brad Sampson was the highest paid Director during the 2019 year and details of his remuneration are disclosed above.

Share-based payments granted as compensation to KMP

Employee Share Option Plan and Employee Performance Rights Plan
Kore Potash operates an ownership-based scheme for executives and senior employees of the Group. In accordance with the provisions of the plans, as approved by shareholders at a previous general meeting, executives and senior employees may be granted performance rights and/or options to purchase parcels of ordinary shares at an exercise price determined by the Board based on a recommendation by the Remuneration and Nomination Committee.

Each employee share option converts into one ordinary share of Kore Potash on exercise. No amounts are paid or payable by the recipient on receipt of the option, aside from when the option is exercised. The options carry neither right to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. Each employee performance rights will be converted into one ordinary share of Kore Potash upon vesting conditions being met. No amounts are paid or payable by the recipient on receipt of the performance rights. The performance rights carry neither right to dividends nor voting rights.

The performance rights/options granted expire as determined by the Board based on a recommendation by Remuneration and Nomination Committee, or immediately following the resignation of the executive or senior employee, whichever is the earlier.

Summary information for Options as SBP arrangements in existence during 2020
During the financial year, the following options as SBP arrangements for KMP and other personnel were in existence:

	Grant Date	**Vesting Date**	**Number of Options**	**Expiry Date**	**Fair Value at Grant Date**	**Exercise Price**
Option Series 32 *	27/06/2019	*Refer below*	4,000,000	27/06/2020	GBP 0.0364	GBP 0.11
Option Series 33	19/07/2019	*19/07/2022*	26,900,000	19/07/2024	GBP 0.007	GBP 0.022
Options Series 34**	15/09/2019	*15/09/2022*	12,000,000	01/01/2024	GBP 0.0092	GBP 0.022
Options Series 35**	15/09/2019	*15/09/2022*	12,000,000	01/01/2024	GBP 0.0092	GBP 0.022
Options Series 36**	15/09/2019	*15/09/2022*	9,000,000	01/01/2024	GBP 0.0092	GBP 0.022

* *Option Series expired during the financial year.*

** *These options were issued to Gavin Chamberlain (Option Series 34), Andrey Maruta (Option Series 35) and Guy de Grandpre (Option Series 36). The vesting conditions for these Options include milestones being achieved in relation to the Kola Project.*

Unless otherwise indicated above, there are no performance criteria that need to be met in relation to options granted above before the beneficial interest vests in the recipient. However, the executives and senior employees receiving the options meet the vesting conditions only if they continue to be employed with the Company at the vesting date.

Please refer to Note 211 to the financial statements for further details of the options granted as detailed above.

Options Series 34, 35 and 36 were granted as compensation during the year. Further details of the performance conditions for these options can also be found in Note 211 to the financial statements. Option series 32 expired in the financial year.

There was no exercise of options during the year or any further issues.

Share-based payments granted as compensation to KMP

Summary information for Performance Rights as SBP arrangements in existence during 2020

During the financial year, the following performance rights as SBP arrangements for KMP and other personnel were in existence:

	Grant Date	Vesting Date	Number of Rights	Expiry Date	Fair Value at Grant Date
Rights Series 7 *	07/12/2015	*Refer below*	5,000,000	06/12/2020	AUD 0.1753
Rights Series 9 **	20/11/2015	*Refer below*	8,500,000	01/03/2021	AUD 0.1867
Rights Series 12	29/05/2017	*Refer below*	2,000,000	31/05/2022	AUD 0.1700
Rights Series 13 **	31/05/2017	*Refer below*	660,000	31/05/2022	AUD 0.1700
Rights Series 14 **	29/05/2017	*Refer below*	4,482,005	31/05/2022	AUD 0.1700
Rights Series 15**	29/05/2017	*None vested*	11,734,853	31/05/2022	AUD 0.17 / AUD 0.104
Rights Series 16**	27/06/2019	*Refer below*	1,500,000	22/05/2022	GBP 0.0564
Rights Series 17**	27/06/2019	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 19**	27/06/2019	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 20**	27/06/2019	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 25***	17/03/2020	*Refer below*	2,500,000	17/03/2025	GBP 0.0615

The above Performance Rights have nil exercise price.

* *Vested, converted to fully paid ordinary shares and/or cancelled during the year – Please refer to Note 211 to the financial statements for more details of conversions and cancellations.*

** *these series were partially converted or cancelled in the year.*

**** Rights series 25 was issued in the period under the STIP scheme*

There are various performance criteria that need to be met in relation to performance rights granted above before the beneficial interest vests in the recipient. However, if the executives and senior employees receiving the performance rights cease to be employed by the Company, the Board of Directors will determine if the performance rights vest immediately, are cancelled or vest upon the vesting condition being achieved.

There was no exercise of performance rights during the year.

Further details of the performance rights, performance conditions and vesting for the above series can be found in Note 211 to the financial statements.

Share-based payments granted as compensation to KMP

<u>Reconciliation of options as SBP arrangements and performance rights held by KMP</u>
The table below shows a reconciliation of options as SBP arrangements and performance rights held by each KMP from the beginning to the end of the 2020 year.

The maximum value of the options yet to vest has been determined as the amount of the grant date fair value of the options that is yet to be expensed. The minimum value of options yet to vest is nil, as the options will be forfeited or cancelled if the vesting conditions are not met.

The amount expensed during the year denotes the amount expensed over the vesting period of the options or performance rights, and the percentage indicated denotes the proportion of this expense over the KMP's total compensation, and therefore the proportion of the KMP's total compensation that is linked to the Group's performance for the 2020 year.

For further information on each option and performance rights series, please refer to Note 21 to the financial statements.

Name, option or rights series number, grant date, amount granted on grant date and issue date				**Balance at the start of the year**		**Granted or allocated as compe n-sation**	**Vested**		**Exer - cise d**	**Cancelled or expired *(iv)***	**Other changes *(ii)***		**Balance at the end of the year**		**Max value yet to vest**	**Expensed in 2020 Vested and exer-cisable**	
					Unveste d								**Vested and ex er-cisable**	**Unvested**			
					No	**No**	**No**	**%**	**No**	**No**	**%**	**No**	**No**	**No**	**No**	**No**	**%**
Executive Directors																	
Brad Sampson *(i)*																	
Options																	
Series 33	02/07/2019	26,900,000	19/07/2019	0	26,900,000	-	8,966,666	33.3	-	-	-	-	8,966,666	17,933,334	465,308	208,173	45
				-	*26,900,000*	-	*8,966,666*	33.3	-	-	-	-	*8,966,666*	*17,933,334*	*465,308*	*208,173*	45

Share-based payments granted as compensation to KMP

Name, option or rights series number, grant date, amount granted on grant date and issue date				Balance at the start of the year		Granted or allocated as compe-nsation	Vested		Exer-cised	Cancelled or expired *(iv)*		Other changes *(ii)*	Balance at the end of the year		Max value yet to vest	Expensed in 2020	
				Vested and exer-cisable	Unvested								Vested and exer-cisable	Unvested			
				No	No	No	No	%	No	No	%	No	No	No	USD	USD	%
Non-executive directors																	
David Hathorn																	
Options																	
Series 32	27/06/2019	4,000,000	01/08/2019	-	4,000,000	-	-	-	-	(4,000,000)	100	-	-	-	-	-	-
Performance Rights																	
Series 16	27/06/2018	1,500,000	01/08/2018	-	1,000,000	-	-	-	(500,000)	-	-	-	-	500,000	3,220	202.151	16
				-	*5,000,000*	-	-	-	*(500,000)*	(4,000,000)	*80*	-	-	500,000	3,220	202,151	-)
Jonathan Trollip																	
Performance Rights																	
Series 17	27/06/2019	500,000	01/08/2019	-	500,000	-	-	-	(250,000)	-	-	-	-	250,000	25,461	38,563	12
Timothy Keating																	
Performance Rights																	
Series 20	27/06/2019	750,000	01/08/2019	-	500,000	-	-	-	(250,000)	-	-	-	-	250,000	1,610	11,360	20
David Netherway																	
Performance Rights																	
Series 19	27/06/2019	500,000	01/08/2019	-	500,000	-	-	-	(250,000)	-	-	-	-	250,000	*1,610*	11,360	20

Share-based payments granted as compensation to KMP

Name, option or rights series number, grant date, amount granted on grant date and issue date				Balance at the start of the year		Granted or allocated as compe n-sation	Vested		Exer-cised	Cancelled or expired *(iv)*		Other chang es	Balance at the end of the year		Max value yet to vest	Expensed in 2020	
				Vested and exe r-cisable	Unvested								Vested and exe r-cisable	Unvested			
				No	No	No	No	%	No	No	%	No	No	No	USD	USD	%
Executives																	
Andrey Maruta																	
Options																	
Series 35	15/09/2019	12,000,000	25/06/20	-	-	12,000,000	4,000,000	33	-	-	-	-	4,000,000	8,000,000	19,586	116,068	86
Performance rights																	
Series 25	17/03/2020	200,000	17/03/2020	-	-	200,000	-	-	-	-	-	-	-	200,000	-	741)	100)
				-	-	12,200,000	4,000,000	-	-	-	-	-	4,000,000	8,200,000	19,586	*116,810)*	*)*
Gavin Chamberlain																	
Options																	
Series 34	19/07/2019	12,000,000	25/06/2020	-	-	12,000,000	4,000,000	33	-	-	-	-	4,000,000	8,000,000	19,586	116,068	86
Performance rights																	
Series 15	29/05/2017	2,200,000	29/05/2017	-	2,200,000	-	-	-	-	440,000	20	-	-	1,760,000	-	53,190	33)
Series 25	17/03/2020	850,000	17/03/2020		0	850,000				50,000	6		-	800,000	-	17,877	100
				-	*2,200,000*	*12,850,000*	*4,000,000*	-	-	*490,000*	-	-	*4.000.000*	*10,560,000*	*19,856*	*187,135*	-
Guy De Grandpre																	
Options																	

Series 32	15/09/2019	12,000,000	25/06/20	-	-	9,000,000	3,000,000	33	-	-	-	-	3,000,000	6,000,000	14,690	88,163	85

Share-based payments granted as compensation to KMP

Options and Performance Rights granted during 2020

The following table summarises the options as share-based payments and performance rights granted and approved to KMP during the financial year ending 31 December 2020.

	Options / Rights Series	**Number of Options / Rights Granted at Grant Date Number**	**Value of Options / Rights Granted at Grant Date USD**
Executive Directors			
Gavin Chamberlain	Option Series 34	12,000,000	135,655
Andrey Maruta	Option Series 35	12,000,000	135,655
Guy De Grandpre	Option Series 36	9,000,000	101,741

Shares issued on exercise of options or performance rights

Shares were issued to the following non-executive directors during the financial year ended 31 December 2020 following the vesting of the performance rights.

	Options / Rights Series	**Number of shares granted in exchange for performance rights**
Non-executive Directors		
David Hathorn	Rights Series 16	500,000
Jonathan Trollip	Rights Series 17	250,000
David Netherway	Rights Series 19	250,000
Timothy Keating	Rights Series 20	250,000

Shareholdings (ordinary shares)

The numbers of ordinary shares in the Company held during the financial year by KMP, including shares held by entities they control, are set out below.

31 December 2020	**Balance at 1 Jan 2020**	**Received as Remuneration**	**Options Exercised / Rights Converted**	**Other Movements *(i)***	**Balance at 31 Dec 2020**
Executive Directors					
Brad Samson	2,464,705	-	-		2,464,705
Non-executive directors					
David Hathorn *(i)*	49,269,093	7,688,465	500,000	58,720,007	116,177,565
Jonathan Trollip	2,190,051	2,676,139	250,000	-)	5,116,190
Timothy Keating	250,000	-	250,000	-)	500,000
David Netherway	2,122,689	3,473,055	250,000	-)	5,845,744
	56,296,538	**13,837,659**	**1,250,000**	**58,720,007**	**130,104,204**
Executives					
Henko Vos	1	-	-	--)	1
	1	**-**	**-**	**-**	**1**
Total	**56,296,539**	**13,837,659**	**1,250,000**	**58,720,007**	**130,104,205**

(i) Shares purchased from on-market acquisitions.

31 December 2019	**Balance at 1 Jan 2019**	**Received as Remuneration**	**Options Exercised / Rights Converted**	**Other Movements *(i) (ii)***	**Balance at 31 Dec 2019**
Executive Directors					
Brad Samson *(ii)*	-	-	-	2,464,705	2,464,705
Non-executive directors					
David Hathorn *(ii)*	23,186,355	5,865,095	500,000	19,717,643)	49,269,093
Jonathan Trollip	791,714	1,148,337	250,000	-)	2,190,051
Timothy Keating	-	-	250,000	-)	250,000
Leonard Math *(i)*	-	-	312,500	(312,500)	-
David Netherway	350,000	1,522,689	250,000	-)	2,122,689
	24,328,069	**8,536,121**	**1,562,500**	**21,869,848**	**56,296,538**
Executives					
Henko Vos	1	-	-	--)	1
Julien Babey *(i)*	1,043,914	-	-	(1,043,914)	-
	1,043,915	**-**	**-**	**(1,043,914)**	**1**
Total	**25,371,984**	**8,536,121**	**1,562,500**	**20,825,934**	**56,296,539**

Other than otherwise indicated above, no other KMP held any ordinary shares in the Company during the current or prior years.

Options, rights and equity warrants over equity instruments granted as compensation

31 December 2020	Balance at 1 Jan 2020	Received as Remuneration	Rights Vested	Other Movements *(i) to (v)*	Balance at 31 Dec 2020	Vested and exercisable at year end
Executive Directors						
Brad Sampson	26,900,000		-		26,900,000	8,966,666
Non-executive directors						
David Hathorn	5,250,000	-	(500,000)	(4,000,000)	750,000	-
Jonathan Trollip	500,000	-	(250,000)		250,000	-
Timothy Keating	500,000	-	(250,000)	-)	250,000	-
David Netherway	500,000	-	(250,000)	-)	250,000	-
	33,650,000	**-**	**(1,250,000)**	**(4,000,000)**	**28,400,000**	**8,966,666**
Executives						
Andrey Maruta	-	12,200,000	-	-)	12,200,000	4,000,000
Guy De Grandpre	-	9,000,000	-	-)	9,000,000	3,000,000
Gavin Chamberlain	2,200,000	12,850,000	-	(490,000))	14,560,000	4,000,000
	2,200,000	**34,050,000**	-	**(490,000))**	**35,760,000**	**11,000,000**
Total	**35,850,000**	**34,050,000**	**(1,250,000)**	**(4,490,000)**	**64,160,000**	**19,966,666**

Other than otherwise indicated above, no other KMP held any options, rights or equity warrants over ordinary shares in the Company during the year ended 31 December 2020.

Other transactions with KMP during the financial year ended 31 December 2020

No KMP has entered into a material contract (apart from employment) with the Company and the Group. No amount of remuneration is outstanding at 31 December 2020.

Nexia Perth Pty Ltd are engaged to provide accounting, administrative and company secretarial services for the Group on commercial terms. Mr Henko Vos, who is based in Perth, Australia has been appointed as joint company secretary and is also currently an employee with Nexia Perth. During the year, the total amount paid to Nexia Perth by the Group for providing accounting, administration and company secretarial services was USD 84,203 and USD 114,484 to Smith & Williamson LLP.

St James's Corporate Services Limited was appointed on 1 October 2018 and engaged to provide company secretarial services for Kore Potash plc on commercial terms. During the year, the total amounts paid to St James's Corporate Services Limited by the Group for providing company secretarial services were USD 59,713.

There were no other transactions with KMP and its related parties.

Voting of shareholders at last year's AGM held on 26 June 2020

The Company received 98.23% "yes" votes on its Remuneration Report for the 2020 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

OTHER CORPORATE GOVERNANCE MATTERS

Code of Conduct

The Board acknowledges the need for continued maintenance of the highest standard of corporate governance practice and ethical conduct by all Directors and employees of the Group. The Board has adopted a Code of Conduct charter to promote ethical and responsible decision-making by the directors.

The Board has approved a Code of Conduct for Directors, Officers, Employees and Contractors, which describes the standards of ethical behaviour that are required to be maintained. The Code of Conduct was approved prior to the Company's listing on the AIM market and on the JSE. The Group promotes the open communication of any unethical behaviour within the organisation.

Compliance with the Code of Conduct assists the Company in effectively managing its operating risks and meeting its legal and compliance obligations as well as enhancing the Group's corporate reputation.

The Code of Conduct describes the Group's requirements on matters such as confidentiality, conflicts of interest, use of Group information, sound employment practices, compliance with laws and regulations and the protection and safeguarding of the Group's assets.

An employee who breaches the Code of Conduct may face disciplinary action. If an employee suspects that a breach of the Code of Conduct has occurred or will occur, he or she must report that breach to the CEO or either of the joint company secretaries, via the Company's confidential "Whistle Blowing" process. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach. All reports will be investigated, acted upon and kept confidential.

Anti-Bribery and Anti-Corruption
The Group's Anti-Bribery and Anti-Corruption policy is set out in the Code of Conduct and has been aligned with relevant UK, Australian and South African laws governing Anti-Bribery and Anti-Corruption. The Group takes a zero-tolerance approach to acts of bribery and corruption by any Directors, officers, employees and contractors.

The Group will not offer, give or receive bribes, or accept improper payments to obtain new business, retain existing business or secure any advantage and will not permit others to do so on its behalf.

Dealings with Company Securities
The Group's Securities Dealing Policy is binding on all Directors, Senior Executives and Employees who are in possession of "inside information". All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading is permissible provided the relevant individual has received the appropriate prescribed clearance. The Board considers that the Share Dealing Code is in compliance with the MAR, AIM, ASX and JSE requirements, and continues to meet the requirements of the Board.

Primary objective
The Group's primary objective is to leverage into resource projects to provide a solid base in the future from which the Group can build its resource business and create wealth for shareholders. The Group's operations are subject to various environmental laws and regulations under the relevant government's legislation. Full compliance with these laws and regulations is regarded as a minimum standard for the Group to achieve.

In pursuing this objective, the Group manages its business operations consistent with its Code of Conduct.

Market Disclosure

The Company is subject to parallel obligations under the AIM Rules and the Market Abuse Regulation, in addition to the ASX Listing Rules and the JSE Regulations, in relation to the disclosure and control of price sensitive information. The Company has obligations under corporate and securities laws and stock exchange rules to keep the market fully informed of information which may have a material effect on the price or value of Group's securities and to correct any material misrepresentation, mistake or misinformation in the market.

The Group takes its continuous disclosure obligations seriously and requires that all of its Directors, Officers, Employees and Contractors observe and adhere to the Group's procedures and policies governing compliance with all laws pertaining to continuous disclosure, tipping and insider trading.

The Company has a formal Disclosure Policy ("Disclosure Policy") addressing its continuous disclosure obligations and arrangements. The objectives of the Disclosure Policy are to ensure that:

- The communications of the Group with the public are timely, factual and accurate and broadly disseminated in accordance with all applicable legal and regulatory requirements;
- Non-publicly disclosed information remains confidential; and
- Trading of the Group's securities by directors, officers and employees of the Company and its subsidiaries remains in compliance with applicable securities laws.

The Disclosure Policy also provides guidance to all Directors, Officers, Employees and Contractors of the Group of their responsibilities regarding their obligation to preserve the confidentiality of undisclosed material information while ensuring compliance with laws respecting timely, factual, complete and accurate continuous disclosure, price sensitive or material information, tipping and insider trading.

The Disclosure Policy further covers disclosures in documents filed with the securities regulators and stock exchanges and written statements made in the Group's annual and quarterly reports, news releases, letters to shareholders, presentations by Senior Management and information contained on Kore Potash's website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

All announcements are approved by the Board, or approved delegates, prior to release with each announcement indicating the relevant approving party. The Board is circulated copies of announcements released to ensure they remain informed of market releases at all times.

If there is misuse of price sensitive or material information not yet disclosed to the market by trading or breach in confidentiality, extremely serious penalties may apply to the individual or individuals involved.

Shareholders

The Group places considerable importance on effective communications with its shareholders. The Group's communication strategy requires communication with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Group. The strategy provides for the use of systems that ensure a regular and timely release of information about the Group is provided to shareholders.

The Company's website contains a separate section titled "Investors" which contains key documents for its investors. The website also provides:

- Information about the Company;
- An overview of the Group's current projects;
- Copies of its half year reports and annual reports;
- Copies of quarterly cash flow reports and review of operations;
- Investors' presentations; and
- Copies of its announcements to the stock exchanges.

The Company's share register is maintained electronically by Computershare. Their contact details are disclosed in the Corporate Directory of the Annual Report on page **Error! Bookmark not defined.**.

The Board encourages full participation of shareholders at the Company's AGM to ensure a high level of accountability, transparency and understanding of the Group's strategy and goals. The Company provides information in its notice of meeting that is presented in a clear, concise and effective manner. With the Company listed on three exchanges, it aims, where possible, to hold general meetings at a reasonable time for all shareholders. Shareholders are provided with the opportunity at these meetings to ask questions in relation to each resolution before they are put to a vote and discussion is encouraged by the Board. The Company intends to conduct all voting at general meetings via a poll, as was the case for the two shareholder meetings held during 2020.

One of the joint company secretaries, the Company's external auditor and the Registrars are in attendance at general meetings of the Company to assist with any queries shareholders may have.

The Corporate Governance Report was approved by the Board of Directors on 30 March 2021 and is signed on its behalf by

_____________________________ __________________________________

David Hathorn	Brad Sampson
Non-Executive Chairman	Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC

Opinion on the financial statements

In our opinion:

the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;

the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;

the Parent Company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and

the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Kore Potash plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the consolidated and parent company statements of profit or loss and other comprehensive income, the consolidated and parent company statements of financial position, the consolidated and parent company statements of changes in equity, and the consolidated and parent company statements of cash flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006, and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(b) to the financial statements, which indicates that the Group is reliant on future fund raisings to fund its exploration and development activities and fulfil its working capital requirements as they fall due. As stated in Note 1(b), these events or conditions, along with other matters as set out in Note 1(b) indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Because of the judgements made by management, and the significance of this area, we have determined Going Concern to be a key area of focus for the audit. As described in note 1(b), management have prepared cash flow forecasts for the period to 31 December 2022, which indicate that the Group are reliant on future fundraising activity during 2021 in order to meet its liabilities as they fall due during this period. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting and in response to the key audit matter included:

We obtained management's cash flow forecasts for the period to 31 December 2022. We assessed the key underlying assumptions, including forecast levels of expenditure and exploration costs used in preparing these forecasts. In doing so, we considered factors such as actual performance against budget and third party contracted commitments.

We performed sensitivity analysis in respect of the key assumptions underpinning the forecasts, including operational costs, levels of exploration expenditure and assessed the level of cash required under such sensitivities.

We have discussed and gained an understanding of Management's plans to raise funds in the short term as well as the longer term financing plans for the assets and considered the impact of COVID-19 (Coronavirus) on these plans.

We assessed the appropriateness of the disclosures included in the financial statements.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Coverage	*100% (2019: 100%) of Group total assets*		
Key audit matters		2020	2019
	Going concern	?	?
	Carrying value of exploration and evaluation ("E&E") assets	?	?
Materiality	*Group financial statements as a whole* US$2million (2019 - $1.6million) based on 1.25% of Total Assets (2019 – 1.0% of Total Assets)		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

The Group's principal operations are located in the Republic of Congo. In approaching the audit, we considered how the Group is organised and managed. We assessed there to be four significant components, being the Parent Company and the three exploration entities in the Republic of Congo: Sintoukola Potash S.A., Dougou Potash Mining S.A. and Kola Potash Mining S.A. The remaining components were considered non-significant to the Group audit and we performed analytical review procedures in respect of these.

A full scope audit for Group reporting purposes was performed on the significant components based in the Republic of Congo by a local BDO member firm. The group audit team performed a full scope audit of the Parent Company, specific procedures over key risk areas including the Key Audit Matters and the audit of the consolidation.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors included the following:

- Detailed Group reporting instructions were sent to the component auditors, which included the significant areas to be covered by the audits (including areas that were considered to be key audit matters), and set out the information to be reported to the Group audit team.
- The Group audit team was actively involved in the direction of the audits performed by the component auditor for Group reporting purposes, along with the consideration of findings and determination of conclusions drawn.
- The Group audit team reviewed the component auditor's work papers remotely, attended clearance meetings for the significant components and engaged with the component auditors during their fieldwork and completion phases.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section above, we have determined the matter described below to be a key audit matter:

Key audit matter

Carrying value of exploration and evaluation ("E&E") assets

At 31 December 2020, the Group held E&E assets on its balance sheet as detailed in in note 7.

As detailed in notes 1(q), there are judgments and inherent uncertainties around the recoverability of exploration and evaluation assets. Management and the Board are required to assess whether there are any potential impairment triggers, which would indicate that the carrying value of an asset at 31 December 2020 may not be recoverable.

Given the materiality of the E&E assets in the context of the Group's statement of financial position and the significant judgement involved in making the assessment of whether any indicators of impairment exist we consider this to be a key
audit matter.

How our audit addressed the key audit matter

We reviewed and challenged management's impairment assessment which was carried out in accordance with relevant accounting standards in order to determine whether there were any indicators of impairment. Our specific audit
procedures performed in this regard included:

- Checking that there is an ongoing plan to develop the licence areas and that the licences remain valid.
- The verification of license status, in order to check the legal title.
- Meetings with Management in order to understand the future plans for the assets.
- Reviewing exploration activity to assess whether there was any evidence from exploration results to date which would indicate a potential impairment
- Obtaining approved budgets and minutes of Board meetings to check that the Group intends to continue to explore specific license's by including future expenditure.
- Obtaining an understanding of Management's expectation of commercial viability, reviewing any available technical documentation, including the Kola Definitive Feasibility Study and DX Scoping Study, in order to support this expectation and discussing results and operations.
- Reviewing correspondence with the Government and holding discussions with Operational Management regarding ongoing updates to the Group's exploration licences.

We assessed the appropriateness of the disclosures included in the financial statements with regards to the requirements of relevant accounting standards.

Key Observations

We found management's assessment of the carrying value of E&E assets to be acceptable and appropriately disclosed.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	31-Dec-20	**31-Dec-19**
Materiality	US$2million	US$1.6million
Basis for determining materiality	1.25% Total Assets	1.0% Total Assets
Rationale for the benchmark applied	Materiality was based on 1.25% of total assets. We consider total assets to be the most appropriate basis for materiality given the Group is in the exploration and development stage.	Materiality was based on 1.0% of total assets. We consider total assets to be the most appropriate basis for materiality given the Group is in the exploration and development stage.
Performance materiality	US$1.5million	US$1.0million
Basis for determining performance materiality	75% of Group Materiality	60% of Group Materiality
	Parent company financial statements	
	31-Dec-20	**31-Dec-19**
Materiality	US$1.8million	US$1.44million
Basis for determining materiality	Set at 90% of Group materiality	
Rationale for the benchmark applied	Set at 90% (2019: 90%) of Group materiality given the assessment of the components aggregation risk.	
Performance materiality	US$1.35million	US$0.864million
Basis for determining performance materiality	75% of parent company Materiality	60% of parent company Materiality

The level of performance materiality was set after considering a number of factors including the expected value of known and likely misstatements and managements attitude towards proposed misstatements.

Component materiality

We set materiality for each component of the Group based on a percentage of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality was audited to a lower level of materiality ranging from $0.2m to $1.8m. In the audit of the components, we further applied performance materiality levels of 75% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of US$0.04m (2019 - US$0.03m). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement
As the Group has voluntarily adopted the UK Corporate Governance Code 2018 we are required to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified (set out on page 47-48; and • The Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why the period is appropriate (set out on page 47-48).
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 44-45; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks (set out on page 45); • The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems (set out on pages 53-54); and • The section describing the work of the Audit Committee (set out on pages 53-45).

Other Companies Act 2006 reporting
Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Matters on which we are required to	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

report by exception	• adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or • the Parent Company financial statements are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company'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 the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Holding discussions with management and the audit committee to understand the laws and regulations relevant to the Group and company. These included elements of financial reporting framework, mining regulations and environmental regulations.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand where it is considered there was a susceptibility of fraud.
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Holding discussions with management and the audit committee to consider any known or suspected instances of non-compliance with laws and regulations or fraud identified by them;
- Testing the appropriateness of journal entries made throughout the year by applying specific criteria to select journals which may be indicative of possible irregularities and fraud;
- Performing a detailed review of the Group's year-end adjusting entries and testing any that appear unusual as to nature or amount to supporting documentation;
- Assessing the judgements made by management when making key accounting estimates and judgements, and challenging management on the appropriateness of these judgements; and
- Reviewing minutes from board meetings of those charges with governance to identify any instances of non-compliance with laws and regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matt Crane
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom
30 March 2021

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parent		Consolidated Entity	
			Restate		
		Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
		USD	**USD**	**USD**	**USD**
Directors' remuneration		(550,509)	(572,961)	(834,760)	(828,445)
Equity compensation benefits	2(a)	(176,388)	(907,102)	(176,388)	(907,102)
Salaries, employee benefits and consultancy expense	2(c)	(1,081,425)	(588,273)	(1,150,649)	(1,687,419)
Credit loss provision	5	1,792,612	(16,375,499)	-	-
London listing and re-domicile expenses		(68,374)	(47,839)	(68,374)	(49,675)
Administration expenses	2(b)	(1,010,164)	(1,637,942)	(985,438)	(1,245,041)
Fair value change in derivative financial liability		1,027	502,345	1,027	502,345
Interest income		28,083	32,898	30,116	52,936
Interest and finance expenses		(6,167)	(6,216)	(10,204)	(15,393)
Net realised and unrealised foreign exchange gains		48,378	7,070	42,800	(682)
Loss before income tax expense		(1,022,927)	(19,593,519)	(3,151,870)	(4,178,476)
Income tax	3		-	7,698	(24,276)
Loss for the year		**(1,022,927)**	**(19,593,519)**	**(3,144,172)**	**(4,202,752)**
Other comprehensive income/(loss)					
Items that may be classified subsequent to profit or loss					
Exchange differences on translating foreign operations		-	-	11,321,754	(3,104,632)
Other comprehensive income/(loss) for the year		-	-	11,321,754	(3,104,632)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR		**(1,022,927)**	**(19,593,519)**	**8,177,582**	**(7,307,384)**
Loss attributable to:					
Owners of the Company		(1,022,927)	(19,593,519)	(3,141,042)	(4,204,007)
Non-controlling interest		-	-	(3,130)	1,255
		(1,022,927)	**(19,593,519)**	**(3,144,172)**	**(4,202,752)**
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(1,022,927)	(19,593,519)	8,180,712	(7,308,639)
Non-controlling interest		-	-	(3,130)	1,255
		(1,022,927)	**(19,593,519)**	**8,177,582**	**(7,307,384)**
Basic and diluted loss per share (cents per share)	22	(0.04)	(1.68)	(0.17)	(0.36)

The accompanying notes form part of these financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	Parent		Consolidated Entity	
			Restated		
		Dec 2020	Dec 2019	Dec 2020	Dec 2019
		USD	USD	USD	USD
CURRENT ASSETS					
Cash and cash equivalents	4	5,443,551	7,046,089	5,555,000	7,578,727
Trade and other receivables	5	119,085	180,388	225,044	358,954
Right-of-use-asset	6(a)	-	-	-	42,278
TOTAL CURRENT ASSETS		562,636	7,226,477	5,780,044	7,979,959
NON CURRENT ASSETS					
Trade and other receivables	5	147,741,819	141,887,553	99,436	198,432
Property, plant and equipment	6	-	-	542,418	560,711
Exploration and evaluation expenditure	7	-		172,025,750	156,019,360
Investment in subsidiary	8	69	69	-	-
TOTAL NON CURRENT ASSETS		147,741,888	141,887,622	172,667,604	156,788,503
TOTAL ASSETS		**153,304,524**	**149,114,099**	**178,447,648**	**164,758,462)**
CURRENT LIABILITIES					
Trade and other payables	9	358,841	2,894,748)	786,020	2,968,093
Lease liability	6(b)	-	-	-	55,582
Derivative financial liability		26	1,053	26	1,053
TOTAL CURRENT LIABILITIES		358,867	2,895,801	786,046	3,024,728
TOTAL LIABILITIES		**358,867**	**2,895,801**	**786,046**	**3,024,728**
NET ASSETS		**152,945,657**	**146,218,298**	**177,661,602**	**161,733,734**
EQUITY					
Contributed equity – Ordinary Shares	10	2,451,768	1,541,253	2,451,768	1,541,253
Reserves	11	169,598,292	163,740,876	238,515,593	221,336,423
Accumulated losses		(19,104,403)	(19,063,831)	(62,743,176)	(60,584,489)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**152,945,657**	**146,218,298**	**178,224,185**	**162,293,187**
Non-controlling interests	11(f)	-	-	(562,583)	(559,453)
TOTAL EQUITY		**152,945,657**	**146,218,298**	**177,661,602**	**161,733,734**

The accompanying notes form part of these financial statements.

These Financial Statements for Kore Potash plc, registered number 10933682, were approved by the Board of Directors on 30 March 2021 and were signed on its behalf by:

David Hathorn
Non-Executive Chairman

Brad Sampson
Chief Executive Officer

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Consolidated Entity

	Note	Ordinary Shares USD	Share-Based Payments Reserve USD	Share Premium Reserve USD	Foreign Currency Translation Reserve USD	Merger Reserve USD	Accumulated Losses USD	Equity Attributable to the Shareholders of Kore Potash plc USD	NCI USD	Total Equity USD
Balance at 1 January 2019		**860,852**	**12,161,843**	**13,054,936**	**(15,310,945)**	**203,738,800**	**(59,331,800)**	**155,173,686**	**(560,708)**	**154,612,978**
Loss for the period			-	-	-	-	(4,204,007)	**(4,204,007)**	1,255	**(4,202,752)**
Other comprehensive loss for the year		-	-	-	(3,104,632)	-	-	**(3,104,632)**	-	**(3,104,632)**
Total comprehensive (loss)/income for the year		-	-	-	(3,104,632)	-	(4,204,007)	**(7,308,639)**	**1,255**	**(7,307,384)**
Transactions with shareholders										
Transfer of previously lapsed options	11(a)	-)	(2,951,318)	-)	-	-	2,951,318	**-**	-	**-**
Share Issue	10	680,401)	-)	12,923,250)	-	-	-	**13,603,651**	-	**13,603,651**
Share issue costs		-)	-)	(404,594)	-	-	-	**(404,594)**	-	**(404,594)**
Share based payments	11(a)	-)	1,229,083	-)	-	-	-	**1,229,083**	-	**1,229,083**
Balance at 31 December 2019		**1,541,253**)	**10,439,608**	**25,573,592**	**(18,415,577)**	**203,738,800**)	**(60,584,489)**	**162,293,187**	**(559,453)**	**161,733,734**
Loss for the period		-	-	-	-	-	(3,141,042)	**(3,141,042)**	(3,130)	**(3,144,172)**
Other comprehensive loss for the year		-	-	-	11,321,754	-	-	**11,321,754**	-	**11,321,754**
Total comprehensive (loss)/income for the year		-	-	-	11,321,754	-	(3,141,042)	**8,180,712**	(3,130)	**8,177,582**
Transactions with shareholders										
Transfer of previously lapsed options	11(a)		(127,825)		-	-	127,825	**-**	-	**-**
Conversion of performance rights	11(a)	3,508	(212,111)	-	-	-	212,111	**3,508**	-	**3,508**
Cancellation of performance rights	11(a)		(642,419)				642,419	**-**	-	**-**
Share issues	10	886,217		6,633,407			-	**7,519,624**	-	**7,519,624**
Share issue costs				(281,199)			-	**(281,199)**	-	**(281,199)**
Share based payments	11(a)	20,790	409,283	78,280		-	-	**508,353**	-	**508,353**
Balance at 31 December 2020		**2,451,768**	**9,866,536**	**32,004,080**	**(7,093,823)**	**203,738,800**	**(62,743,176)**	**178,224,185**	**(562,583)**	**177,661,602**

The accompanying notes from pages 85 to 124 form part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Parent

	Note	Ordinary Shares USD	Share Based Payments Reserve USD	Share Premium Reserve USD	Merger Reserve USD	Reorganisation Reserve USD	Accumulated Losses USD	Total Equity USD
Balance at 31 December 2018		**860,852**	**12,161,843**	**13,054,936**	**203,738,800**	**(76,011,124)**	**(2,421,631)**	**151,383,676)**
Loss for the year		-	-	-	-	-	(19,593,518)	**(19,593,518)**
Total comprehensive (loss)/income for the year		-	-	-	-	-	(19,593,518)	**(19,593,518)**
Transactions with shareholders								
Transfer of previously lapsed options	11(a)	-	(2,951,318)	-	-	-	2,951,318	**-**
Share issue	10	680,401	-	12,923,250	-	-	-	**13,603,651**
Share issue costs		-	-	(404,594)	-	-	-	**(404,594)**
Share based payments	11(a)	-	1,229,083	-	-	-	-	**1,229,083**
Balance at 31 December 2019		**1,541,253**	**10,439,608**	**25,573,592**	**203,738,800**)	**(76,011,124)**	**(19,063,831)**	**146,218,298**
Loss for the year			-	-		-	(1,022,927)	**(1,022,927)**
Total comprehensive (loss)/income for the year		-	-	-	-	-	(1,022,927)	**(1,022,927)**
Transactions with shareholders								
Conversion of performance rights	11(a)	3,508	(212,111)	-	-	-	212,111	**3,508**
Transfer of previously lapsed options	11(a)		(127,825)	-	-	-	127,825	**-**
Cancellation of performance rights	11(a)	-	(642,419)	-			642,419	**-**
Share issue	10	886,217	-	6,633,407	-	-		**7,519,624**
Share issue costs		-	-	(281,199)	-	-	-	**(281,199)**
Share based payments	11(a)	20,790	409,283	78,280	-	-	-	**508,353**
Balance at 31 December 2020		**2,451,768**	**9,866,536**	**32,004,080**	**203,738,800**	**(76,011,124)**	**(19,104,403)**	**152,945,157**

The accompanying notes form part of these financial statements.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parent 31 Dec 2020 USD	Parent 31 Dec 2019 USD	Consolidated Entity 31 Dec 2020 USD	Consolidated Entity 31 Dec 2019 USD
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers		(2,410,792)	(1,550,846)	(1,688,877)	(2,396,209)
Payments to employees		(1,262,350)	(1,270,441)	(2,341,702)	(2,482,790)
Income tax received/(paid)		-	-	7,691	(45,130)
Net cash used in operating activities	13	(3,673,142)	(2,821,287)	(4,022,888)	(4,924,129)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment	6	-	-	(15,664)	(18,465)
Payments for exploration activities	7	-	-	(5,262,603)	(6,371,268)
Amounts advanced to related parties	5	(5,190,116)	(2,920,914)	-	-
Interest received		28,083	32,898	30,116	56,215
Net cash used in investing activities		(5,162,033)	(2,888,016))	(5,248,151)	(6,333,518)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares	11	7,519,624	12,761,449)	7,519,624	12,761,449
Payment for share issue costs	11	(281,199)	(13,127)	(281,199)	(13,127)
Repayment of lease liabilities related to offices		-	-	(12,171)	(178,216)
Interest paid on lease liabilities		-	-	(192)	(7,322)
Net cash provided by financing activities		7,238,425	12,748,322	7,226,062	12,562,784
Net (decrease)/increase in cash & cash equivalents held		**(1,596,750)**	**7,039,019**	**(2,044,977)**	**1,305,137**
Cash and cash equivalents at beginning of financial year		7,046,089	-	7,578,727	6,187,113
Foreign currency differences		(5,788)	7,070	21,250	86,477
Cash and cash equivalents at end of financial year	**4**	**5,443,551**	**7,046,089**	**5,555,000**	**7,578,727**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The Company is a public company incorporated and registered in England and Wales with primary dual listing on the AIM market and on the ASX, and a secondary listing on the JSE. The consolidated financial statements of the Company as at and for the year ended 31 December 2020 comprise the Company and its subsidiaries which are disclosed in Note 8 (together referred to as the "Group"). The Group is involved in mining exploration activity in the RoC. The company is limited by shares.

The registered office of Kore Potash plc's head office in the United Kingdom is 25 Moorgate, London, United Kingdom EC2R 6AY.

Basis of Preparation

(1) Statement of Compliance
The annual financial statements of the Company and the Group have been prepared in accordance with international accounting in conformity with the Companies Act 2006. The principal accounting policies adopted by the Group and Company are set out below.

The financial statements were authorised for issue by the Directors on 30 March 2021.

New standards, interpretations and amendments issued not yet effective
There are a number of standards, amendments to standards, and interpretations which have been issued by that are effective in future accounting periods that the group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

• Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
• Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
• Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
• References to Conceptual Framework (Amendments to IFRS 3).

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022. However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after 1 January 2023.

Kore Potash Plc is currently assessing the impact of these new accounting standards and amendments. The Group does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities.

Other

The Group does not expect any other standards issued, but not yet effective, to have a material impact on the group.

(2) Going Concern
During the year ended 31 December 2020, the Group incurred a loss of USD 3,144,172 (year ended 31 December 2019: USD 4,202,752) and experienced net cash outflows from operating and investing activities of USD 9,277,027 (year ended 31 December 2019: USD 11,257,647). Cash and cash equivalents totalled USD 5,555,000 at 31 December 2020 (at 31 December 2019: USD 7,578,727).

The Directors have prepared a cash flow forecast for the period ending 31 December 2022, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (31 March 2022), primarily being corporate costs and some work on the 1st Phase of the Definitive Feasibility Study ("DFS") related to the DX Project. The Group anticipates a deficit of c.USD 1.3 million towards the end of Q1 2022.

The Directors have considered various mitigating actions, which include raising additional capital in Q2 – Q3 2021 to enable the Group to continue to fund its working capital requirements through the going concern period. The Directors have identified a number of funding options available to the Group. The Directors note the Group has a history of successfully raising capital on the AIM and JSE, and in the past on the ASX. However, factors beyond the Company's control, including pandemic diseases such as COVID-19, which affect the stock markets, may in turn have a negative impact on any fund raising

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 will continue to pursue further capital raising initiatives in order to have sufficient funds to continue the development of the DX Project and for general corporate purposes.

The ability of the Group to continue as a going concern is dependent on achieving the matters set out above. These conditions indicate a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include adjustments relating 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.

(b) Basis of Measurement
The consolidated financial statements have been prepared on the basis of historical cost, adjusted for the treatment of certain financial instruments, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

(c) Functional and Presentation Currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the ultimate parent entity (Kore Potash plc) is US dollars. The functional currency of the subsidiaries are:

- Kore Potash Limited – US Dollars (USD)
- Sintoukola Potash S.A. - CFA Franc BEAC (XAF)
- Dougou Potash Mining S.A. - CFA Franc BEAC (XAF)
- Kola Potash Mining S.A. - CFA Franc BEAC (XAF)
- Kore Potash South Africa (Pty) Ltd – South African RAND (ZAR)

The presentational currency of the Group is US dollars.

(d) Foreign Currency Transactions and Balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All differences in the consolidated financial report are taken to the Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

As at the reporting date, the assets and liabilities of the foreign subsidiaries are translated into the reporting currency of the Company at the rate of exchange ruling at the reporting date and the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income are translated at the weighted average exchange rates for the period. The exchange differences on the retranslation are taken directly to Other Comprehensive Income.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity is recognised in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income. The functional currency for Sintoukola is expected to change to US dollars upon the commencement of mining, as potash is priced in US dollars.

(e) Basis of Consolidation

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Control, under IFRS10, is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group, other than in the event of a Group re-organisation as occurred during the year as described below.

The acquisition of Kore Potash Limited by the Company on 20 November 2017 is considered outside the scope of IFRS 3 *Business Combinations* and accordingly has been accounted for as a common control transaction. The investment in Kore Potash Limited acquired by the Company as a result of the internal reorganisation was recognised at a value consistent with the carrying value of the equity items in the Kore Potash Limited accounts immediately prior to the Scheme. In the Parent entity, the difference between the carrying amount of share capital and options issued by the Company under the Scheme and the investment in Kore Potash Limited has been recognised in a Reorganisation Reserve.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-Group transactions have been eliminated in full.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting, other than in the Group re-organisation described above. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated Statement of Profit or Loss and Other Comprehensive Income and within equity in the consolidated Statement of Financial Position.

In the Company's financial statements, investments in subsidiaries are carried at cost. A list of controlled entities is contained in Note 8 to the financial statements.

(f) Income Tax

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that are recognised directly in equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(g) Property, Plant and Equipment

Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed at each reporting date to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Property plant and equipment includes Drill Equipment, Camp buildings, machinery, office equipment and other transport machinery and equipment.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their estimated useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for the plant and equipment is in the range of 10% - 40%. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Depreciation of property, plant and equipment in SPSA is included in Capitalised Exploration and Evaluation Expenditure.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income.

(i) Financial Assets

Financial assets are recognised in the statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Trade are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the Group do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Trade and other receivables are initially measured at fair value plus any direct attributable transaction costs. Subsequent to initial recognition, trade and other receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Other receivables are held in order to collect the contractual cash flows and accordingly are measured on initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision or reversal is recognised in profit or loss.

(i) Financial Liabilities and Equity

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(ii) Effective Interest Rate Method

The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability and allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) ***Impairment of Non-Financial Assets Other Than Exploration and Evaluation Assets***

The carrying amounts of the Group's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss in the Statement of Profit or Loss and Other Comprehensive Income. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

(j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and **w**hich are unpaid. Trade and other payables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, trade and other payables are measured at amortised cost using the effective interest rate method. **Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

(k) Capitalisation of Exploration and Evaluation Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount at the reporting date. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is assessed for impairment and the balance is classified as a development asset. The point at which an area of interest is considered developmental is based on finalisation of a definitive feasibility study, a bankable feasibility study and the finalisation of appropriate funding.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Depreciation of fixed assets is also capitalised; this will then be amortised over the useful economic life of the asset.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(l) Share Based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value grant rate is independently determined using the different option pricing models that takes into account the exercise price, the term of the option, the market and non-market based vesting and performance criteria, the impact of dilution, the tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group’s estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

When share options and performance rights are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values

(m) Employee Benefits

(i) Wages, salaries and annual leave
Liabilities for wages, salaries and annual leave are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Pension contributions
Contributions are made by the Group to pension funds as stipulated by statutory requirements and are charged as expenses when incurred.

(iii) Employee benefit on costs
Employee benefit on costs, including payroll tax, are recognised and included in employee benefits liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(n) Earnings per Share

(i) Basic earnings per share
Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(o) Issued Capital

Ordinary shares and CDIs are classified as equity. 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, as a result, CDI's are considered to be equity.

Costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Costs directly attributable to the issue of new shares or options incurred in connection with a business combination, are included in the cost of the acquisition as part of the purchase consideration.

(q) Critical Accounting Judgements and Estimates

In the application of the Group's accounting policies, which are described in this note, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving significant accounting judgment are set out in the tables below:

Critical accounting judgement	**Details**
Impairment of exploration and evaluation assets, recovery of parent company	The ultimate recovery of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets. Please see note 7 (p.98) for the disclosure of the exploration and evaluation asset

investments and intercompany balances	On a regular basis, management consider whether there are indicators as to whether the asset carrying values exceed their recoverable amounts. This consideration includes assessment of the following: (a) expiration of the period for which the entity has the right to explore in the specific area of interest with no plans for renewal; (b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (c) exploration for and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and (d) whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. Management judgement is required to determine whether the expenditures which are capitalised as exploration and evaluation assets will be recovered by future exploitation or sale or whether they should be impaired. In assessing this, management determines the possibility of finding recoverable ore reserves related to a particular area of interest, which is a subject to significant uncertainties. Many of the factors, judgements and variables involved in measuring resources are beyond the Group's control and may prove to be incorrect over time. Subsequent changes in resources could impact the carrying value of exploration and evaluation assets. Where an impairment indicator is identified, the determination of the recoverable amount requires the use of estimates and judgement in determining the inputs and assumptions used in determining the recoverable amounts. The key areas of judgement include: • Recent exploration and evaluation results and resource estimates; • Environmental issues that may impact on the underlying tenements; • Fundamental economic factors that have an impact on the operations and carrying values of assets and liabilities. Based on the information the Company has on the above, it was concluded by management that amounts were recoverable, and that no write down of exploration and evaluation assets, the Company's investment in subsidiaries, and intercompany balances was recognised. This may change as new information becomes available.

Critical accounting judgement	**Details**
Classification of capitalised exploration and evaluation costs to date	Management judgement is required as to whether the assets associated with the Kola Potash Project represents an exploration asset to be accounted for under IFRS 6 *Exploration for and Evaluation of Mineral Resources*, or a development asset to be accounted for under IAS 16 *Property, Plant and Equipment*. A conclusion that consideration is required under IAS 16 or IAS 36 would mean that a full impairment test of the assets associated with the Kola Potash Project would have been required during 2020. In reaching the judgement that the assets associated with the Kola Potash Project should remain capitalised as exploration and evaluation assets, management has assessed whether technical and commercial viability of extracting mineral resources has been demonstrated. Given the ongoing negotiation with the FC over the final construction cost, and remaining permits to be obtained from the RoC, the Group has concluded that final technical and commercial viability of the Kola Potash Project has yet to be finalised.

(r) Assumptions and Estimation Uncertainties

Information about assumptions and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities are set out in the table below.

Estimation Uncertainty	**Details**

Timing of achieving milestones related to share-based payment arrangements in existence	The share-based payments arrangements are expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. At each reporting date, vesting assumptions are reviewed to ensure they reflect current expectations and immediately recognises any impact of the revision to original estimates. If fully vested share options are not exercised and expire then the accumulated expense in respect of these is reclassified to accumulated losses.

(s) 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.

(t) Prior error

As at 31 December 2020, Kore Potash Plc, the company, had receivables owing to it from its underlying operating subsidiaries in the Republic of Congo amounting to USD 147,860,904 (2019: USD 142,067,941). Whilst legally these loans are repayable of demand, given the nature of the funding is for the subsidiaries exploration activity on long term assets, it is unlikely that these loans will be called in the next 12 months or realised within a 12 month period. For 31 December 2020 the loans have been classified to non-current assets which reflects the period in which these assets will be realised in line with the requirements of IAS 1. The nature of these loans has not changed in the last 12 months and therefore the loans should have also been classified as non-current in the prior financial period. The comparative for 2019 has also been restated to reflect the loans as non-current assets. The overall impact in 2019 is a decrease in current assets of USD 142,067,941 and an increase in non-current assets of USD 142,067,941 on the Company statement of financial position. There is no impact on comparative total assets, net assets, profit or loss or cash flow movements.

	Parent		Consolidated Entity	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
NOTE 2: LOSS FOR THE YEAR				
Expenses				
(a) Equity based payments				
Directors, KMP and other employees (i)	176,388	907,102	176,388	907,102
(b) Administration Expenses				
Accounting, company secretarial and audit fees	352,984	331,974	354,173	524,378
Insurance expenses	90,737	61,518	91,226	84,784
Legal fees	42,710	67,102	42,710	75,865
Compliance, registration and other tax fees	57,317	217,059	67,284	240,253
Marketing and investor relations	139,814	96,825	146,557	110,002
Premises and office related costs	-	-	(2,808)	706
South Africa Recharge	106,655	652,310	-	-
Professional fees	99,335	-	99,335	100,171
Recruitment fees	2,239	30,000	2,239	41,928
Travel and accommodation expenses	42,440	164,868	61,131	240,205
SPSA Depreciation reversal *(ii)*	-	-	-	(732,978)
Other expenses	75,933	16,286	123,591	559,727
	1,010,164	**1,637,942**	**985,438**	**1,245,041**

(i) Details of KMP and employee share-based payments can be found in Note 21.

(ii) Kola and DX projects are in Exploration & Evaluation (E&E) phase. No amortisation and depreciation is recognised for E&E assets. Any Property Plant & Equipment (PP&E) used in E&E phase are depreciated and depreciation charge is capitalised in E&E assets accordingly. Some depreciation charges were expensed in prior years but subsequently reversed in 2019.

(c) Salaries, employee benefits and consultancy expense				
Wages and Salaries	673,997	74,340	740,184	952,650
Social Security costs	37,844	2,775	33,650	81,333
Consultancy costs	369,584	511,158	376,815	653,436

	1,081,425	**588,273**	**1,150,649**	**1,687,419**
(d) Average number of employees	**Number**	**Number**	**Number**	**Number**
Operational	-	-	34	21
Head Office	9	5	12	15
	9	**5**	**46**	**36**

Total staff costs for the Group in the year ended 31 December 2020 were USD 2,169,079 (2019: USD 3,452,966). The staff costs incurred during the year at a subsidiary, SPSA, of USD 733,108 has been capitalised as Exploration and Exploration Asset (2019: USD 1,808,187).

NOTE 3: INCOME TAX EXPENSE	**Parent**		**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
The components of tax expense comprise:	**USD**	**USD**	**USD**	**USD**
Current tax – foreign tax (credit)	-	-	(7,698)	24,276
Deferred tax	-	-	-	-
Total income tax expense	**-**	**-**	**(7,698)**	**24,276**

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

	Parent		**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
	USD	**USD**	**USD**	**USD**
Loss before tax	(1,022,927)	(19,593,519)	(3,151,870)	(4,178,476)
Parent company tax on loss at the UK corporation tax rate of 19% (2019: 19%)	(194,356)	(3,722,769)	(598,855)	(793,910)
Different tax rates of subsidiaries operating in different jurisdictions	-	-	(41,656)	189,991
	(194,356)	(3,722,769)-	(640,511)	(603,919)
Tax effect of:				
Net non-deductible expenses	75,480	4,059	107,572	174,600
Income not taxable for tax purposes	(354,192)	3,266,158	-	-
Deferred tax asset not recognised	535,638	404,915	540,637	453,595
Permanent differences	-	-	-	-
Adjustments to opening and closing deferred tax	(62,570)	47,637	-	-
	194,356	3,722,769	648,209	628,195
Income tax (credit) / expense	**-**	**-**	**(7,698)**	**24,276**

The statutory tax rate of Kore Potash plc is 19% (2019: 19%), representing the UK corporation tax rate. The Group is subject to varying statutory rates, primarily being Australia (30%), Congo (see Note 7 regarding corporate tax concessions applicable under the new mining convention) and South Africa (28%). The current tax credit of USD 7,698 (2019: charge of USD 24,276) arose on the pre-tax income generated in South Africa for intercompany management services.

No deferred tax has been recognised in respect of the Group's tax losses of USD 17,897,914 (2019: USD 14,759,166) that are available for offset against any future taxable profits in the companies in which the losses arose. Of these tax losses, USD 11,896,714 arose from the Australian entity and USD 5,890,483 arose from the parent entity (2019: USD 11,880,835 from the Australian entity and USD 2,878,311 from the parent entity).

The tax losses which arose from the Australian entity can be carried forward indefinitely to be offset against future years' profits. A deduction for prior years' losses will be denied where the Company cannot satisfy a 'continuity of ownership' test or, failing this, the alternative 'same business test'.

Deferred tax assets have not been recognised in respect of the losses arising from the Australian entity or the parent entity due to the uncertainty around timing of generating sufficient taxable profits in future to utilise the losses. These losses may also not be utilised to offset taxable profits elsewhere in the group

	Parent		**Consolidated Entity**	

	Dec 2020 USD	Dec 2019 USD	Dec 2020 USD	Dec 2019 USD
NOTE 4: CASH AND CASH EQUIVALENTS				
Cash at bank	5,443,551	7,046,089	5,555,000	7, 7,578,727
	5,443,551	**7,046,089**	**5,555,000**	**7,578,727**

	Parent		Consolidated Entity	
	Dec 2020 USD	Restated Dec 2019 USD	Dec 2020 USD	Dec 2019 USD
NOTE 5: TRADE AND OTHER RECEIVABLES				
Current				
Advance to employees	-	(9,517,955)	53,273	19,640
Net GST, PAYE and VAT recoverable	29,369	5,151,690	33,119	62,333
Prepayments	88,670	119,111	94,564	187,539
Other receivables	1,046	1,119,587	44,088	89,442
	119,085	**180.388**	**225,044**	**358,954**
Non-Current				
Rental deposits	-	-	99,436	198,432
Amount due from subsidiaries (i) (ii)	147,741,819	141,887,553		
	-	-	99,436	198,432
Total Trade and Other Receivables	**147,860,904**	**142,067,941**	**324,480**	**557,386**

(i) The amount due from a subsidiary is interest-free and is repayable on demand.
(ii) The increase in the year relates to the transfer of intercompany balances from Kore Potash Plc to the Congolese entity in order to further fund the development of the exploration asset.

IFRS 9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss. The loans to the subsidiaries, Sintoukola Potash S.A. and Kore Potash Limited, are classified as repayable on demand. IFRS 9 requires consideration of the expected credit risk associated with the loan. As the subsidiary company does not have any liquid assets to sell to repay the loan, should it be recalled, the conclusion reached was that the loan should be categorised as stage 3.

As part of the assessment of expected credit losses of the intercompany loan receivable, the Directors have assessed the cash flows associated with a number of different recovery scenarios. This included consideration of the exploration project risk, country risk and the value of the potential reserves. The 2019 classification of the Amounts due from subsidiaries has been changed from current to non-current. See note 1(t) for details.

	Parent	
EXPECTED CREDIT LOSS PROVISION	Dec 2020 USD	Dec 2019 USD
As at 1 January	16,375,499	-
Increase in the year in relation to Kore Potash Limited	-	16,375,499
Reversal in the year in relation to Kore Potash Limited	(1,792,612)	-
As at 31 December	14,582,887	16,375,499

As at 31 December 2020 there were no other receivables that were past due but not impaired.

NOTE 6: PROPERTY, PLANT AND EQUIPMENT	Parent		Consolidated Entity	
	Dec 2020 USD	Dec 2019 USD	Dec 2020 USD	Dec 2019 USD
Plant and equipment – at cost	-	-	2,267,839	2,126,019
Less accumulated depreciation	-	-	(1,725,421)	(1,565,308)
	-	**-**	**542,418**	**560,711**

Reconciliation:				
Opening balance	-	-	560,711	302,255
Additions	-	-	20,723	392,334
Depreciation capitalised under exploration and evaluation	-	-	(105,117)	(89,267)
Depreciation expensed	-	-	(2,304)	(13,161)
Disposals	-	-	(10,408)	(15,667)
Foreign exchange differences	-	-	78,813	(15,783)
Closing balance at period end	**-**	**-**	**542,418**	**560,711**)

NOTE 6A: RIGHT-OF-USE-ASSET	**Parent**		**Consolidated Entity**	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Right-of-use asset at cost	-	-	234,149	234,149
Disposal of right-of-use asset	-	-	(234,149)	-
Less accumulated depreciation	-	-	(234,149)	(184,917)
Disposal of right-of-use asset depreciation	-	-	234,149	-
Less: impairment	-	-	-	(6,954)
	-	**-**	**-**	**42,278**
Reconciliation:				
Opening balance	**-**	**-**	42,278	**-**
Adjustment for adoption (cost)	-	-	-	220,439
Additions	-	-	-	14,557
Depreciation	-	-	(42,355)	(184,917)
Impairment	-	-	-	(6,594)
Foreign exchange differences	-	-	77	(1,207)
Closing balance at period end	**-**	**-**	**-**	**42,278**

NOTE 6B: LEASE LIABILITIES	**Parent**		**Consolidated Entity**	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Current	-	-	-	55,582
	-	**-**	**-**	**55,582**

The nature and accounting of Group's leasing activities

At 30 September 2020, all the Group leases contracts had expired. The right of use assets in existence during the year are for property with lease terms of 12 months or less. The Group has applied the recognition exemptions for these leases. Contracts may contain both lease and non-lease components. The Group allocates consideration between lease and non-lease components based on the price a lessor, or similar supplier, would charge to purchase that component separately.

The lease term begins at the commencement date and includes any rent-free periods provided by the lessor. Lease terms vary between contracts and depend on the individual facts and circumstances of the contract.

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as at 1 January 2019. The Group's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was 6.172%. There were two short-term leases during the year or at year end relating to property (2019: nil). A total charge of USD 64,256 was incurred in relation to these leases (2019: USD nil).

NOTE 7: EXPLORATION AND EVALUATION EXPENDITURE	**Parent**		**Consolidated Entity**	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Opening balance	-	-	156,019,360	149,863,323
Exploration and evaluation expenditure capitalised during the year	-	-	2,835,793	8,908,236
Foreign exchange differences	-	-	13,170,597	(2,752,199)
Closing balance at period end	**-**	**-**	**172,025,750**	**156,019,360**
Exploration and evaluation expenditure relating to:				
Kola Potash Mining project	-	-	142,554,630	132,153,210
Dougou Potash Mining project	-	-	29,471,120	23,866,150
	-	**-**	**172,025,750**	**156,019,360**

On 8 June 2017, a mining convention was signed by the Group and the Government of the RoC. The convention governs the conditions of construction, operation and mine closure of the Kola and Dougou (including Dougou Extension) mining projects. The terms and conditions of the mining convention include key investment promotion provisions, including the following:

- Corporate tax concessions applicable for the first 10 years of each mining permit as production capacity is extended, which includes zero corporation tax for the first five years from profitability, and a corporation tax rate of 7.5% for the next five years;
- An ongoing corporation tax rate of 15% for the rest of the life of mine;
- Exemptions from withholding taxes including interest, dividends and capital gains during the term of the mining convention;
- VAT and import duty exemptions (including all subcontractors) during construction;
- Royalties of 3% payable to the RoC, which is based on an equivalent to EBITDA;
- Guarantee from the RoC that it will facilitate and support the implementation of the project, as defined in the convention (for example, in granting the necessary consents to permit export of the final product through the use of a dedicated jetty); and
- The RoC to be granted a 3% carried equity interest in the project companies, which are currently wholly-owned by Kore Potash Limited's subsidiary, SPSA.

The mining convention has a term which covers the life of the Kola and Dougou mining permits including any extension (25 years plus 15-year extension, renewable indefinitely upon proven mineable ore resources). The Group was awarded the Sintoukola 2 Exploration Permit dated 9 February 2018 by the government of the RoC. The Sintoukola 2 exploration permit has now expired at the end of February 2021 but the Company is considering reapplying for extension of the permit.

On 7 December 2018, the Mining Convention covering the proposed staged development of the Kola and Dougou Mining Licences was gazetted into law following ratification by the Parliament of the Republic of the Congo.

The result of this law being gazetted was that the RoC government were now entitled to a 10% equity interest in Dougou and Kola. There is currently no shareholder agreement in place for this agreement.

Further information regarding the non-controlling interest is available in Note 11 (f).

The ultimate recoupment of costs carried forward for exploration expenditure phases is dependent on the successful development and commercial exploitation, or alternatively, the sale of the respective areas of interest.

NOTE 8: CONTROLLED ENTITIES

Controlled Entities	Country of Incorporation	Percentage Owned 31 Dec 2020 %	Investment 31 Dec 2020 USD	Percentage Owned 31 Dec 2019 %	Investment 31 Dec 2019 USD
Kore Potash Limited *(i)*	Australia	100	67	100	67
Sintoukola Potash S.A. ("SPSA") *(i)*	Republic of Congo	97	1	97	1
Kore Potash South Africa (Pty) Ltd ("KPSA") *(i)*	South Africa	100	1	100	1
Held through Sintoukola Potash S.A.:					
Kore Potash Mining S.A. ("KPM")	Republic of Congo	100	18,264	100	18,264
Dougou Potash Mining S.A. ("DPM")	Republic of Congo	100	18,264	100	18,264

The principal activity of Kore Potash Limited during the financial year was for administrational and operational support for the exploration for potash minerals prospects. The registered office of Kore Potash Limited is Level 3, 88 William Street, Perth WA 6000.

The principal activity of SPSA and its two subsidiaries, KPM and DPM, during the financial year was exploration for potash minerals prospect. The registered office for the three entities is 24 Avenue Charles de Gaulle, Immeuble Atlantic Palace BP 662 Pointe Noire, République du Congo.

The principal activity of Kore Potash South Africa (Pty) Ltd during the financial year was for South African administrative and operational support for the exploration for potash minerals prospects. The registered office is 2 Bruton Road, Block C, Nicol Main Office Park, Bryanston, Johannesburg, South Africa.

NOTE 9: TRADE AND OTHER PAYABLES

	Parent		Consolidated Entity	
	Dec 2020 USD	Dec 2019 USD	Dec 2020 USD	Dec 2019 USD
Current				
Trade and other creditors	5,738	251,730	223,964	537,471
Accruals	353,103	1,964,451	407,322	2,119,563
Employee benefits and related payables	-	26,057	154,320	172,744
Amounts due to a subsidiary	-	652,510	-	-
Other Payables	-	-	414	138,315
Total Trade and Other Payables	**358,841**	**2,894,748**	**786,020**	**2,968,093**

Trade and other creditors are non-interest bearing and are normally settled on 30-day terms.

NOTE 10: ISSUED CAPITAL

	Parent		Consolidated Entity	
	Dec 2020 USD	Dec 2019 USD	Dec 2020 USD	Dec 2019 USD
2,451,768,173 Fully Paid Ordinary Shares at par value of USD 0.001 each (31 December 2019: 1,541,253,564 Fully Paid Ordinary Shares at par value of USD 0.001)	2,451,768	1,541,253	2,451,768	1,541,253
Fully Paid Ordinary Shares	**2,451,768**	**1,541,253**	**2,451,768**	**1,541,253**

Date	Details	No. of Shares	USD
31 Dec 2018	**Balance at 31 December 2018**	860,852,693	860,852
13 Feb 2019	Conversion of Class C Performance Rights *(i)*	1,886,996	1,887
17 Jul 2019	Capital raising at GBP0.016 each *(ii)*	646,915,254	646,915
18 Oct 2019	Issue of equity and performance rights *(iii)*	5,787,223	5,788
5 Dec 2019	Drill rig share issue *(iv)*	22,000,000	22,000
31 Dec 2019	Equity issued to directors in lieu of payment (v)	3,811,398	3,811
31 Dec 2019	**Closing balance**	**1,541,253,564**	**1,541,253**
31 Mar 2020	Equity issued to directors in lieu of payment (vi)	7,770,939	7,770
7 April 2020	Conversion of performance rights (vi)	1,250,000	1,250
25 June 2020	Conversion of performance rights (vii)	2,258,333	2,258
25 June 2020	Equity research services share issue (viii)	4,000,000	4,000
21 Sept 2020	Capital raising at GBP 0.008515 each (ix)	882,688,876	882,689
6 Oct 2020	Equity issued to directors in lieu of payment (x)	6,566,821	6,567
31 Dec 2020	Equity issued to directors in lieu of payment (xi)	5,980,681	5,981
31 Dec 2020	**Closing balance**	**2,451,769,214**	**2,451,768**

(i) On 13 February 2019, 1,886,996 Class C Performance Rights were converted into fully paid ordinary shares. The par value of the 1,886,996 ordinary shares was USD 1,887.

(ii) On 17 July 2019, a total of USD 13,457,784 was raised from existing and new investors through the placing and direct subscription of 646,914,254 ordinary shares in the Company at a placing price of GBP 0.0.016 per new ordinary share. The par value of the 646,914,254 ordinary shares was USD 646,915.

(iii) On 18 October 2019, the issue of shares to certain Non-Executive Directors in lieu of remuneration or part remuneration in respect of four quarterly periods ending 30 June 2020 was approved by shareholders at the General Meeting of the Company. Subsequently, on 18 October 2019, 4,224,723 shares were awarded in-lieu-of cash to David Hathorn, David Netherway and Jonathan Trollip. In the same announcement it was announced that, further to the unconditional vesting of the Performance Rights issued to certain Non-Executive Directors and Mr Leonard Math, a former Non-Executive Director, on 29 March 2019, being the first anniversary of admission to trading on AIM and as announced on 15 April 2019 and 21 June 2019,1,562,500 ordinary shares were issued to satisfy the Performance Rights. Accordingly, a total of 5,787,223 shares were issued at a par value of USD 5,788.

(iv) On 5 December 2019, the Group acquired two drill rigs with ancillary equipment; in exchange for the drill rigs, the Group issued 22,000,000 ordinary shares at a deemed price of GBP 0.01225 to Equity Drilling Limited. The par value of 22,000,000 shares was USD 22,000.

(v) On 21 January 2020, the Company issued in lieu of payment, 3,811,398 to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 3,811

(vi) On 7 April 2020, 7,770,939 ordinary shares of USD 0.001 each were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash remuneration or part remuneration for the quarter ended 31 March 2020 in line with the cost reduction strategy announced on 27 June 2019. In addition, 1,250,000 ordinary shares of USD 0.001 each were issued under the Company's performance rights plans as previously announced on 7 April 2020.

(vii) On 25 June 2020, a total of 2,258,333 ordinary shares of USD 0.001 each were issued to certain current and former employees of the Company to satisfy the conversion of vested Performance Rights in ordinary shares. Of these, 1,410,000, were issued to Gavin Chamberlain, the Company's Chief Operating Officer.

Movement in Share Capital of Consolidated Entity

(viii) On 25 June 2020, Align Research Limited, an unrelated party to the Company, has initiated coverage on the Company and will provide on-going equity research services to the Company. As consideration for these services, 4,000,000 ordinary shares of USD 0.001 each in the Company were issued to Align Research Limited at an agreed price of 0.75p per share, being the prevailing price at the date of signing the agreement.

(ix) On 21 September 2020, a total of USD 7,516,096 was raised from existing and new investors through the placing and direct subscription of 882,688,876 ordinary shares in the Company at a placing price of GBP 0.008515 per new ordinary share. The par value of the 882,688,876 ordinary shares was USD 882,689.

(x) On 6 October 2020, the Group issued in lieu of payment, 6,566,821 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 6,567.

(xi) On 15 January 2021, the Group issued in lieu of payment, 5,980,681 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 5,981.

NOTE 11: RESERVES	**Parent**		**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
	USD	**USD**	**USD**	**USD**
SBP reserve (a)	9,866,536	10,439,608	9,866,536	10,439,608
Share premium reserve (b)	32,004,080	25,573,592	32,004,080	25,573,592
Foreign currency translation reserve (c)	-	-	(7,093,823)	(18,415,577)
Merger reserve (d)	203,738,800	203,738,800	203,738,800	203,738,800
Reorganisation reserve (e)	(76,011,124)	(76,011,124)	-	-
Total Reserves	**169,598,292**	**163,740,876)**	**238,515,593**	**221,336,423)**

(a) SBP Reserve				
Opening balance	10,439,608	12,161,843)	10,439,608	12,161,843)
Value performance rights converted in ordinary share capital	(212,111)	-	(212,111)	-
Value of performance rights cancelled in the period	(642,419)	-	(642,419)	-
Value of lapsed options transferred to accumulated losses (i)	(127,825)	(2,951,318)	(127,535)	(2,951,318)
Share based payment vesting expense (ii)	409,283	1,229,083	408,993	1,229,083
Closing balance	**9,866,536**	**10,439,608)**	**9,866,536**	**10,439,608)**

(i) For further details, refer to Note 11(e).

(ii) For parameters used in the valuation of the above options and performance rights see Note 21.

Movement in SBP Reserve of the Consolidated Entity

Date	**Details**	**No. of Options**	**No. of Performance Rights**	**USD**
31 Dec 2018	**Closing balance**	**71,200,000**)	**32,070,104**)	**12,161,843**)
13 Feb 2019	Conversion of performance rights	-	(1,886,996)	(211,690)
27 June 2019	Conversion and cancellation of performance rights	-	(2,000,000)	(104,712)
28 June 2019	Cancellation of Performance rights	(17,200,000)	-	-
19 July 2019	Issue of unlisted options	26,900,000	-	-
15 Nov 2019	Expiry of 50,000,000 options	(50,000,000)	-	(2,634,917)
31 Dec 2019	SBP charge	-	-	1,229,084
31 Dec 2019	**Closing balance**	**30,900,000**	**28,183,108**	**10,439,608**
7 Apr 2020	Conversion of performance rights (i)	-	(1,250,000)	(78,833)
7 April 2020	Cancellation of performance rights (ii)	-	(11,579,107)	(642,419)
25 June 2020	Conversion of performance rights (iii)	-	(2,258,333)	(133,278)
25 June 2020	Issue of performance rights (iv)	-	2,250,000	-
25 June 2020	Issue of share options (v)	33,000,000	-	-
27 June 2020	Transfer of lapsed options (vi)	(4,000,000)	-	(127,825)
6 Dec 2020	Expiry of performance rights	-	(1,253,750)	-
31 Dec 2020	SBP charge	-	-	409,283
31 Dec 2020	**Closing balance**	**59,900,000**	**14,091,918**	**9,866,536**

(i) On 7 April 2020, the non-executive directors, satisfied their vesting condition of their performance rights and had the following amounts of performance rights converted into shares:

Director	**Vested**
David Hathorn	500,000

David Netherway	250,000
Jonathan Trollip	250,000
Timothy Keating	250,000

(ii) On 7 April 2020, 11,579,107 performance rights were cancelled, USD 642,419 has therefore been reversed out from the SBP reserve.

(iii) On 25 June 2020, 2,258,333 performance rights and were converted into ordinary shares. A reversal of USD 133,278 from the SBP reserve was recognised in respect of this.

(iv) On 25 June 2020, 2,250,000 of performance rights were issued to employees with 850,000 being issued to Gavin Chamberlain and 200,000 being issued to Andrey Maruta.

(v) On 19 September 2019, Board approved the grant of 33,000,000 unlisted options to certain employees on 5 September 2019 under the Company's Long Term Incentive Plan. The options were issued on 25 June 2020 in accordance with the Company's Long Term Incentive Plan. Of the 33,000,000 options issued, two grants of 12,000,000 were issued to Gavin Chamberlain and Andrey Maruta)

(vi) On 27 June 2020, 4,000,000 share options expired and USD 127,826 has therefore been reversed out from the SBP reserve.

The SBP reserve is used to accumulate proceeds received from the issuing of options and accumulate the value of options and performance rights issued in consideration for services rendered and to record the fair value of options and performance rights issued but not exercised. The reserve is transferred to accumulated losses upon expiry or recognised as share capital if exercised.

(b) Share Premium Reserve	**Parent**	**Parent**	**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
Movements during the period	**USD**	**USD**	**USD**	**USD**
Opening balance	25,573,592	13,054,936	25,573,592	13,054,936
Capital raising on 17 July 2019 at GBP 0.016 each	-	12,476,647	-	12,476,647
Drilling Rig equipment share issue on 6 December 2019	-	337,920	-	337,920
Equity issued in lieu of payment	-	108,683	-	108,683
Capital raising on 19 September 2020 at GBP 0.0085 each	6,633,407	-	6,633,407	-
Share based payments	78,280	-	78,280	-
Less: Capital raising costs	(281,199)	(404,594)	(281,199)	(404,594)
Closing balance	**32,004,080**	**25,573,592**	**32,004,080**	**25,573,592**

The share premium reserve is used to record the difference between the monies received from capital raising and the par value of the Company's shares, being USD 0.001 per fully paid ordinary share (see Note 10).

(c) Foreign Currency Translation Reserve	**Parent**	**Parent**	**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
Movements during the period	**USD**	**USD**	**USD**	**USD**
Opening balance	-	-	(18,415,577)	(15,310,945)
Currency translation differences arising during the year	-	-	11,321,754	(3,104,632)
Closing balance	**-**	**-**	**(7,093,823)**	**(18,415,577)**

The foreign currency translation reserve is used to record currency differences arising from the translation of the financial statements of the foreign subsidiary.

(d) Merger Reserve

In November 2017, the Company issued 771,395,768 shares with a par value of USD 0.001 each in respect of the shares on Kore Potash Limited, which had issued share capital at the date of the transaction with a value of USD 204,510,196. As a result of this transaction, a Merger Reserve of USD 203,738,800 was created in both the Parent and Consolidated Entity.

(e) Reorganisation Reserve

In accordance with the Scheme of Arrangement, the Company became the new parent on 20 November 2017 and Kore Potash Limited is the wholly-owned subsidiary of the Company. The Company elected to account for the acquisition of Kore Potash Limited as a common control transaction. As a consequence, no acquisition accounting under IFRS 3 *Business Combination* has arisen. The investment in Kore Potash Limited acquired by the Company as a result of the internal reorganisation was recognised at a value consistent with the carrying value of the equity items in the Kore Potash Limited accounts immediately prior to the Scheme. In the Parent entity, the difference between the carrying amount of share capital and options issued by the Company under the Scheme and the investment in Kore Potash Limited totalling USD 76,899,326 was recognised in a Reorganisation Reserve in the parent company accounts during the year ended 31 December 2017.

(f) Non-controlling interest reserve

On 7 December 2018, the Mining Convention covering the proposed staged development of the Kola and Dougou Mining Licences was gazetted into law following ratification by the Parliament of the Republic of the Congo.

Pursuant to the Mining Convention, the Republic of the Congo Government were granted a 10% equity interest in Kola Mining SA and Dougou Mining SA, which are wholly owned by Sintoukola Potash S.A ("SPSA"). The Group will recognise an increase in non-controlling interest from the 3% to 10%, upon the signing of the shareholder agreement. However, this had not occurred at the year-end date.

	Parent		Consolidated Entity	
	Dec 2020	Dec 2019	Dec 2020	Dec 2019
Movements during the period	**USD**	**USD**	**USD**	**USD**
Opening balance	-	-	559,453	560,708)
Loss/(profit) for the year (i)	-	-	3,130	(1,255)
Other comprehensive Loss	-	-	-	-
Closing balance	**-**	**-**	**562,583**	**559,453**

(i) Because of a small loss in SPSA, USD 3,130 was transferred to the non-controlling interest reserve from retained earnings.

NOTE 12: DIVIDENDS

No dividends have been proposed or paid during the year ended 31 December 2020 (2019: Nil).

NOTE 13: NOTES TO STATEMENT OF CASH FLOWS

	Parent		Consolidated Entity	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Reconciliation of cash flows from operating activities:				
Loss for the year	(1,022,927)	(19,593,519)	(3,144,172)	(4,202,752)
Adjustments for:				
Depreciation of property, plant and equipment and right-of-use assets	-	-	14,303	88,267
Equity compensation benefits	176,388	997,915	176,388	997,915
South Africa cost plus recharge	-	652,310	-	-
Net realised and unrealised foreign exchange losses	(42,589)	(7,070)	(37,010)	682
Interest received not classified as operating activities cash inflow	(28,083)	(32,898)	(30,116)	(56,215)
Impairment of ROU asset	-	-	-	69,594
Credit loss provision	(1,792,612)	16,375,499	-	-
Loss on disposal	-	-	165	28,270
Interest paid on lease liabilities	-	-	(7,446)	7,322
Fair value change in derivative financial liability	(1,027)	(502,345)	(1,027)	(502,345)
Operating loss before changes in working capital	**(2,710,850)**	**(2,110,108)**	**(3,028,915)**	**(3,569,262)**
(Increase)/Decrease in receivables	(907,476)	(40,128)	(930,448)	(19,657)

(Increase) in tax payable	-		-	(20,855)
(Increase) in payables	(54,815)	(671,051)	(63,525)	(1,314,355)
Net cash used in operating activities	**(3,673,142)**	**(2,821,287)**	**(4,022,888)**	**(4,924,129)**

NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Overview
The Group has exposure to the following risks from their use of financial instruments:

- market risk,
- credit risk, and
- liquidity risks.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. The Group will use different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Financial Instruments by category

Group	**Fair value through profit or loss**		**Amortised Cost Interest Rate**	
	Dec-20 USD	**Dec-19 USD**	**Dec-20 USD**	**Dec-19 USD**
FINANCIAL ASSETS				
Cash at bank	-	-	5,555,000	7,578,727
Trade and other receivables	-	-	196,797	557,386
Total financial assets	**-**	**-**	**5,751,797**	**8,136,113**
FINANCIAL LIABILITIES				
Trade and other payables	-	-	(631,700)	(2,795,349)
Derivative financial liability	(26)	(1,053)	-	-
Total financial liabilities	**(26)**	**(1,053)**	**(631,700)**	**(2,795,349)**

Parent	**Fair value through profit or loss**		**Amortised Cost Interest Rate**	
	Dec-20 USD	**Dec-19 USD**	**Dec-20 USD**	**Dec-19 USD**
FINANCIAL ASSETS				
Cash at bank	-	-	5,443,551	7,046,089
Investments in subsidiaries	-	-	69	69
Trade and other receivables	-	-	147,967,909	141,948,830
Total financial assets	**-**	**-**	**153,411,529**	**148,994,988**
FINANCIAL LIABILITIES				
Trade and other payables	-	-	(358,841)	(2,894,748)
Derivative financial liability	(26)	(1,053)	-	-
Total financial liabilities	**(26)**	**(1,053)**	**(358,841)**	**(2,894,748)**

(a) Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and are exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cashflow forecasting.

As a result of the operating activities in the RoC and the ongoing funding of overseas operations from the United Kingdom, the Group's Statement of Financial Position can be affected by movements in the Canadian Dollar (CAD) / US Dollar (USD) exchange rate, British Pound (GBP) / US Dollar (USD) exchange rate, Congolese Franc (XAF) / US Dollar (USD) exchange rate, and the South African Rand (ZAR) / US Dollar (USD) exchange rate.

A substantial portion of the Group's transactions are denominated in USD, with historically, the majority of costs relating to drilling activities also denominated in the unit's functional currency.

The summary quantitative data about the Group's financial instruments' exposure to significant currency risk as presented in USD is as follows:

	31 December 2020				31 December 2019			
	CAD	GBP	XAF	ZAR	EUR	GBP	XAF	ZAR
FINANCIAL ASSETS								
Cash at bank	20,425	658,241	107,401	358,215	1,827,121	4,251,321	269,870	61,406
Trade and other receivables	-	1,046	96,315	11,813	-)	10,689	218,051	9,302
FINANCIAL LIABILITIES								
Trade and other payables	-	(358,842)	(272,859)	-	(553,000)	(1,575,123)	(256,393)	(61,193)
Derivative financial liability	-	(26)	-	-	-)	(1,053)	-)	-)
Net exposure	20,425	300,419	(69,143)	370,028	1,274,121	2,685,834	231,528	9,515

Sensitivity analysis (Group)
A reasonably possible strengthening (weakening) of the CAD, GBP, XAF and ZAR against USD at 31 December 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss for the Group by the amounts shown below. This analysis assumes all other variables, in particular interest rates, remain constant. The impact of the possible strengthening (weakening) of the AUD and any other currencies against USD is minimal and is not analysed.

	Equity		Profit or Loss	
	Strengthening Gain/(Loss) USD	Weakening Gain/(Loss) USD	Strengthening (Gain)/Loss USD	Weakening (Gain)/Loss USD
31 December 2020				
CAD (5% movement)	1,021	(1,021)	(1,021)	1,021
GBP (5% movement)	15,021	(15,021)	(15,021)	15,021
XAF (5% movement)	(3,457)	3,457	3,457	(3,457)
ZAR (5% movement)	18,501	(18,501)	(18,501)	18,501

The summary quantitative data about the Parent's financial instruments' exposure to significant currency risk as presented in USD is as follows:

	31 December 2020				31 December 2019			
	EUR	GBP	XAF	ZAR	EUR	GBP	XAF	ZAR
FINANCIAL ASSETS								
Cash at bank	20,425	658,241	-	354,167	1,716,362	4,251,321	-	-
Trade and other receivables	-	1,046	-	-	-	9,587	-	-
FINANCIAL LIABILITIES								

Trade and other payables	-	(358,842)	-	-	-	(1,575,123)	-	-
Derivative financial liability	-	(26)	-	-	-	(1,053)		-
Net exposure	20,425	300,419	-	354,167	1,716,362	2,684,732	-	-

Sensitivity analysis (Parent)
A reasonably possible strengthening (weakening) of the GBP against USD at 31 December 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss for the Parent by the amounts shown below. This analysis assumes all other variables, in particular interest rates, remain constant.

	Equity		**Profit or Loss**	
	Strengthening Gain/(Loss) USD	**Weakening Gain/(Loss) USD**	**Strengthening (Gain)/Loss USD**	**Weakening (Gain)/Loss USD**
31 December 2020				
GBP (5% movement)	15,021	(15,021)	(15,021)	15,021
CAD (5% movement)	1,021	(1,021)	(1,021)	1,021
ZAR (5% movement)	17,708	(17,708)	(17,708)	17,708

(ii) Interest rate risk
The Group is exposed to movements in market interest rates on short term deposits. The Group and Company's policy is to retain its surplus funds on the most advantageous term of deposit available. Given the Directors do not consider interest income is significant in respect of the Group's and Company's operations and as the Group does not currently have any debt, no sensitivity analysis has been performed.

The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

	Weighted Average Effective Interest Rate		**Fixed Interest Rate**		**Floating Interest Rate**		**Non-Interest Bearing**	
	Dec 2020 %	**Dec 2019 %**	**Dec 2020 USD**	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
FINANCIAL ASSETS								
Cash at bank	0.28%	1.95%	5,443,551	4,200,000	-	3,378,727	-	-
Trade and other receivables			-	-	-	-	109,174	307,315
Total financial assets			5,443,551	4,200,000	-	3,378,727	109,174	307,315
FINANCIAL LIABILITIES								
Trade and other payables			-	-		-	631,701	2,150,056
Derivative financial liability			-	-		-	26	1,053
Total financial liabilities			-	-		-	631,727	2,151,109

All receivables and payables in the Parent at 31 December 2020 and at 31 December 2019 are non-interest bearing.

Financial assets carried at amortised cost
Trade receivables from other entities are carried at cost less any allowance for doubtful debts. Other receivables are carried at cost. Interest is recorded as income using the effective interest rate method.

Financial liabilities carried at amortised cost
Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

Net fair value of financial assets and liabilities

The carrying amount of financial assets and liabilities at 31 December 2020 and 31 December 2019 is equivalent to the fair value.

(b) Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date.

The Group has a significant concentration of credit risk arising from its bank holdings of cash and cash equivalent. This risk is mitigated by credit control procedures.

(c) Liquidity and capital risk management

The Group's total capital is defined as the shareholders' net equity plus any net debt. The objectives when managing the Group's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital.

The Group does not have a target debt / equity ratio but has a policy of maintaining a flexible financing structure so as to be able to take advantage of investment opportunities when they arise. There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

The table below analyses the Group's financial liabilities into maturity groupings based on the remaining period from the balance date to the contractual maturity date.

31 Dec 2020	**Within 1 Month USD**	**1-3 Months USD**	**3-12 Months USD**
Non-derivatives			
Non-interest bearing			
Trade and other payables	631,701	-	-
Total Financial Liabilities	**631,701**	**-**	**-**

31 Dec 2019	**Within 1 Month USD**	**1-3 Months USD**	**3-12 Months USD**
Non-derivatives			
Non-interest bearing			
Trade and other payables	1,855,153	127,169	-
Total Financial Liabilities	**1,855,153**	**127,169**	**-**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

If the Group anticipates a need to raise additional capital within 6 months to meet forecasted operational activities, then the decision on how the Company will raise future capital will depend on market conditions existing at that time.

Please see note 1(b) Going Concern for further information on liquidity risk.

NOTE 15: SEGMENT INFORMATION

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 make 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.

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

On 15 January 2021 a total of 2,909,381 ordinary shares of USD 0.001 each in the Company were issued to certain Non-Executive Directors of the Company in lieu of cash fees for the quarter ended 31 December 2020, as approved at the General Meeting of the Company held on 18 September 2020. In addition, the Company has also issued 3,071,251 ordinary shares to certain employees and ex- employees, following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans.

Subsequent to the year-end, on 10 March 2021, the Company's Chief Financial Officer, Mr Andrey Maruta, informed the Board of his intention to leave Kore Potash in order to accept a position at another company. Andrey will continue to work as the Company's Chief Financial Officer through his contractual notice period of 3 months. His last day of employment will be 10 June 2021. During Andrey's notice period the Company will commence the process to select his replacement and will update shareholders on the new appointment in due course.

There are no other significant events that have occurred since the reporting date that require separate disclosure.

NOTE 17: COMMITMENTS FOR EXPENDITURE

Exploration and Evaluation Expenditure Commitments

In order to maintain current rights of tenure to exploration permits, the Group is required meet minimum expenditure requirements by performing exploration and development work. As at year end, the minimum expenditure requirement has not yet been determined with respect to the Group's Sintoukola 2 exploration permit. However, when the minimum expenditure requirement is confirmed this will need to be satisfied over a period of 3 years. The Sintoukola 2 exploration permit has now expired at the end of February 2021 but the Company is considering reapplying for extension of the permit.

There are no minimum expenditure requirements with respect to the Group's mining licences. 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.

If the Group decides to relinquish certain licences and/or does not meet the obligations of the new mining convention, assets recognised in the statement of financial position may require review to determine the appropriateness of the carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

Kola DFS Commitment

On 28 February 2017 the Company signed a contract with TechnipFMC, VINCI Construction Grands Projets, Egis and Louis Dreyfus Armateur (the FC), for the implementation of the DFS.

At the date of this report, the Group had the following DFS commitment:

	Parent	**Parent**	**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
	USD	**USD**	**USD**	**USD**
Not later than 1 year	-	1,659,703	-	1,659,703
Later than 1 year and not later than 5 years	-	-	-	-
Later than 5 years	-	-	-	-
	-	**1,659,703**	**-**	**1,659,703**

The commitment outstanding at 31 December 2019 was fully paid in the year, and no further commitment remained outstanding at 31 December 2020.

NOTE 18: AUDITOR'S REMUNERATION

	Parent		**Consolidated Entity**	
	Dec 2020	**Dec 2019**	**Dec 2020**	**Dec 2019**
	USD	**USD**	**USD**	**USD**

Fees payable to the Company's external auditor and their associates for the audit of the Company's annual accounts				
BDO – External Auditor.	70,610	59,804	108,128	93,605
Total audit fees	70,610	59,804	108,128	93,605
Fees payable to the Company's auditor and their associates for other non-audit services to the Group				
Half-year review	20,495	19,147	20,495	19,147
Total fees payable to the Company's external auditor and their associates	**91,105**	**78,951**	**128,623**	**112,752**

NOTE 19: RELATED PARTY TRANSACTIONS

Directors' remuneration

The expense of USD 834,760 recognised (2019: USD 828,445) includes directors fees paid and remuneration for the current Chief Executive Officer.

The Company paid USD 28,665 to Jonathan Trollip as directors fees (2019: USD 46,620.00 paid to Piaster Pty Ltd as trustee for the Trollip Family Superannuation Fund) Mr Trollip is a director of and has a beneficial interest in Piaster Pty Ltd.

During the year the Group issued to its directors in shares-in-lieu of payment of their salaries, details of these issues can be found in notes 10 and 11. The Group also issued to certain directors' performance rights and share options, details of these issues can be found in notes 11 and 21.

Other transactions with the Company and the Group

Smith & Williamson LLP and Nexia Perth Pty Ltd are engaged to provide accounting, administrative and company secretarial services for the Group on commercial terms. Mr Henko Vos, who is based in Perth, Australia has been appointed as joint company secretary and is also currently an employee with Nexia Perth. During the year, the total amount paid to Nexia Perth by the Group for providing accounting, administration and company secretarial services was USD 84,203 (2019: USD 141,886) and USD 118,989 (2019: USD 92,394) to Smith & Williamson LLP. There were no amounts outstanding owed in respect of services provided by Nexia Perth or Smith & Williamson LLP at 31 December 2020 (2019: USD nil)

St James's Corporate Services Limited was engaged to provide company secretarial services for the Company on commercial terms. During the year, the total amount paid to St James's Corporate Services Limited by the Group for providing company secretarial services was USD 59,713 (2019: USD 60,830). There were no amounts outstanding owed to in respect of services provided by St James's Corporate Services Limited at 31 December 2020 (2019: USD nil).

There were no other transactions with KMP and its related parties.

NOTE 20: KMP DISCLOSURES

The following were a KMP of the Company and the Group at any time during the reporting period and unless otherwise indicated were a KMP for the entire period.

Executive Directors	
Brad Sampson	Chief Executive Officer (appointed on 4 June 2018)
Non-Executive Directors	
David Hathorn	Non-Executive Chairman (appointed on 25 August 2015)
Jonathan Trollip	Non-Executive Director (appointed on 17 November 2017)
Timothy Keating	Non-Executive Director (appointed on 17 November 2017)
David Netherway	Non-Executive Director (appointed on 12 December 2017)
Trinidad Maria Reyes Perez	Non-Executive Director (appointed on 24 November 2020)
Joes Antonio Merino	Non-Executive Director (resigned on 24 November 2020)
Executives	
Henko Vos	Joint Company Secretary (appointed on 7 November 2016)
St James's Corporate Services Limited	Joint Company Secretary (appointed on 1 October 2018)
Andrey Maruta	Chief Financial Officer (appointed 21 September 2019)

Guy de Grandpre	Country Manager - RoC (appointed 12 February 2019, dismissed 16 July 2020)
Gavin Chamberlain	Chief Operating Officer (appointed 1 October 2017)

KMP compensation

The KMP compensation included in “Directors Remuneration”, “Equity Compensation Benefits” “Employee and Consultant Expenses” and “Exploration Expenditure” is as follows:

	Consolidated Entity	
	Dec 2020 USD	**Dec 2019 USD**
Short-term employee benefits	1,530,048	1,807,001
Post-employment benefits	-	6,050
Termination benefits	-	325,705
Equity compensation benefits	775,552	981,042
	2,305,600	**3,119,798**

There were five directors who held office at the end of the 2020 (2019: six). Details of directors’ remuneration are provided in the Directors’ Remuneration Report on pages 55 to 70 of this Annual Report.

Individual directors and executives’ compensation disclosures

Information regarding individual directors and executives’ compensation and equity instruments disclosures are provided in the Remuneration Report section of the Directors’ Report. Apart from the details disclosed in this note, no Director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving directors’ interests existing at year-end.

NOTE 21: SHARE-BASED PAYMENTS

Recognised share-based payments

The expense recognised for employee and consultant services during the year is shown in the table below:

	Parent		Consolidated Entity	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Expense arising from equity-settled share-based payment transactions (Note 11)	176,388	907,102	176,388	907,102

In addition, the amounts capitalised to exploration and evaluation expenditure from share-based payment transactions for staff whose services are directly attributable to the operational activities of the Kola and Dougou mining projects are as follows:

	Parent		Consolidated Entity	
	Dec 2020 USD	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Amounts capitalised to exploration and evaluation expenditure arising from equity-settled share-based payment transactions	232,895	321,982	232,895	321,982

Consolidated Entity

The Group granted shares rights and options to KMP and other employees as part of as an incentive for future services and as a reward for past services. The table above shows the vesting expense recognised during the year of USD 176,388 (2019: USD 907,102) and vesting expenses capitalised to exploration and evaluation expenditure of USD 232,895 (2019: 321,982).

Details of the share options outstanding during the year are as follows:

	2020		2019	
	Number of share options	**Weighted average exercise price**	**Number of share options**	**Weighted average exercise price**
Outstanding at beginning at year	30,900,000	GBP 0.033	21,200,000	GBP 0.11

Granted during the year	33,000,000	GBP 0.022	26,900,000	GBP 0.022
Cancelled during the year	-	-	(17,200,000)	GBP 0.11
Lapsed during the year	(4,000,000)	GBP 0.11	-	-
Outstanding at the end of the year	**59,900,000**	**GBP 0.0242**	**30,900,000**	**GBP 0.165**

The share options outstanding at 31 December 2020 had a weighted average exercise price of GBP 0.022 and a weighted average contractual life of 4.65 years.

Details of options and performance rights issued to KMP

Performance Rights **Rights Issue**	**Number of rights at 31 December 2019**	**Cancelled in period**	**Exercised**	**Issued in the period**	**Lapsed rights**	**Number of rights at 31 December 2020**	**Time to expiry (Years)**
7 *(i)*	2,255,000	(1,001,250)	-	-	(1,253,750)	-	-
9 *(i)*	5,881,250	(850,000)	-	-	-	5,031,250	0.17
12 *(i) (iii)*	1,405,000	(700,000)	(100,000)	-	-	605,000	1.42
13*(i)*	660,000	-	-	-	-	660,000	1.42
14 *(i) (iii)*	3,747,003	(52,004)	(2,158,333)	-	-	1,536,666	1.42
15 *(i)*	11,734,855	(8,975,853)	-	-	-	2,759,002	1.42
16-20 *(iii)*	2,500,000		(1,250,000)	-	-	1,250,000	1.39
25 *(ii)*	-	-	-	2,250,000	-	2,250,000	4.24
	28,183,108	**(11,579,107)**	**(3,508,333)**	**2,250,000**	**(1,253,750)**	**14,091,918**	

Performance Rights **Rights Issue**	**Number of rights at 31 December 2018**	**Cancelled in period**	**Exercised**	**Number of rights at 31 December 2019**	**Charged in the period (USD)**	**Time to expiry** **(Years)**
6	1,886,996	-	(1,886,996)	-	-	-
7-8	2,255,000	-	-	2,255,000	4,092	0.93
10	5,881,250	-	-	5,881,250	217,767	1.17
12	1,405,000	-	-	1,405,000	34,746	2.42
13	660,000	-	-	660,000	-	2.42
14	3,747,003	-	-	3,747,003	23,455	2.42
15	11,734,855	-	-	11,734,855	212,476	2.42
16-20	4,500,000	(437,500)	(1,562,500)	2,500,000	230,324	2.39
	32,070,104	**(437,500)**	**(3,449,496)**	**28,183,108**	**722,860**	

The total charged for the year ended 2020 in respect of the above performance rights was USD 90,095.

i. Performance Rights cancelled during the period:
Following the determination by the Board that the applicable vesting conditions within each category would not be achieved, 11,579,107 Performance Rights previously issued have been cancelled as follows:

Performance Rights expiring 6 December 2020 (Employees) - Series 7-8	1,001,250
Performance Rights expiring 1 March 2021 (ex-Director) - Series 10	850,000
Performance Shares vesting on 31 May 2019 - Series 12	700,000
Performance Shares under Short Term Incentive Scheme Plan - Series 14	52,004
Performance Shares under Long Term Incentive Plan – Series 15	8,975,853
Total	11,579,107

Performance Rights issued during the period:
During the period, the Company issued 2,250,000 Performance Rights to employees under its Short-Term Incentive Plan with the same performance criteria as the performance rights currently in issue with vesting conditions based on required service periods. These Performance Shares vests a third on award, a third after 1 year of continuous service and a third after 2 years continuous service.

Employee	Series 25
Gavin Chamberlain (COO)	850,000
Andrey Maruta (CFO)	200,000
Other employees	1,200,000
Total	**2,250,000**

Iii Performance Rights converted into ordinary shares during the period:
On 7 April 2020, 1,250,000 Performance Rights Series 16 – 20 for Non-Executive Directors were converted into ordinary shares following the satisfaction of the vesting conditions of the Performance Rights, being the second anniversary of admission to trading on AIM. The following is the breakdown of the ordinary shares issued under the Performance Rights:

	Number of Shares
David Hathorn	500,000
David Netherway	250,000
Jonathan Trollip	250,000
Timothy Keating	250,000
Total	**1,250,000**

Option Series 33
At a Company's General Meeting on 17 July 2019, the Company's shareholders approved the grant of 26,900,000 unlisted options to Brad Sampson. The vesting conditions for the unlisted options include milestones being achieved in relation to the Kola Project, as follows:

Vesting conditions	***Brad Sampson (Option Series 33)***
Total	**26,900,000**
Exercise price	GBP 0.022
Exercisable	First, second and third anniversary of issue date
Expiry	19/07/2024

The fair value at grant date of the unlisted options issued to Brad Sampson was estimated at GBP 0.0151, using the Black Scholes Option Pricing Model taking into account the terms and conditions as set out above. The input used in the measurement of the fair value at grant date of the unlisted options were as follows:

These options have been treated in the accounts as a modification to Option Series 31.

Input into the model	***Option Series 33***
Grant Date Share Price	GBP 0.01625
Expected Volatility	91.97%
Annual risk-free rate	0.57%
Maturity	5 Years
Grant date fair value	GBP 0.0151

Options Series 34, 35 & 36
The Board approved the grant of 33,000,000 unlisted options to certain employees on 5 September 2019 under the Company's Long Term Incentive Plan. The options were issued on 25 June 2020 in accordance with the Company's Long Term Incentive Plan. The options vest over 3 years on a one third basis per annum. These include the award of 12,000,000 options to each of Gavin Chamberlain (Chief Operating Officer) and Andrey Maruta (Chief Financial Officer). The vesting conditions of the options were as follows:

Vesting conditions	
Total	**33,000,000**
Exercise price	GBP 0.022

Exercisable:	First, second and third anniversary of issue date
Expiry	01/01/2024

The fair value of the options at grant date of GBP0.0092 was estimated using the Black-Scholes Option Pricing Model. The input used in the measurement of the fair value at grant date of the options were as follows:

Input into the model	Series 34,35 and 36
Grant date share price	GBP0.0145
Expected volatility	99.7%
Annual risk-free rate	-0.04%
Expiry date	4.3 years
Grant date fair value	GBP 0.0092

There were no options in these series which were cancelled or exercised during the period.

On 29 February 2016, the Company granted 5,000,000 Performance Rights to Mr Werner Swanepoel, Project Director, under the Group's Employee Performance Rights Plan. The rights were contractually agreed to on 7 December 2015 pursuant to Mr Swanepoel's employment agreement.

On 29 February 2016, 250,000 Fully Paid Ordinary Shares were issued following the vesting of the Performance Rights as a sign on bonus for the Project Director. In addition, subsequent to year end on 3 February 2017, 250,000 Fully Paid Ordinary Shares were issued to the Project Director following the vesting of the Performance Rights due to one year of service being completed on 7 December 2016. On 18 December 2017, 2,245,000 Performance Rights was cancelled upon Mr Swanepoel's resignation.

Following the determination by the Board at the AGM on 25 June 2020, that the applicable vesting conditions within each category would not be achieved 1,001,250 of options relating to series 7 were cancelled.

The remaining 1,253,750 of performance rights in Series 7 expired on 6 December 2020. At 30 December 2020, performance rights series 7 had all either expired, been cancelled or converted into shares.

Rights Series 9 - Performance Rights (Previous CEO)
This series relates to Performance Rights issued to the previous CEO (for a total of 8,500,000). The Company previously issued 1,593,750 shares on the conversion of certain Performance Rights. During the 2019 financial year the Company cancelled 1,025,000 following determination that vesting conditions will not be met. During the 2020 financial year, an additional 850,000 Performance Rights was cancelled for the same reason. A balance of 5,031,250 remains outstanding at reporting date.

Rights Series 12
On 29 May 2017, the Group granted 2,000,000 performance rights to its employees, under the Group's Employee Performance Rights Plan. The fair value of the performance rights was estimated at AUD 0.17 each.

During the year ended 31 December 2020, 100,000 performance rights relating to rights series 12 were converted into ordinary share capital and on 25 June 2020, 700,000 were cancelled as the vesting conditions was not met. A balance of 605,000 remains outstanding at reporting date.

Rights Series 13
This series relates to the issue of 660,000 performance rights to the previous CEO in May 2017. The fair value of each right was previously determined as AUD0.17 and vested in full during 2018. The Performance Rights remained on foot at reporting date. Subsequent to reporting date, the Company issued 660,000 fully paid ordinary shares on the conversion of these rights.

Rights Series 14
On 29 May 2017, the Group announced that under an STIP the Board resolved and agreed to issue up to 4,482,005 performance rights for employees for 2017. Under the STIP, the final amount of performance rights issued may be reduced by the Board (in its sole discretion) depending upon each employee's performance during the 2017 year. Under the STIP, in accordance with the Group's remuneration strategy, the employee's performance is assessed by the Board against a range of objectives including delivery of the Kola DFS on time and in budget, progressing the Kola ESIA and maintaining control of

costs within the business. The performance rights vest a third on award, a third after 1 year of continuous service and a third after 2 years continuous service, as one fully paid ordinary share for each performance right.

The fair value of the performance rights was estimated at AUD 0.17 per performance right, calculated based on the share price at grant date using the Cox, Ross and Rubinstein Binomial Option Pricing Model.

During the 2018 year, the Board approved the allocation of 2,845,314 STIP performance rights to various KMP and other employees. In addition, during the 2017 year, at the Board's discretion, 735,000 was allocated to two employees which vested immediately and were converted into fully paid ordinary shares upon their resignation.

On 7 April 2020, 2,158,333 performance rights were converted into ordinary share capital following the satisfaction of the vesting conditions and a 52,004 were cancelled on that date. The remaining 1,536,666 remained in existence at the year end.

Rights Series 15
On 29 May 2017, the Group announced that the Board resolved and agreed to issue up to 11,734,853 performance rights available to employees under the LTIP. These performance rights vest as one fully paid ordinary share for each performance right, of which the final amount issued may be reduced by the Board (in its discretion) depending upon the employee's performance against certain non-market and market performance conditions.

The fair value of the performance rights attached to the non-market performance conditions was estimated at AUD 0.17 per performance right.

The fair value of the performance rights attached to the market performance condition was estimated at AUD 0.104 per performance right at grant date

On 7 April 2020, 8,975,853 performance rights were cancelled following the determination by the Board that the vesting conditions would not be met on that date. The remaining 2,759,000 remained in existence at the year end.

Rights Series 16 to 20
At the Company's AGM on 27 June 2018, the Company's shareholders approved the grant of performance rights to the following non-executive directors as a replacement to the previous rights held by these directors:

Series	***Director***	***Number of Performance Rights***
Rights Series 16	David Hathorn	1,500,000
Rights Series 17	Jonathan Trollip	750,000
Rights Series 18	Leonard Math	750,000
Rights Series 19	David Netherway	750,000
Rights Series 20	Timothy Keating	750,000

The performance rights are a one-off award and will unconditionally vest in three equal tranches on the first, second and third anniversary of the Company's admission to the AIM market. They will vest as one fully paid ordinary share for each performance right and will expire on 22 May 2022.

The fair value of the performance rights granted was estimated as at the grant date at GBP 0.0564 per performance right. On 29 March 2019, 1,500,000 vested and was converted into ordinary shares. Following the resignation of Mr Math in June 2019, 62,500 of his performance rights was converted to ordinary shares, with the remaining 437,500 cancelled.

During the 2020 financial year, on the second anniversary of the Company's AIM listing, 1,250,000 performance rights vested and was converted into ordinary shares. 1,250,000 remained outstanding at the reporting date.

The fair value at grant date of the performance rights was estimated at GBP 0.0564 per performance right. These performance rights remained on issue at reporting date. Subsequent to reporting date, the Company converted both series 21 and 22 into ordinary shares.

Rights Series 25
During the period, the Company issued 2,250,000 Performance Rights to employees under its Short-Term Incentive Plan with the same performance criteria as the performance rights currently in issue with vesting conditions based on required service periods. These Performance Shares vests a third on award, a third after 1 year of continuous service and a third after 2 years continuous service.

Employee	Series 25
Gavin Chamberlain (COO)	850,000
Andrey Maruta (CFO)	200,000
Other employees	1,200,000
Total	**2,250,000**

The fair value of the Performance Rights is estimated at GBP 0.0615 per Performance Right, calculated based on the share price at grant date using the Cox, Ross and Rubinstein Binomial Option Pricing Model. The input used in the measurement of the fair value at grant date were as follows:

Input into the model	Series 25
Grant date spot price	GBP 0.0615
Expected volatility	99.7%
Life of performance right	5 years
Grant date fair value	GBP 0.0615

Share based payment arrangements in existence

The following options from share-based payment arrangements were in existence during the current and prior periods:

	Grant Date	Vesting Date	Number of Options	Expiry Date	Fair Value at Grant Date	Exercise Price
Option Series 31 *	27/06/2018	*Refer Below*	17,200,000	27/06/2028	GBP 0.0518	GBP 0.11
Option Series 32 **	27/06/2018	*Refer Below*	4,000,000	27/06/2020	GBP 0.0241	GBP 0.11
Option Series 33 ***	17/07/2019	*17/07/2028*	26,900,000	17/07/2024	GBP 0.007	GBP 0.022
Options Series 34, 35 and 36 ****	15/09/2019	*15/09/2022*	33,000,000	01/01/2024	GBP 0.0092	GBP 0.022

* *Option Series 31 were modified and replaced by Option Series 33 in the prior year*

** *Option Series 32 were granted to David Hathorn. The options expired on 26 June 2020 and were not exercised.*

*** *Option Series 33 were issued in the year ended 30 September 2019 to Brad Sampson. All 26,900,000 remained outstanding at year end.*

**** *The Board approved the grant of 33,000,000 unlisted options to certain employees on 5 September 2019 under the Company's Long Term Incentive Plan. The options were issued on 25 June 2020 in accordance with the Company's Long Term Incentive Plan. The options vest over 3 years on a one third basis per annum. These include the award of 12,000,000 options to each of Gavin Chamberlain (Chief Operating Officer) and Andrey Maruta (Chief Financial Officer). All 33,000,000 were outstanding at year end.*

The following Performance Rights from share-based payment arrangements were in existence during the current and prior periods:

	Grant Date	Vesting Date	Number of Rights	Expiry Date	Fair Value at Grant Date
Rights Series 7	07/12/2015	*Refer below*	5,000,000	06/12/2020	AUD 0.1753
Rights Series 9	6/07/2016	*Refer below*	8,500,000	30/06/2021	AUD 0.1867
Rights Series 12	29/05/2017	*Refer below*	2,000,000	31/05/2022	AUD 0.1700
Rights Series 13	31/05/2017	4 June 2018	660,000	31/05/2022	AUD 0.1700
Rights Series 14	29/05/2017	*Refer below*	4,482,005	31/05/2022	AUD 0.1700
Rights Series 15	29/05/2017	*Refer below*	11,734,853	31/05/2022	AUD 0.17 / AUD 0.104
Rights Series 16	27/06/2018	*Refer below*	1,500,000	22/05/2022	GBP 0.0564
Rights Series 17	27/06/2018	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 18	27/06/2018	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 19	27/06/2018	*Refer below*	750,000	22/05/2022	GBP 0.0564
Rights Series 20	27/06/2018	*Refer below*	750,000	22/05/2022	GBP 0.0564

Rights Series 21	27/06/2018	*Vested Immediately*	500,000	22/05/2022	GBP 0.0564
Rights Series 22	27/06/2018	*Vested Immediately*	1,050,000	22/05/2022	GBP 0.0564
Rights Series 25	17/03/2020	*Refer below*	2,500,000	17/03/2025	GBP 0.0615

NOTE 22: LOSS PER SHARE

Classification of securities as ordinary shares
The Company has only one category of ordinary shares included in basic earnings per share.

Classification of securities as potential ordinary shares – share options and rights outstanding
The Company has granted 59,900,000 share options in respect of a total of ordinary shares at 31 December 2020 (31 December 2019: 30,900,000), equity warrants (31 December 2019: 30,900,000) and 13,809,000 performance rights (31 December 2019: 28,193,108). Options, equity warrants and rights are considered to be potential ordinary shares. However, as the Company and Group are in a loss position they are anti-dilutive in nature, as their exercise will not result in a diluted earnings per share that shows an inferior view of earnings performance of the Company and Group than is shown by basic earnings per share. The options warrants and performance rights have not been included in the determination of basic earnings per share.

	Parent		**Consolidated Entity**	
	Dec 2020 USD Cents	**Dec 2019 USD Cents**	**Dec 2020 USD Cents**	**Dec 2019 USD Cents**
Basic and diluted loss per share from continuing operations	(0.04)	(1.68)	(0.17)	(0.36)

	Parent		**Consolidated Entity**	
Earnings reconciliation	**Dec 2020 USD**	**Dec 2019 USD**	**Dec 2020 USD**	**Dec 2019 USD**
Loss attributable to ordinary shareholders	(1,022,927)	(19,593,519)	(3,141,042)	(4,204,007)

	Parent		**Consolidated Entity**	
	Dec 2020 Number	**Dec 2019 Number**	**Dec 2020 Number**	**Dec 2019 Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,796,239,418	1,163,030,183)	1,796,239,418	1,163,030,183

Headline earnings/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 year. During the current and prior year 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.

NOTE 23: CONTINGENT LIABILITIES

There has been one commercial dispute settled in the 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.

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

Former Country Manager Guy De Grandpre's lawyer has requested that the Company settle at an amount of approximately USD 850,000 for unfair dismissal, which the Company denies.

The Group considers that this claim has no reasonable legal basis. Should legal proceeds commence, the Group proposes to contest the matter.