

Kore Potash Plc
(Incorporated in England and Wales)
Registration number 10933682
ASX share code: KP2
AIM share code: KP2
JSE share code: KP2
ISIN: GB00BYP2QJ94
("Kore Potash" or the "Company")

24 August 2021

Extracts from Financial Report for the Half Year Ended 30 June 2021

Kore Potash plc (KP2:AIM, KP2:ASX, KP2:JSE), 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 provide its financial statements for the half year ended 30 June 2021 (the "Period"). The full report, with accompanying notes, is available for download on the Company's website: <https://korepotash.com/investors/results-and-reports>.

HIGHLIGHTS

- On the 6 April 2021 the company signed a non-binding Memorandum of Understanding ("MoU") with Summit Africa Limited ("Summit"), on behalf of a consortium of investors and engineering firms, to arrange the total financing required for the construction of the Kola Potash Project ("Kola")
 - The MoU outlines a roadmap to optimise the capital design, fully finance and construct Kola via a mix of debt and royalty financing.
 - The MoU was signed in the Minister of Mines offices in Brazzaville with the Minister and his key staff present. Under the proposed financing arrangements, the RoC Government retain their 10% shareholding in the Kola project.
 - During the Period, Summit and their technical partner SEPCO Electric Power Construction Corporation ("SEPCO"), signed the Optimisation Agreement to undertake a study "Optimisation Study" to reduce Kola's capital cost with a target of less than US\$1.65 billion ("Target Capex"). A team of representatives from Kore, ENFI (a key subcontractor to SEPCO) and the RoC Minister of Mines completed a Kola site visit and data handover. The optimisation study work has commenced with regular updates provided to the Kore team.
 - Under the Consortium's proposed financing structure, the Company will not be required to contribute to the capital needed to build the Kola project and will retain a 90% equity interest in Kola.
- During the Period the Company successfully raised US\$14,024,596 through equity funding.
 - On 8 April 2021, the Company successfully completed an oversubscribed fundraising. A total of 823,475,618 New Ordinary Shares were issued at the Placing Price of 1.1 pence (2.0 Australian cents) for a total value of US\$12.6 million (the "Fundraise"), exceeding the initial US\$11.0 million target.
 - Subsequent to the fundraise, the Oman Investment Authority ("OIA"), Kore's largest shareholder, in line with its rights under their investment agreement with the Company, subscribed for 92,226,613 New Ordinary Shares in the Company at the Placing Price for a total cash consideration of \$1.4 million.
- The DX DFS Phase 1 results were published on 27 May 2021 with the following highlights:
 - The Phase 1 work program for the DFS was completed on budget including the drilling of seven diamond drill holes and geochemical testing.

- Key technical studies and laboratory test work for Phase 1 of the DX DFS that were completed.
- Work has commenced to develop an improved geological model for the DX deposit incorporating all recent drilling information and is expected to be completed before the end of 2021. The completion of this work may result in a re-estimation of the DX Mineral Resources.
- Cash and cash equivalents, at 30 June 2021 was US\$14,163,074.
- The exploration and evaluation asset at 30 June 2021 was US\$170,592,485 a decrease of US\$1,433,265 from US\$172,025,750 at 31 December 2020 due to the strengthening of the RoC currency. During the Period the Company capitalised US\$3,957,328 in exploration and evaluation expenditure.
- The Coronavirus ("COVID-19") pandemic is ongoing and it did not have a material impact on the Company's operations during the Period.
- During the Period the Company did not renew the Sintoukola 2 exploration permit. The Company had not done any exploration work on the Sintoukola 2 permit area and continues its focus on the development of the Kola and DX projects.

Salient financials required to be disclosed under the JSE Listings Requirements

	Six months ended 30 June 2021	Six months ended 30 June 2020	Change
Interest income (USD)	9,803	27,468	(17,665)
Loss for the period (USD)	1,290,440	1,320,961	(30,521)
Headline loss per share (USD cents)	(0.05)	(0.09)	0.04
Basic loss per share (USD cents)	(0.05)	(0.09)	0.04
Diluted loss per share (USD cents)	(0.05)	(0.09)	0.04

Short-form announcement

This short-form announcement is the responsibility of the board of directors of Kore Potash and is a summarised version of the group's full announcement and financial report and as such, it does not contain full or complete details pertaining to the group's half-year results for the period ended 30 June 2021.

Any investment decision should be made after taking into consideration the full announcement and the financial report for the half-year ended 30 June 2021. The full announcement and the financial report for the half-year ended 30 June 2021 is available on the JSE's website at:

<https://senspdf.jse.co.za/documents/2021/jse/isse/kp2e/KP2HY21.pdf> and on the group's website at <https://korepotash.com/investors/results-and-reports/>.

The full announcement and financial report for the half-year ended 30 June 2021 can be requested via direct message under the contact section on the company website at <http://www.korepotash.com/contacts/>.

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