

**KORE POTASH LIMITED**

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DIRECTORS

Chairman: David Hathorn
Managing Director: Sean Bennett
Non-exec Director: Jonathan Trollip
Non-exec Director: Leonard Math
Non-exec Director: Timothy Keating
Non-exec Director: Pablo Altimiras

ASX CODE

K2P

ISSUED CAPITAL

(As at 26 April 2017)
733.8m Ordinary Shares

KORE CLOSSES US\$5.0m EQUITY INVESTMENT AT A SIGNIFICANT PREMIUM

Perth, Australia, 27 April 2017 – Kore Potash Limited (ASX: K2P) ('Kore' or the 'Company') is pleased to announce that it has successfully closed a US\$5.0m equity raising with Summit Investments PCC ('Summit') at A\$0.25 per share, a significant premium to the current share price and reflecting the value attributed by Summit to the Company's progress including on the DFS and recent drilling results.

The investment reflects Summit's long held interest in Kore. Summit had sought to invest in Kore alongside Sociedad Quimica y Minera de Chile S.A. ("SQM") and State General Reserve Fund of Oman ("SGRF") but was unable to complete an investment at that time as set out in the Company's announcement dated 1 November 2016. In recognition of the progress the Company has made since 16 November 2016, Kore was able to secure improved terms from Summit compared to those offered to SQM and SGRF. These revised terms reflect:

- The financial strength of the Company following the raising of the US\$45m strategic investment in November 2016
- The conclusion of the Kola DFS negotiations with the French Consortium
- The commencement of the Kola DFS
- The successful completion of the drilling at Kola

The Summit revised terms are as follows:

- An equity investment of US\$5.0m at an issue price of A\$0.25 per fully paid ordinary share, a 56% premium to the closing price on 26 April 2017 and a 25% increase from the A\$0.20 price in the original proposed transaction,
- Summit will also receive 5.0m options, exercisable at A\$0.30 by 15 November 2019, as per the original proposed transaction.



The funds raised will be utilised alongside the balance of the strategic investment funding received to further the progress of the DFS as well as to carry out the additional exploration drilling at Dougou Extension.

The placement will be made using Kore's existing 15% placement capacity and shareholder approval will not be sought.

Sean Bennett, Chief Executive Officer of Kore, commented,

"I am really pleased that Summit is now able to make this investment, having been instrumental in the whole transaction completed last year. The investment at a significant premium to the market price reflects their recognition of the work we have been doing over the last year or so and the underlying value we have created."

Hannes Soll, Chief Investment Officer for Summit, indicated,

"Summit has always regarded Kore as one of the leading Potash projects in the world, not only in terms of the resource quality but also its proximity to major off-takers. These factors, combined with the strength of the anchor investors, the French Consortium and Management Team, make it what we consider should become a world leading Potash resource company."

www.summitafrica.com

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Contacts:

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