

Kore Potash Plc

("Kore Potash" or the "Company")

AUDITED FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Kore Potash, the potash exploration and development company whose flagship asset is the Kola Project ("Kola" or the "Project"), located within the Company's 97%-owned Sintoukola Potash Project in the Republic of Congo, is pleased to provide its audited financial statements for the year ended 31 December 2017 (the "Period"). The full report is available on the Company's website, www.korepotash.com.

Highlights

- The Kola Definitive Feasibility Study ("DFS") commenced on 22 February 2017 with a world class consortium of French engineering and construction companies and is due to be completed at the end of Q2 2018 or early Q3 2018.
- An updated Mineral Resource Estimate was completed for the Kola Deposit, including a combined Measured and Indicated sylvinitic Mineral Resource of 508 Mt grading 35.4% KCl, making Kola one of the highest grading potash deposits globally.
- A Mining Convention was signed on 8 June 2017 by the Government covering Kola, Dougou and Dougou Extension.
- The Scheme of Arrangement between Kore and its shareholders, in relation to the re-domicile from Australia to the UK, was approved by shareholders on 27 October 2017, the Federal Court of Australia on 6 November 2017, and was implemented on 20 November 2017. As a result Kore Potash plc is the new parent and Kore Potash Limited is the wholly-owned subsidiary of Kore Potash plc. Kore Potash plc was listed on the ASX on 7 November 2017 with Kore Potash Limited being removed from the official list of ASX Limited on 1 December 2017.
- Kore received a Letter of Support from BPIFrance Assurance Export ("BPIFrance") for French export credit insurance for the French component of the procurement for the Kola project construction which is estimated to be in the region of US\$500-700m.
- On 26 March 2018 Kore raised a total of US\$13.14m from new and existing investors via a share placing, direct subscription and the issuance of a convertible loan note for USD 0,25m which is expected to convert to equity subject to shareholder approval at Kore's next AGM.
- On 29 March 2018 Kore was listed on the AIM market of the London Stock Exchange as well as the Johannesburg Stock Exchange having appointed Canaccord Genuity Limited as its adviser in the UK and Rencap Securities (Pty) Limited in South Africa.

Sean Bennett, CEO, commented that:

"I am pleased to report on what has been a very positive year for Kore Potash. We have made significant strides both operationally and in terms of corporate activity. In addition, we have made a number of key hires, who I have been delighted to welcome to the Company."

“The Kola, Dougou, and Dougou Extension assets have extremely high potential with exceptional grades, shallow depth, and convenient proximity to the coast – we look forward to reporting on the DFS, which is on track for completion later in the summer

“Following the period end we have completed our listings on AIM and on the JSE, which is another vital staging post in the Company’s development and puts us in a very strong position looking at the next stage of financing for the project.”

ENDS

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Footnotes

1. Announcement dated 23 January 2017: Drilling at Kola intersects very high-grade sylvinite of 58.9% KCl
2. Announcement dated 7 March 2017: Further Excellent Sylvinitic Intersections in drill-holes at Kola; Drilling about to commence at the very High Grade Dougou Extension Prospect
3. Announcement dated 7 December 2017: High grade assay results returned for Kola
4. Announcement dated 6 July 2017: Updated Mineral Resource for the High Grade Kola Deposit
5. NI 43-101 Technical Report. PFS for the Kola Deposit, 17 September 2012 (SRK Consulting)
6. Announcement dated 20 October 2014: Elemental Minerals Announces Exceptional Results from Dougou Yangala Drilling
7. Announcement dated 11 September 2017: Dougou Extension Prospect Sylvinitic intersections up to 8.8 m thick within a zone of 8 by 5 km, open laterally
8. Announcement dated 18 May 2017: Dougou Mining Lease granted
9. Announcement dated 17 February 2015: Results for the Dougou Potash Project Scoping Study
10. Announcement dated 27 January 2015: Elemental Minerals Announces an Exploration Target for the High Grade Sylvinitic Hangingwall Seam at the Yangala Prospect

Corporate activities

- Kore closed a \$5m raising at AU\$0.25 from Summit at a significant premium to that initially envisaged as part of the November 2016 strategic investment (AU\$0.25 compared to AU\$0.20).
 - The Summit revised terms were as follows
 - An equity investment of US\$5m at a share price of AU\$0.25
 - Summit also received 5m options at AU\$0.30.
- The Scheme of Arrangement between Kore and its shareholders, in relation to the redomicile from Australia to the UK, was approved by shareholders on 27 October 2017, the Federal Court of Australia on 6 November 2017, and was implemented on 20 November 2017.
- Following the period end, Kore raised a total of US\$12.89m from existing and new investors (“Placees”) through the placing and direct subscription of 83,523,344 ordinary shares (“Placing Shares”) in the Company at a placing price of AU\$0.20 per new Ordinary Share. In addition, the Company raised US\$250,000 from the Chairman, Mr David Hathorn, through a convertible loan note that will convert into Ordinary Shares on the same terms as the Placing Shares, upon shareholder approval at the next general meeting of the Company (collectively the “Fundraise”). Placees with Placing Shares on AIM were granted 8,250,000 equity warrants and Placees with Placing Shares on JSE will be granted 4,644,659 equity warrants pending SARB approval if such approval is required, on the basis of one equity warrant for every US\$1.00 invested in the Placing exercisable at AU\$0.30 for one ordinary share with a 3 year subscription period.
- In May 2017, Kore appointed John Crews as its Chief Financial Officer. John was previously Chief Financial Officer and Chief Operating Officer at UBS South Africa. In addition, he was also responsible for the finance function across MENA, Israel, Turkey and Nigeria and also served on a number of boards within the region. John graduated from the University of Orange Free State and qualified as a Chartered Accountant with KPMG in 1997.
- Gavin Chamberlain joined Kore as Chief Operating Officer in October 2017. Gavin was Director of Operations at Amec Foster Wheeler Africa. He has over 30 years’ experience in the delivery of large mining projects across Africa. He also has specific experience as Project Director in executing a US\$2.2bn uranium project in Africa. His other roles include time spent in civil construction, project management and as managing director of an EPC construction company focussed on mining. Gavin qualified with a BSc (Eng) Civil Engineering degree and is a registered Professional Engineer with the Engineering Council of South Africa. He is also a registered Professional Project Manager with PMI and is registered as a Construction Project Management Professional with the SACPCMP.
- Mr David Netherway was appointed as an independent Non-Executive Director of the Company in December 2017. Mr Netherway 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, Siguiiri, Kiniero, Samira Hill & Bonikro gold mines in West Africa and has extensive international mining experience including in Australia, Canada, China, Kazakhstan, Brazil, India, Nepal, Oman and Malaysia. 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. He has held senior management positions in a number of mining companies, including Golden Shamrock Mines, Ashanti Goldfields Ltd and Semafo Inc. Mr Netherway is currently the Chairman of Altus Strategies plc. (AIM: ALS), Canyon Resources Ltd (ASX: CAY) and Kilo Goldmines Ltd (TSX-V: KGL) and a Non-Executive Director of Avesoro Resources Inc. (TSX & AIM: ASO).

- BPIFrance, the French government export credit agency, has issued a Letter of Support (“LoS”) confirming in principle support under the export credit insurance guarantee scheme of the French State (“ECA cover”) for the construction of the Kore Group’s flagship potash development asset, Kola. The LoS is based on the construction of Kola through an Engineering, Procurement and Construction (“EPC”) contract with the existing consortium of French engineering and construction companies, and the EPC having substantial French content. The LoS is subject to further in-depth due diligence and is not legally binding. Kore Potash and the French Consortium (“FC”) estimate that the French element of procurement for the construction, which will be eligible for ECA financing, will be in the region US\$500-700m. The Company is also in discussions with other ECAs in relation to the provision of additional ECA financing.

Operational and exploration activity

DFS Scope and Update

The Definite feasibility study is now 81% complete and scheduled for completion late Q2 early Q3 2018. This study addresses the bulk infrastructure, mining, ore transport, processing plant and marine export of product. The bulk infrastructure is looking at power supply from the existing power station via a new overhead power line, the installation of a gas pipeline from the existing gas facility at M’boundi, the construction of new and upgrade of some exiting roads to facilitate both the construction of the project and serve the longer-term requirements of operations.

The mining is a conventional underground potash mine accessed through 2 vertical shafts. The one shaft for intake air and men and material access. The other shaft is for exhaust air and two high lift conveyors to get the ore out of the mine. The mine will have underground workshop facilities so once the equipment goes underground it will remain there for its life. The production schedule is based on 5 working faces at steady state production. The ore transport from the mine to the process plant is via a 35km overland conveyor. This conveyor has been designed with the requirements of the ESIA for animal movement and community access to land in mind.

The processing plant will be capable of producing 2mtpa of an 80/20 split between granular and standard MOP. The lower impurities found in this orebody in relation to other potash ore bodies has required some additional test work to be completed to validate the float portion of the plant. The marine facilities have been designed to allow transshipment of product via a dedicated jetty with barge loading facility, protected by its own breakwater. The barges then take the product to a transshipment zone where it is transferred to ships for export.

Kola Sylvinite Project

Exploration

During 2017, six drillholes were completed at the Kola Deposit, totalling 2061.7 metres. The program was highly successful; all except one contained high grade sylvinite and results included the highest grading intersections to date for the project.

EK_49 to EK_51 were drilled to provide additional data to support the update to the Kola Mineral Resource Estimate. The results of these holes were reported on the 23rd of January¹ and 7th March 2017². All contained Sylvinite of mineable thickness, including and intersection of Hangingwall Seam (HWS) of 4.05 m grading 63.0% KCl (initially reported as being 58.9% KCl based on gamma data).

EK_52 to EK_54 were drilled to test for extensions and new areas of sylvinite HWS at Kola. EK_52 was unsuccessful intersecting carnallite only. EK_53 and EK_54 were very successful, both intersecting very high grade sylvinite³ (Table 1). These two holes were located 1.5 and 7.0 km southeast 'on strike' from the current Measured and Indicated Resource, thereby demonstrating the potential opportunity for significant expansion of the Kola deposit and the presence of areas of exceptional grade. They highlight the possible future upside to the project economics if further exploration is carried out and is successful.

Table 1. Sylvinite intersections in all holes drilled at Kola during 2017

Drillhole	Depth from (m)	Depth to (m)	true thickness (m)	Seam	grade (KCl%)
EK_49	255.9	259.9	4.1	HWS	63.0
EK_50	252.6	254.4	1.9	US	26.9
EK_51	267.5	272.4	4.7	US	36.8
EK_51	276.1	281.6	5.3	LS	28.2
EK_52	no sylvinite				
EK_53	350.6	353.0	2.2	HWS	61.9
EK_54	297.2	300.5	3.3	HWS	60.0

Kola Mineral Resource Estimate (MRE)

On 6 July 2017 an updated MRE was announced for the Kola Deposit⁴, including a combined Measured and Indicated Sylvinite Mineral Resource of 508 Mt grading 35.4% KCl (Table 2). This estimate provides the basis for the ongoing Kola DFS. The MRE was completed by Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group. An MRE for carnallite was also made (Table 3) though is not part of the current mine plan.

The lower tonnage compared with the 2012 Measured and Indicated resource (Table 3) reflects an adjustment to the extent of the Indicated Resource category, and the use of true thickness for dipping intersections. This is largely offset by the 7% higher grade which, at over 35% KCl is on par with the world's highest grading operating potash mines. The Indicated resource includes 29.6 Mt of Sylvinite HWS with an average grade of 58.5% KCl. The deposit remains open in most directions, as demonstrated by the results of the exploration drill-holes EK_53 and EK_54 described above.

Table 2. July 2017 MRE for Kola sylvinite by seam

July 2017 - Kola Deposit Potash Mineral Resources - SYLVINITE					
		Million Tonnes	KCl	Mg	Insolubles
			%	%	%
Hangingwall Seam	Measured	–	–	–	–
	Indicated	29.6	58.5	0.05	0.16
	Meas. + Ind.	29.6	58.5	0.05	0.16
	Inferred	18.2	55.1	0.05	0.16
Upper Seam	Measured	153.7	36.7	0.04	0.14
	Indicated	169.9	34.6	0.04	0.14
	Meas. + Ind.	323.6	35.6	0.04	0.14
	Inferred	220.7	34.3	0.04	0.15
Lower Seam	Measured	62.0	30.7	0.19	0.12
	Indicated	92.5	30.5	0.13	0.13
	Meas. + Ind.	154.5	30.6	0.15	0.13
	Inferred	59.9	30.5	0.08	0.11
Footwall Seam	Measured	–	–	–	–
	Indicated	–	–	–	–
	Meas. + Ind.	–	–	–	–
	Inferred	41.2	28.5	0.33	1.03

Total Measured + Indicated sylvinite	507.7	35.4	0.07	0.14
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Total Inferred sylvinite	340.0	34.0	0.08	0.25
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Tonnes are rounded to the nearest hundred thousand. The average density of the sylvinite is 2.10. Structural anomaly zones have been excluded. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.

Changes to Potash Mineral Resources and Reserves

Table 3 provides a comparison of the Company's Mineral Resources and Mineral Reserves, year-on-year between 2016 and 2017, as per ASX Listing rule 5.21.4. The Kola MRE has changed following the update in July 2017. The Dougou MRE remains unchanged since 2015. The following are noted:

- The Company's total potash Mineral Resources have increased from 5.32 Bt to 5.95 Bt reflecting an increase in the Inferred resource of carnallitite at Kola.
- The combined Measured and Indicated resources for sylvinitite and carnallitite have decreased slightly from 2.39 Bt to 2.36 Bt.
- The Measured and Indicated resource for Sylvinitite only has reduced from 573 Mt to 508 Mt but at a 7% higher grade.
- The updated mineral reserves will be announced after completion of the ongoing Kola DFS, by early Q3 2018. The 2012 PFS defined proven and probable reserves of 152 Mt grading 31.7% KCl. As a formality, the latter are no longer reported as reserves, being considered an 'historical estimate'.

Table 3. Comparison of Potash Mineral Resources and Potash Mineral Reserves year-on-year between 2016 and 2017

POTASH MINERAL RESOURCES END 2016					END 2017		
	Category	Million Tonnes	Grade (KCl %)	Contained KCl (million tonnes)	Million Tonnes	Grade KCl %	Contained KCl (million tonnes)
Kola Sylvinitite Deposit	Measured	264	33.7	89	216	34.9	75
	Indicated	309	32.6	101	292	35.7	104
	Measured + Indicated	573	33.1	190	508	35.4	180
	Inferred	475	32.5	154	340	34.0	116
	TOTAL		1,048	32.8	344	848	34.8
Kola Carnallitite Deposit	Measured	295	17.8	53	341	17.4	59
	Indicated	449	18.7	84	441	18.7	83
	Measured + Indicated	744	18.3	137	783	18.1	142
	Inferred	473	18.8	89	1,266	18.7	236
	TOTAL		1,217	18.5	226	2,049	18.5
Dougou Carnallitite 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
TOTAL	Measured	707	24.2	171	705	23.3	165

MINERAL RESOURCES	Indicated	1,678	22.3	375
	Measured + Indicated	2,385	22.9	546
	Inferred	2,936	22.3	656
	TOTAL	5,321	22.6	1,202

	1,653	22.8	377
	2,358	23.0	542
	3,594	21.3	766
	5,953	22.0	1,307

POTASH MINERAL RESERVES END 2016				
	Category	Million Tonnes	Grade (KCl %)	Contained KCl (million tonnes)
Kola Sylvinite Deposit	Proven	87.9	31.7	28
	Probable	63.8	31.7	20
	TOTAL	151.7	31.7	48

END 2017		
Million Tonnes	Grade (KCl %)	Contained KCl (million tonnes)
-	-	-
-	-	-
-	-	-

Notes: The Mineral Resource estimates are reported in accordance with the JORC code 2012 edition. The Kola Mineral Resource was reported on the 6 July 2017, and was prepared by Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group. Resources are reported at a cut-off grade of 10% KCl. The Dougou Mineral Resource was prepared by ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau mbH ("ERCOSPLAN") and reported in the ASX announcement dated 9 February 2015. The form and context of the Competent Person's findings as presented in this document have not materially changed since the resource was first reported. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral resources are considered to have reasonable expectation for eventual economic extraction using underground mining methods. The Kola Mineral Reserve, now considered a historical estimate, was first reported on the 19 September 2012 as defined by a Pre-Feasibility Study completed by SRK Consulting⁵

Dougou Extension Prospect

Strong results from exploration at Dougou Extension Prospect

In March 2017 the Company commenced drilling to follow up on two previous drill-holes ED_01 and ED_03 (drilled in 2012 and 2014) both of which contained intersections of sylvinites hosted by the HWS of 57.7% and 59.5% KCl over thickness of 4.5 and 4.2 m respectively⁶.

Between March and September 2017, the Company completed an additional 4 widely-spaced (2 to >4 km) holes (DX_01 to DX_04) totalling 1938.8 metres. As reported on September 11 2017, three of these holes intersected layers of flat-lying sylvinites⁷. DX_01 returned 8.75m grading 27.2% KCl hosted by the Top Seam, a layer found 12-15 m above the HWS. DX_03 (5km away from DX_01) intersected the same seam giving 4.87m grading 29.9% KCl. Drillhole DX_02 contained HWS grading 61.6% KCl but of a thickness of 0.93m.

The results of the 2017 drilling confirmed the widespread presence of sylvinites but that it is largely hosted by the Top Seam *in addition* to the HWS. The area delineated by all six of the Company's holes to date at the Prospect, is approximately 8km by 5km and open laterally.

Based on the exploration to date, the Company is of the view that Dougou Extension has the potential to host a second high-grade sylvinitic deposit which would add to the Company's flagship Kola Potash Deposit. For the potential delineation of mineral resources further exploration is required; none is planned at present as the Company is focussed on the completion of the Kola DFS.

Dougou Mining Licence awarded

The Company's 97% owned RoC subsidiary Sintoukola Potash SA (SPSA) was awarded a Mining Licence for Dougou⁸, which includes the Dougou Carnallite Deposit and the Dougou Extension Prospect. The Licence was issued on 9 May 2017 under decree 2017-139 issued for a period of 25 years from the Gazette date of 18 May 2017. The licence covers 456 km². A Scoping Study completed for the Dougou Deposit in 2015 indicated favourable economics based on solution mining of the carnallite⁹.

New Exploration Permit

SPSA was awarded a new Exploration Licence, Sintoukola 2, by Presidential Decree 2018-34 dated 9 February 2018 granting exploration rights for 3 years which can be renewed twice for periods of 2 years each, covering an area of 294.4km² adjoining the Dougou Mining Lease, covering prospective ground for sylvinitic to the northwest of the latter. Having now received the adjoining Sintoukola 2 Exploration Permit which adjoins the Dougou Extension Prospect the Company plans to update the Exploration Target first reported in 2012¹⁰, using all available drillhole and seismic data.

Forward-Looking Statements

This news release 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 news release 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.

Competent Person Statement

The information relating to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves, and the results of economic studies, is extracted from previous reports, as referred to in footnotes herein, and available to view on the Company's website. 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.

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2017, and parent company statement of profit or loss, and other comprehensive income for the 5 month period ended 31 December 2017

	Parent	Consolidated Entity	
	Dec 2017	Dec 2017	Dec 2016
	USD	USD	USD
Continuing Operations			
Other income	-	50,858	20,949
Net realised and unrealised foreign exchange gains	-	2,864,226	213,582
Directors remuneration	-	(365,371)	(310,501)
Equity compensation benefits	(75,546)	(1,919,924)	(1,777,625)
Salaries, employee benefits and consultancy expense	-	(1,595,607)	(1,243,365)
London listing and re-domicile expenses	-	(1,549,554)	-
Administration expenses	(16,774)	(1,746,603)	(1,156,793)
Interest and finance expenses	-	(39,378)	(5,913)
Loss before income tax expense	(92,320)	(4,301,353)	(4,259,666)
Income tax	-	(42,969)	-
Loss for the year from continuing operations	(92,320)	(4,344,322)	(4,259,666)
Other comprehensive income/(loss)			
Items that may be classified subsequent to profit or loss			
Exchange differences on translating foreign operations	-	13,590,884	(3,360,183)
Other comprehensive income/(loss) for the year	-	13,590,884	(3,360,183)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	(92,320)	9,246,562	(7,619,849)
Loss attributable to:			
Owners of the Company	(92,320)	(4,344,322)	(4,259,666)

	<u>(92,320)</u>	<u>(4,344,322)</u>	<u>(4,259,666)</u>
<i>Total comprehensive (loss)/income attributable to:</i>			
Owners of the Company	(92,320)	9,246,562	(7,619,849)
	<u>(92,320)</u>	<u>9,246,562</u>	<u>(7,619,849)</u>
Basic and diluted loss per share (cents per share)		(0.57)	(0.91)

Statements of financial position as at 31 December 2017

	Parent Dec 2017 USD	Consolidated Entity Dec 2017 USD	Dec 2016 USD
CURRENT ASSETS			
Cash and cash equivalents	-	16,455,490	42,609,786
Trade and other receivables	65,631	299,399	208,465
TOTAL CURRENT ASSETS	<u>65,631</u>	<u>16,754,889</u>	<u>42,818,251</u>
NON CURRENT ASSETS			
Trade and other receivables	-	139,163	86,889
Property, plant and equipment	-	413,801	374,316
Exploration and evaluation expenditure	-	140,254,520	95,798,269
Investment in subsidiary	139,350,094	-	-
TOTAL NON CURRENT ASSETS	<u>139,350,094</u>	<u>140,807,484</u>	<u>96,259,474</u>
TOTAL ASSETS	<u>139,415,725</u>	<u>157,562,373</u>	<u>139,077,725</u>
CURRENT LIABILITIES			
Trade and other payables	10,000	3,276,317	200,736
TOTAL CURRENT LIABILITIES	<u>10,000</u>	<u>3,276,317</u>	<u>200,736</u>
NON CURRENT LIABILITIES			
Trade and other payables	6,774	-	-
TOTAL NON CURRENT LIABILITIES	<u>6,774</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>16,774</u>	<u>3,276,317</u>	<u>200,736</u>
NET ASSETS	<u>139,398,951</u>	<u>154,286,056</u>	<u>138,876,989</u>
EQUITY			
Contributed equity – Ordinary Shares	771,396	771,396	200,572,926
Redeemable Preference Shares	65,631	65,631	-
Reserves	138,654,244	206,805,823	13,941,197
Accumulated losses	(92,320)	(53,356,794)	(75,637,134)
TOTAL EQUITY	<u>139,398,951</u>	<u>154,286,056</u>	<u>138,876,989</u>

Statements of cash flow for the year ended 31 December 2017

	Parent 31 Dec 2017 USD	Consolidated Entity 31 Dec 2017 USD	31 Dec 2016 USD
CASH FLOWS FROM OPERATING ACTIVITIES			

Payments to suppliers	-	(4,957,110)	(2,626,531)
Net cash used in operating activities	-	(4,957,110)	(2,626,531)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(94,262)	-
Payments for exploration activities	-	(28,023,569)	(6,301,673)
Interest received	-	50,858	20,949
Net cash used in investing activities	-	(28,066,973)	(6,280,724)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares (net of costs)	-	4,176,950	48,311,106
Net cash provided by financing activities	-	4,176,950	48,311,106
Net (decrease)/increase in cash & cash equivalents held	-	(28,847,133)	39,403,851
Cash and cash equivalents at beginning of financial year	-	42,609,786	3,058,606
Foreign currency differences	-	2,692,837	147,329
Cash and cash equivalents at end of financial year	-	16,455,490	42,609,786

The transactions for Kore Potash plc were executed and fully funded by its subsidiary, Kore Potash Limited.