



KORE POTASH – REVIEW OF OPERATIONS FOR THE QUARTER ENDED 31 DECEMBER 2018

London, England – 31 January 2019 – Kore Potash plc (ASX: KP2, AIM: KP2, JSE: KP2) ("Kore Potash" or "the Company"), the potash exploration and development company whose flagship asset is the 97%-owned Sintoukola Potash Project ("Kola" or the "Project"), located within the Republic of Congo ("RoC"), provides the following quarterly update, for the period to 31 December 2018 (the "Quarter").

HIGHLIGHTS

- The Company completed its review of the Kola Definitive Feasibility Study ("DFS") and released a summary of results to Shareholders on 29 January 2019.
- The DFS determined Proved and Probable Ore Reserves totalling 152 Mt with an average grade of 32.5% KCl for the Kola Sylvinite Deposit, reported in accordance with the JORC Code (2012 edition).
- The Mining Convention covering the proposed staged development of the Kola and Dougou Mining Licenses has been gazetted into law following ratification by the Parliament of the RoC.
- The Company announced Exploration Targets for the potential extensions to the Kola and Dougou Extension sylvinite deposits.
- The amended Kola environmental and social impact assessment (the "ESIA") was completed and submitted to the regulator for their review prior to submission to the Minister of Environment for approval.
- At the end of the Quarter the Company held USD 6.2 million cash at bank.

OPERATIONAL ACTIVITIES

The Kola Potash Project

- The Company completed its review of the Kola Definitive Feasibility Study ("DFS") and released a summary of results to Shareholders on 29 January 2019. As part of the DFS, Met-Chem, a division of DRA Americas Inc., (a subsidiary of the DRA Group) completed an Ore Reserve Estimate for the Kola sylvinite Deposit. The combined total Ore Reserves are 152 Mt of sylvinite grading 32.5% KCl (Table 1.), hosted within 3 layers ('seams'). Details of the Ore Reserve estimate are provided in the market announcement dated 29 January 2019.

Ore Reserve Category	Gross			Net Attributable (97%)		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Proved	62	32.1	20	60	32.1	19
Probable	91	32.8	30	88	32.8	29
TOTAL	152	32.5	50	148	32.5	48

Table 1. Ore Reserves for the Kola Sylvinite Deposit, provided as gross and as 97% attributable according to Kore's shareholding.

- The French Consortium of Engineering Companies who undertook the DFS (FC) are contracted to provide the Company an Engineering, Procurement and Construction (EPC) proposal, for the construction of Kola, within 3 months of the completion of the DFS. The FC have advised the Company that an EPC proposal will be submitted within the first quarter of 2019.

Mining Convention

- The Mining Convention covering the proposed staged development of the Kola and Dougou Mining Licenses has been gazetted into law 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 mining project as well as the adjacent Dougou and Dougou Extension deposits.
- 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 Licenses, which amongst other items include import duty and VAT exemptions and agreed tax rates during mine operations.
- The Mining Convention provides strengthened legal protection of the Company's investments in the RoC through the settlement of disputes by international arbitration.

Environmental and social impact assessment ("ESIA")

- The Kola ESIA was performed during 2012 and approved on 10 October 2013 following the issuance of the certificate of environmental compliance by the Minister of Environment of the RoC. This constituted a key regulatory requirement to be granted the Kola Mining License.
- The Kola DFS design has incorporated a number of value-adding design changes since the approval of the ESIA and the Company had undertaken to amend the ESIA accordingly.
- In December, the amended ESIA was submitted to the regulator for their review, prior to the Minister of Environment's final approval. The Company anticipates receipt of the approved amended ESIA in H1 2019.

RoC regulatory requirements

- On 30 August 2018, a new Declaration d'Utilité Publique ("DUP") was gazetted. The DUP covering the entire Project land area (mine, over land conveyor, process plant and services corridors) provides the framework of compensation arrangements required under RoC laws due to Kore's activity on the land area.

- The Company continues to engage with the RoC Government on the implementation of some aspects of the the Mining Convention. This includes the intra-group transfer of the Dougou Mining License from Sintoukola Potash S.A. to the operating entity Dougou Potash Mining S.A. and the State's shareholding entitlements in Kola Potash Mining S.A. and Dougou Potash Mining S.A.

Exploration activity

- On 21 November 2018 Kore announced two Exploration Targets for sylvinitic. An Exploration Target is not a Mineral Resource but a statement of exploration potential and in this case, was based on drilling and 2D seismic survey data and the Company's understanding of the controls on mineralisation. The Exploration Targets were reported in accordance with the JORC Code (2012 edition) and are as follows:
 - Kola South; the potential southward extension of the Kola deposit has an Exploration Target of 95 to 175 Mt with an average grade of between 34 and 42% KCl.
 - DX North; the potential northward extension of the Dougou Extension Deposit has an Exploration Target of 320 to 600 Mt with an average grade of between 30 and 38% KCl.
- The potential quantity and grade of an Exploration Target is conceptual in nature and is an approximation. There has been insufficient exploration at Kola South and DX North to estimate Mineral Resources and it is uncertain if further exploration will result in the estimation of Mineral Resources.
- The Exploration Targets are immediately adjacent to the Company's existing sylvinitic Mineral Resources which total 1.08 Bt with an average grade of 35.5% KCl at the Kola and Dougou Extension Deposits.
- No field-work exploration activities were undertaken during the period.

Cash Balances

- At 31 December 2018, the company held USD 6.2 million cash at bank.

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About Kore Potash's Projects

Kore Potash is an advanced stage mineral exploration and development company whose primary asset is 97%-owned interest in the Sintoukola project, a potash project located in the Republic of Congo. The Sintoukola project comprises the Kola sylvinite and carnallite Deposits, the Dougou Extension sylvinite Deposit and the Dougou carnallite Deposit (Table 2). These deposits are within the Kola and Dougou Mining Licenses. The Sintoukola project also includes the Sintoukola 2 Exploration License.

Sintoukola is located approximately 80 km to the north of the city of Pointe Noire which has a major port facility, and within 30 km of the Atlantic coast. Sintoukola has the potential to be among the world's lowest-cost potash producers and its location near the coast offers a transport cost advantage to global fertilizer markets.

The Kola sylvinite Deposit has a Measured and Indicated sylvinite Mineral Resource Estimate of 508 million tonnes grading 35.4 % KCl. The results of a Definitive Feasibility Study ("DFS") were announced on 29 January 2019, which determined Ore Reserves of 152.4 Mt with an average grade of 32.5% KCl. The deposit is open laterally; an Exploration Target for the Southward extension of sylvinite was announced on the 21 November 2018.

The Dougou Extension sylvinite Deposit contains a total sylvinite Mineral Resource Estimate of 232 Mt grading 38.1% KCl, hosted by two seams. The Mineral Resource includes 67 Mt grading 60.1 % KCl. Dougou Extension is located 15 km southwest of Kola. The deposit is open laterally; an Exploration Target for the northward extension of sylvinite was announced on the 21 November 2018.

The Kola and Dougou Extension sylvinite Deposits are considered high grade relative to most potash deposits globally and have the advantage of having very low content of insoluble material, less than 0.3% which provides a further processing advantage.

The Dougou carnallite Deposit has a Measured and Indicated Potash Mineral Resource of 1.1 billion tonnes grading 20.6% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallite within 4 flat-lying seams. A Scoping Study was completed in February 2015. This Study indicated that a Life of Mine operating cost of US\$68 per tonne MoP was achievable.

- Muriate of Potash (MoP) is the saleable form of potassium chloride (KCl), comprising of a minimum 95% KCl.
- Sylvinite is a rock type comprised predominantly of the potash mineral sylvite (KCl) and halite (NaCl).
- Carnallite is a rock type comprised predominantly of the potash mineral carnallite (KMgCl₃·6H₂O) and halite (NaCl).

Table 2: Kore's Potash Mineral Resources and Ore Reserves, provided as Gross and Net Attributable (to Kore's 97% holding), prepared and reported according to the JORC Code, 2012 edition.

SYLVINITE DEPOSITS

KOLA SYLVINITE DEPOSIT

Mineral Resource Category	Gross			Net Attributable (97%)		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Measured	216	34.9	75	209	34.9	73
Indicated	292	35.7	104	283	35.7	101
Sub-Total Measured + Indicated	508	35.4	180	492	35.4	174
Inferred	340	34.0	116	330	34.0	112
TOTAL	848	34.8	295	822	34.8	286

Ore Reserve Category	Gross			Net Attributable (97%)		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Proved	62	32.1	20	60	32.1	19
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TOTAL	152	32.5	50	148	32.5	48

Ore Reserves are not in addition to Mineral Resources but are derived from them by the application of modifying factors

DOUGOU EXTENSION SYLVINITE DEPOSIT

Mineral Resource Category	Gross			Net Attributable (97%)		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Measured	-	-	-	-	-	-
Indicated	111	37.2	41	108	37.2	40
Sub-Total Measured + Indicated	111	37.2	41	108	37.2	40
Inferred	121	38.9	47	117	38.9	46
TOTAL	232	38.1	88	225	38.1	86

DOUGOU CARNALLITE DEPOSIT

Mineral Resource Category	Gross			Net Attributable		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Measured	148	20.1	30	144	20.1	29
Indicated	920	20.7	190	892	20.7	185
Sub-Total Measured + Indicated	1,068	20.6	220	1,036	20.6	214
Inferred	1,988	20.8	414	1,928	20.8	401
TOTAL	3,056	20.7	634	2,964	20.7	615

KOLA CARNALLITE DEPOSIT

Mineral Resource Category	Gross			Net Attributable		
	Million Tonnes	Grade KCl %	Contained KCl million tonnes	Million Tonnes	Grade KCl %	Contained KCl million tonnes
Measured	341	17.4	59	331	17.4	58
Indicated	441	18.7	83	428	18.7	80
Sub-Total Measured + Indicated	783	18.1	142	760	18.1	138
Inferred	1,266	18.7	236	1,228	18.7	229
TOTAL	2,049	18.5	378	1,988	18.5	367

Note: Table entries are rounded to the appropriate significant figure.

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.

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 available to view on the Company's website www.korepotash.com. 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 Ore Reserve Estimate for sylvinite at Kola was first reported 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 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 20 August 2018 in an announcement titled 'Maiden Sylvinite Mineral Resource at Dougou Extension'. It was prepared by Competent Person Mr. Andrew Pedley a full-time employee of Kore Potash, a registered professional natural scientist with the South African Council for Natural Scientific Professions and member of the Geological Society of South Africa. 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.