



## **KORE POTASH PLC**

# **ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

## CONTENTS

CORPORATE DIRECTORY	3
GLOSSARY	4
REVIEW OF OPERATIONS AND STRATEGIC REPORT	8
DIRECTORS' REPORT	29
CORPORATE GOVERNANCE REPORT	39
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC	73
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	83
STATEMENTS OF FINANCIAL POSITION	84
STATEMENTS OF CHANGES IN EQUITY	85
STATEMENTS OF CASH FLOWS	87
NOTES TO THE FINANCIAL STATEMENTS	88
ASX ADDITIONAL INFORMATION (UNAUDITED)	126

## CORPORATE DIRECTORY

### **COMPANY REGISTRATION NUMBER**

United Kingdom 10933682

### **NON-EXECUTIVE CHAIRMAN & CHIEF EXECUTIVE OFFICER**

David Hathorn

### **JOINT COMPANY SECRETARY**

Henko Vos

St James's Corporate Services Limited

### **PRINCIPAL & REGISTERED OFFICE (UK)**

45 Gresham Street, London EC2V 7BG

United Kingdom

Telephone: +44 (0) 203 963 1776

### **SHARE REGISTRY (UK)**

Computershare Investor Services Plc

The Pavilions, Bridgwater Road Bristol BS99 6ZZ

United Kingdom

Telephone: +44 (0) 370 702 0000

### **SHARE REGISTRY (AUSTRALIA)**

Computershare Investor Services Pty Ltd

Level 11, 172 St George's Terrace

Perth WA 6000

Telephone: +61 (0) 3 9415 4000

### **SHARE REGISTRY (JOHANNESBURG)**

Computershare Investor Services (Pty) Ltd

Rosebank Towers, 15 Biermann Avenue

Rosebank 2196, South Africa

Telephone: +27 (11) 370 5000

### **JSE SPONSOR**

Questco Corporate Advisory Proprietary Limited

Ground Floor, Block C, Investment Place

10<sup>th</sup> Road Hyde Park 2196, South Africa

Telephone: +27 (11) 011 9205

### **SECURITIES EXCHANGE LISTINGS**

London Stock Exchange (AIM)

Australian Securities Exchange (ASX)

Johannesburg Stock Exchange (JSE)

AIM, ASX and JSE Codes: KP2

ISIN: GB00BYP2QJ94

### **NON-EXECUTIVE DIRECTORS**

Jonathan Trollip

David Netherway

Wouter Poulinx (Appointed on 24 July 2023)

### **AUSTRALIAN OFFICE**

Level 3, 88 William Street,

Perth WA 6000

Telephone: +61 (8) 9463 2463

### **SINTOUKOLA POTASH S.A**

Level 3, Apartment C

91 Germain Bikoumat centre-ville route de la radio

Immeuble Abdallah

BP 662 Pointe Noire

République du Congo

Telephone: +242 22 294 1924

### **NOMINATED ADVISER AND JOINT BROKER**

SP Angel Corporate Finance LLP

Prince Frederick House, 35 - 39 Maddox Street,

London W1S 2PP

United Kingdom

Telephone: +44 (0) 20 3470 0470

### **JOINT BROKER**

Shore Capital

Cassini House, 57 St James's Street, London

SW1A 1LD

United Kingdom

Telephone: +44 (0) 20 7408 4050

### **AUDITOR**

BDO LLP

55 Baker St, London W1U 7EU

United Kingdom

Telephone: +44 (0) 20 7486 5888

### **FINANCIAL PUBLIC RELATIONS**

Tavistock Communications Limited

18 St. Swithin's Lane, London EC4N 8AD

United Kingdom

Telephone: +44 (0) 20 7920 3150

### **WEBSITE**

<https://www.korepotash.com/>

## GLOSSARY

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
\$ or USD	Denotes USD or United States dollars	The official currency of the United States of America and its territories, as well as being the functional and presentation currency of the Company and the Group.
2018 UK Code	2018 UK Corporate Governance Code	The UK corporate governance code that came into effect on 1 January 2018 and applies to accounting reference periods commencing on and after 1 January 2019.
AGM	Annual General Meeting	The mandatory yearly gathering of the Company's interested shareholders. The latest AGM was held on 20 June 2023.
AIM	AIM	AIM (formerly the Alternative Investment Market) is a market operated by the London Stock Exchange.
ASX	Australian Securities Exchange	The ASX is Australia's primary securities exchange.
AUD	Australian dollars	The official Australian currency.
Board	The board of directors of Kore Potash plc	
Carnallitite/ Carnallite	A rock type comprised predominantly of the potash mineral carnallite (KMgCl <sub>3</sub> ·6H <sub>2</sub> O) and halite (NaCl)	Carnallitite may be replaced by the word carnallite for simplicity.
CDIs	CHESS Depository Interests	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.
CEO	Chief Executive Officer	
CFO	Chief Financial Officer	
CLN	Convertible Loan Notes	Loan convertible to ordinary shares of Kore Potash Plc subject to certain conditions.
Company	Kore Potash plc (Parent Company)	Kore Potash plc is public company incorporated and registered in England and Wales (registered number 10933682).
COO	Chief Operating Officer	
COVID-19	Coronavirus 2019	An acute disease in humans caused by a coronavirus. It was originally identified in 2019 and became a pandemic in 2020.
DFS	Definitive Feasibility Study	A DFS is an evaluation of a proposed mining project to determine whether the mineral resource can be mined economically.
Dougou	Denotes the Dougou Project	The Dougou Project (including the Dougou Extension (DX) Project) is part of the Sintoukola Potash Project.
DPM	Dougou Potash Mining S.A.	DPM is located in the RoC and is one of the subsidiaries of SPSA.
DUP	Déclaration d'Utilité Publique	A DUP, or translated as a "declaration of public utility", is a formal recognition in RoC law that a proposed project has public benefits.

## GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
DX	Dougou Extension	The Dougou Extension sylvinite solution mining project.
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	
ENFI	China ENFI Engineering Corporation	
EPC	Engineering, Procurement and Construction	A particular form of contracting arrangement used in some industries where the EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.
ESIA	Environmental and social impact assessment	A process for predicting and assessing the potential environmental and social impacts of a proposed project, evaluating alternatives and designing appropriate mitigation, management and monitoring measures.
GBP	British pound sterling	The official currency of the United Kingdom.
Granular MoP	The selling description for compacted MoP	
Group	Kore Potash plc (Parent Company) and its controlled entities	A list of the controlled entities within the Group is included in Note 8.
HoA	Head of Agreement	
Insoluble material	Here refers to clays, organic material and other insoluble components of the sylvinite	Low insoluble content is considered advantageous.
JORC	Australasian Joint Ore Reserves Committee	JORC is sponsored by the Australian mining industry and its professional organisations.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves	The JORC Code is one of the most accepted standards for the reporting of a company's Mineral Resources and Ore Reserves.
JSE	Johannesburg Stock Exchange	The securities exchange, licensed under the Financial Market Act (No 19 of 2012), as amended from time to time, operated by JSE Limited.
KCl	Potassium Chloride	
KMP	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.
Kola	Denotes the Kola Project.	The Kola Project is part of the Sintoukola Potash Project.
Kore Potash	Kore Potash plc	See definition for "Company" above.
KPI	Key Performance Indicator	
KPM	Kola Potash Mining S.A	KPM is located in the RoC and is one of the subsidiaries of SPSA.
LSE	London Stock Exchange	The LSE is the primary stock exchange in the United Kingdom.

## GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
LTIP	Long Term Incentive Plan	
Mining Convention	Denotes the mining convention signed by the Group and the government of RoC	The mining convention governs the conditions of construction, operation and mine closure of the Kola and Dougou (including Dougou Extension) mining projects.
MoP	Muriate of Potash	The saleable form of potassium chloride (KCl), comprising of a minimum 95% KCl.
MoU	Memorandum of Understanding	The MoU was signed on 6 April 2021 by the Company and Summit.
Mt/Mtpa	Million tonnes/Million tonnes per annum	
NED	Non-Executive Director	Non-Executive Director of Kore Potash plc.
OIA	Oman Investment Authority (former SGRF)	OIA, is a sovereign wealth fund in Oman, and is one of the Company's substantial shareholders. Its investment in the Company is held in the name of Princess Aurora Company Pte.
Period	The current reporting period for the Annual report commencing 1 January and ending 31 December.	
Potash	Refers to potassium compounds, especially those of potassium chloride (MoP) or sulfate (SoP)	Refer to MoP and SoP for the definitions on the two main types of potash.
PFS	Pre – Feasibility Study	A PFS is a comprehensive study of a range of options for the technical and economic viability of a mining project that has advanced to a stage where a preferred mining method is established, and an effective method of mineral processing is determined. A PFS is at a lower confidence level than a Feasibility Study.
Power China	Power China International Group Limited	Power China International Group Limited (“Power China”) is a parent company of SEPCO.
RoC	Republic of Congo	The RoC is where the Group's exploration activities are located.
Rock-salt	In this case, a rock comprised predominantly of the mineral halite (NaCl)	
SBP	Share-Based Payment(s)	
SEPCO	SEPCO Electric Power Construction Corporation	SEPCO is an international engineering and construction group headquartered in Jinan, China.
Sintoukola Potash Project	Denotes the large potash project operated by the Group through SPSA located in the Kouilou Province of the Republic of Congo	The Sintoukola Potash Project includes the Kola Project, the Dougou Project and the DX Project (previously known as the Yangala Project).
SJCS	St James's Corporate Services Limited	SJCS, together with Henko Vos, are the Company's joint company secretary.

## GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
SoP	Sulfate of Potash	Also called potassium sulphate, arcanite, or archaically known as potash of sulphur. SoP is the inorganic compound with formula $K_2SO_4$ . It is a white water-soluble solid. It is commonly used in fertilizers, providing both potassium and a source of sulphur.
SPSA	Sintoukola Potash S.A.	SPSA is the Company's 97%-owned subsidiary located in the RoC, owned through the Company.
SQM	Sociedad Quimica y Minera de Chile S.A.	SQM is a New York listed Chilean lithium & potash company and is one of the Company's substantial shareholders.
Standard MoP	The selling description for uncompact MoP.	
STIP	Short Term Incentive Plan	
Summit	Summit Africa Limited	
Summit Consortium	The Summit Consortium refers to Summit, OWI Global Limited, SEPCO and their subcontractor ENFI.	
Sylvinite	A rock type comprised predominantly of the potash mineral sylvite (KCl) and halite (NaCl)	
TPA	Tonnes per annum	

## **REVIEW OF OPERATIONS AND STRATEGIC REPORT FOR KORE POTASH AND THE GROUP**

The Board of Directors of Kore Potash is pleased to present its review of its potash development Group, with 97%-ownership of Sintoukola Potash SA, the Congolese subsidiary company that holds the Kola and Dougou Potash Projects. The ROC Government is to hold 10% share of the Kola and Dougou Potash projects based on the Mining Convention however at the end of the period the transfer of ownership to the State was not complete.

The Group is developing its globally significant potash deposits in the RoC, ideally located to supply the important Brazilian agricultural market and high growth African markets. The Group's potash deposits are high grade, shallow, and close to the coast with access to infrastructure. The Sintoukola Potash Project also has district-scale development potential with over 6 billion tonnes of potash mineral resources located approximately 35 kilometres from the coast.

Feeding the world's growing population as arable land per capita declines requires increasing fertiliser application. Potassium (from potash) is a key nutrient essential for high quality and high yield food production to meet this need. As a result, the increasing demand for potash and the potential for the Group to be one of the lowest-cost suppliers of potash to Brazil and African markets puts the Group in an excellent position to increase its business value over the long term.

### **PROJECT OVERVIEW**

The Sintoukola Potash Project area contains the Kola sylvinitic and carnallite deposits, DX sylvinitic deposits and Dougou carnallite deposits. These deposits are all situated within the Kola and Dougou Mining Licenses.

The Sintoukola Basin is located approximately 80 km to the north of the city of Pointe Noire, which has a major port facility, and within 35 km of the Atlantic coast. The Sintoukola Potash Projects 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 fertiliser markets.

The Kola sylvinitic deposit has a Mineral Resource of 848 Mt with an average grade of 34.8% KCl at an average depth of approximately 250 metres below the surface. The Kola DFS was announced on 29 January 2019, which determined Proven and Probable Ore Reserves totalling 152.4 Mt with an average grade of 32.5% KCl. The deposit is open laterally and an exploration target for the southward extension of sylvinitic was announced on 21 November 2018.

A non-binding MoU for the completion of a capital optimisation study on Kola, presentation of an EPC proposal and financing for the construction of Kola was signed with the Summit Consortium and announced on 6 April 2021. On the 27 June 2022, the Company announced the Optimisation Study was completed with an optimised construction costs of USD 1.83 billion and a shortened construction schedule of 40 months. PowerChina has delivered EPC proposal and draft EPC contract on the 6<sup>th</sup> of February 2024.

The results of the updated DX PFS were announced on 24 January 2023, which determined the DX Deposit contains a total sylvinitic Mineral Resources of 129 Mt with an average grade of 24.8% KCl, Proven and Probable Ore Reserves of 9.3 Mt with an average grade of 35.7% KCl. DX is located 15 km southwest of Kola. The DX deposit is open laterally, and an Exploration Target for the northward extension of sylvinitic at DX was announced on 21 November 2018.

The Kola and DX sylvinitic deposits are high grade relative to most potash deposits globally. They contain less than 0.3% insoluble material, which provides a further processing advantage over other potash deposits.

The Dougou carnallite deposit has a Mineral Resource of 3.056 billion tonnes with an average grade of 20.7% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallite within four flat-lying seams. The Dougou deposit remains open laterally and at depth. A scoping study was completed and announced in February 2015.



## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### SUMMARY OF KEY DEVELOPMENTS

- On 24 January 2023, the Company announced an update of the JORC (2012) compliant Mineral Resource, Ore Reserve, PFS information and Production Target at the DX Project. The updated Mineral Resource incorporates the most recent drilling results and interpretation of the geophysical data.
- On 21 August 2023 the Minister of Mines wrote a letter to Kore Potash that pledges the Ministry and the Republic of Congo's support for Kore's development of its projects at Kola and Dougou. The Minister acknowledged that some of the development objectives for the Projects, as outlined in the Mining Convention, have not yet been met. He also assures the Ministry's steadfast support, in the form of a moral guarantee, to assist in addressing remaining challenges to completing the financing of Kola. The Minister reaffirmed the validity of the Company's mining tenement titles and the Mining Convention which is the operating agreement between the Company and the Government.
- This dialogue has included meetings between the Ministry and members of the Summit Consortium who intend to provide royalty and debt financing to cover the full construction cost of Kola and SEPCO who intend to construct Kola on an Engineering, Procurement and Construction contract basis.
- Throughout 2023 representatives of Kore Potash have maintained increased levels of dialogue with the Ministry of Mines, including with the Minister of State and Minister of Geology and Mining Industry, Mr Pierre Oba. This dialogue has been aimed at improving the Ministry's understanding of the Company's projects at Kola and Dougou, the capability of the intended financiers for Kola, the intended construction partner and the processes the Company must work through towards securing financing for the construction of the Kola Potash Project.
- SEPCO has had personnel living in the Republic of Congo for the past 24 months who continue dialogue with potential in-country service providers and who have conducted several Kola site visits collecting information for both the Study and the Works. Additionally, SEPCO mobilised a larger team to Kola for four months in the second half of 2023 to source additional information to enable the Works finalisation, including the planned service corridors, conveyor route, and geomechanical information on foundation materials in the proposed processing plant and infrastructure areas. These findings were presented to PowerChina in early December 2023.
- PowerChina, SEPCO and the subcontractors, in pursuit of the timeline objectives, commenced the Works before reaching an agreement with the Company on costs.
- PowerChina subcontracted five technical groups who commenced additional design and engineering works. Specific design areas included the underground mine, mineral processing jetty and transshipment operations, energy transportation and storage, conveyor systems and material handling. PowerChina advised the Company that the Works would cost in excess of USD10 million to complete. Illustrating PowerChina's commitment to Kola, it capped Kore Potash's contribution at a maximum of USD5 million, with the balance of the costs to be paid by PowerChina.
- Two payments of USD1.0 million each were made in August and November 2023 as required under the Agreement. The remaining USD 3 million of which USD 800,000 payable up to 6 weeks from the date PowerChina and SEPCO having presented to Kore a "complete contractual document capable of finalising the financing arrangement of the Kola Project and capable of acceptance by Kore to form a binding construction contract" and USD 2.2 million to be paid subject to Kore concluding its fund raise with a target date of no later than 12 months of the signing of the EPC.
- On 8 August 2023, Kore Potash entered into a revised agreement with SEPCO to provide the Company with an EPC contract for the construction of the Kola Project. Following the completion of SEPCO's parent company, PowerChina's, review of the Kola design and construction schedule, one of the agreed outcomes was that further engineering design works must be completed before PowerChina and SEPCO jointly presenting an EPC proposal and EPC contract to the Company.
- Summit Consortium has confirmed that the financing proposal for the full capital cost of Kola will be provided within six weeks of finalisation of EPC contract terms.
- PowerChina has delivered EPC proposal and draft EPC contract on 6 February 2024.
- Kore Potash and SEPCO/PowerChina will now further negotiate the EPC proposal and draft the EPC contract, targeting signing full EPC documentation in Q2 2024.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

- On 22 March 2024 the Company raised USD 530,000 via issue of five separate Convertible Loan Notes. The net proceeds from the CLNs will be used to further advance work that is expected to lead to signing of an EPC contract for the Kola Potash Project and provide working capital for Kore Potash. Each Convertible Loan has a zero interest coupon and is convertible into new ordinary shares of US\$0.001 each in the Company at a price of 0.38 pence per new Ordinary Share and will be converted immediately after publication of the 2023 Annual Report on 28 March 2024. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company.
- On 22 March 2024 the Company also announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

## SUMMARY OF FINANCIALS

- During the Period, the Group's Total Comprehensive income was USD 3,955,201 (2022: Loss USD 10,174,361), and the Group experienced net cash outflows from operating and investing activities of USD 6,983,319 (2022: USD 5,744,285). Cash and cash equivalents totalled USD 1,583,657 as at 31 December 2023 (2022: USD 5,046,629).
- Group net assets increased in the year to USD 175,089,299 (2022: USD 167,650,279). This was primarily driven by a USD 13,642,063 increase in exploration capitalised.
- The Directors prepared a cash flow forecast for the period ending 30 June 2025, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (March 2025). Please refer to Note 1(b) to the financial statements for more detail on the going concern statement.
- The Company will be required to raise funds in Q2 2024 for the working capital requirements for Kore Potash for the period up to signing full EPC documentation and the financing proposal for the complete construction of Kola from the Summit Consortium to ensure the realisation of assets on an orderly basis and the extinguishment of liabilities as and when they fall due.
- Upon signing the EPC documentation and financing for the construction of Kola additional capital will be required until the commencement of production.
- The Directors have considered various mitigating actions, which include raising additional capital to enable the Group to continue to fund its working capital requirements.

## CORPORATE ACTIVITIES

- Mr. Gavin Chamberlain, Chief Operations Officer, finished employment with the Company at the end of January 2023, as announced on 23 December 2022.
- The Company held a General Meeting on 20 June 2023.
- The Company held its Annual General Meeting on 20 June 2023.
- On 24 July 2023, Wouter Pulinx was appointed as a non-executive director nominated by Sociedad Química y Minera de Chile S.A.
- Successful completion of USD 1.0 million fundraise on 8 August 2023.
- The Company held a General Meeting on 21 September 2023.
- On 31 October 2023, Mr Brad Sampson, the Company's Chief Executive Officer, resigned from the Company. The Company does not intend to appoint a new CEO until after the receipt of the financing proposal for the construction of the Kola Potash Project. The Chairman has assumed the role of CEO in the interim.
- Successful completion of USD 2.5 million fundraise on 31 October 2023.
- The Company held a General Meeting on 7 December 2023.
- On 11 December 2023, acting Chief Financial Officer (CFO) Amanda Farris resigned, and Andrey Maruta was appointed as CFO (non-board).
- As of 31 December 2023, the Company held USD 1.6 million in cash.
- On 22 March 2024 the Company raised USD 530,000 via issue of five separate Convertible Loan Notes. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

- On 22 March 2024 the Company also announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

### OPERATIONAL AND EXPLORATION ACTIVITY

#### Kola Potash Project

- The Company signed a non-binding MoU with Summit, on behalf of a consortium of investors and engineering firms on 6 April 2021, to arrange the total financing required for the construction of Kola, in the presence of the Minister of Mines of the RoC and his key staff in Brazzaville.
- The Summit Consortium includes:
  - OWI Global, headquartered in Abu Dhabi, who will provide royalty financing in conjunction with product offtake.
  - SEPCO, an international engineering and construction group headquartered in Jinan, China and with offices in Dubai which is a wholly owned subsidiary of Power Construction Corporation of China (POWER CHINA). SEPCO will be the EPC contractor for Kola within the Summit Consortium. SEPCO has significant construction experience globally across a range of industries, including power, oil and gas chemical, energy-reduction and environmental protection and infrastructure projects. SEPCO has completed major construction projects in 25 countries, including 44 EPC contracts in 11 countries with seven of these in Africa, in addition to its construction capability, SEPCO will also assist in arranging the debt financing: and
  - China ENFI Engineering Corporation, subcontracted by SEPCO and headquartered in Beijing, is a significant engineering group with specific mining, processing, and potash experience. ENFI is a mining technology leader in China and has provided technical services for the design and construction of more than 400 mining operations around the world. ENFI's potash specific experience includes design and construction of an underground potash mine in southeast Asia.
- In June 2022 the Summit Consortium completed the Optimisation Study with the successful outcomes:
  - Capital cost reduced by USD 520 million to USD 1.83 billion on an EPC basis compared to the DFS capital cost of USD 2.35 billion on an equivalent EPC basis.
  - Construction period reduced to 40 months from the DFS construction period of 46 months.
  - Key financial metrics improved on DFS outcomes (at potash pricing averaging USD 360/tonne unchanged from the DFS):
    - Kola net present value NPV<sub>10</sub> post tax improved to USD 1.623 billion
    - IRR improved to 20% on ungeared post tax basis
  - At a potash price of USD 500/t MoP CFR Brazil the Kola financial metrics improve to:
    - NPV<sub>10</sub> post tax USD 3.314 billion
    - IRR of 28% on ungeared post tax basis
  - Designed with a nameplate production capacity of 2.2 Mtpa of MoP.
  - MoP production scheduled over an initial 31-year project life.
  - Designed as a conventional mechanised underground potash mine with shallow shaft access. Ore from underground is transported to the process plant via an overland conveyor approximately 25 km long. After processing, the MoP product is conveyor transported 11 km to the marine export facility. MoP is conveyed from the storage area onto barges via the dedicated barge loading jetty and then trans-shipped into ocean going vessels for export.
- On 28 June 2022, Kora Potash signed a HoA for the construction in the presence of the Minister of State and Minister of Mining Industry and Geology of the RoC, Mr Pierre Oba.

The HoA confirms the timeline for SEPCO to complete their discussions with Kora Potash ahead of presenting the Company an EPC contract proposal for Kola. It also provides additional clarity on matters that SEPCO are required to finalise in advance of presenting Kora with the construction contract proposal.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

The HoA provided for:

- Kola to be designed and constructed as a conventional underground potash mine and processing plant producing up to 2.2 Mtpa of granular MoP over an initial 31-year life.
- The granular MoP produced will be at a minimum quality of 95.3% KCl in line with international standards.
- The capital cost to construct will be USD 1.83 billion and the construction period will be 40 months.
- During the preconstruction engineering design phase, the HoA provides SEPCO with an opportunity to adjust the costs related to the underground mine portion of the works. SEPCO's current capital cost is based in part
  - upon information collected during the DFS Study phase, some of which SEPCO continues to review. Should the final agreed quantities of materials and labour or the underground construction period differ materially from the baseline, SEPCO will be able to adjust proportionately. The underground portion of the works (excluding equipment and infrastructure) is currently estimated as USD 164 million, which represents 9% of the total capital cost.
  - SEPCO will also be able to adjust the capital cost if the Chinese RMB or Congolese FCFA currency exchange rates to the US dollar vary materially prior to commencement of the works. In such circumstance only the cost of affected works or components may be adjusted.
- On 10 October 2022, Kore Potash announced that SEPCO had delivered the EPC proposal for Kola. The EPC proposal was approved for presentation to Kore Potash by the Boards of SEPCO, and its parent company, Power Construction Corporation of China.

The EPC proposal reflects the capital cost and construction timeline reported in the Optimisation Study and the terms agreed to in the HoA. The EPC proposal includes an EPC Agreement which details the contractual terms in a format congruent with the FIDIC Silver book (2nd Edition, 2017) conditions of contract.

- On 24 January 2023, Kore Potash announced an update of the JORC (2012) compliant Mineral Resource, Ore Reserve, PFS information and Production Target at the DX Project. The updated Mineral Resource incorporates the most recent drilling results and interpretation of the geophysical data.
- On 8 August 2023, Kore Potash entered into a revised agreement with SEPCO to provide the Company with an EPC contract for the construction of the Kola Project. Following the completion of SEPCO's parent company, PowerChina's, review of the Kola design and construction schedule, one of the agreed outcomes was that further engineering design works must be completed before PowerChina and SEPCO jointly presenting an EPC proposal and EPC contract to the Group.
- PowerChina subcontracted five technical groups who commenced additional design and engineering works. Specific design areas included the underground mine, mineral processing jetty and transshipment operations, energy transportation and storage, conveyor systems and material handling. PowerChina advised the Company that the Works would cost in excess of USD10 million to complete. Illustrating PowerChina's commitment to Kola, it capped Kore Potash's contribution at a maximum of USD5 million, with the balance of the costs to be paid by PowerChina.
- Two payments of USD1.0 million each were made in August and November 2023 as required under the Agreement. The remaining USD 3 million of which USD 800,000 payable up to 6 weeks from the date PowerChina and SEPCO having presented to Kore a "complete contractual document capable of finalising the financing arrangement of the Kola Project and capable of acceptance by Kore to form a binding construction contract" and USD 2.2 million to be paid subject to Kore concluding its fund raise with a target date of no later than 12 months of the signing of the EPC.
- PowerChina, SEPCO and the subcontractors, in pursuit of the timeline objectives, commenced the Works before reaching an agreement with the Company on costs.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

- SEPCO has had personnel living in the Republic of Congo for the past 24 months who continue dialogue with potential in-country service providers and who have conducted several Kola site visits collecting information for both the Study and the Works. Additionally, SEPCO mobilised a larger team to Kola for four months in the second half of 2023 to source additional information to enable the Works finalisation, including the planned service corridors, conveyor route, and geomechanical information on foundation materials in the proposed processing plant and infrastructure areas. These findings were presented to PowerChina in early December 2023.
- Throughout 2023 representatives of Kore Potash have maintained increased levels of dialogue with the Ministry of Mines, including with the Minister of State and Minister of Geology and Mining Industry, Mr Pierre Oba. This dialogue has been aimed at improving the Ministry's understanding of the Company's projects at Kola and Dougou, the capability of the intended financiers for Kola, the intended construction partner and the processes the Company must work through towards securing financing for the construction of the Kola Potash Project.
- This dialogue has included meetings between the Ministry and members of the Summit Consortium who intend to provide royalty and debt financing to cover the full construction cost of Kola and SEPCO including SEPCO Electric Power Construction Corporation who intend to construct Kola on an Engineering, Procurement and Construction contract basis.
- On August 21 2023 the Minister of Mines wrote a letter to Kore Potash that pledges the Ministry and the Republic of Congo's support for Kore's development of its projects at Kola and Dougou. The Minister acknowledged that some of the development objectives for the Projects, as outlined in the Mining Convention, have not yet been met. He also assures the Ministry's steadfast support, in the form of a moral guarantee, to assist in addressing remaining challenges to completing the financing of Kola. The Minister reaffirmed the validity of the Company's mining tenement titles and the Mining Convention which is the operating agreement between the Company and the Government.
- PowerChina has delivered EPC proposal and draft EPC contract on 6 February 2024.

### Next Steps

- Kore Potash and SEPCO/PowerChina will now further negotiate the EPC proposal and draft the EPC contract, targeting signing full EPC documentation in Q2 2024.
- The Summit Consortium has advised that the strongly positive outcomes of the Study continue to support their financing of Kola and it intends to provide the financing proposal for the complete construction cost of Kola within six weeks of finalisation of EPC contract terms.

### Dougou Extension (DX) Sylvinitic Defined Feasibility Study Phase 1

- The DX Project update of the JORC (2012) compliant Mineral Resource, Ore Reserve, PFS information and Production Target was announced on the 24 January 2023. The updated Mineral Resource incorporates the most recent drilling results and interpretation of the geophysical data. A summary of the results is presented below:
  - Production Target of 15.5Mt sylvinitic at a grade of 30.63 % KCl demonstrates initial project life of 12 years at a production rate of 400,000 tpa MoP.
  - Production Target based on Proven and Probable Ore Reserves and 13% of the Inferred Mineral Resources that represents 30% of the life of project MoP production.
  - NPV<sub>10</sub> (real) of USD 275 million and 27% IRR on a real post tax basis at life of project average granular MoP price of USD 450/t.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

- Approximately 2.9 years post-tax payback period from first production.
- Proven and Probable Ore Reserve of 9.31 Mt sylvinite at an average grade of 35.7% KCl.
- Mineral Resource of 129 Mt at an average grade of 24.9% KCl.
- Higher confidence in the distribution of Sylvinite within the Top Seams and improved understanding of the Sylvinite/Carnallite boundary within the Hanging Wall Seam.

The updated information confirms that the DX Project is a financially attractive, low capital cost project with a shorter construction period than Kola.

At present, the Company remains focused on completing the financing of Kola and moving forward to construction of Kola as soon as possible. The Company is also exploring what strategic options are available for the DX project, including a potential sale.

### 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 and the adjacent Dougou and DX deposits<sup>1</sup>.
- The Mining Convention concludes the framework envisaged in the 25-year renewable Kola and Dougou Mining Licences granted in August 2013 and May 2017. The Mining Convention provides certainty and enforceability of the key fiscal arrangements for the development and operation of Kola and Dougou Mining Licences, which including import duty and VAT exemptions and agreed tax rates during mining 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.
- The Company continues to engage with the RoC Government to implement the Mining Convention's commitments. This includes the intra-group transfer of the Dougou Mining License from SPSA to the operating entity DPM1.
- On 14 December 2020 and 12 October 2022, 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 this time the Company has held multiple meetings with the Minister of Mines and is assured that the Company has and will continue to have his full support and that the Company's tenements in the RoC remain in good standing and that the Company remains compliant with its obligations under the Mining Convention.
- Throughout 2023 representatives of Kore Potash have maintained increased levels of dialogue with the Ministry of Mines, including with the Minister of State and Minister of Geology and Mining Industry, Mr Pierre Oba. This dialogue has been aimed at improving the Ministry's understanding of the Company's projects at Kola and Dougou, the capability of the intended financiers for Kola, the intended construction partner and the processes the Company must work through towards securing financing for the construction of the Kola Potash Project.
- This dialogue has included meetings between the Ministry and members of the Summit Consortium who intend to provide royalty and debt financing to cover the full construction cost of Kola and SEPCO who intend to construct Kola on an Engineering, Procurement and Construction contract basis.
- In August 2023 the Minister of Mines wrote a letter to Kore Potash that pledges the Ministry and the Republic of Congo's support for Kore's development of its projects at Kola and Dougou. The Minister acknowledged that some of the development objectives for the Projects, as outlined in the Mining Convention, have not yet been met. He also assures the Ministry's steadfast support, in the form of a moral guarantee, to assist in addressing remaining challenges to completing the financing of Kola. The Minister reaffirmed the validity of the Company's mining tenement titles and the Mining Convention which is the operating agreement between the Company and the Government.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

- The Minister further conveyed a pledge of security reflecting the RoC's confidence in Kore Potash to support ongoing dialogue and action towards the development of our projects in the RoC.
- The Minister of Mines of the RoC showed further support for the Company's development of the Kola Project during a visit to the Kola Project in September 2023.
- Kore Potash held a ceremony at the intended location of the Kola processing plant in recognition of the extensive development work completed by Kore Potash to date. The ceremony also recognised the commencement of work on the ground at the Kola site by SEPCO which was conducting detailed surveys and foundation testing programmes in the plant site area.
- The ceremony was held near the village of Yanga in the Kouilou province of the RoC. The Minister, members of his Ministry and local dignitaries were in attendance along with the Chairman of Kore Potash David Hathorn, Mr Warren Thompson from the Summit Consortium and SEPCO Vice President Zhang Quan.

<sup>1</sup> Under the Mining Convention, the RoC government will be granted a 10% carried equity interest (subject to signing shareholders agreement) in the project companies (DPM and KPM, which SPSA wholly owns).

### Authorisation obtained from RoC authorities

- The Minister of Tourism and Environment of the RoC issued certificates on 31 March 2020 granting 25-year approvals to the ESIA's for both the Dougou and the Kola Mining Licences.

### Workstreams with RoC authorities

Declaration of Public Utility (DUP) this is the formal process to authorise the use of public land use by the Group for the Kola project. The existing DUP for the Kola project issued under Order No. 6595/MAFDPRP-CAB on 13 August 2018 requires a revision based on the proposed optimisation changes to the process plant layout. The Group started a process of reapplying for the DUP. An initial land survey of the affected land by the Department of Cadastral Survey was completed on 23 September 2021 and the surveyed coordinates issued to the Company for review. Once Kola financing is in place, the Company will submit a formal request to have the DUP renewed.

### Impact on Climate Change

- The groups existing operations in the RoC have a minimal carbon emission impact which is driven by the use of diesel fuel for electricity generation in the exploration camp. To assist in offsetting this impact, Kore Potash has implemented a nursery onsite and in conjunction with the local communities' plants seedlings in the surrounding areas throughout the year.
- Kore Potash's final product MoP is a vital agri-nutrient required for quality plant growth and crop yield and its application is necessary to meet the growing global demand for food. Plant growth and higher yields from crops is critical to reduce the carbon footprint and to meet the increased demand for foods that create a lower carbon footprint.
- Kore Potash's planned operations will be adjacent to the Konkouati-Douli National Park. The Company has previously partnered with Non-Government Organisations to provide financial assistance for rainforest guards to preserve the forest and rainforest environments within this National Park. A conservation focused Non-Government Organisation, became actively involved with preserving this National Park in 2021 and the Company commenced partnering with them in 2022 to preserve the forests in this National Park.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

#### Key Performance Indicators

The Board has set the KPIs for the Company and Group that reflect the development stage of the business:

##### Health and Safety

- The Group has set a goal of zero lost time injuries. There were no lost time injuries during the year. The Company maintained its COVID-19 measures to ensure the spread of the disease was minimised. No positive COVID case was reported during the year in our Congolese employees.

##### Available Cash and cash equivalents

- The Group is required to have sufficient cash to meet its obligations. At 31 December 2023 the Group held cash of USD 1,583,657 (2022: USD 5,046,629) which is not sufficient to meet its obligations for at least 12 months from the date of approval of these financial statements. On 22 March 2024 the Company raised USD 530,000 via issue of five separate Convertible Loan Notes. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company. On 22 March 2024 the Company also announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.
- The Board plans to complete a further fundraise in Q2 2024 to ensure it has sufficient cash to meet its ongoing obligations.

##### Kola Project EPC and Financing

- The Board set the KPI for 2023 to formalise an EPC Contract for the construction of Kola and Financing agreement for the complete construction of Kola based on the optimised scope.
- Kore supported PowerChina with in-country geotechnical survey work in the 2<sup>nd</sup> half of 2023. This work was to enable final design in order to allow PowerChina to complete their binding EPC proposal. PowerChina has now delivered EPC Proposal and draft EP Contract offer on the 6<sup>th</sup> of February 2024.
- The 2024 KPI is for the financing proposal for the full construction cost of Kola to be provided by the Summit Consortium following signing full EPC documentation in Q2 2024.

#### Viability Assessment

The Directors prepared a cash flow forecast for the period ending 30 June 2025, which indicates that the Group will not have sufficient liquidity to meet its working capital requirements to the end of the going concern period (March 2025). Current estimations are the Group will have exhausted current cash reserves in June 2024. The outcome of signing EPC contract drives both going concern and the viability period. Further assessments of the going concern is in Note 1(b).

The Board is confident that funding can be obtained based on past performance.

The Directors have considered the risks associated with the continuity of business and believe the assumptions of the forecast are adequate given the controllable market conditions.



## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

#### Viability Assessment (Cont)

The Group's financial projections and cash flow forecast does not include funding for the construction of the Kola project which is subject to agreement to the EPC and Financing proposal from the Summit Consortium. Under the MoU the Consortium's Financing proposal is for the completed construction of the Kola Project. In the event the Financing proposal is not presented or accepted by Kore Potash, the Company intends to seek alternative EPC and Financing proposals which would require additional funding for the construction of the Kola project. Current market conditions for potash remain strong with the area of arable land available for crops globally reducing with very few new potash projects entering the market to meet the increase in demand. Some producers exports have been stopped due to international sanctions, further reducing supply. Given the increase in potash prices, the outcomes of the optimisation study and the increase in some supply cost driven by the current market conditions Kola remains an attractive project.

#### Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and has a 97% holding in SPSA in the RoC. SPSA is the 100% owner of DPM, which holds the Dougou Mining Lease and KPM, which holds the Kola Mining Lease. The Dougou Mining lease hosts the Dougou Deposit and the DX Deposit. The Kola Deposit is located within the Kola Mining Lease.

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

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 Revised Decree No 2021-389 of 2 August 2021	100% potassium rights only	Sintoukola Potash S.A.

#### Changes to Potash Mineral Resources and Ore Reserves between 2021, 2022 and 24 January 2023

Tables 1 and 2 provide a comparison of the Company's Mineral Resources and Ore Reserves, year-on-year between 2021, 2022 and 24 January 2023, as per ASX Listing rule 5.21.4.

There are no changes to the Mineral Resources and Ore Reserves for Kola and Dougou in 2022. However, during the period the DX sylvinitic resource and reserves were updated in the Updated Dougou Extension (DX) PFS and Production Target announced on 24 January 2023. The main drivers for the change in the Mineral Resources and Ore Reserves were:

- For the HWSS, only five drillholes in the 'mining area' contained sylvinitic that was not immediately underlain by carnallite. Therefore, the overall grade and volume of HWSS Mineral Resources were reduced as a result of these drilling results,
- Reduced KCl grade for the TSS due to the ID2 estimation method, whereby if there are no nearby drillholes, the grade in a block will be reduced in accordance with the weighted mean of the square of the distances from drillholes within the search radius.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

Table 1. Comparison of Potash Mineral Resources year-on-year between 2021, 2022 and 24 January 2023.

MINERAL RESOURCES		31 December 2021 and 2022			24 January 2023		
		Category	Million Tonnes	Grade KCl %	Contained KCl (Mt)	Million Tonnes	Grade KCl %
Kola Sylvinite deposit	Measured	216	34.9	75	216	34.9	75
	Indicated	292	35.7	104	292	35.7	104
	<b>Measured + Indicated</b>	508	35.4	180	508	35.4	180
	Inferred	340	34.0	116	340	34.0	116
	<b>TOTAL</b>	<b>848</b>	<b>34.8</b>	<b>295</b>	<b>848</b>	<b>34.8</b>	<b>295</b>
Dougou Extension Sylvinite deposit	Measured	0	0.0	0	20	32.4	6
	Indicated	79	39.1	31	8	23.1	2
	<b>Measured + Indicated</b>	79	39.1	31	28	29.9	8
	Inferred	66	40.4	27	101	23.5	24
	<b>TOTAL</b>	<b>145</b>	<b>39.7</b>	<b>58</b>	<b>129</b>	<b>24.8</b>	<b>32</b>
TOTAL SYLVINITE MINERAL RESOURCES	Measured	216	34.7	75	236	34.7	82
	Indicated	371	36.4	135	300	35.4	106
	<b>Measured + Indicated</b>	587	35.9	211	536	35.1	188
	Inferred	406	35.2	143	441	31.6	139
	<b>TOTAL</b>	<b>993</b>	<b>35.5</b>	<b>353</b>	<b>977</b>	<b>33.5</b>	<b>327</b>
Kola Carnallite deposit	Measured	341	17.4	59	341	17.4	59
	Indicated	441	18.7	83	441	18.7	83
	<b>Measured + Indicated</b>	783	18.1	142	783	18.1	142
	Inferred	1,266	18.7	236	1,266	18.7	236
	<b>TOTAL</b>	<b>2,049</b>	<b>18.5</b>	<b>378</b>	<b>2,049</b>	<b>18.5</b>	<b>378</b>
Dougou Carnallite deposit	Measured	148	20.1	30	148	20.1	30
	Indicated	920	20.7	190	920	20.7	190
	<b>Measured + Indicated</b>	1,068	20.6	220	1,068	20.6	220
	Inferred	1,988	20.8	414	1,988	20.8	414
	<b>TOTAL</b>	<b>3,056</b>	<b>20.7</b>	<b>634</b>	<b>3,056</b>	<b>20.7</b>	<b>634</b>
TOTAL CARNALLITE MINERAL RESOURCES	Measured	489	18.2	89	489	18.2	89
	Indicated	1,361	20.1	273	1,361	20.1	273
	<b>Measured + Indicated</b>	1,851	19.6	362	1,851	19.6	362
	Inferred	3,254	20.0	650	3,254	20.0	650
	<b>TOTAL</b>	<b>5,105</b>	<b>19.8</b>	<b>1,012</b>	<b>5,105</b>	<b>19.8</b>	<b>1,012</b>

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

Table 2. Comparison of Ore Reserves year-on-year between 2021, 2022 and January 2023.

ORE RESERVES		31 December 2021 and 2022			24 January 2023		
		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
	<b>TOTAL</b>	<b>152.4</b>	<b>32.5</b>	<b>49.5</b>	<b>152.4</b>	<b>32.5</b>	<b>49.5</b>

ORE RESERVES		31 December 2021 and 2022			24 January 2023		
		Million Tonnes	Grade KCl %	Contained KCl (Mt)	Million Tonnes	Grade KCl %	Contained KCl (Mt)
Dougou Extension Sylvinite deposit	Proved	0	0	0	6.1	32.5	2.0
	Probable	17.7	41.7	7.4	3.2	41.8	1.3
	<b>TOTAL</b>	<b>17.7</b>	<b>41.7</b>	<b>7.4</b>	<b>9.3</b>	<b>35.7</b>	<b>3.3</b>

**Notes:**

The Mineral Resource and Ore Reserves are prepared in accordance with the JORC Code (2012 edition) by independent competent persons and the geological models and modifying factors are reviewed by Company staff and other individuals with appropriate capability to peer review the work of the competent persons.

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 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 was Mr Mo 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 and Ore Reserve Estimate were reported in an announcement titled "Updated Dougou Extension (DX) PFS and Production Target" on 24 January 2023. Dr. Douglas F. Hambley, Ph.D., P.E., P.Eng., P.G of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Mr. Hambley is a licensed professional geologist in states of Illinois (Member 196-000007) and Indiana (Member 2175), USA, and is an Honorary Registered Member (HRM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 1299100RM), a Recognized Professional Organization' (RPO) included in a list that is posted on the ASX website from time to time and Dr. Michael Hardy was the Competent Person for the Ore Reserves, and he 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.

# REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

## OPERATIONAL AND EXPLORATION ACTIVITY (CONT)

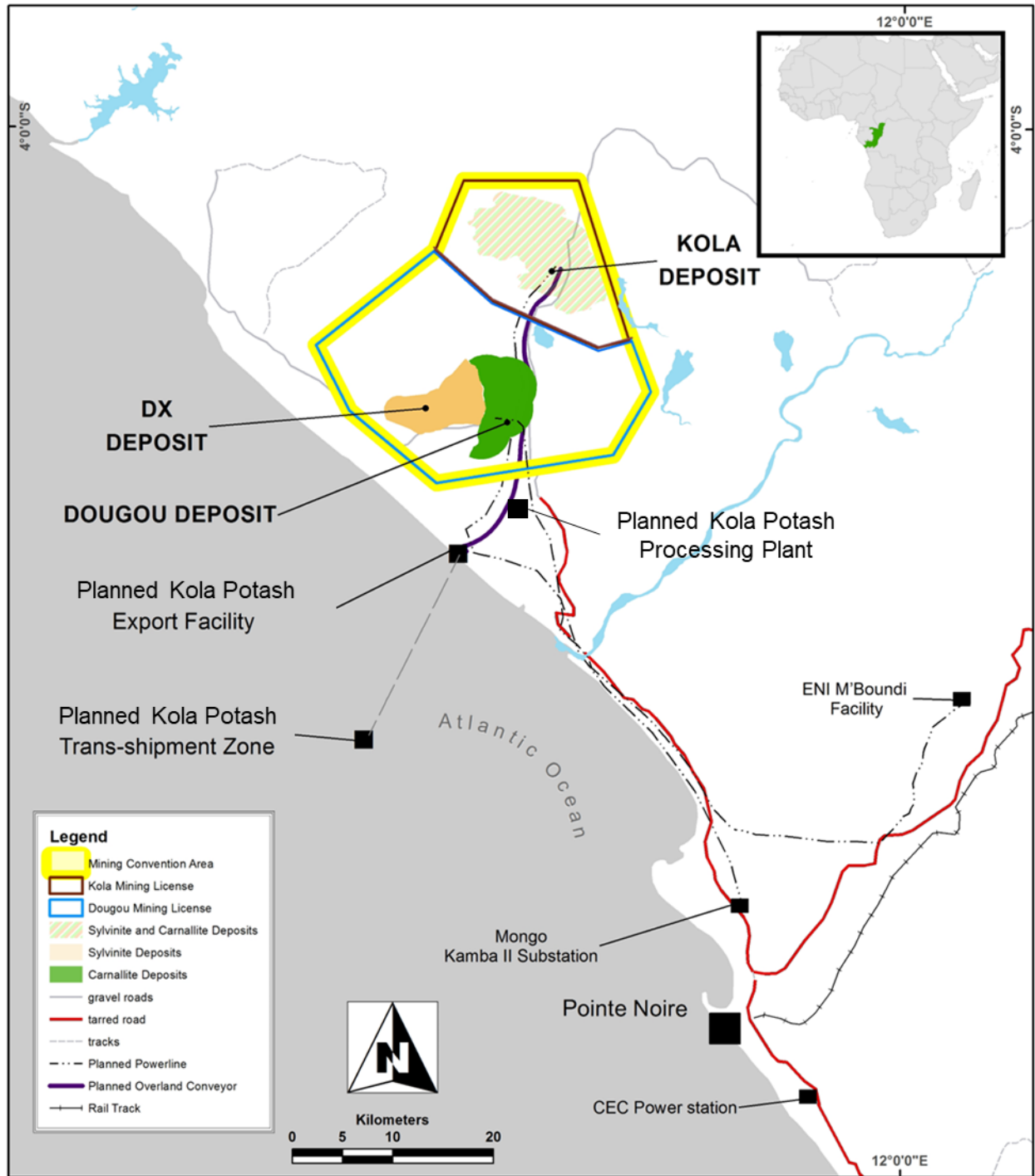


Figure1. Location of the Sintoukola Project showing the Kola, Dougou and DX Projects

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### BUSINESS MODEL

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

### POSITION AND PRINCIPAL RISKS

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

- Funding risk to going concern

The Group's financial projections and cash flow forecasts indicate that the Group will have a negative cash balance in June 2024 and therefore will need to complete a capital raise prior to this in order to meet its current planned activities for the full 12 months. The expectation is that the Group will complete the EPC contract in Q2 2024 and raise additional funds once that has been completed. 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.

On 22 March 2024 the Company raised USD 530,000 via issue of five separate Convertible Loan Notes. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company. On 22 March 2024 the Company also announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

The Company is expecting to receive a financing proposal for the complete construction of Kola after signing full EPC documentation. Future funding being dependent on the signing of the EPC contract and raising of additional funds. Further assessments of the going concern is in Note 1(b).

Factors beyond the Company's control, including pandemic diseases such as COVID-19 (coronavirus) and the Russian/Ukraine conflict impact on macro-economics 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

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### POSITION AND PRINCIPAL RISKS (CONT)

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 including 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-RoC bilateral investment treaty, which provides strengthened legal protection to the Group's investments in the RoC.

On 14 December 2020 and 12 October 2022, 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 held multiple meetings with the Minister of Mines and is assured that the Company has and will continue to have his full support and that the Company's tenements in the RoC remain in good standing and that the Company remains compliant with its obligations under the Mining Convention.

Throughout 2023 representatives of Kore Potash have maintained increased levels of dialogue with the Ministry of Mines, including with the Minister of State and Minister of Geology and Mining Industry, Mr Pierre Oba. This dialogue has been aimed at improving the Ministry's understanding of the Company's projects at Kola and Dougou, the capability of the intended financiers for Kola, the intended construction partner and the processes the Company must work through towards securing financing for the construction of the Kola Potash Project.

This dialogue has included meetings between the Ministry and members of the Summit Consortium who intend to provide royalty and debt financing to cover the full construction cost of Kola and SEPCO who intend to construct Kola on an Engineering, Procurement and Construction contract basis.

On August 21 2023 Kore Potash reported a letter from Minister of Mines to Kore Potash that pledges the Ministry and the Republic of Congo's support for Kore's development of its projects at Kola and Dougou Projects. The Minister of Mines pledges further support for Kore Potash to continue to develop Kola and Dougou.

- Ongoing title to Mining tenements re-confirmed.
- Confirmation that the Mining Convention remains in effect.
- The Minister encourages Kore's shareholders to support Kore Potash in its development endeavours.

- Change in potash commodity prices and market conditions

The Group is subject to changes in the commodity price for potash due to changes in marketing conditions (political, economic and other uncertainties) over which the Group has limited control. The Group plans to be a low cost producer being in the first quartile of sustainable costs to enable the Group to be profitable when commodity prices reduce.

Demand for potash continues to grow as the volume of arable land reduces with limited new projects entering the market to meet the increase in demand, and some suppliers' exports have been stopped due to international sanctions imposed, reducing supply availability. The Group continues to engage with reputable buyers with the intention to enter contractual arrangements to sell production prior to commercial production.

The Company's financial models take into consideration the impact of commodity pricing when evaluating projects.

- Geological and technical risk posed to exploration and commercial exploitation success

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### POSITION AND PRINCIPAL RISKS (CONT)

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, EPC contractors to develop the Group's project and highly regarded technical consultants to verify the work undertaken by the EPC contractors.

- Environmental and occupational health and safety risks

Environmental, safety and health incidents including pandemic diseases like COVID-19 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 reduce the impact of COVID-19 testing, and control procedures were introduced for all people in 2020 and the Company reviews these on a periodic basis. All employees and consultants have been vaccinated with the only exemptions being for medical reasons. Those employees that cannot be vaccinated continue to work from home until they are medically fit to undertake the vaccination.

The Group's operations are subject to ESIA which have been granted for 25 years by the RoC government.

- Government policy change

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.

David Hathorn following the resignation of the CEO on 31 October 2023 also assumed the role of interim CEO. The Company does not intend to appoint a new CEO until after the receipt of the financing proposal for the construction of the Kola Potash Project.

## **REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)**

### **POSITION AND PRINCIPAL RISKS (CONT)**

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.

- Climate change

The Group has considered the impact that climate change can have on the Group and the business as a result of climate change and the impact the Group's operations have on climate change. Areas of risks are reviewed periodically with actions put in place to address these risks where management can exert some influence over the climate outcomes.

The Group has assessed the potential impact of climate change including severe weather changes on the Group's existing operations as negligible. Assessment of the potential impacts of climate change on the Kola Project have led to modifications to the proposed processing plant location as part of the Optimisation Study in part due to the potential impact sea level and weather changes.

The risk of impact on the goods supply chain and commodity pricing for the construction of the Kola Project linked to climate change is assessed as minimal for the construction period of Kola.

As the Kola project moves towards construction management will re-assess the potential risk presented to planned operations by climate change.

The key risk identified at present is planned carbon emissions from the Kola operation based on the current energy supply methodology available to the project. The Group will continue to review options to reduce these carbon emissions.

Global climate change is potentially going to drive an increase in demand for Potash to produce fertiliser to maintain soil fertility and improve plant health as the global arable land area per person reduces. Therefore, the risk associated with the final product is assessed as immaterial.

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.

### **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;



## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### DIRECTORS' SECTION 172 STATEMENT (CONT)

- (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:

By virtue of their respective Investment Agreements, the Company's two largest shareholders, SQM and OIA, are entitled to appoint a NED to the board and accordingly, in replacement of Mr P Hernandez Mac-Donald, Mr W Pulinx from SQM was appointed as a NED on 24 July 2023. Following the departure of Mr S Oundhakar as a NED on the board on 22 December 2022, a replacement NED from OIA has not yet been appointed. However, a representative from OIA acts as an observer at all board meetings and is 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. 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.

At the Company's AGM, held on 20 June 2023, all resolutions were passed with at least 94% of the votes cast in favour. In order to reduce travel costs, no Directors were present at the AGM. However, the Directors were able to dial-in to the Meeting via an electronic audio webcast and shareholders 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.

All substantial shareholders that own more than 3% of the Company's shares are listed on page 127 of this Report.

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

#### Employees:

Kore Potash 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 61 to 69. Further, the Group gives full and fair consideration to applications for employment irrespective of age, gender, colour, ethnicity, disability, nationality, religious beliefs or sexual orientation.

The Group maintains an open line of communication between its employees, senior management and the Board of Directors. A whistle blower procedure is in place for employees to raise concerns anonymously. Specifically, during the year the CEO 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.

Selected members of the Board periodically visit all parts of the business and interact with employees. There were no such visits during 2023.

## **REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)**

### **DIRECTORS' SECTION 172 STATEMENT (CONT)**

David Netherway, a NED, is the appointed designated director responsible for workplace engagement in accordance with the 2018 Corporate Governance Code.

#### **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 any grievance are resolved to ensure they do not have a detrimental effect on the Group's business and project timeline.

#### **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 Group'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 the second half of the year, the COO and CFO meet face to face with the villagers to update them on the Company's progress.

The CEO and the COO and other relevant senior management have established good relationships with the official local and country establishments including the Ministry of Mines and Geology and the Ministry of Environment with whom regular contact and consultation is maintained. The Chairman and CEO meet with the Minister of Mines and some of his cabinet on several occasions during the year. Ongoing discussions between the Company and the various other 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 has undertaken to amend the ESIA accordingly ahead of commencement of construction. The Minister of Tourism and Environment of the RoC issued certificates on 31 March 2020 granting 25-year approvals to the ESIA's 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 year in respect of the Kola Optimisation Study is contained under the Summary of Key Developments within the Review of Operations and Strategic Report.

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](http://www.korepotash.com)

## **REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)**

### **DIRECTORS' SECTION 172 STATEMENT (CONT)**

#### **COMPETENT PERSON STATEMENT**

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 DX 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 Dougou Extension sylvinite Mineral Resource Estimate and Ore Reserve Estimate were reported in an announcement titled "Updated Dougou Extension (DX) PFS and Production Target" on 24 January 2023. Dr. Douglas F. Hambley, Ph.D., P.E., P.Eng., P.G of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Mr. Hambley is a licensed professional geologist in states of Illinois (Member 196-000007) and Indiana (Member 2175), USA, and is an Honorary Registered Member (HRM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 1299100RM), a Recognized RPO included in a list that is posted on the ASX website from time to time and Dr. Michael Hardy was the Competent Person for the Ore Reserves, and he 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.

## REVIEW OF OPERATIONS AND STRATEGIC REPORT (CONT)

### DIRECTORS' SECTION 172 STATEMENT (CONT)

#### 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 27 March 2024 and is signed on its behalf by:



---

Non-Executive Chairman and Interim Chief Executive Officer  
David Hathorn  
27 March 2024

## DIRECTORS' REPORT

The Directors present their annual report on Kore Potash and the Group for the financial year ended 31 December 2023.

The Corporate Governance statement set out in pages 39 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 & Interim Chief Executive Officer
Brad Sampson	Chief Executive Officer (Resigned with effect from 31 October 2023)
Jonathan Trollip	Independent Non-Executive Director
David Netherway	Independent Non-Executive Director
Pablo Hernandez Mac-Donald	Non-Executive Director (Resigned with effect from 20 June 2023)
Mr Wouter Pulinx	Non-Executive Director (Appointment effect from 24 July 2023)

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 Group's Kola Mining and Dougou Mining 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 2023 amounted to USD 1,091,055 (31 December 2022: 1,513,953).

### 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 (2022: nil).

### Review of Operations and Strategic Report

Please refer to pages 8 to 28 of the Annual Report.

### Significant Changes in State of Affairs

#### *Board Changes*

On 20 June 2023, Pablo Hernandez resigned as a NED of the Company. Mr Wouter Pulinx was appointed as his replacement on the Board with effect from 24 July 2023.

On 31 October 2023 companies CEO Mr. Sampson has resigned and the Company does not intend to appoint a new CEO until after the receipt of the financing proposal for the construction of the Kola Potash Project. The Chairman Mr David Hathorn has assumed the role of CEO in the interim.

Other capital movements:

On 6 April 2023, a total of 1,760,000 ordinary shares were issued to an ex-employee following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plan.

#### *CDI Movement*

During the year the number of CDIs quoted on the ASX increased by 1,491,050 as a result of transfers between CDIs quoted on the ASX and ordinary shares quoted on AIM and the JSE.

## **DIRECTORS' REPORT (CONT)**

### **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 Review of Operations and 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 Review of Operations and Strategic Report.

### **AGM**

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

### **Auditor**

Following the appointment of BDO LLP as the Company auditor on 28 June 2019, a resolution to reappoint BDO LLP as the Company auditor 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,
- forex risk
- credit risk, and
- liquidity risks.

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

## DIRECTORS' REPORT (CONT)

### 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. However, due to the 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, but health, safety and environment matters are reported on each month in management reporting to the Board and are part of each Board meeting agenda. The Group provides training and support to employees and sets demanding standards for workplace safety. The Group recorded no lost time injuries in 2023 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 potash development activities of the Kola and the Dougou deposits.

### 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 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	20,000,000
Options expiring on or before 12 June 2027	GBP 0.022	9,000,000
		55,900,000

The holders of these options do not have the right, by the virtue of the option, to participate in any share issue or interest issue of the Company. There was no exercise of unlisted options during the year.

\*These options expired on the 1 January 2024 without exercise or conversion.

### Performance Rights

Performance rights outstanding at the date of this report: None

Movement in Performance Rights as share based payment arrangements during the Period:

Rights series	Grant Date	Expiry Date	Balance 1 Jan 2023 Number	Rights Lapsed Number	Rights Converted Number	Rights Cancelled Number	Balance 31 Dec 2023 Number
15	29/05/2017	Not Applicable	1,760,000	-	(1,760,000)	-	-
			1,760,000	-	(1,760,000)	-	-

## DIRECTORS' REPORT (CONT)

### Performance Rights converted into ordinary shares during the Period:

On 3 April 2023, a total of 1,760,000 ordinary shares were issued to an ex-employee following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans.

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.

### Information on Directors

#### David Hathorn

Non-Executive Chairman  
and Interim Chief Executive  
Officer  
*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  
2023

337,708,061 Fully Paid Ordinary Shares  
9,000,000 Unlisted Options exercisable at GBP 0.022 each expiring 12  
June 2027

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*  
**Resigned with effect from  
31 October 2023**

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.

Interest in Shares and  
Options as at 31 December  
2023

2,464,705 Fully Paid Ordinary Shares  
26,900,000 Unlisted Options exercisable at GBP 0.022 each expiring 19  
July 2024

Directorships held in other  
listed entities

Agrimin Limited (from 22 April 2016)  
Metallica Minerals Limited (from 13 May 2021)

Former directorships of  
listed companies in last  
three years

None



## DIRECTORS' REPORT (CONT)

<p><b>Jonathan Trollip</b> Independent Non-Executive Director <i>B.A (Hons) LLM, FAICD</i></p>	<p>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, Plato Income Maximiser Ltd and Spheria Emerging Companies Ltd and a non-executive director of BCAL Diagnostics Limited. He also holds various private company directorships in the commercial and not-for-profit sectors.</p>
<p>Interest in Shares &amp; Options as at 31 December 2023</p>	<p>7,276,296 Fully Paid Ordinary Shares</p>
<p>Directorships held in other listed entities</p>	<p>Global Value Fund Limited (from 20 March 2014) Plato Income Maximiser Limited (from 20 February 2017) Spheria Emerging Companies Limited (from 12 September 2017) BCAL Diagnostics Limited (from 23 December 2020)</p>
<p>Former directorships of listed companies in last three years</p>	<p>Antipodes Global Investment Company Limited Future Generation Investment Company Limited Propel Funeral Partners Limited</p>
<p><b>Pablo Hernandez Mac-Donald</b> Non-Executive Director <b>Resigned with effect from 20 June 2023.</b></p>	<p>Mr Hernandez joined SQM in 2013 and is the Vice President Finance Commercial Offices within SQM reporting to the Chief Financial Officer of SQM. Pablo completed Industrial Engineering and Master of Science in Engineering degrees having graduated from Pontificia Universidad Catolica de Chile in 2013, and a Master's in Business Administration from Emory University in 2019.</p>
<p>Interest in Shares &amp; Options as at 31 December 2023</p>	<p>None</p>
<p>Directorships held in other listed entities</p>	<p>None</p>
<p>Former directorships of listed companies in last three years</p>	<p>None</p>
<p><b>Wouter Pulinx</b> Non-Executive Director</p>	<p>Mr Pulinx serves as a legal counsel in the Belgian office of SQM, overseeing legal operations of the commercial offices in the EMEAA region. He has over 8 years of tax, compliance and legal experience. Mr Pulinx was appointed to the board on 24 July 2023.</p>
<p>Interest in Shares &amp; Options as at 31 December 2023</p>	<p>None</p>
<p>Directorships held in other listed entities</p>	<p>None</p>
<p>Former directorships of listed companies in last three years</p>	<p>None</p>

## DIRECTORS' REPORT (CONT)

### David Netherway

Independent 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, Siguri, 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 African 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 lead independent non-executive Director of TSX-V listed Elemental Altus Royalties Corp., 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 2023

8,536,434 Fully Paid Ordinary Shares

Directorships held in other listed entities

Canyon Resources Ltd (from 17 March 2014)  
Elemental Altus Royalties Corp. (from 17 August 2022)

Former directorships of listed companies in last three years

Altus Strategies plc

### 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 is operated by Jane Kirton (ACG), following the retirement of Phil Dexter in December 2022. Ms Kirton has worked for SJCS since its inception in June 1998 and its former parent company in excess of 20 years.

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 Chartered Governance Institute UK & Ireland.

## DIRECTORS' REPORT (CONT)

### 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 (ii)	Health, Safety and Environment Meetings (iv)
David Hathorn	6/6	1/2	0/1	-
Brad Sampson	6/6	-		-
Jonathan Trollip	6/6	2/2	1/1	-
David Netherway	5/6	1/2	1/1	-
Pablo Hernandez Mac-Donald (i)	0/6	-	-	-
Wouter Pulinx (ii)	6/6	-	-	-

- (i) *Meetings attended prior to ceasing to be a director on 20 June 2023.*
- (ii) *Two meetings attended as a board observer prior to appointment as a director on 24 July 2023.*
- (iii) *Only one formal remuneration and nomination committee meeting was held during the year as committee members agreed in discussion to defer remuneration until after the Kola Project financing proposal has been received.*
- (iv) *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

Each NED has a letter of appointment for an initial term of six years after which the re-election will be subject to a review to ensure the Board remains progressive. The appointment of the NED may be terminated by the Company giving one month notice, by the NED by immediate notice and also in accordance with the Company's articles of association.

### Indemnifying Officers and Directors and Officers Liability Insurance

The Company indemnifies all directors of the Company named in this report and current and former executive officers of the Company and its controlled entities against all liabilities to persons (other than the Company or the related body corporate) which arise out of the performance of their normal duties as director or executive officer unless the liability relates to conduct involving bad faith. The company also has a policy to indemnify the directors and executive officers against all costs and expenses incurred in defending an action that falls within the scope of the indemnity and any resulting payments.

During the year, the Company has paid a premium in respect of directors' and executive officers' insurance. The contract contains a prohibition of disclosure of the amount of the premium and the nature of the liabilities under the policy.

## **DIRECTORS' REPORT (CONT)**

### **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 auditor**

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 auditor 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**

The 31 December 2023 Annual report has been prepared on a going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

In performing their assessment of the Group and Company's ability to continue as a going concern, the Directors have prepared a cash flow forecast for the period ending 30 June 2025, which indicates that under current conditions, the Group and Company will become cash negative in June 2024 and will remain in this position until the end of the forecast period.

The Directors are currently in negotiations with PowerChina/SEPCO to secure an Engineering, Procurement and Construction contract ('EPC') for the construction of the Kola Project.

The negotiations with the potential contractors, PowerChina/SEPCO, are advanced, and they have committed to visit Kore's mine site on 28–30 March 2024 with several engineers, including the Vice-President of PowerChina to progress the EPC negotiations. The purpose of the visit is to perform additional technical tests and studies prior to proceeding to signing the proposed contract.

Based on the status of the negotiations and the planned activity to finalise the contract, it is the Directors expectation that the Group will sign the EPC contract in Q2 2024.

If the contract is not signed by the end of June 2024 then the Group and Company are unlikely to be able to seek alternative contract partners before current cash reserves are utilised and will not be able to generate sufficient cash to fund its normal business activities, as projected in the cash flow forecast.

Even if the Group is successful in finalising this EPC contract in Q2 2024, it will still need to raise a minimum of USD 7.5million to be able to continue to meet its ongoing working capital requirements and to pay its liabilities as they fall due.

## DIRECTORS' REPORT (CONT)

### Going Concern (CONT)

This includes an amount of USD 3,000,000 which would be payable to PowerChina under the terms of the revised agreement with SEPCO, dated 07 August 2023.

Of this USD 3,000,000, USD 800,000 is payable within 6 weeks of the EPC contract being finalised and USD 2,200,000 is to be paid no later than 12 months after the signing of the EPC.

In addition to the signing of the EPC contract, the Group is reliant on the SUMMIT consortium preparing a funding proposal, which there is a non-binding agreement to do so within 6 weeks of the EPC contract being signed.

The ability of the Group and Company to continue as a going concern is dependent on the successful conclusion of the EPC contract negotiations within the timeframes planned and on the ability of the Group and Company to raise the necessary funds to meet its working capital requirements as established in the cash flow forecast. At the date of signing these financial statements, there is no guarantee that the contract will be signed, and within the necessary timeframe, nor that the funding to meet the Group's and Company's obligations will be secured. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group and Company 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 statements do 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 Group and Company are undertaking several activities to raise funds to fund its current and ongoing commitments and to raise funds for the planned commitments should the EPC contract be agreed. This fundraising is in addition to the cash balance at 22 March 2024 of USD1.4 million.

On 22 March 2024 the Company raised USD 530,000 via the issue of five separate Convertible Loan Notes ('CLN'). The net proceeds from the CLNs will be used to further advance work that is expected to lead to the signing of the EPC contract for the Kola Potash Project. Each CLN has a zero interest coupon and is convertible into new ordinary shares of ordinary shares of US\$0.001 each in the Company at a price of 0.38 pence per new Ordinary Share and will be converted immediately after publication of the 2023 Annual Report on 28 March 2024. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company. As at 26 March 2024 the Company had received the total USD 530,000.

On 22 March 2024 the Company announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

The cash forecast for the Company includes an additional expected and non-binding private fund raise of USD 320,000 in April 2024 from existing shareholders.

The Directors note the Group has a history of successfully raising capital on the AIM and JSE, and in the past on the ASX. Having reviewed the Group's overall position and outlook in respect of the matters identified above, the Directors 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.

In addition, the Directors believe that the proposed contract with PowerChina/SEPCO will be signed. Accordingly, the Directors believe 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 to have sufficient funds to continue the work to finalise the Kola Project EPC and Financing Proposal for the complete construction of Kola.

## DIRECTORS' REPORT (CONT)

### 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 are required to prepare the Group and Company financial statements in accordance with UK adopted international accounting standards. 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.

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 UK adopted international accounting standards subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and 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.

#### Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with UK adopted international accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group;
- the review of operations and strategic report includes a fair review of the development and performance of the business and the financial position of the Company and the Group, 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 27 March 2024 and is signed on its behalf by:



---

Non-Executive Chairman and interim Chief Executive Officer  
David Hathorn  
27 March 2024

## **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 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 (being the Chairman) and three NEDs.

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.

## CORPORATE GOVERNANCE REPORT (CONT)

### BOARD LEADERSHIP AND COMPANY PURPOSE (CONT)

#### Provisions

1.	<p>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 sustainability of the company's business model and how its governance contributes to the delivery of its strategy.</p>	<p>The Company's 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.</p>
2.	<p>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.</p>	<p>Kore Potash had 20 employees at the end of the reporting period. In normal circumstances members of the Board periodically visit all parts of the business and interact with employees.</p> <p>During the year the CFO held weekly virtual meetings and the CEO has held monthly video meetings with key employees where open questioning and sharing of concerns was encouraged.</p> <p>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.</p> <p>Each employee's performance is reviewed annually and employee development planning within the Congolese workforce are being developed.</p>
3.	<p>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.</p>	<p>The Group's communication strategy requires communication with shareholders and stakeholders in an open, regular and timely manner.</p> <p>The Company's two largest shareholders, OIA and SQM, are represented on the Board either by appointment as a NED or as a board observer. 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.</p> <p>Shareholders were able to attend the AGM via a dial-in facility to listen to business of the meeting via a webcast and shareholders were also afforded the opportunity to submit questions to the Board in advance of the AGM by e-mail.</p>



## CORPORATE GOVERNANCE REPORT (CONT)

### BOARD LEADERSHIP AND COMPANY PURPOSE (CONT)

#### Provisions

4.	<p>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.</p>	<p>At the Company's AGM held on 20 June 2023, all resolutions were passed on a poll by more than 94% of the votes cast.</p>
5.	<p>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.</p> <p>For engagement with the workforce, one or a combination of the following methods should be used:</p> <ul style="list-style-type: none"> <li>• a director appointed from the workforce;</li> <li>• a formal workforce advisory panel;</li> <li>• a designated non-executive director.</li> </ul> <p>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.</p>	<p>Refer to the section 172 Statement.</p> <p>In addition, David Netherway is the appointed designated NED responsible for workplace engagement.</p>
6.	<p>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.</p>	<p>The CEO holds monthly virtual meetings with all employees where open questioning and sharing of concerns is encouraged.</p> <p>In addition, a confidential Whistleblowing Policy is in force which allows employees to raise suspected breaches of the 2018 UK 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.</p> <p>The Board, through the Audit and Risk Committee, is informed of material incidents reported.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### BOARD LEADERSHIP AND COMPANY PURPOSE (CONT)

#### Provisions

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 two major shareholders, who either have a representative on the Board or have appointed a board observer 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 the discussion or determination of any matter in respect of which they 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.

### DIVISION OF RESPONSIBILITIES

#### 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.

## CORPORATE GOVERNANCE REPORT (CONT)

### DIVISION OF RESPONSIBILITIES (CONT)

#### Provisions

9.	<p>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 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.</p>	<p>David Hathorn was considered independent on appointment. Subsequent to the appointment, Mr Hathorn's shareholding has significantly increased to him now being a substantial shareholder of the Company. Following the resignation of the CEO on 31 October 2023, he also assumed the role of interim CEO.</p> <p>The major shareholders, who are also represented on the Board, supported the appointment. The Company intends to appoint a new CEO after the receipt of the financing proposal for the construction of the Kola Potash Project and advised the market via an announcement on 31 October 2023.</p> <p>The Company sets out the matters that are reserved for the Board on its website.</p>
10.	<p>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:</p> <ul style="list-style-type: none"> <li>• is or has been an employee of the company or group within the last five years;</li> <li>• 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;</li> <li>• 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;</li> <li>• has close family ties with any of the company's advisers, directors or senior employees;</li> <li>• holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;</li> <li>• represents a significant shareholder; or</li> <li>• has served on the board for more than nine years from the date of their first appointment</li> </ul> <p>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.</p>	<p>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.</p> <p>Given the small quantum of shares held by each independent NED the Board is of the view that these do not affect their independent judgement.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### DIVISION OF RESPONSIBILITIES (CONT)

#### Provisions

11.	At least half the board, excluding the chair, should be non-executive directors whom the board considers to be independent.	<p>During the year the Board consisted of the Non-Executive Chairman, the CEO, two NEDs and two independent NEDs. During the course of the year, one NED resigned, and no additional NEDs were appointed. During the year less than half the Board, excluding the Non-Executive Chairman, were NEDs considered to be independent.</p> <p>Following the resignation of the CEO on 31 October 2023, the Non-Executive Chairman assumed the role of interim CEO. 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 further independent NEDs will be considered when deemed appropriate.</p>
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.	David Netherway is the Senior Independent NED. During the annual Directors survey discussion at a Board meeting, each Director was given an opportunity to provide open and honest feedback on the Chairman's performance and no concerns were raised. Mr Netherway was also available to the directors and shareholders to discuss any matters and in particular the performance of the Chairman.
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.	<p>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 bodies to be the holder of an executive office and may also remove such person from any such office.</p> <p>In addition, the Remuneration and Nomination Committee, which comprises entirely of independent NEDs, identify and recommend to the Board candidates to become new Directors to fill casual vacancies as and when they arise. Further, the Committee gives appropriate consideration to succession planning for directors, including executive directors.</p> <p>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.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### DIVISION OF RESPONSIBILITIES (CONT)

#### Provisions

14.	<p>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.</p>	<p>As mentioned in Provision 9. above, the responsibilities of the Non-Executive Chairman and the CEO are clearly defined in writing Each NED, including the Senior Independent NED, has a Letter of Appointment in place to ensure they clearly understand the requirements of their role. Following the resignation of Mr B Sampson on 31 October 2023, the Non-Executive Chairman has assumed the role of CEO in the interim.</p> <p>Details of executive directors' service contracts and the Chairman's and NEDs' 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.</p> <p>The number of meetings of the Board and its committees and the individual attendance by directors is set out within the Directors Report.</p>
15.	<p>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 directorship in a FTSE 100 company or other significant appointment.</p>	<p>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 external appointments can be found on pages 32 to 34. Before accepting new appointments, 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 impacts on the Director's commitment and time spent with the Group in their existing appointment.</p>
16	<p>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.</p>	<p>All directors have access to the advice and services of the joint company secretaries and each director, and each Board committee member may obtain independent professional advice at the Company's expense, subject to prior notification to the other NEDs and the joint company secretaries. The joint company secretaries are accountable directly to the Board through the Chairman. The Company currently has two 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.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### 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.	<p>The Remuneration and Nomination Committee is comprised of Jonathan Trollip, as Chairman together with David Hathorn and David Netherway.</p> <p>The Remuneration and Nomination Committee Report is on pages 58 and 59 and details how the Company has complied with the relevant sections of the UK 2018 Code or explains the reasons for any areas of non-compliance. All newly appointed directors are provided with a legal update on directors' duties and subject to practical considerations responsibilities and one-on-one meetings with members of the senior management team are undertaken.</p>
18.	All directors should be subject to annual re-election. The board should set out in the papers accompanying the resolutions to elect each director the specific reasons why their contribution is, and continues to be, important to the company's long-term sustainable success.	All directors are subject to annual re-election. Shareholders are provided with all material information in the notice of meetings to assist in 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 six 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.

## CORPORATE GOVERNANCE REPORT (CONT)

### COMPOSITION, SUCCESSION AND EVALUATION (CONT)

#### Provisions

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 annual evaluation of the Board and its committees. In addition, an appraisal of the Non-Executive Chairman and CEOs performance was led by David Netherway as the Senior Independent Non-Executive Director.  The annual evaluation was conducted by SJCS who provide company secretarial services.
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: <ul style="list-style-type: none"> <li>• the process used in relation to appointments, its approach to succession planning and how both support developing a diverse pipeline;</li> <li>• 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;</li> <li>• 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</li> <li>• the gender balance of those in the senior management and their direct reports.</li> </ul>	The Remuneration and Nomination Committee Report on pages 58 to 59 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.

### 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.

## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT, RISK AND INTERNAL CONTROL (CONT)

#### Provisions

24.	<p>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.</p>	<p>The Audit and Risk Committee comprised of three members during the period, David Netherway and Jonathan Trollip both of whom are independent NEDs and David Hathorn who was appointed as a member of the Committee on 7 September 2023 and was removed as a member at the conclusion of this meeting. David Netherway is considered by the Board to have recent and relevant financial experience.</p> <p>Due to the current size and stage of development of the Company's projects it is considered appropriate to have two Independent NEDs members. This matter is kept under review and the appointment of a further independent NED will be considered when deemed appropriate.</p>
25.	<p>The main roles and responsibilities of the audit committee should include:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• 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;</li> <li>• 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;</li> <li>• 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;</li> <li>• 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;</li> <li>• reviewing and monitoring the external auditor's independence and objectivity;</li> </ul>	<p>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. The Terms of Reference specifically cover the requirements of the UK 2018 Code.</p>



## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT, RISK AND INTERNAL CONTROL (CONT)

	<ul style="list-style-type: none"> <li>• reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements;</li> <li>• 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.</li> </ul>	
26.	<p>The annual report should describe the work of the audit committee, including:</p> <ul style="list-style-type: none"> <li>○ the significant issues that the audit committee considered relating to the financial statements, and how these issues were addressed;</li> <li>○ 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;</li> <li>○ 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 recommendation and the reasons why the board has taken a different position (this should also be supplied in any papers recommending appointment or reappointment);</li> <li>○ 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</li> <li>○ an explanation of how auditor independence and objectivity are safeguarded, if the external auditor provides non-audit services.</li> </ul>	<p>Details of the work of the Committee during the year are set out in the Audit and Risk Committee Report on pages 56 to 58.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT, RISK AND INTERNAL CONTROL (CONT)

27.	<p>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.</p>	<p>The Directors' Responsibility Statement is set out on page 38.</p>
28.	<p>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.</p>	<p>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 set out on pages 21 to 24.</p> <p>Factors beyond the Company's control, including pandemic diseases such as COVID-19 (coronavirus) and the Russian/Ukraine conflict impact on macro-economics 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.</p> <p>The risk in relation to Climate Change has been addressed in the Review of Operations and Strategic Report under the section headed climate change.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT, RISK AND INTERNAL CONTROL (CONT)

29.	<p>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.</p>	<p>Kore Potash has a Risk Matrix which is reviewed by the Audit and Risk Committee twice a year to ensure the controls are appropriate and in place with an open question and answer session with management to ensure the controls are appropriate and new risks identified are updated and appropriate controls put in place.</p> <p>The Board monitor risk management and internal control through managements reporting on a monthly basis which identifies new risks and appropriate controls and any breach of the internal controls. Breaches of the company internal controls are investigated with appropriate actions put in place to ensure the matter doesn't reoccur.</p> <p>The statement also confirms the integrity of the Group's financial statements and that they are founded on a sound system of risk management, internal compliance and controls which are 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.</p> <p>The Board considers the Company's risk management and internal control systems to be sound and effective.</p>
30.	<p>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.</p>	<p>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.</p> <p>The Board has considered that preparing the financial statements on a going concern basis is appropriate and that material uncertainty exists as set out within the Directors Report on pages 36 to 37.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT, RISK AND INTERNAL CONTROL (CONT)

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.	The Board has carried out a robust assessment of the Company's viability, emerging and principal risks and going concern details of which are set out within the Review of Operations and Strategic Report set out on pages 8 to 28.
-----	---	--

### REMUNERATION

#### 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.	<p>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.</p> <p>Jonathan Trollip has had relevant experience of listed company directorships and senior executive remuneration in his former capacity as chairman of ASX listed Spicers Limited and as NED of ASX listed of BCAL Diagnostics Limited and Global Value Fund Limited.</p>
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 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.	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. The Terms of Reference specifically cover the requirements of the UK 2018 Code.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION (CONT)

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 NEDs 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 NEDs' remuneration was made during the year.
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 receiving views from executive directors and senior management.	An external remuneration consultant is appointed as and when required to advise the Committee. However, no such appointment was required during the year.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION (CONT)

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 2021 the Remuneration and Nomination Committee reviewed the remuneration package of the CEO. It was agreed and subsequently approved by the Board that the CEO's salary remains unchanged at USD 550,000 per annum and that he be eligible for a short-term bonus of USD 270,000, payable only in the event that the Kola project was optimised and fully funded with a finance package approved by the Board. Following discussion in 2022 and 2023 the Remunerations and Nomination Committee didn't recommend to the Board any change to the CEO's salary, and it was noted that the Kola Project optimisation and full funding remains a work in progress.
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 six months' notice. Each NED has a letter of appointment for an initial term of six 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 NED may be terminated by the Company giving one month notice, by the NED by immediate notice and also in accordance with the Company's Articles of Association.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION (CONT)

40.	<p>When determining executive director remuneration policy and practices, the remuneration committee should address the following:</p> <ul style="list-style-type: none"> <li>• clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;</li> <li>• simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand;</li> <li>• 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;</li> <li>• 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;</li> <li>• 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</li> <li>• alignment to culture – incentive schemes should drive behaviours consistent with company purpose, values and strategy.</li> </ul>	<p>The CEO's remuneration was subject to detailed consideration by the Remuneration and Nomination when he was employed in 2018. In 2021 it was agreed and subsequently approved by the Board that the CEO's salary remains unchanged at USD 550,000 per annum and that he be eligible for a short-term bonus of USD 270,000. Following a discussion in 2023 the Remunerations and Nomination Committee didn't recommend to the Board any change to the CEO's salary.</p> <p>Mr Hathorn has been acting as interim CEO since Mr Sampson's resignation on 31 October 2023. Mr Hathorn, being an substantial shareholder and Chairman of the Company, is not receiving any additional remuneration for acting in this interim role.</p> <p>Mr Hathorn acting as Chairman and Interim CEO is an interim measure which has been fully approved by the Board although not fully compliant with UK 2018 Code and will be rectified in the near future.</p>
41.	<p>There should be a description of the work of the remuneration committee in the annual report, including:</p> <ul style="list-style-type: none"> <li>• an explanation of the strategic rationale for executive directors' remuneration policies, structures and any performance metrics;</li> <li>• reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps;</li> <li>• a description, with examples, of how the remuneration committee has addressed the factors in Provision 40;</li> <li>• whether the remuneration policy operated as intended in terms of company performance and quantum, and, if not, what changes are necessary;</li> <li>• what engagement has taken place with shareholders and the impact this has had on remuneration policy and outcomes;</li> </ul>	<p>The Remuneration and Nomination Report on pages 61 to 69 sets out, inter alia the objectives of the Committee and a description of the work carried out during the year.</p>

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION (CONT)

	<ul style="list-style-type: none"><li>• what engagement with the workforce has taken place to explain how executive remuneration aligns with wider company pay policy; and</li><li>• 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.</li></ul>	
--	--	--

### AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (“the Committee”) comprises comprised of three members during the period, David Netherway and Jonathan Trollip both of whom are independent NEDs and David Hathorn who has resigned from this committee subsequent to the period end, of which David Netherway, who is the chairman of the committee, 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 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 considered items of significant importance’s in relation to the statements for the year these included:

- Carrying value of the Exploration and Evaluation assets which it reviewed the compliance with IFRS6 and whether impairment triggers have occurred. The Committee determined that no triggers or circumstances had occurred that would impair the asset, and the external audit verified this assessment and therefore, no adjustment was made to the carrying value.



## CORPORATE GOVERNANCE REPORT (CONT)

### AUDIT AND RISK COMMITTEE (CONT)

- Going Concern was reviewed by assessing the Cash forecast for the group and considering the impact of market conditions. The committee concluded the cash forecast was appropriate though the company has insufficient funding beyond June 2024. The committee considers the mitigating actions to be appropriate and the disclosure of material uncertainty in Note 1(b) to the financial statements to be appropriately reflected and the external audit verified this assessment.

In considering the appropriateness of the audit the Committee reviews the scope for each engagement and highlights any areas of concern to be specifically addressed. The Committee meet with the external auditors at the conclusion of the engagement to discuss the outcomes of the audit with an open question and answer session for the Committee to assess the effectiveness of the audit and any area identified for improvement.

When appointing or reappointing the external audit firm the company takes into consideration the appropriateness of the firm in comparison to the companies' size and operations, the number of partners available for rotation, the firms understanding of the exchanges and compliance regulations for these exchanges and other service the firm provides to the Group.

The current external auditors BDO LLP have been in place for five years. They were appointed in 2019 through a tender process.

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 Committee, 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 21 to 24 of the Annual Report.

## **CORPORATE GOVERNANCE REPORT (CONT)**

### **AUDIT AND RISK COMMITTEE (CONT)**

During the year, the Committee reviewed the planning of the 2023 Annual Report including consideration of the financial statements and going concern, 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 auditor with effect from 28 June 2019, a resolution to reappoint BDO LLP as auditor was proposed and passed by the requisite majority at the AGM held on 20 June 2023. A resolution will be proposed at this year's AGM to reappoint BDO LLP 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 2024. Based on this review, the Committee was satisfied with the effectiveness of the audit for the year ended 31 December 2023.

### **REMUNERATION AND NOMINATION COMMITTEE**

The Remuneration and Nomination Committee ("the Committee") has three members, two of whom are independent NEDs, 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 comparable; and
- adhere to the principle that no director or senior executive shall be involved in any decisions as to their own remuneration.

Due to time zone differences between the countries where members of the committee reside made it difficult to arrange virtual meetings. Accordingly, all matters that were required to be dealt with by the committee were handled by way of bilateral and multilateral discussions among Committee members and other directors as co-ordinated by the Chairman, and decisions of the Committee were effected by written resolution.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION AND NOMINATION COMMITTEE (CONT)

Other than for directors who are nominated by a major shareholder in accordance with the relevant investment agreement between the Company and the relevant shareholder, 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 2022 and June 2019 AGMs. 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 five 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, 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.

Diversity	2023			2022		
	Female %	Male %	Total Number	Female %	Male %	Total Number
Board	0.0	100.0	5	0.0	100.0	6
Senior Executives	0.0	100.0	1	33.3	66.7	3
All Employees	49.4	50.6	21	45.8	54.2	24

Senior Executives include the CEO and CFO.

## **CORPORATE GOVERNANCE REPORT (CONT)**

### **Directors' Remuneration and Share Option Schemes (CONT)**

#### 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 Executives' 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 comprised 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. Following the departure of Brad Sampson and Gavin Chamberlain, the Committee consists of David Netherway and David Hathorn.

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.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT

This Remuneration Report sets out information about the remuneration of Kore Potash's KMP for the financial year ended 31 December 2023. The term 'KMP' 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 2023 were:

##### *Executive Directors*

Brad Sampson Chief Executive Officer (Resigned with effect from 31 October 2023)

##### *Non-Executive Directors*

David Hathorn Non-Executive Chairman (appointed on 25 August 2017) & Interim Chief Executive Officer (appointed on 31 October 2017)

Jonathan Trollip Independent Non-Executive Director (appointed on 17 November 2017)

David Netherway Independent Non-Executive Director (appointed on 12 December 2017)

Pablo Hernandez Mac-Donald Non-Executive Director (Resigned with effect from 20 June 2023)

Mr Wouter Pulinx Non-Executive Director (Appointment effect from 24 July 2023)

##### *Executives*

Henko Vos Joint Company Secretary (appointed on 7 November 2017)

SJCS Joint Company Secretary (appointed on 1 October 2018)

Amanda Farris Chief Financial Officer (resigned on 11 December 2023)

Andrey Maruta Chief Financial Officer (appointed on 11 December 2023)

#### ***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.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

The Board policy is to remunerate NEDs at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the NEDs 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 2020 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 in the implementation of revised remuneration arrangements for all NEDs. The Board believes these remain relevant during 2023 and to the date of this report. The maximum aggregate amount of fees that can be paid to NEDs is subject to approval by shareholders at the AGM. Fees for NEDs are not linked to the performance of the Group 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 2023:

<b>Name</b>	<b>Base Salary per Annum</b>	<b>Term of Agreement</b>	<b>Notice Period</b>
Andrey Maruta (CFO, appointed 11 December 2023)	GBP 154,800	Fixed Term	14 days' notice period
Amanda Farris (CFO, resigned 11 December 2023)	AUD 288,000	Fixed Term	14 days' notice period
Mr Henko Vos (Joint Company Secretary)	AUD 56,700	Ongoing	No notice period
St James's Corporate Services Limited (Joint Company Secretary)	GBP 58,718	Ongoing	No notice period

#### **Non-Executive Director Arrangements**

NEDs receive a board fee and fees for chairing or participating on board committees, as detailed in the 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 Chairman does not receive additional fees for participating in or chairing board 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 and remained unchanged with effect from 1 July 2022.

	<b>Base Salary Per Annum</b>
<b>Base fees</b>	
Chairman	USD 100,000
Senior independent non-executive director	USD 66,500
Other independent non-executive directors	USD 56,000
<b>Additional fees</b>	
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	-

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

All NEDs 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 56 to 60.

#### **KMP Remuneration**

The remuneration for each Director and KMP of the Group during the year ended 31 December 2023 was as follows:

#### **1 January 2023 to 31 December 2023**

	Short-Term Benefits			Post-Employment Benefits	Options / Performance Rights (i) USD	Total USD
	Fees/Basic Salary USD	Annual Bonus USD	Termination benefits USD	Superannuation USD		
<i>Executive Directors</i>						
Brad Sampson (i)	550,000	-	27,500	-	-	577,500
<i>Non-Executive Directors</i>						
David Hathorn	100,000	-	-	-	20,069	120,069
Jonathan Trollip	63,000	-	-	-	-	63,000
David Netherway	80,500	-	-	-	-	80,500
	<b>793,500</b>	<b>-</b>	<b>27,500</b>	<b>-</b>	<b>20,069</b>	<b>841,069</b>
<i>Executives</i>						
Henko Vos (iii)	37,038	-	-	-	-	37,038
SJCS	71,781	-	-	-	-	71,781
Gavin Chamberlain	25,510	-	48,199	-	-	73,709
Amanda Farris	183,600	-	-	-	-	183,600
Andrey Maruta	11,029	-	-	-	-	11,029
	<b>328,958</b>	<b>-</b>	<b>48,199</b>	<b>-</b>	<b>-</b>	<b>377,157</b>
<b>Total</b>	<b>1,122,458</b>	<b>-</b>	<b>75,699</b>	<b>-</b>	<b>20,069</b>	<b>1,218,226</b>

- 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. Brad Sampson resigned with effect on 31 October 2023.
- III. 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.

Brad Sampson was the highest paid Director during the 2023 year and details of his remuneration are disclosed above.

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

#### *KMP Remuneration*

The remuneration for each Director and KMP of the Group during the year ended 31 December 2022 was as follows:

#### 1 January 2022 to 31 December 2022

	Short-Term Benefits			Post-Employment Benefits	Options / Performance Rights (i) USD	Total USD
	Fees/Basic Salary USD	Annual Bonus USD	Termination benefits USD	Superannuation USD		
<i>Executive Directors</i> Brad Sampson	550,000	-	-	-	18,716	568,716
<i>Non-Executive Directors</i> David Hathorn	100,000	-	-	-	11,272	111,272
Jonathan Trollip	63,000	-	-	-	-	63,000
David Netherway	80,500	-	-	-	-	80,500
Sameer Oundhakar (ii)	-	-	-	-	-	-
Pablo Hernandez	-	-	-	-	-	-
Mac-Donald	-	-	-	-	-	-
	<b>793,500</b>	-	-	-	<b>29,988</b>	<b>823,488</b>
<i>Executives</i> Henko Vos (iii)	38,944	-	-	-	-	38,944
SJCS	63,182	-	-	-	-	63,182
Gavin Chamberlain	306,125	-	-	-	234	306,359
Amanda Farris	195,220	-	-	-	-	195,220
	<b>603,471</b>	-	-	-	<b>234</b>	<b>603,705</b>
<b>Total</b>	<b>1,396,971</b>	-	-	-	<b>30,222</b>	<b>1,427,193</b>

- 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. Sameer Oundhakar resigned as a NED on 21 December 2022.
- iii. 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.

Brad Sampson was the highest paid Director during the 2022 year and details of his remuneration are disclosed above.



## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

#### **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 2023**

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

	<b>Grant Date</b>	<b>Vesting Date</b>	<b>Number of Options</b>	<b>Expiry Date</b>	<b>Fair Value at Grant Date</b>	<b>Exercise Price</b>
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	8,000,000	01/01/2024	GBP 0.0092	GBP 0.022
Options Series 38	13/06/2022	<i>Conditional</i>	9,000,000	9/06/2027	GBP 0.0089	GBP 0.022

On 13 June 2022, David Hathorn was granted 9,000,000 options, as approved at the AGM held on 9 June 2022 and pursuant to the Directors and Executives Share Option Plan. The options will only vest, and be exercisable into shares, subject to the Company obtaining a financing package to fully fund the development of the Company's Kola Project approved by the Board.

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 21 to the financial statements for further details of the options granted as detailed above.

Further details of the performance conditions for Option Series 34-38 can also be found in Note 21 to the financial statements.

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

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

#### *Share-based payments granted as compensation to KMP*

#### **Summary information for Performance Rights as SBP arrangements in existence during 2023**

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

	<b>Grant Date</b>	<b>Vesting Date</b>	<b>Number of Rights</b>	<b>Expiry Date</b>	<b>Fair Value at Grant Date</b>
Rights Series 15*	29/05/2017	<i>Refer below</i>	1,760,000	31/05/2022	AUD 0.17 / AUD 0.104

*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 21 to the financial statements for more details of conversions.*

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.

Further details of the performance rights, performance conditions and vesting for the above series can be found in Note 21 to the financial statements.

#### *Share-based payments granted as compensation to KMP*

#### **Reconciliation of options as SBP arrangements and performance rights held by KMP**

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 2023 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 2023 year.

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

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

#### Reconciliation of options as SBP arrangements and performance rights held by KMP (Cont)

Name, option or rights series No	Grant date	Amount granted	Issue date	Balance at the start of the year		Granted or allocated as compensation	Vested		Exercised	Cancelled or expired		Balance at the end of the year		Max value yet to vest	Expensed in 2023	
				Vested and exercisable	Unvested		No	%		No	%	Vested and exercisable	Unvested		USD	USD
<b>Executive Directors</b>																
Brad Sampson																
<i>Options</i>																
Series 33	02/07/2019	26,900,000	19/07/2019	26,900,000	-	-	-	-	-	-	-	26,900,000	-	-	-	-
<b>Non-executive directors</b>																
David Hathorn																
<i>Option</i>																
Series 38	9/06/2022	9,000,000	09/06/2022	-	9,000,000	-	-	-	-	-	-	-	9,000,000	100,345	20,069	20
<b>Executive</b>																
Gavin Chamberlain																
<i>Options</i>																
Series 34	19/07/2019	12,000,000	25/06/2020	12,000,000	-	-	-	-	-	-	-	12,000,000	-	-	-	-
<i>Performance rights</i>																
Series 15	29/05/2017	2,200,000	29/05/2017	-	1,760,000	-	1,760,000	-	1,760,000	-	-	-	-	-	-	-
Andrey Maruta																
<i>Options</i>																
Series 35	15/09/2019	12,000,000	25/06/2020	8,000,000	-	-	-	-	-	-	-	8,000,000	-	-	-	-

## CORPORATE GOVERNANCE REPORT (CONT)

### 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 2023	Balance at 1 Jan 2023	Received as Remuneration	Options Exercised / Rights Converted	Other Movements (i)	Balance at 31 Dec 2023
<i>Executive Directors</i>					
Brad Sampson	2,464,705	-	-	-	2,464,705
<i>Non-executive directors</i>					
David Hathorn (i)	144,237,061	-	-	193,471,000	337,708,061
Jonathan Trollip	7,276,296	-	-	-	7,276,296
David Netherway	8,536,434	-	-	-	8,536,434
	<b>162,514,496</b>	-	-	<b>193,471,000</b>	<b>355,985,496</b>
<i>Executives</i>					
Henko Vos	1	-	-	-	1
Andrey Maruta	133,334	-	-	-	133,334
Gavin Chamberlain	800,000	-	1,760,000	-	2,560,000
	<b>933,335</b>	-	<b>1,760,000</b>	-	<b>2,693,335</b>
<b>Total</b>	<b>163,447,831</b>	-	<b>1,760,000</b>	<b>193,471,000</b>	<b>358,678,831</b>

31 December 2022	Balance at 1 Jan 2022	Received as Remuneration	Options Exercised / Rights Converted	Other Movements (i)	Balance at 31 Dec 2022
<i>Executive Directors</i>					
Brad Sampson	2,464,705	-	-	-	2,464,705
<i>Non-executive directors</i>					
David Hathorn (i)	144,237,061	-	-	-	144,237,061
Jonathan Trollip	7,276,296	-	-	-	7,276,296
David Netherway	8,536,434	-	-	-	8,536,434
	<b>162,514,496</b>	-	-	-	<b>162,514,496</b>
<i>Executives</i>					
Henko Vos	1	-	-	-	1
Gavin Chamberlain	516,667	-	283,333	-	800,000
	<b>516,668</b>	-	<b>283,333</b>	-	<b>800,001</b>
<b>Total</b>	<b>163,031,164</b>	-	<b>283,333</b>	-	<b>163,314,497</b>

(i) Shares purchases as part of Fundraise on 8 August 2023 and 31 October 2023 of total 193,471,000 shares.

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

## CORPORATE GOVERNANCE REPORT (CONT)

### REMUNERATION REPORT (CONT)

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

31 December 2023	Balance at 1 Jan 2023	Received as Remuneration	Rights Exercised	Other Movements	Balance at 31 Dec 2023	Vested and exercisable at year end
<i>Executive Directors</i>						
Brad Sampson	26,900,000	-	-	-	26,900,000	26,900,000
<i>Non-executive directors</i>						
David Hathorn	9,000,000	-	-	-	9,000,000	-
Jonathan Trollip	-	-	-	-	-	-
Timothy Keating	-	-	-	-	-	-
David Netherway	-	-	-	-	-	-
	<b>35,900,000</b>	-	-	-	<b>35,900,000</b>	<b>26,900,000</b>
<i>Executives</i>						
Amanda Farris	-	-	-	-	-	-
Andrey Maruta	8,000,000	-	-	-	8,000,000	8,000,000
Gavin Chamberlain	13,760,000	-	(1,760,000)	-	12,000,000	12,000,000
	<b>21,760,000</b>	-	<b>(1,760,000)</b>	-	<b>20,000,000</b>	<b>20,000,000</b>
<b>Total</b>	<b>57,660,000</b>	-	<b>(1,760,000)</b>	-	<b>55,900,000</b>	<b>46,900,000</b>

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 2023.

#### **Other transactions with KMP during the financial year ended 31 December 2023**

No KMP has entered into a material contract (apart from employment) with the Company and the Group.

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 43,730.

St James's Corporate Services Limited was appointed on 1 October 2018 and engaged to provide company secretarial services for Kore Potash 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 71,780.

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

#### **Voting of shareholders at last year's AGM held on 20 June 2023**

The Company received 99.97% "yes" votes on its Remuneration Report for the 2022 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

## CORPORATE GOVERNANCE REPORT (CONT)

### 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. All material breaches of the Code of Conduct including Anti-Bribery and Anti-Corruption are reported to the Board. 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.

## CORPORATE GOVERNANCE REPORT (CONT)

### OTHER CORPORATE GOVERNANCE MATTERS (CONT)

#### 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 and are not audited by an external auditor. 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.

## CORPORATE GOVERNANCE REPORT (CONT)

### OTHER CORPORATE GOVERNANCE MATTERS (CONT)

#### 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 3.

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 shareholder meetings held during 2022 and 2023.

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 27 March 2024 and is signed on its behalf by



---

David Hathorn  
Non-Executive Chairman  
Interim 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 2023 and of the Group's and Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; 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 2023 which comprise the statements of profit or loss and other comprehensive income, statements of financial position, statements of changes in equity, 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 the preparation is applicable law and UK adopted international accounting standards.

## 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.

### *Independence*

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Material uncertainty related to going concern

We draw attention to the Going concern section of Note 1 (b) to the financial statements, which explains that the ability of the Group and Company to continue as a going concern is dependent on the successful conclusion of the EPC contract negotiations within the timeframes planned and on the ability of the Group and Company to raise the necessary funds to service its ongoing working capital requirements as established in the cash flow forecast. At the date of signing these financial statements, there is no guarantee that the contract will be signed, and within the necessary timeframe, nor that the funding to meet the Group's and Company's obligations will be secured. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group and Company 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.

For the reason set out above and based on our risk assessment, we determined going concern to be a key audit 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. 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 our response to the key audit matter included:

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

- Obtaining the Directors' cash flow forecasts for the period to 30 June 2025 and assessing the key underlying assumptions, including forecast levels of expenditure and exploration costs used in preparing these forecasts. In doing so we considered actual costs incurred in the financial year 2023 against budgeted and contracted commitments.
- Performing a sensitivity analysis in respect of key assumptions underpinning the forecasts, including operational costs and level of exploration expenditure, and assessing the levels of funding required under each sensitivity.
- Corroborating the opening cash position in the forecast to bank statements.
- Assessing the Director's ability to forecast by performing a budget to actual for the prior year forecast. In addition to assessing the actual costs incurred for January and February 2024 that are included in the forecast.
- Challenging the Directors' ability to raise funds for further equity placements by assessing the historic performance of the Group in raising funds in the past.
- Challenging the ability of the Group to sign the EPC contract in Q2 2024 and to defer amounts due to suppliers until after a fundraising occurs.
- Reviewing and considering the adequacy and consistency of the going concern disclosures within the financial statements alongside the Directors' going concern assessment.

In relation to the Parent Company's voluntary 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

<b>Coverage</b>	96% (2022: 99%) of Group profit before tax 99% (2022: 99%) of Group total assets	
<b>Key audit matters</b>	2023	2022
	Carrying value of exploration and evaluation assets ✓	✓
<b>Materiality</b>	Group financial statements as a whole \$2.63m (2022:\$2.5m) based on 1.5% of Total Assets (2022: 1.5% 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

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 three significant components, being the Parent Company and the two exploration entities in the Republic of Congo: 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 over the financial information in respect of these.

As part of the full scope audit for Dougou Potash Mining S.A, and Kola Potash S.A, specified procedures were performed by a BDO Member firm based in West Africa. The group audit team performed the remaining procedures on the full scope audits of the significant components identified above, including additional 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 auditor, which included the specified procedures to be undertaken on significant risk areas (including the areas that were considered to be key audit matters), materiality levels to be used 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 specified procedures performed by the component auditor for the 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 and attended a virtual clearance meeting.

### *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. In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matters below to be the key audit matters to be communicated in our report. 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

Key audit matter	How the scope of our audit addressed the key audit matter
<p><b>Impairment of exploration and evaluation ("E&amp;E") assets</b></p> <p><i>Refer to notes 1(t) and note 7</i></p>	<p>At 31 December 2023, the Group held E&amp;E assets on its statement of financial position, as detailed in note 7, with a value of \$176.4m (2022: \$162.7m).</p> <p>As detailed in note 1(r), there are judgements and inherent uncertainties around the recoverability of exploration and evaluation assets. The Directors' and the Board are required to assess whether there are any potential impairment triggers, which would indicate that the carrying value of the assets at 31 December 2023 may not be recoverable. Given the financial significance of the E&amp;E assets in the context of the Group's statement of financial position and the significant degree of judgement involved in making the assessment of whether any indicators of impairment exist, we considered this to be a key audit matter.</p>
	<p>We reviewed and challenged 'Directors' impairment assessment, approved by the Board, against the requirements of the relevant accounting standards to determine whether there were any indicators of impairment.</p> <p>Our specific audit procedures performed in this regard included:</p> <ul style="list-style-type: none"> <li>• Inspecting whether the licences remain valid and are in good standing.</li> <li>• Held meetings with the Directors and technical team to understand the future plans for the assets and to discuss the progress of the negotiations on the Engineering, Procurement and Construction (EPC) agreement and funding arrangements.</li> <li>• Corroborated future plans to develop the assets through to key documents including the draft EPC agreement, correspondence with Power China and Heads of Agreement for the construction.</li> <li>• Reviewed technical reports for evidence that the exploration projects do not relate to economically viable resources including the underlying feasibility reports, which includes the updated Mineral Resource at the Dougou Extension (DX) asset.</li> </ul> <p><b>Key observations:</b></p> <p>We noted that the Directors are focused on progressing the Kola licence area to development and there are limited resources to develop the DX project alongside Kola. The Directors are exploring the strategic options available for the DX project and although we agreed with the Directors' assessment there were no triggers for impairment under IFRS 6 at 31 December 2023, if the Directors did not identify a strategic option that would result in the development of the DX project, it could result in an impairment trigger in future. The financial statements do not contain the adjustments that would be required if an impairment were to arise on the DX project.</p> <p>We found the Directors' assessment of the carrying value of E&amp;E assets to be acceptable.</p>

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

### 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		Parent company financial statements	
	2023	2022	2023	2022
<b>Materiality</b>	\$2.63m	\$2.5m	\$2.37m	\$2.34m
<b>Basis for determining materiality</b>	1.5% of Total Assets		Set at 90% of Group materiality	
<b>Rationale for the benchmark applied</b>	Materiality was based on 1.5% of total assets. We considered total assets to be the most appropriate basis for materiality given the Group is in the exploration and evaluation stage.		Set at 90% of Group materiality given the assessment of the components aggregation risk.	
<b>Performance materiality</b>	\$1.97m	\$1.875m	\$1.78m	\$1.69m
<b>Basis for determining performance materiality</b>	75% of materiality			
<b>Rationale for the percentage applied for performance materiality</b>	In reaching our conclusion on the level of performance materiality to be applied we considered a number of factors including the expected total value of known and likely misstatements (based on past experience), our knowledge of the group's and parent company's internal controls and management's attitude towards proposed adjustments.			

### *Specific materiality*

We also determined that for items included in the Parent Company Statement of Profit or Loss, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users. As a result, we determined materiality for these items to be \$0.1m based on 5% of total expenditure (2022:\$0.1m based on 5% of total expenditure). We further applied a performance materiality level of 75% (2022: 75%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)**

### *Component materiality*

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, based on a percentage of between 18% and 90% (2022: 21% and 91% ) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from \$0.464m to \$2.37m (2022: \$0.463m to \$2.25m). In the audit of each component, we further applied performance materiality levels of 75% (2022: 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 \$0.052m (2022: \$0.05m). 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 Code 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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

Going concern and longer-term viability	<ul style="list-style-type: none"> <li>The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 36 and 37; and</li> <li>The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 36.</li> </ul>
Other Code provisions	<ul style="list-style-type: none"> <li>Directors' statement on fair, balanced and understandable set out on page 38;</li> <li>Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 38;</li> <li>The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 47 to 52; and</li> <li>The section describing the work of the Audit and Risk Committee set out on page 56 to 58.</li> </ul>

### 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.

<b>Strategic report and Directors' report</b>	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> <li>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</li> <li>the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.</li> </ul> <p>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.</p>
<b>Matters on which we are required to report by exception</b>	<p>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:</p> <ul style="list-style-type: none"> <li>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</li> <li>the Parent Company financial statements are not in agreement with the accounting records and returns; or</li> <li>certain disclosures of Directors' remuneration specified by law are not made; or</li> <li>we have not received all the information and explanations we require for our audit.</li> </ul>

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)**

### **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:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and the Audit Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, Companies Act 2006, Tax legislations, and the Listing Rules of AIM, ASX and JSE.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the local health and safety legislation and the Mining convention along with the terms of the mining licences.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review the work performed by the component auditors in respect of compliance with local laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and areas of judgement due to the level of subjectivity involved with them.

Our procedures in respect of the above included:

- Fraud enquiries were held with management and those charged with governance to identify whether any instances of fraud were noted in the period.
- Testing the financial statement disclosures to supporting documentation, performing testing on account balances which were considered to be a greater risk of susceptibility to fraud. These balances relate to our key audit matters as disclosed above.
- Making enquiries of management as to whether there was any correspondence with regulators and the Government, in so far as the correspondence related to the financial statements and reviewed this correspondence.
- Performing targeted journal entry testing based on identified characteristics the audit team considered could be indicative of fraud to address the presumed risk of management override of controls, including bribery. For example, we tested capitalisation to property plant and equipment or exploration assets with the opposite entry being processed against bank and cash accounts and not against liability accounts.
- Reviewing the Group's year end unadjusted entries, consolidated entries and investigating any that appear unusual as to nature or amount by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

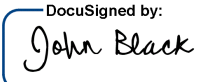
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KORE POTASH PLC (CONT)

### 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.

DocuSigned by:  


EB3D238514FF4D8...  
John Black (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK  
27 March 2024

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 2023**

	Note	Parent		Consolidated Entity	
		Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<i>Continuing operations</i>					
Other Revenue	2(a)	1,195,008	1,092,147	-	-
Directors' remuneration		(795,566)	(814,597)	(252,602)	(418,962)
Equity compensation benefits	2(b)	-	(9,412)	-	(9,412)
Salaries, employee benefits and consultancy expense	2(d)	(783,023)	(890,518)	(239,615)	(293,292)
Administration expenses	2(c)	(601,727)	(542,146)	(644,850)	(546,507)
Interest income		54,107	66,956	54,107	66,956
Interest and finance expenses		(2,991)	(3,935)	(2,991)	(3,935)
Net realised and unrealised foreign exchange losses		(5,104)	(308,801)	(5,104)	(308,801)
Loss before income tax expense		(939,296)	(1,410,306)	(1,091,055)	(1,513,953)
Income tax	3	-	-	-	-
<b>Loss for the year</b>		<b>(939,296)</b>	<b>(1,410,306)</b>	<b>(1,091,055)</b>	<b>(1,513,953)</b>
<b>Other comprehensive income/(loss)</b>					
<i>Items that may be classified subsequent to profit or loss</i>					
Exchange differences on translating foreign operations		-	-	5,046,256	(8,660,408)
Other comprehensive income/(loss) for the year		-	-	5,046,256	(8,660,408)
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR</b>		<b>(939,296)</b>	<b>(1,410,306)</b>	<b>3,955,201</b>	<b>(10,174,361)</b>
<b>Loss attributable to:</b>					
Owners of the Company		(939,296)	(1,410,306)	(1,089,761)	(1,513,822)
Non-controlling interest		-	-	(1,294)	(131)
		<b>(939,296)</b>	<b>(1,410,306)</b>	<b>(1,091,055)</b>	<b>(1,513,953)</b>
<b>Total comprehensive income / (loss) attributable to:</b>					
Owners of the Company		(939,296)	(1,410,306)	3,956,495	(10,174,230)
Non-controlling interest		-	-	(1,294)	(131)
		<b>(939,296)</b>	<b>(1,410,306)</b>	<b>3,955,201</b>	<b>(10,174,361)</b>
Basic and diluted loss per share (cents per share)	22	(0.03)	(0.04)	(0.03)	(0.04)

*The accompanying notes from pages 88 to 125 form part of these financial statements.*

**STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	Note	Parent		Consolidated Entity	
		Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4	1,561,869	4,999,889	1,583,657	5,046,629
Trade and other receivables	5	74,189	112,272	180,532	200,251
<b>TOTAL CURRENT ASSETS</b>		<b>1,636,058</b>	<b>5,112,161</b>	<b>1,764,189</b>	<b>5,246,880</b>
<b>NON CURRENT ASSETS</b>					
Trade and other receivables	5	167,313,290	158,444,734	38,147	38,597
Property, plant and equipment	6	-	-	356,259	385,103
Exploration and evaluation expenditure	7	-	-	176,371,257	162,729,194
Investment in subsidiary	8	69	68	-	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>167,313,359</b>	<b>158,444,802</b>	<b>176,765,663</b>	<b>163,152,894</b>
<b>TOTAL ASSETS</b>		<b>168,949,417</b>	<b>163,556,963</b>	<b>178,529,852</b>	<b>168,399,774</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	1,044,913	396,982	1,240,527	749,469
Derivative financial liability		26	26	26	26
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,044,939</b>	<b>397,008</b>	<b>1,240,553</b>	<b>749,495</b>
<b>NON CURRENT LIABILITIES</b>					
Design optimisation works	9	2,200,000	-	2,200,000	-
<b>TOTAL LIABILITIES</b>		<b>3,244,939</b>	<b>397,008</b>	<b>3,440,553</b>	<b>749,495</b>
<b>NET ASSETS</b>		<b>165,704,478</b>	<b>163,159,955</b>	<b>175,089,299</b>	<b>167,650,279</b>
<b>EQUITY</b>					
Contributed equity – Ordinary Shares	10	4,119,667	3,420,177	4,119,667	3,420,177
Reserves	11	175,594,933	172,999,244	229,228,412	221,586,467
Accumulated losses		(14,010,122)	(13,259,466)	(57,694,772)	(56,793,651)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>165,704,478</b>	<b>163,159,955</b>	<b>175,653,307</b>	<b>168,212,993</b>
Non-controlling interests	11(f)	-	-	(564,008)	(562,714)
<b>TOTAL EQUITY</b>		<b>165,704,478</b>	<b>163,159,955</b>	<b>175,089,299</b>	<b>167,650,279</b>

*The accompanying notes from pages 88 to 125 form part of these financial statements.*

These Financial Statements for Kore Potash plc, registered number 10933682, were approved by the Board of Directors on 27 March 2024 and were signed on its behalf by:



David Hathorn  
Non-Executive Chairman  
Interim Chief Executive Officer

## STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

### 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	Non- Controlling Interest USD	Total Equity USD
<b>Balance at 1 January 2022</b>		<b>3,375,494</b>	<b>708,486</b>	<b>44,205,971</b>	<b>(18,623,503)</b>	<b>203,738,800</b>	<b>(55,422,779)</b>	<b>177,982,469</b>	<b>(562,583)</b>	<b>177,419,886</b>
Loss for the period		-	-	-	-	-	(1,513,822)	(1,513,822)	(131)	(1,513,953)
Other comprehensive loss for the year		-	-	-	(8,660,408)	-	-	(8,660,408)	-	(8,660,408)
<b>Total comprehensive loss for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,660,408)</b>	<b>-</b>	<b>(1,513,822)</b>	<b>(10,174,230)</b>	<b>(131)</b>	<b>(10,174,361)</b>
<i>Transactions with shareholders</i>										
<i>Kore Potash Ltd SA Dis-investment</i>		-	-	-	(139,989)	-	138,501	(1,488)	-	(1,488)
Cancellation of options	11(b)	-	-	-	-	-	-	-	-	-
Conversion of performance rights	11(a)(b)	-	(4,449)	-	-	-	4,449	-	-	-
Share issues	10,11(b)	44,683	-	331,338	-	-	-	376,021	-	376,021
Share issue costs		-	11,895	-	-	-	-	11,895	-	11,895
Share based payments	11(a)	-	18,327	-	-	-	-	18,327	-	18,327
<b>Balance at 31 December 2022</b>		<b>3,420,177</b>	<b>734,259</b>	<b>44,537,309</b>	<b>(27,423,901)</b>	<b>203,738,800</b>	<b>(56,793,651)</b>	<b>168,212,993</b>	<b>(562,714)</b>	<b>167,650,279</b>
Loss for the period		-	-	-	-	-	(1,089,761)	(1,089,761)	(1,294)	(1,091,055)
Other comprehensive income for the year	11(c)	-	-	-	5,046,256	-	-	5,046,256	-	5,046,256
<b>Total comprehensive (loss)/income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5,046,256</b>	<b>-</b>	<b>(1,089,761)</b>	<b>3,956,495</b>	<b>(1,294)</b>	<b>3,955,201</b>
<i>Transactions with shareholders</i>										
Conversion of performance rights	11(a)	-	(188,640)	-	-	-	188,640	-	-	-
Share issues	10,11(b)	699,490	-	2,764,260	-	-	-	3,463,750	-	3,463,750
Share based payments		-	20,069	-	-	-	-	20,069	-	20,069
<b>Balance at 31 December 2023</b>		<b>4,119,667</b>	<b>565,688</b>	<b>47,301,569</b>	<b>(22,377,645)</b>	<b>203,738,800</b>	<b>(57,694,772)</b>	<b>175,653,307</b>	<b>(564,008)</b>	<b>175,089,299</b>

*The accompanying notes from pages 88 to 125 form part of these financial statements.*

## STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

**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
<b>Balance at 01 January 2022</b>	<b>3,375,494</b>	<b>708,486</b>	<b>44,205,971</b>	<b>203,738,800</b>	<b>(76,011,124)</b>	<b>(11,853,609)</b>	<b>164,164,018</b>
Loss for the year	-	-	-	-	-	<b>(1,410,306)</b>	<b>(1,410,306)</b>
Total comprehensive loss for the year	-	-	-	-	-	<b>(1,410,306)</b>	<b>(1,410,306)</b>
<i>Transactions with shareholders</i>							
Conversion of performance rights	-	(4,449)	-	-	-	<b>4,449</b>	-
Share issue	44,683	-	331,338	-	-	-	<b>376,021</b>
Share issue costs	-	11,895	-	-	-	-	<b>11,895</b>
Share based payments	-	18,327	-	-	-	-	<b>18,327</b>
<b>Balance at 31 December 2022</b>	<b>3,420,177</b>	<b>734,259</b>	<b>44,537,309</b>	<b>203,738,800</b>	<b>(76,011,124)</b>	<b>(13,259,466)</b>	<b>163,159,955</b>
Loss for the year	-	-	-	-	-	<b>(939,296)</b>	<b>(939,296)</b>
Total comprehensive (loss)/income for the year	-	-	-	-	-	<b>(939,296)</b>	<b>(939,296)</b>
<i>Transactions with shareholders</i>							
Conversion of performance rights	-	(188,640)	-	-	-	<b>188,640</b>	-
Share issue	699,490	-	2,764,260	-	-	-	<b>3,463,750</b>
Share based payments	-	20,069	-	-	-	-	<b>20,069</b>
<b>Balance at 31 December 2023</b>	<b>4,119,667</b>	<b>565,688</b>	<b>47,301,569</b>	<b>203,738,800</b>	<b>(76,011,124)</b>	<b>(14,010,122)</b>	<b>165,704,478</b>

*The accompanying notes from pages 88 to 125 form part of these financial statements.*

**STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Parent		Consolidated Entity	
		Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Payments to suppliers		(120,023)	(593,005)	(907,915)	(1,151,137)
Payments to employees		(984,931)	(538,184)	(348,798)	(85,108)
Net cash (used in) operating activities	13	(1,104,954)	(1,131,189)	(1,256,713)	(1,236,245)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Payments for plant and equipment	6	-	-	(1,527)	(633)
Payments for exploration activities	7	-	-	(5,779,186)	(4,574,363)
Amounts advanced to related parties	5	(5,889,106)	(4,532,663)	-	-
Interest received		54,107	66,956	54,107	66,956
Net cash (used in) investing activities		(5,834,999)	(4,465,707)	(5,726,606)	(4,508,040)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from issue of shares	11	3,504,618	550	3,504,618	550
Payment for share issue costs	11	-	-	-	-
Net cash provided by financing activities		3,504,618	550	3,504,618	550
<b>Net (decrease)/increase in cash &amp; cash equivalents held</b>		<b>(3,435,335)</b>	<b>(5,596,346)</b>	<b>(3,478,701)</b>	<b>(5,743,735)</b>
Cash and cash equivalents at beginning of financial year		4,999,889	10,916,397	5,046,629	11,092,509
Foreign currency differences		(2,685)	(320,162)	15,729	(302,145)
<b>Cash and cash equivalents at end of financial year</b>	<b>4</b>	<b>1,561,869</b>	<b>4,999,889</b>	<b>1,583,657</b>	<b>5,046,629</b>

*The accompanying notes from pages 88 to 125 form part of these financial statements.*

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### NOTE 1: MATERIAL 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 2023 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 is 45 Gresham Street, London, United Kingdom EC2V 7BG.

### Basis of Preparation

#### (a) Statement of Compliance

The annual financial statements of the Company and the Group have been prepared in accordance with UK adopted international accounting standards. 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 27 March 2024.

*New standards, interpretations and amendments effective from 1 January 2023 which have no impact on the Group*

- IFRS 17 Insurance Contracts
- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)
- IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction).

None of these standards are deemed to have an impact on the Group for the year ending 31 December 2023.

*New standards, interpretations and amendments issued by the IASB 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 as they are not expected to have a material impact on the Group.

New standards, interpretations and amendments effective from 1 January 2024 not yet adopted

- IFRS 16 Leases (Amendment - Liability in a Sale and Leaseback)
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-Current)
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities with Covenants)
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendment).
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosures



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

##### (b) Going Concern

The 31 December 2023 Annual report has been prepared on a going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

In performing their assessment of the Group and Company's ability to continue as a going concern, the Directors have prepared a cash flow forecast for the period ending 30 June 2025, which indicates that under current conditions, the Group and Company will become cash negative in June 2024 and will remain in this position until the end of the forecast period.

The Directors are currently in negotiations with PowerChina/SEPCO to secure an Engineering, Procurement and Construction contract ('EPC') for the construction of the Kola Project.

The negotiations with the potential contractors, PowerChina/SEPCO, are advanced, and they have committed to visit Kore's mine site on 28–30 March 2024 with several engineers, including the Vice-President of PowerChina to progress the EPC negotiations. The purpose of the visit is to perform additional technical tests and studies prior to proceeding to signing the proposed contract.

Based on the status of the negotiations and the planned activity to finalise the contract, it is the Directors expectation that the Group will sign the EPC contract in Q2 2024.

If the contract is not signed by the end of June 2024 then the Group and Company are unlikely to be able to seek alternative contract partners before current cash reserves are utilised and will not be able to generate sufficient cash to fund its normal business activities, as projected in the cash flow forecast.

Even if the Group is successful in finalising this EPC contract in Q2 2024, it will still need to raise a minimum of USD 7.5million to be able to continue to meet its ongoing working capital requirements and to pay its liabilities as they fall due.

This includes an amount of USD 3,000,000 which would be payable to PowerChina under the terms of the revised agreement with SEPCO, dated 07 August 2023.

Of this USD 3,000,000, USD 800,000 is payable within 6 weeks of the EPC contract being finalised and USD 2,200,000 is to be paid no later than 12 months after the signing of the EPC.

In addition to the signing of the EPC contract, the Group is reliant on the SUMMIT consortium preparing a funding proposal, which there is a non-binding agreement to do so within 6 weeks of the EPC contract being signed.

The ability of the Group and Company to continue as a going concern is dependent on the successful conclusion of the EPC contract negotiations within the timeframes planned and on the ability of the Group and Company to raise the necessary funds to meet its working capital requirements as established in the cash flow forecast. At the date of signing these financial statements, there is no guarantee that the contract will be signed, and within the necessary timeframe, nor that the funding to meet the Group's and Company's obligations will be secured. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group and Company 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

##### (b) Going Concern (Cont)

The financial statements do 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 Group and Company are undertaking several activities to raise funds to fund its current and ongoing commitments and to raise funds for the planned commitments should the EPC contract be agreed. This fundraising is in addition to the cash balance at 22 March 2024 of USD1.4 million.

On 22 March 2024 the Company raised USD 530,000 via the issue of five separate Convertible Loan Notes ('CLN'). The net proceeds from the CLNs will be used to further advance work that is expected to lead to the signing of the EPC contract for the Kola Potash Project. Each CLN has a zero interest coupon and is convertible into new ordinary shares of ordinary shares of US\$0.001 each in the Company at a price of 0.38 pence per new Ordinary Share and will be converted immediately after publication of the 2023 Annual Report on 28 March 2024. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company. As at 26 March 2024 the Company had received the total USD 530,000.

On 22 March 2024 the Company announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

The cash forecast for the Company includes an additional expected and non-binding private fund raise of USD 320,000 in April 2024 from existing shareholders.

The Directors note the Group has a history of successfully raising capital on the AIM and JSE, and in the past on the ASX. Having reviewed the Group's overall position and outlook in respect of the matters identified above, the Directors 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.

In addition, the Directors believe that the proposed contract with PowerChina/SEPCO will be signed. Accordingly, the Directors believe 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 to have sufficient funds to continue the work to finalise the Kola Project EPC and Financing Proposal for the complete construction of Kola.

##### (c) 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

##### (d) 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)

The presentational currency of the Group is US dollars.

##### (e) 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 Potash S.A. is expected to change to US dollars upon the commencement of mining, as potash is priced in US dollars.

##### (f) 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

#### (g) Basis of Consolidation (Cont)

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.

#### (h) 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

##### (i) 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 asset's 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.

##### (j) Financial Instruments

###### (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 receivables 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.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

#### (j) Financial Instruments (Cont)

##### ***(ii) 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.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

##### ***(iii) 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.

##### ***(iv) 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.

#### **(k) Revenue Recognition**

Revenue is recognised from the provision of services has been provided under the contractual obligations.

Revenue for the provision of services to a group entity is recognised when the services have been provided to that entity as per the Intra-Group Service Agreement.

#### **(l) 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 which 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.

#### **(m) 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. Cash held in currencies other than USD is measure based on the USD equivalent exchange rate at the end of the period and cash flows are measured at the average USD equivalent exchange rate over the period.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

#### (n) 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
- 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; and
- 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 DFS, 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)

#### Basis of Preparation (Cont)

##### (o) 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

##### (p) 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.

##### (r) 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.



## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

### **NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)**

#### **Basis of Preparation (Cont)**

##### **(s) 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, CDIs 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.

##### **(t) 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 loans to subsidiaries are repayable on demand where the directors have applied judgment that the amount will not be settled or called within the next 12 months as subsidiaries do not have sufficient liquidity and are not cash generating and classified the amount as non-current.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)**

**Basis of Preparation (Cont)**

**(t) Critical Accounting Judgements and Estimates (Cont)**

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

<b>Critical accounting judgement</b>	<b>Details</b>
<p>Impairment of exploration and evaluation assets, recovery of parent company investments and intercompany balances</p>	<p>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.104) for the disclosure of the exploration and evaluation asset</p> <p>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:</p> <ul style="list-style-type: none"> <li>(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;</li> <li>(b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;</li> <li>(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</li> <li>(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.</li> </ul> <p>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.</p>
<p>Non-recognition of DTA on losses</p>	<p>The Group has carried forward losses from previous years and current year has a nett loss which will be utilised against future profits.</p>
<p>Going Concern</p>	<p>The Directors have set out in the going concern note why in their judgement the company and group should prepare the financial statements on a going concern basis. The key judgement the Directors have made in determining the appropriateness of the going concern basis is that the Group will sign the EPC contract in Q2 2024 which will enable to group to raise the funds needed for the group and company to continue as a going concern as described in that note. If the EPC contract was not finalised in Q2 2024, the Group and Company would not have sufficient levels of cash to continue as a going concern without raising additional funds which have not been secured at the date of the approval of these financial statements. Further details are provided in the going concern disclosure Note 1(b).</p>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 1: MATERIAL ACCOUNTING POLICIES (CONT)**

**Basis of Preparation (Cont)**

**(u) Assumptions and Estimation Uncertainties**

No assumptions and estimation uncertainties have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities at 31 December 2023

**(v) 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

NOTE 2: LOSS FOR THE YEAR	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b>(a) Revenue</b>				
Intra group services	1,195,008	1,092,147	-	-
<b>Expenses</b>				
<b>(b) Equity based payments</b>				
Directors, KMP and other employees (i)	-	9,412	-	9,412
<b>(c) Administration Expenses</b>				
Accounting, company secretarial and audit fees	288,451	237,473	288,451	237,473
Insurance expenses	52,076	54,164	52,076	54,164
Legal fees	4,213	-	4,213	-
Compliance, registration and other tax fees	118,669	120,404	161,511	120,404
Marketing and investor relations	90,143	86,481	90,143	86,481
Premises and office related costs	8,939	8,285	8,939	8,285
Professional fees	-	72	-	72
Other expenses	39,236	35,267	39,517	39,628
	601,727	542,146	644,850	546,507

- (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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

NOTE 2: LOSS FOR THE YEAR (CONT)	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b>(d) Salaries, employee benefits and consultancy expense</b>				
Wages and Salaries	148,798	528,514	55,628	75,438
Social Security costs	7,538	9,670	7,538	9,670
Consultancy costs	626,687	352,334	176,449	208,184
	<u>783,023</u>	<u>890,518</u>	<u>239,615</u>	<u>293,292</u>

Staff Costs capitalised as Exploration and Exploration Asset

Wages and Salaries	-	-	686,172	860,314
--------------------	---	---	---------	---------

Total staff costs for the Group in the year ended 31 December 2023 were USD 1,076,559 (2022: US USD 945,423) The staff costs incurred during the year at a subsidiary, SPSA, of USD 1,013,393 has been capitalised as Exploration and Exploration Asset (2022: USD 860,314).

(e) Average number of employees	Parent		Consolidated Entity	
	Dec 2023 Number	Dec 2022 Number	Dec 2023 Number	Dec 2022 Number
Operational	-	-	17	18
Head Office	4	5	4	5
	<u>4</u>	<u>5</u>	<u>21</u>	<u>23</u>

**NOTE 3: INCOME TAX EXPENSE**

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Loss before tax	(939,296)	(1,410,306)	(1,091,055)	(1,513,953)
Parent company tax on loss at the UK corporation tax rate of 23.52% (2022: 19%)	(220,923)	(267,958)	(256,616)	(287,651)
Different tax rates of subsidiaries operating in different jurisdictions	-	-	-	-
	<u>(220,923)</u>	<u>(267,958)</u>	<u>(256,616)</u>	<u>(287,651)</u>
Tax effect of:				
Net non-deductible expenses	-	1,788	-	-
Income not taxable for tax purposes	-	-	-	17,120
Deferred tax asset not recognised	234,824	266,170	270,517	270,531
Permanent differences	-	-	-	-
Remeasurement of deferred tax for change in tax rate	(13,901)	-	(13,901)	-
	<u>220,923</u>	<u>267,958</u>	<u>256,616</u>	<u>287,651</u>
<b>Income tax expense</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 3: INCOME TAX EXPENSE (CONT)

From 1 April 2023, the Corporation Tax main rate for non-ring-fenced profits is 25% applying to profits over £0.25 million. A small profits rate with profits of £0.05 million or less so Corporation Tax at 19%. Profit needs to be apportioned for first 3 month which is January 2023 to March 2023 for 19% corporation tax rate and from April 2023 to December 2023 at 25% corporation tax (or at 19% based on small profits rate) (year ended 31 December 2022: 19%), representing the best estimate of the average annual effective tax rate applied to the pre-tax income and considering the Group's assets are in the exploration phase. The statutory tax rate of Kore Potash plc is 23.52% (2022: 19%). The Group is subject to varying statutory rates, primarily being Australia (30%), and the RoC (see Note 7 regarding corporate tax concessions applicable under the new mining convention). There is no income tax income for 2023 and the income tax charge for the year ended 31 December 2022 USD Nil.

An increase in the UK corporation tax rate is likely to impact on the Group's potential deferred tax asset not yet recognised in respect of tax losses and didn't impact on the reported tax charge in the financial statements for the year ended 31 December 2023. No deferred tax has been recognised in respect of the Group's tax losses of USD 20,854,332 (2022: USD 19,763,277) that are available for offset against any future taxable profits in the companies in which the losses arose.

	Parent	Dec 2022 USD	Consolidated Entity	
	Dec 2023 USD		Dec 2023 USD	Dec 2022 USD
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>				
Cash at bank	1,561,869	4,999,889	1,583,657	5,046,629
	<b>1,561,869</b>	<b>4,999,889</b>	<b>1,583,657</b>	<b>5,046,629</b>

	Parent	Dec 2022 USD	Consolidated Entity	
	Dec 2023 USD		Dec 2023 USD	Dec 2022 USD
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>				
<b>Current</b>				
Advance to employees	-	-	16,006	17,742
Net GST, PAYE and VAT recoverable	22,273	(11,046)	22,273	(11,046)
Prepayments	51,916	108,033	103,594	140,765
Other receivables	-	15,285	38,659	52,790
	<b>74,189</b>	<b>112,272</b>	<b>180,532</b>	<b>200,251</b>
<b>Non-Current</b>				
Rental deposits	1,464	1,212	4,493	36,801
Others	-	-	33,654	1,796
Amounts due from subsidiaries (i) (ii)	167,311,826	158,443,522	-	-
	<b>167,313,290</b>	<b>158,444,734</b>	<b>38,147</b>	<b>38,597</b>
<b>Total Trade and Other Receivables</b>	<b>167,387,479</b>	<b>158,557,006</b>	<b>218,679</b>	<b>238,848</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 5: TRADE AND OTHER RECEIVABLES (CONT)

- (i) The amount due from a subsidiary is interest-free and is repayable on demand. The loans to subsidiaries are repayable on demand where the directors have applied judgment that the amount will not be settled or called within the next 12 months as subsidiaries do not have sufficient liquidity and are not cash generating and classified the amount as non-current.
- (ii) The increase in the year relates to the transfer of funds 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, SPSA 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.

As at 31 December 2023 there were no other receivables that were past due but not impaired. Amounts due from subsidiaries is inclusive of the expected loss provision of \$28m (2022; \$28m). There have been no changes in the provision for the current financial year.

NOTE 6: PROPERTY, PLANT AND EQUIPMENT	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Plant and equipment – at cost	-	-	2,011,869	1,964,294
Less accumulated depreciation	-	-	(1,655,610)	(1,579,191)
	-	-	<b>356,259</b>	<b>385,103</b>
<b>Reconciliation:</b>				
Opening balance	-	-	385,103	482,530
Additions	-	-	1,559	645
Depreciation capitalised under exploration and evaluation	-	-	(27,813)	(60,701)
Disposals	-	-	(14,444)	(10,332)
Foreign exchange differences	-	-	11,854	(27,039)
Closing balance at period end	-	-	<b>356,259</b>	<b>385,103</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

<b>NOTE 7: EXPLORATION AND EVALUATION EXPENDITURE</b>	<b>Parent</b>		<b>Consolidated Entity</b>	
	<b>Dec 2023 USD</b>	<b>Dec 2022 USD</b>	<b>Dec 2023 USD</b>	<b>Dec 2022 USD</b>
Opening balance	-	-	162,729,194	166,613,902
Exploration and evaluation expenditure capitalised during the year	-	-	8,842,377	5,064,934
Foreign exchange differences	-	-	4,799,686	(8,949,642)
Closing balance at period end	<u>-</u>	<u>-</u>	<u>176,371,257</u>	<u>162,729,194</u>
Exploration and evaluation expenditure relating to:				
Kola Potash Mining project	-	-	144,128,252	131,725,943
Dougou Potash Mining project	-	-	32,243,005	31,003,251
	<u>-</u>	<u>-</u>	<u>176,371,257</u>	<u>162,729,194</u>

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 DX) 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 ten 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 10% carried equity interest (subject to signing shareholders agreement) 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 expired in February 2021 and the company relinquished this tenement there is no value allocated to this tenement or costs incurred in relation to this tenement.

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 RoC.

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 change in equity interest 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

NOTE 8: ENTITIES	CONTROLLED	Country of Incorporation	Percentage Owned		Percentage Investment	
			31 Dec 23 %	31 Dec 23 USD	31 Dec 22 %	31 Dec 22 USD
<b>Controlled Entities</b>						
		Australia	100	69	100	68
		Republic of Congo	97	1	97	1
		<i>(ii)</i> Held through Sintoukola Potash S.A.:				
		Republic of Congo	100	18,264	100	18,264
		Republic of Congo	100	18,264	100	18,264

*(i)* The principal activity of Kore Potash Limited during the financial year was for administrative 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 6005.

*(ii)* 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 91 Germain Bikoumat centre-ville route de la radio, Immeuble Abdallah BP 662 Pointe Noire, République du Congo.

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>				
<b>Current</b>				
Trade and other creditors	5,170	30,959	18,097	47,162
Design & optimisation works	800,000	-	800,000	-
Accruals	219,119	137,793	231,143	311,409
Employee benefits and related payables	20,624	228,230	191,287	390,898
<b>Total Trade and Other Payables</b>	<b>1,044,913</b>	<b>396,982</b>	<b>1,240,527</b>	<b>749,469</b>

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

**Non Current**

Design & optimisation works	2,200,000	-	2,200,000	-
<b>Total Trade and Other Payables</b>	<b>2,200,000</b>	<b>-</b>	<b>2,200,000</b>	<b>-</b>

The cost for the Design Optimization Works yet to be paid by Kore is USD 3 million of which USD 800,000 payable up to 6 weeks from the date PowerChina and SEPCO having presented to Kore a “complete contractual document capable of finalising the financing arrangement of the Kola Project and capable of acceptance by Kore to form a binding construction contract” and USD 2.2 million to be paid subject to Kore concluding its fund raise with a target date of no later than 12 months of the signing of the EPC Contract.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 10: ISSUED CAPITAL**

	<b>Parent</b>	<b>Parent</b>	<b>Consolidated Entity</b>	<b>Consolidated Entity</b>
	<b>Dec 2023</b>	<b>Dec 2022</b>	<b>Dec 2023</b>	<b>Dec 2022</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
4,119,667,120 Fully Paid Ordinary Shares at par value of USD 0.001 each (31 December 2022: 3,420,177,120 Fully Paid Ordinary Shares at par value of USD 0.001)	4,119,667	3,420,177	4,119,667	3,420,177
<b>Fully Paid Ordinary Shares</b>	<b>4,119,667</b>	<b>3,420,177</b>	<b>4,119,667</b>	<b>3,420,177</b>

<b>Date</b>	<b>Details</b>	<b>No. of Shares</b>	<b>USD</b>
<b>31 Dec 2021</b>	<b>Closing balance</b>	<b>3,375,494,446</b>	<b>3,375,494</b>
05 May 2022	Issue of Equity (i)	550,000	550
13 June 2022	Issue of Equity – SQM in lieu of fees payable (ii)	44,132,674	44,133
<b>31 Dec 2022</b>	<b>Closing balance</b>	<b>3,420,177,120</b>	<b>3,420,177</b>
03 Apr 2023	Issue of Equity (iii)	1,760,000	1,760
08 Aug 2023	Issue of Equity 124,384,000 new ordinary shares \$ 0.001 (iv)	124,384,000	124,384
26 Sept 2023	Issue of Equity 31,096,000 new ordinary shares \$ 0.001 (v)	31,096,000	31,096
07 Nov 2023	Issue of Equity 336,575,000 new ordinary shares \$ 0.001 (vi)	336,575,000	336,575
14 Dec 2023	Issue of Equity 205,675,000 new ordinary shares \$ 0.001 (vii)	205,675,000	205,675
<b>31 Dec 2023</b>	<b>Closing balance</b>	<b>4,119,667,120</b>	<b>4,119,667</b>

- (i) On 5 May 2022, a total of 550,000 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 of which 283,333 ordinary shares were issued to Gavin Chamberlain, COO.
- (ii) On 13 June 2022, the Company issued 44,132,674 ordinary shares to SQM in lieu of fees payable for the DX DFS Phase 1 work completed under the Technical Services Agreement.
- (iii) On 3 April 2023, a total of 1,760,000 ordinary shares were issued to certain an ex-employee following the vesting of Performance Rights awarded under the Company's Employee Performance Incentive Plans.
- (iv) On 8 August 2023, the Company issued 124,384,000 new ordinary shares of US\$0.001 each as part of the USD 1 million fund raise with certain eligible existing shareholders at 0.5 cents per share.
- (v) on 26 September 2023, the Company issued further 31,096,000 new ordinary shares of US\$0.001 each as part of the USD 1 million fund raise with certain eligible existing shareholders at 0.5 cents per share. The issue of 31,096,000 new ordinary shares were approved at the General Meeting on 21 September 2023.
- (vi) on 31 October 2023, 336,575,000 new ordinary shares of US\$ 0.001 each in the Company (the "Unconditional Subscription Shares") with existing shareholders at the Subscription Price of 0.38 cents per share.
- (vii) on 31 October 2023, 205,675,000 new ordinary shares of US\$ 0.001 each in the Company (the "Conditional Subscription Shares") conditionally placed with existing shareholders at the Subscription Price of 0.38 cents per share. The Conditional Subscription Share were subsequently approved at the General Meeting on 7 December 2023.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 11: RESERVES**

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
SBP reserve (a)	565,688	734,259	565,688	734,259
Share premium reserve (b)	47,301,569	44,537,309	47,301,569	44,537,309
Foreign currency translation reserve (c)	-	-	(22,377,645)	(27,423,901)
Merger reserve (d)	203,738,800	203,738,800	203,738,800	203,738,800
Reorganisation reserve (e)	(76,011,124)	(76,011,124)	-	-
<b>Total Reserves</b>	<b>175,594,933</b>	<b>172,999,244</b>	<b>229,228,412</b>	<b>221,586,467</b>

**(a) SBP Reserve**

Opening balance	734,259	708,486	734,259	708,486
Value performance rights converted in ordinary share capital	(188,640)	(4,449)	(188,640)	(4,449)
Share based payment vesting expense (ii)	20,069	30,222	20,069	30,222
<b>Closing balance</b>	<b>565,688</b>	<b>734,259</b>	<b>565,688</b>	<b>734,259</b>

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

(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 Performance		USD
		Options	Rights	
<b>31 Dec 2021</b>	<b>Closing balance</b>	<b>46,900,000</b>	<b>2,310,000</b>	<b>708,486</b>
05 May 2022	Conversion of performance rights	-	(550,000)	(4,449)
09 Jun 2022	Issue of share options	9,000,000	-	-
31 Dec 2022	SBP charge	-	-	30,222
<b>31 Dec 2022</b>	<b>Closing balance</b>	<b>55,900,000</b>	<b>1,760,000</b>	<b>734,259</b>
03 Apr 2023	Conversion of performance rights	-	(1,760,000)	(188,640)
31 Dec 2023	SBP Charges	-	-	20,069
<b>31 Dec 2022</b>	<b>Closing balance</b>	<b>55,900,000</b>	<b>-</b>	<b>565,688</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 11: RESERVES (CONT)**

**(a) SBP Reserve (Cont)**

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, cancellation or recognised as share capital if exercised.

**(b) Share Premium Reserve**

	Parent Dec 2023 USD	Parent Dec 2022 USD	Consolidated Entity Dec 2023 USD	Consolidated Entity Dec 2022 USD
<b>Movements during the period</b>				
Opening balance	44,537,309	44,205,971	44,537,309	44,205,971
Capital raising	-	-	-	-
Share issue	2,764,260	331,338	2,764,260	331,338
Less: Capital raising costs	-	-	-	-
Closing balance	<b>47,301,569</b>	<b>44,537,309</b>	<b>47,301,569</b>	<b>44,537,309</b>

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 Dec 2023 USD	Parent Dec 2022 USD	Consolidated Entity Dec 2023 USD	Consolidated Entity Dec 2022 USD
<b>Movements during the period</b>				
Opening balance	-	-	(27,423,901)	(18,623,503)
Currency translation differences arising during the year	-	-	5,046,256	(8,800,398)
Closing balance	<b>-</b>	<b>-</b>	<b>(22,377,645)</b>	<b>(27,423,901)</b>

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 76,011,124 was recognised in a Reorganisation Reserve in the parent company accounts during the year ended 31 December 2017.

During the year ended 31 December 2018, 8,191,226 SBP options expired. The value of the options of USD 888,802 was transferred to Accumulated Losses in the Australian subsidiary Kore Potash Limited, and to the Reorganisation Reserve in the Parent company.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 11: RESERVES (CONT)**

**(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 RoC.

Pursuant to the Mining Convention, the RoC Government were granted a 10% equity interest in KPM and DPM, which are wholly owned by 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 end of the period.

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<b><i>Movements during the period</i></b>				
Opening balance	-	-	562,714	562,583
Loss/(profit) for the year (i)	-	-	1,294	131
Closing balance	-	-	<b>564,008</b>	<b>562,714</b>

**NOTE 12: DIVIDENDS**

No dividends have been proposed or paid during the year ended 31 December 2023 (2022: Nil).

**NOTE 13: NOTES TO STATEMENT OF CASH FLOWS**

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2023 USD
<b><i>Reconciliation of cash flows from operating activities:</i></b>				
Loss for the year	(939,296)	(1,410,306)	(1,091,055)	(1,513,953)
<b><i>Adjustments for:</i></b>				
Equity compensation benefits	-	9,412	-	9,412
Net realised and unrealised foreign exchange losses	2,688	320,162	2,688	320,162
Interest income not classified as operating activities cash inflow	(54,107)	(66,956)	(54,107)	(66,956)
Intra group services included in Investing Activities	-	-	-	-
<b>Operating loss before changes in working capital</b>	<b>(990,715)</b>	<b>(1,147,688)</b>	<b>(1,142,474)</b>	<b>(1,251,335)</b>
Increase in receivables	71,150	(10,676)	71,150	(10,597)
Decrease in payables	(185,389)	27,175	(185,389)	25,687
<b>Net cash used in operating activities</b>	<b>(1,104,954)</b>	<b>(1,131,189)</b>	<b>(1,256,713)</b>	<b>(1,236,245)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### 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-23	Dec-22	Dec-23	Dec-22
	USD	USD	USD	USD
<b>FINANCIAL ASSETS</b>				
Cash at bank	-	-	1,583,657	5,046,629
Trade and other receivables	-	-	218,679	238,848
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,802,336</b>	<b>5,285,477</b>
<b>FINANCIAL LIABILITIES</b>				
Trade and other payables	-	-	(3,440,527)	(749,469)
Derivative financial liability	(26)	(26)	-	-
<b>Total financial liabilities</b>	<b>(26)</b>	<b>(26)</b>	<b>(3,440,527)</b>	<b>(749,469)</b>

Parent	Fair value through profit or loss		Amortised Cost Interest Rate	
	Dec-23	Dec-22	Dec-23	Dec-22
	USD	USD	USD	USD
<b>FINANCIAL ASSETS</b>				
Cash at bank	-	-	1,561,869	4,999,889
Investments in subsidiaries	-	-	68	68
Trade and other receivables	-	-	1,464	1,213
Amounts due from subsidiaries	-	-	167,311,895	158,443,522
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>168,875,296</b>	<b>163,444,692</b>
<b>FINANCIAL LIABILITIES</b>				
Trade and other payables	-	-	(3,244,913)	(396,982)
Derivative financial liability	(26)	(26)	-	-
<b>Total financial liabilities</b>	<b>(26)</b>	<b>(26)</b>	<b>(3,244,913)</b>	<b>(396,982)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONT)

#### (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, South African Rand (ZAR) / US Dollar (USD) exchange rate, Euro (EUR) / US Dollar (USD) exchange rate and Australian Dollar (EUR) / US Dollar (USD) the 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 2023						31 December 2022					
	CAD	GBP	XAF	ZAR	AUD	EUR	CAD	GBP	XAF	ZAR	AUD	EUR
<b>FINANCIAL ASSETS</b>												
Cash at bank	2,011	15,021	21,788	5,366	25	199	7,970	463,487	46,740	5,548	-	23
Trade and other receivables	-	-	146,056	-	-	-	-	(8,735)	92,631	-	-	-
<b>FINANCIAL LIABILITIES</b>												
Trade and other payables	-	-	(195,612)	-	(4,077)	-	(14,571)	(146,202)	(189,819)	(518)	(1,337)	(3,725)
Derivative financial liability	-	(26)	-	-	-	-	-	(26)	-	-	-	-
<b>Net exposure</b>	<b>2,011</b>	<b>14,995</b>	<b>(27,768)</b>	<b>5,366</b>	<b>(4,052)</b>	<b>199</b>	<b>(6,601)</b>	<b>308,524</b>	<b>(50,448)</b>	<b>5,030</b>	<b>(1,337)</b>	<b>(3,702)</b>

#### Sensitivity analysis (Group)

A reasonably possible strengthening (weakening) of the CAD, GBP, XAF, ZAR, AUD and EUR, against USD at 31 December 2023 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.

## FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONT)

#### (a) Market Risk (Cont)

##### (i) Foreign currency risk (Cont)

	Equity		Profit or Loss	
	Strengthening Gain/(Loss) USD	Weakening Gain/(Loss) USD	Strengthening (Gain)/Loss USD	Weakening (Gain)/Loss USD
<b>31 December 2022</b>				
CAD (5% movement)	101	(101)	101	(101)
GBP (5% movement)	750	(750)	750	(750)
XAF (5% movement)	(1,388)	1,388	(1,388)	1,388
ZAR (5% movement)	268	(268)	268	(268)
AUD (5% movement)	(203)	203	(203)	203
EUR (5% movement)	10	(10)	10	(10)

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

	31 December 2023					31 December 2022				
	CAD	GBP	ZAR	AUD	EUR	CAD	GBP	ZAR	AUD	EUR
<b>FINANCIAL ASSETS</b>										
Cash at bank	2,011	15,021	5,366	25	199	7,970	463,487	5,548	-	23
Trade and other receivables	-	-	-	-	-	-	(8,735)	-	-	-
Trade and other payables	-	-	-	(4,077)	-	(14,571)	(146,202)	(518)	(1,337)	(3,725)
Derivative financial liability	-	(26)	-	-	-	-	(26)	-	-	-
<b>Net exposure</b>	<b>2,011</b>	<b>14,995</b>	<b>5,366</b>	<b>(4,051)</b>	<b>199</b>	<b>6,601</b>	<b>308,524</b>	<b>5,030</b>	<b>(1,337)</b>	<b>(3,702)</b>

##### Sensitivity analysis (Parent)

A reasonably possible strengthening (weakening) of the CAD, GBP, ZAR, AUD and EUR, against USD at 31 December 2023 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
<b>31 December 2023</b>				
CAD (5% movement)	101	(101)	101	(101)
GBP (5% movement)	750	(750)	750	(750)
ZAR (5% movement)	268	(268)	268	(268)
AUD (5% movement)	(203)	203	(203)	203
EUR (5% movement)	10	(10)	10	(10)

##### (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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONT)**

**(a) Market Risk (Cont)**

**(ii) Interest rate risk (Cont)**

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 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022	Dec 2023	Dec 2022
	%	%	USD	USD	USD	USD	USD	USD
<b>FINANCIAL ASSETS</b>								
Cash at bank	1.63%	2.01%	-	3,338,818	198,264	191,889	1,363,605	1,515,992
Trade and other receivables			-	-	-	-	74,189	98,083
Total financial assets			-	3,338,818	198,264	191,889	1,437,794	1,614,075
<b>FINANCIAL LIABILITIES</b>								
Trade and other payables			-	-	-	-	(3,243,820)	(358,571)
Derivative financial liability			-	-	-	-	(26)	(26)
Total financial liabilities			-	-	-	-	(3,243,846)	(358,597)

All receivables and payables in the Parent at 31 December 2023 and at 31 December 2022 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 2023 and 31 December 2022 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.

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 manages the credit risk associated with cash by investing these funds with highly rated financial institutions, and by monitoring its concentration of cash held in any one institution. As such, the Group deems the credit risk on its cash to be low.

The Group closely monitors its financial assets (excluding cash) and does not have any significant concentration of credit risk.

The Company has Intercompany balances that are received from the subsidiaries and the associated risk is covered in Note 5.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONT)**

**(b) Credit risk (Cont)**

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 2023	Within 1 Month USD	1-3 Months USD	3-12 Months USD	12-24 Months USD
<b>Non-derivatives</b>				
<i>Non-interest bearing</i>				
Trade and other payables	243,846	-	800,000	2,200,000
Total Financial Liabilities	<b>243,846</b>	<b>-</b>	<b>800,000</b>	<b>2,200,000</b>
31 Dec 2022	Within 1 Month USD	1-3 Months USD	3-12 Months USD	12-24 Months USD
<b>Non-derivatives</b>				
<i>Non-interest bearing</i>				
Trade and other payables	358,571	-	-	-
Total Financial Liabilities	<b>358,571</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

31 Dec 2023	Within 1 Month USD	1-3 Months USD	3-12 Months USD	12-24 Months USD
<b>Non-derivatives</b>				
<i>Non-interest bearing</i>				
Trade and other payables	244,913	-	800,000	2,200,000
Total Financial Liabilities	<b>244,913</b>	<b>-</b>	<b>800,000</b>	<b>2,200,000</b>
31 Dec 2022	Within 1 Month USD	1-3 Months USD	3-12 Months USD	12-24 Months USD
<b>Non-derivatives</b>				
<i>Non-interest bearing</i>				
Trade and other payables	168,752	-	-	-
Total Financial Liabilities	<b>168,752</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

### **NOTE 14: FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONT)**

#### **(c) Liquidity and capital risk management (Cont)**

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 3 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**

PowerChina has delivered EPC proposal and draft EPC contract on 6 February 2024.

On 22 March 2024 the Company raised USD 530,000 via issue of five separate Convertible Loan Notes. The net proceeds from the CLNs will be used to further advance work that is expected to lead to signing of an EPC contract for the Kola Potash Project and provide working capital for Kore Potash. Each Convertible Loan has a zero interest coupon and is convertible into new ordinary shares of ordinary shares of US\$0.001 each in the Company at a price of 0.38 pence per new Ordinary Share and will be converted immediately after publication of the 2023 Annual Report on 28 March 2024. Subject to the conversion of the CLNs the Company will issue 109,865,053 new Ordinary Shares in the Company.

On 22 March 2024 the Company also announced that it is the intention of David Hathorn, Chairman and Interim CEO, to subscribe for new ordinary shares of the Company for a consideration of USD 150,000 as soon as practicable following publication of the 2023 Annual Report and on the same terms as the CLNs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 17: COMMITMENTS FOR EXPENDITURE

#### Exploration and Evaluation Expenditure Commitments

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 (subject to signing shareholders agreement) in the project companies, which are currently wholly owned by the Group's subsidiary, SPSA.

### NOTE 18: AUDITOR'S REMUNERATION

	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
<i>Fees payable to the Company's external auditor and their associates for the audit of the Company's annual accounts</i>				
BDO LLP – Group Auditor.	117,740	125,296	117,740	125,296
Cairq Conseil – ROC Auditor	-	-	15,986	-
<b>Total audit fees</b>	<b>117,740</b>	<b>125,296</b>	<b>133,726</b>	<b>125,296</b>
 <i>Fees payable to the Company's auditor and their associates for other non-audit services to the Group</i>				
Half-year review	22,362	20,730	22,362	20,730
	<b>22,362</b>	<b>20,730</b>	<b>22,362</b>	<b>20,730</b>
<b>Total fees payable to the Company's external auditor and their associates</b>	<b>140,102</b>	<b>146,026</b>	<b>156,088</b>	<b>145,966</b>
 <i>Fees payable to the Company's external auditor for the local audit of the Subsidiary's annual accounts</i>				
Cairq Conseil	-	-	15,986	17,157

### NOTE 19: RELATED PARTY TRANSACTIONS

#### **Directors' remuneration**

The expense of USD 974,339 recognised (2022: USD 823,488) includes directors fees paid and remuneration for the current CEO. An amount of USD 121,716 (2022: USD nil) is payable to directors fees that have not been paid.

The Group 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**

Evelyn Partners 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 43,730 (2022: USD 89,232) and USD 5,640 (2022: USD 1,310) to Evelyn Partners LLP. There were no amounts outstanding owed in respect of services provided by Nexia Perth or Evelyn Partners LLP at 31 December 2023 (2022: USD nil)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 19: RELATED PARTY TRANSACTIONS (CONT)

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 71,780 (2022: USD 118,870). There were no amounts outstanding owed to in respect of services provided by St James's Corporate Services Limited at 31 December 2023 (2022: 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 (Resigned with effect from 31 October 2023)
David Hathorn	Non-Executive Chairman & Interim Chief Executive Officer

#### *Non-Executive Directors*

David Hathorn	Non-Executive Chairman (appointed on 25 August 2017)
Jonathan Trollip	Non-Executive Director (appointed on 17 November 2017)
David Netherway	Non-Executive Director (appointed on 12 December 2017)
Pablo Hernandez Mac-Donald	Non-Executive Director (Resigned with effect from 20 June 2023)
Mr Wouter Pulinx	Non-Executive Director (Appointment with effect from 24 July 2023)

#### *Executives*

Henko Vos	Joint Company Secretary (appointed on 7 November 2017)
St James's Corporate Services Limited	Joint Company Secretary (appointed on 1 October 2018)
Gavin Chamberlain	Chief Operating Officer (Resigned with effect from 31 January 2023)
Amanda Farris	Chief Financial Officer (Resigned with effect from 11 December 2023)
Andrey Maruta	Chief Financial Officer (appointed on 11 December 2023)

### KMP compensation

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

	<b>Consolidated Entity</b>	
	<b>Dec 2023</b>	<b>Dec 2022</b>
	<b>USD</b>	<b>USD</b>
Short-term employee benefits	1,331,427	1,396,971
Equity compensation benefits	20,069	30,222
	<b>1,351,496</b>	<b>1,427,193</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 20: KMP DISCLOSURES (CONT)

There were five directors who held office at the end of the 2023 (2022: five). Details of directors' remuneration are provided in the Directors' Remuneration Report on pages 61 to 69 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 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Expense arising from equity-settled share-based payment transactions	-	9,412	-	9,412

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 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Amounts capitalised to exploration and evaluation expenditure arising from equity-settled share-based payment transactions	20,068	20,810	20,068	20,810

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### NOTE 21: SHARE-BASED PAYMENTS (CONT)

#### *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 20,068 (2022: USD 30,222) of which vesting expenses capitalised to exploration and evaluation expenditure of USD 20,068 (2022: USD 20,810).

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

	2023		2022	
	Number of share options	Number of share options	Number of share options	Weighted average exercise price
Outstanding at beginning at year	55,900,000	55,900,000	46,900,000	GBP 0.022
Granted during the year	-	-	9,000,000	GBP 0.022
Outstanding at the end of the year	<b>55,900,000</b>	<b>55,900,000</b>	<b>55,900,000</b>	<b>GBP 0.022</b>

The share options outstanding at 31 December 2023 had a weighted average exercise price of GBP 0.022 and a weighted average contractual life of 0.83 years.

#### Details of options and performance rights issued to KMP

Performance Rights	Number of rights at 31 December	Cancelled in period	Exercised	Issued in the period	Lapsed rights	Number of rights at 31 December	Time to expiry (Years)
<b>Rights Issue</b>	<b>2022</b>					<b>2023</b>	
15	1,760,000	-	(1,760,000)	-	-	-	-
	<b>1,760,000</b>	-	<b>(1,760,000)</b>	-	-	-	-

Performance Rights	Number of rights at 31 December	Cancelled in period	Exercised	Issued in the period	Lapsed rights	Number of rights at 31 December	Time to expiry (Years)
<b>Rights Issue</b>	<b>2021</b>					<b>2022</b>	
15	1,760,000	-	-	-	-	1,760,000	-
25	550,000	-	(550,000)	-	-	-	-
	<b>2,310,000</b>	-	<b>(550,000)</b>	-	-	<b>1,760,000</b>	

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 21: SHARE-BASED PAYMENTS (CONT)**

**Details of options and performance rights issued to KMP (Cont)**

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

	<b>Grant Date</b>	<b>Vesting Date</b>	<b>Number of Rights</b>	<b>Expiry Date</b>	<b>Fair Value at Grant Date</b>
Rights Series 15	29/05/2017	<i>Refer below</i>	11,734,855	31/05/2022	AUD 0.17 / AUD 0.104
Rights Series 25	17/03/2020	<i>Refer below</i>	2,500,000	17/03/2025	GBP 0.0615

The total charged for the year ended 2023 in respect of the above performance rights was Nil.

**Option Series 33**

At the 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:

<b>Vesting conditions</b>	<b>Brad Sampson (Option Series 33)</b>
<b>Total</b>	<b>26,900,000</b>
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.

<b>Input into the model</b>	<b>Option Series 33</b>
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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 21: SHARE-BASED PAYMENTS (CONT)**

**Details of options and performance rights issued to KMP (Cont)**

**Options Series 34, 35**

The Board approved the grant of 33,000,000 unlisted options to certain employees on 5 September 2019 under the Company's LTIP. The options were issued on 25 June 2020 in accordance with the Company's LTIP. The options vest over 3 years on a one third basis per annum. These include the award of 12,000,000 options to ex-employee and 8,000,000 options to Andrey Maruta (CFO). The vesting conditions of the options were as follows:

<b>Vesting conditions</b>	
<b>Total</b>	<b>33,000,000</b>
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:

<b>Input into the model</b>	<b>Series 34, 35</b>
Grant date share price	GBP 0.0145
Expected volatility	99.7%
Annual risk-free rate	-0.04%
Expiry date	4.3 years
Grant date fair value	GBP 0.0092

**Options Series 38**

At the Company's General Meeting on 9 June 2022, the Company's shareholders approved the grant of 9,000,000 unlisted options pursuant to the Directors and Executives Share Option Plan to David Hathorn. The options will only vest, and be exercisable into shares, subject to the Company obtaining a financing package to fully fund the development of the Company's Kola Project approved by the Board.

<b>Vesting conditions</b>	
<b>Total</b>	<b>9,000,000</b>
Exercise price	GBP 0.022
Exercisable:	Upon obtaining a financing package to fully fund the development of the Company's Kola Project approved by the Board.
Expiry	09/06/2027

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 21: SHARE-BASED PAYMENTS (CONT)**

**Details of options and performance rights issued to KMP (Cont)**

The fair value of the options at grant date of GBP0.0089 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:

<b>Input into the model</b>	<b>Series 38</b>
Grant date share price	GBP 0.0143
Expected volatility	89.3%
Annual risk-free rate	1.80%
Expiry date	5 years
Grant date fair value	GBP 0.0089

***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 3 April 2023, a total of 1,760,000 ordinary shares were issued to an ex-employee following the vesting of performance rights. At the end of the year Nil (2022: 1,760,000) remained in existence.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

**NOTE 21: SHARE-BASED PAYMENTS (CONT)**

**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 33 (i)	17/07/2019	17/07/2022	26,900,000	17/07/2024	GBP 0.0070	GBP 0.022
Options Series 34, 35 (ii)	15/09/2019	15/09/2022	33,000,000	01/01/2024	GBP 0.0092	GBP 0.022
Option Series 38 (iii)	13/06/2022	08/06/2027	9,000,000	09/06/2027	GBP 0.0089	GBP 0.022

- (i) Were issued in the year ended 30 September 2019 to Brad Sampson. All 26,900,000 remained outstanding at year end.
- (ii) The Board approved the grant of 33,000,000 unlisted options to certain employees on 5 September 2019 under the Company's LTIP. The options were issued on 25 June 2020 in accordance with the Company's LTIP. The options vest over 3 years on a one third basis per annum. These include the award of 12,000,000 options to ex-employee and 8,000,000 to Andrey Maruta (CFO). At year end 20,000,000 options were outstanding.
- (iii) Were granted on 13 June 2022 to David Hathorn. All 9,000,000 remained outstanding at year end.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)

### 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 55,900,000 share options in respect of a total of ordinary shares at 31 December 2023 (31 December 2022: 55,900,000) and Nil performance rights (31 December 2022: 1,760,000). Options, 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 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Basic and diluted loss per share from continuing operations	(0.03)	(0.04)	(0.03)	(0.04)
	Parent		Consolidated Entity	
	Dec 2023 USD	Dec 2022 USD	Dec 2023 USD	Dec 2022 USD
Earnings reconciliation				
Loss attributable to ordinary shareholders	(939,296)	(1,410,306)	(1,091,055)	(1,513,953)
	Parent		Consolidated Entity	
	Dec 2023 Number	Dec 2022 Number	Dec 2023 Number	Dec 2022 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	3,537,739,507	3,400,159,288	3,537,739,507	3,400,159,288

#### **Headline earnings/loss per share**

It is a JSE listing requirement to disclose headline earnings/loss per share, a non-IFRS measure, calculated in terms of Circular 1/2023 as issued by the South African Institute of Chartered Accountants. 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.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONT)**

### **NOTE 23: CONTINGENT LIABILITIES**

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

### **NOTE 24: CREDIT RISK MANAGEMENT PRACTICES**

The Company has implemented robust credit risk management practices. These practices are essential for assessing and mitigating credit risks associated with our financial assets.

Our definition of default aligns with industry standards and regulatory guidelines. Specifically, we consider a counterparty to be in default under the following circumstances:

**Past Due:** A debtor is past due by more than 90 days on any significant credit obligation to the Company.

**Unlikely to Pay:** A debtor is unlikely to fulfil its credit obligations to the Company without recourse to actions such as realizing security.

We arrived at this definition after analyzing our trade and other receivables, historical default data, and the nature of our credit exposures. It enables us to accurately identify defaults and manage credit risk effectively.

## ASX ADDITIONAL INFORMATION (UNAUDITED)

### Registered office and principal place of business

#### Principal and Registered Office (UK)

45, Gresham Street, London  
United Kingdom EC2V 7BG  
Telephone: +44 20 3963 1776

#### Australian Office

Level 3, 88 William Street,  
Perth WA 6000  
Telephone: +61 (8) 9463 2463  
Facsimile: +61 (8) 9463 2499

#### Sintoukola Potash S.A.

Level 3, Apartment C  
91 Germain Bikoumat centre-ville route de la  
radio  
Immeuble Abdallah  
BP 662 Pointe Noire  
République du Congo  
Telephone: +242 22 294 1924

### Registers of securities are held at the following address:

Computershare Investor Services Plc

The Pavilions, Bridgwater Road

Bristol BS99 6ZZ

United Kingdom

Telephone: +44 (0)370 707 1258

Fax: +44 (0)370 703 6101

Computershare Investor Services

Pty Ltd

Level 11, 172 St George's

Terrace

Perth WA 6000

Telephone: +61 (8) 9323 2000

Facsimile: +61 (8) 9323 2033

Computershare Investor Services  
(Pty) Ltd

Rosebank Towers

15 Biermann Avenue

Rosebank 2196

South Africa

Telephone: +27 11 370 5000

The shareholder and CDI holder information set out below was applicable as at 1 March 2024:

### Number of holders of ordinary shares/CDIs on Issue

4,119,667,120 fully paid ordinary shares and CDIs are held by shareholders.

### Distribution of fully paid ordinary share and CDI holders

Size of Holding	No. of holders	Units	Percentage %
1 to 1,000	2,673	627,661	0.02
1,001 to 5,000	1,014	2,592,928	0.06
5,001 to 10,000	348	2,711,545	0.07
10,001 to 100,000	974	40,524,269	0.98
100,001 and over	764	4,073,210,717	98.87
	<b>5,773</b>	<b>4,119,667,120</b>	<b>100.00</b>

The number of holdings comprising less than a marketable parcel was 4,769 with a given a share value of AUD 0.009 per share.

## ASX ADDITIONAL INFORMATION (UNAUDITED) (CONT)

### Substantial shareholders and CDI holders

Substantial shareholders and CDI holders listed in the Company's share register as at 1 March 2024:

Name	No. of fully paid ordinary shares / CDIs	Percentage %	No. of unlisted options / equity warrants held
The Bank of New York (Nominees) Limited <sup>(i)</sup>	684,712,335	16.62	-
Sociedad Quimica y Minera	538,210,503	13.06	-
Huntress (CI) Nominees Limited <sup>(ii)</sup>	514,467,826	12.49	-
Luna Nominees Limited <sup>(iii)</sup>	337,750,061	8.20	-
	<b>2,075,140,725</b>	<b>50.37</b>	-

(i) Includes 629,520,171 ordinary shares held by The Bank of New York (Nominees) Limited on behalf of Princess Aurora Company Pte Ltd and 32,365,000 ordinary shares held directly.

(ii) Includes 507,797,313 ordinary shares held by Huntress (CI) Nominees Limited on behalf of Harlequin Investments.

(iii) Includes 337,708,061 ordinary shares held by Luna Nominees Limited on behalf of Mr David Hathorn.

### On-market buy-back

There is no current on-market buy-back.

### Twenty largest holders of quoted equity securities (ordinary shares / CDIs)

Top 20 Shareholders and CDI Holders as at 1 March 2024		Number of Shares / CDIs	% Held
1	The Bank of New York (Nominees) Limited	684,712,335	16.62%
2	Sociedad Quimica y Minera	538,210,503	13.06%
3	Huntress (CI) Nominees Limited	514,467,826	12.49%
4	Luna Nominees Limited	337,750,061	8.20%
5	Wadeville International (Mauritius) Ltd	193,471,000	4.70%
6	Golden Season International Limited	177,665,258	4.31%
7	Interactive Brokers LLC	127,867,722	3.10%
8	Pershing (CI) Nominees Limited	122,154,079	2.97%
9	91 LP – DL Stevens	103,500,000	2.51%
10	HSBC Custody Nominees	100,516,326	2.44%
11	Hargreaves Lansdown (Nominees) Limited	94,544,092	2.29%
12	BNP Paribas Nominees Pty Ltd	86,516,211	2.10%
13	Goldman Sachs Securities (Nominees) Limited	74,396,000	1.81%
14	Citicorp Nominees Pty Limited	57,582,943	1.40%
15	State Street Nominees Limited	43,462,070	1.05%
16	John Earhart	31,302,411	0.76%
17	Glen Deveron Investments Pty Ltd	30,182,760	0.73%
18	Dingyi Group Investment Limited	20,855,524	0.51%
19	Aurora Nominees Limited	20,202,459	0.49%
20	Heriot Investments Pty Ltd	15,000,000	0.36%
<b>Total</b>		<b>3,391,724,580</b>	<b>82.33%</b>

## ASX ADDITIONAL INFORMATION (UNAUDITED) (CONT)

### Unquoted equity securities

Class	Number of unquoted equity securities	Number of holders	Number of holders holding 20% or more in the class
Unlisted options exercisable at GBP 0.022 expiring 1 Jan 2024	20,000,000	2	2
Unlisted options exercisable at GBP 0.022 expiring 19 Jul 2024	26,900,000	1	1
Unlisted options exercisable at GBP 0.022 expiring 9 Jun 2027	9,000,000	1	1
	55,900,000	N/A	N/A

### Unquoted equity security holdings greater than or equal to 20%

Unlisted options exercisable at GBP 0.022 expiring 1 January 2024	Number of unlisted options	Percentage
Gavin Chamberlain	12,000,000	60%
Andrey Maruta	8,000,000	40%
	20,000,000	100%

Unlisted options exercisable at GBP 0.022 expiring 19 July 2024	Number of unlisted options	Percentage
Brad Sampson	26,900,000	100%

Unlisted options exercisable at GBP 0.022 expiring 9 June 2027	Number of unlisted options	Percentage
David Hathorn	9,000,000	100%

### Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands, every member present in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

Options, Performance Rights and Equity Warrants do not carry any voting rights.

### Securities exchange listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the ASX. The Company's ASX code is "KP2". On the ASX they are traded as CDIs. On 29 March 2018, the Company completed secondary listings on the AIM market operated by the LSE and on the JSE.

### Restricted securities

There are no restricted securities or securities in voluntary escrow at the date of this report.

### Company Secretary

The names of the joint company secretaries are St James's Corporate Services Limited and Henko Vos.

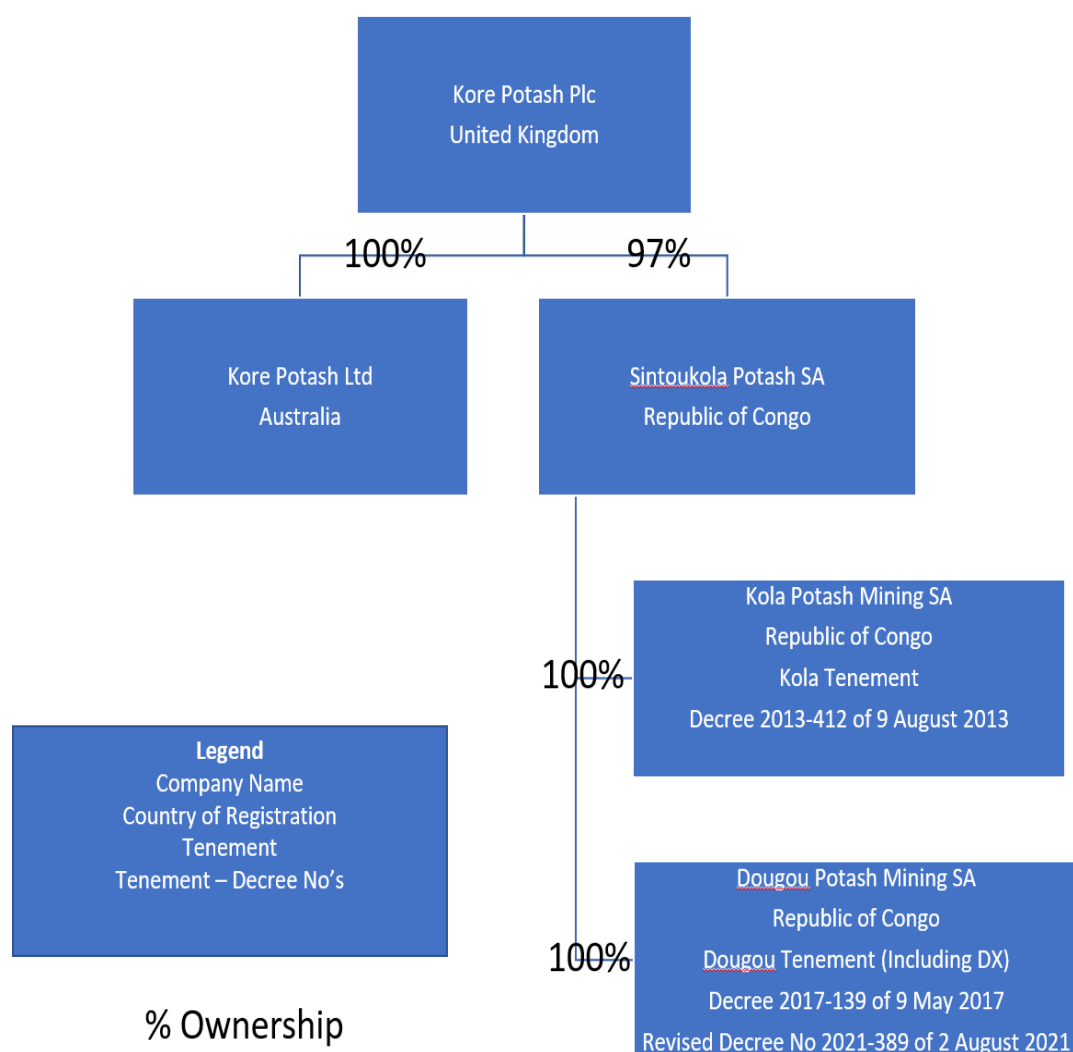


## ASX ADDITIONAL INFORMATION (UNAUDITED) (CONT)

### Company Structure and Tenement Details

The Company is incorporated and registered in England and Wales. Kore Potash Limited incorporated in Australia is wholly owned by Kore Potash. The Company also has a 97% holding in SPSA in the RoC (see Note 11(f)). SPSA is the 100% owner of KPM which is the sole owner of the Kola Mining Tenement and 100% owner of DPM, which is the sole owner of the Dougou Mining Tenement (which has not been transferred from SPSA at the reporting date). The Kola deposit is located within the Kola Mining Tenement. The Dougou Mining Tenement hosts the Dougou deposit and the DX deposit.

Under the Mining Convention the RoC government is granted a 10% equity interest in DPM and KPM. The Company continues to work with government to transfer this interest to the State.



### Schedule of Tenements

A schedule of mining tenements held at 31 December 2023 (and the date of this report) and a table showing changes to the Potash Mineral Resources and Ore Reserves between 2022 and 2023 is included in the Review of Operations on pages 8 to 28.

### Project Overview

A project overview for the Group is included in the Review of Operations and Strategic Report on pages 8 to 28.