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ISSUED CAPITAL
(As at – 23 January 2017)
728.9m Ordinary Shares
ASX Code: K2P

Drilling at Kola Intersects very High-Grade Seam of 58.9% KCl

Summary:

- **As previously announced, Kore is carrying out drilling aimed at further expanding and improving confidence of the Kola resource as preparation for the upcoming DFS.**
- **For the first hole of the three-hole programme Kore Potash is pleased to report that it has intersected 4m @ 58.9% KCl from a depth of 255.85m hosted by sylvinite 'Hangingwall Seam'.**
- **This seam is interpreted to be well developed in this area being continuous between this hole and EK_13, which is 830 metres away, with similar depth, grade and thickness.**
- **Kola is already considered to have an excellent grade at 33.13 % KCl. The EK_49 intersection demonstrates the potential to increase this.**
- **A Resource update is expected early in the June quarter.**
- **Kola drilling is expected to be completed early February then the drilling programme will move to further test the Dougou Extension Prospect.**

Perth, Australia, 23 January 2017 - Kore Potash Limited (ASX:K2P) (formerly known as Elemental Minerals Limited – ASX:ELM) (Kore or the Company) announced on 23 November 2016 that it intended to drill a further 3 holes at its Kola potash project in Republic of Congo aimed at further expanding and adding confidence to the Kola resource for the DFS. The purpose of the first hole, EK_49, was to test the extension of the very high grade Hangingwall sylvinite seam intersected previously at Kola. Kore is very pleased to advise that it has intersected 4 metres of sylvinite grading 58.9% KCl from a depth of 255.85m. The next two holes EK_50 and EK_51 (in progress) are being drilled in large 'gaps' in the existing sylvinite resource.

Comment by Sean Bennett, Managing Director *"Following the $45m investment at the end of November, I am pleased to have begun our additional drilling programme at Kola to optimize the resource inputs for the upcoming DFS. We are really excited that Kola continues to produce sensational results, demonstrating the high quality of the project. At between 48% and 60% KCl, the Hangingwall seam is a candidate for the highest grade potash seam of significant thickness in the world. The Company is considering ways in which to incorporate these results into the Kola mining plan and DFS in order to improve plant design and projects economics."*

Observations from the High Grade Result

- The mineralization in EK_49 is comprised of almost 60% sylvite (Figure 1), the remainder is halite and is without visible insoluble material - a deleterious component in most of the worlds potash ores.

- The reported thickness is well above the minimum thickness required for the planned mining method and is expected to be within ~5% of the true width of the seam.

- EK_49 is 830m southwest of hole EK_13, drilled in 2010 which also intersected sylvinite Hangingwall Seam (3.73m grading 54.41% KCl from a depth of 258.74m) supporting the continuity of the seam in this area. Analysis of the core and of seismic data shows that in this area the seam is horizontal and is likely to be continuous between these holes. In both EK_13 and EK_49 the seam is more than 20m below the top of the salt host rock which more than satisfies the requirements for mining.

- The Hangingwall sylvinite seam at Kola grades between 48% and 60% KCl (Table 1). The high grade of the sylvinite does not reflect a localized enrichment but is a consistently high grading seam. Furthermore, the insoluble content of the seam from previous intersections is exceptionally low at less than 0.2%. This seam is also the target at the Dougou Extension Prospect, 15 km to the southwest.

- Due to its very high grade, the Hangingwall sylvinite seam may have a positive impact on the grade of the current (last updated August 2012) Measured and Indicated mineral resource for Kola (Table 2)[1] if included in these categories which at present are only assigned to the Upper Seam and Lower Seam (573 Mt grading 33.13% KCl). The Kola resource is being updated and completion of this work is expected in Q2 2017. The current (August 2012) Hangingwall sylvinite seam resource is 47Mt grading 55.04% KCl, all within the Inferred Category.

- Figure 2 shows all holes where sylvinite Hangingwall seam has been intersected at Kola and Table 1 provides details of these intersections. At Kola the Hangingwall seam is consistently between 55 and 60m above the Upper Seam, at a depth of between 195 and 265m below surface.

[1] Announcement dated 20 August 2012: *Elemental Minerals Announces Significant Further Mineral Resource Upgrade for Kola*

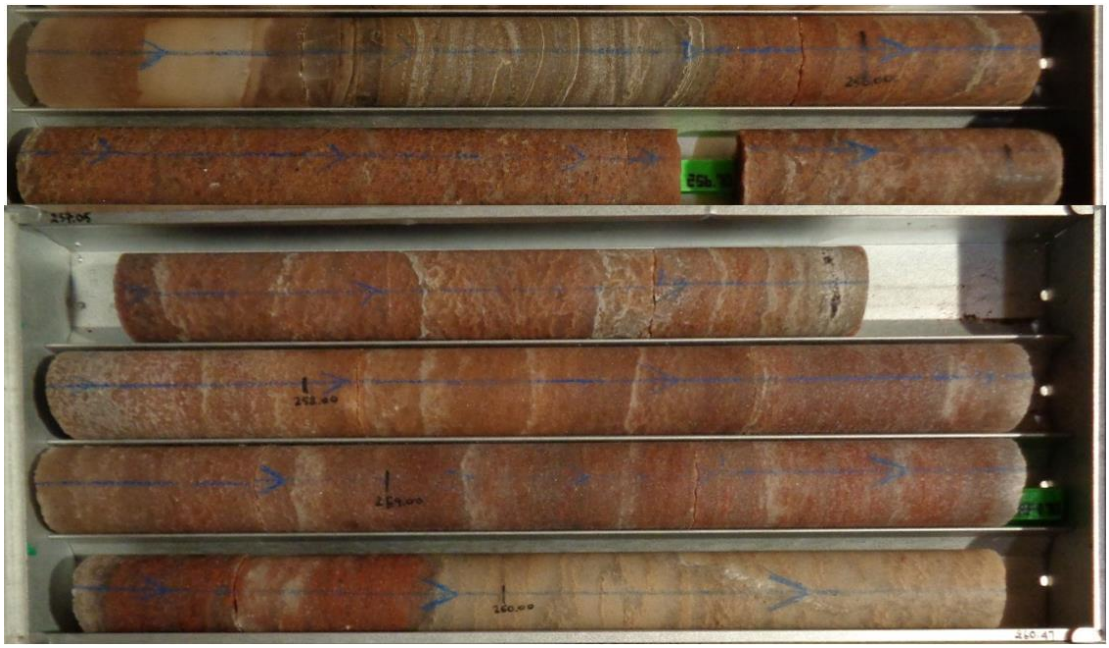

Figure 1. The Hangingwall seam sylvinite in EK_49 (orange-pink colour). 4.04 metres grading 58.9% KCl. Rock-salt above and below the seam is included in the photograph

KCl grade determination from API data

The KCl grade of the intersection in EK_49 was determined using a factor for the conversion of API values (generated from downhole gamma-ray logging) to KCl%, established by the Company's independent geophysical provider, Wireline Workshop of South Africa, as described in section 6 of Appendix 1. As further validation, the grade is similar to other intersections of this seam at Kola (Table 1) and visually, sylvite can be seen to comprise approximately 60% of the rock.

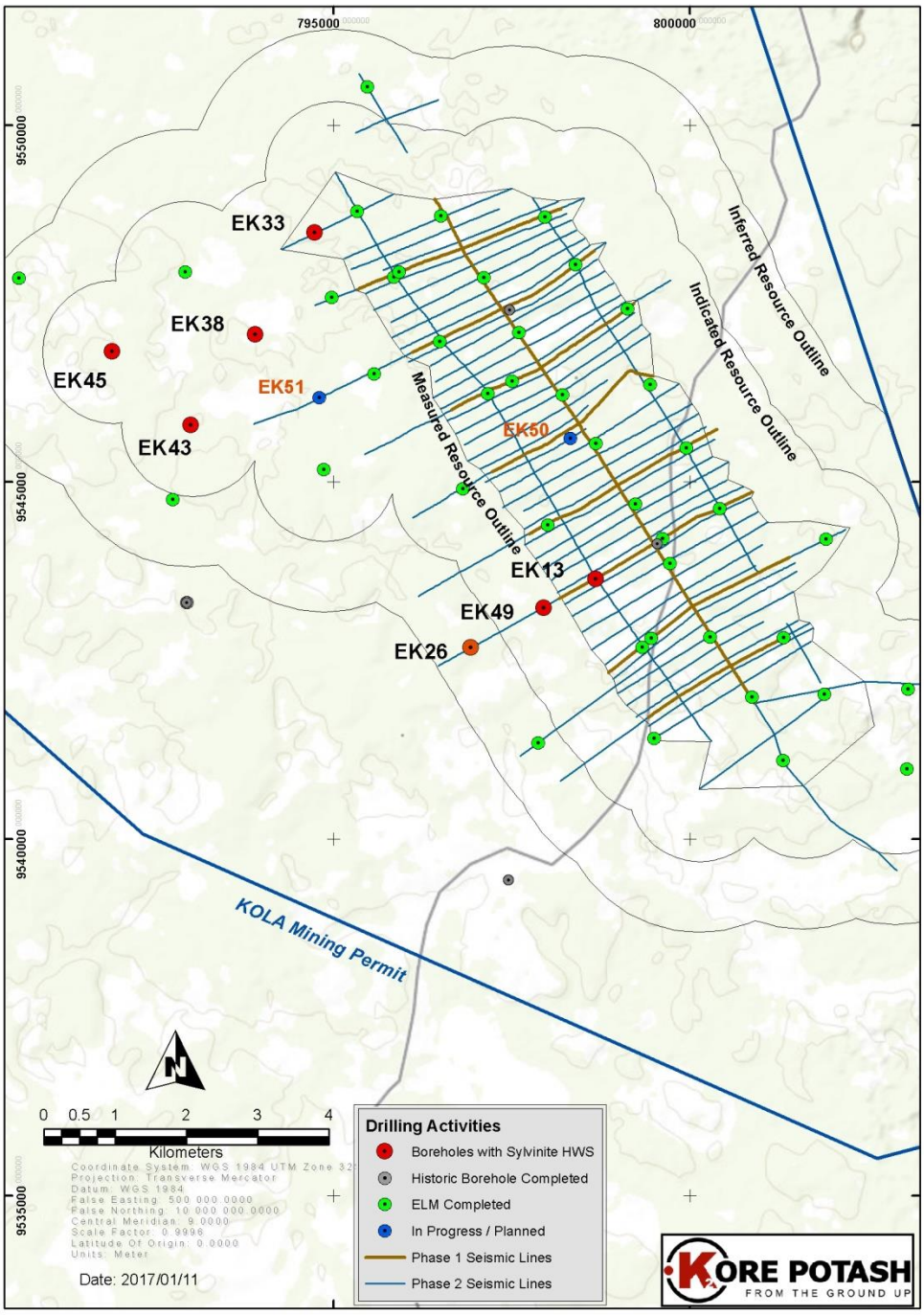

Figure 2. Map showing the position of EK_49 in relation to other holes containing sylviite Hangingwall Seam at Kola (Table 1). Holes in progress, EK_50 and EK_51 are shown.

Previous Intersections of sylvinite Hangingwall seam at Kola

Table 1. Previous intersections of sylvinite Hangingwall seam at Kola.

Borehole	Depth From (m)	Depth To (m)	Measured Thickness (m)	KCl %	Mg %	Insolubles %
EK_13	258.74	262.47	3.73	54.41	0.107	no data
EK_26*	261.05	261.6	0.55	un-sampled		
EK_33	214.9	217.79	2.89	53.22	0.020	0.135
EK_38	209.6	212.06	2.46	48.46	0.025	0.174
EK_43	222.58	225.69	3.11	59.89	0.041	0.138
EK_45	196.48	200.23	3.75	54.19	0.040	no data

*seam only partially preserved immediately below the top of the salt member

Work programme at Kola

EK_49 was drilled to add additional confidence in the extent of the Hangingwall seam. The Company is progressing planning for the drilling of additional holes in addition to the current 3 hole program and acquiring further seismic data, aimed at expanding the resource for this seam further. Details of this will be provided over coming weeks.

Drill hole EK_50 is in progress and hole EK_51 is planned to be completed in early February 2017. These holes are located in gaps in the resource, where currently no sylvinite is interpreted in the 2012 resource model. If successful they have the potential to positively impact on the Kola Resource which is being updated in Q2 2017, and will be the basis for the Definitive Feasibility Study.

The Company will continue to move quickly through the current programme, and will provide further results as available. Following the drilling at Kola, the rigs will move to the Dougou Extension Prospect. Drilling will test the Dougou Extension Prospect.

Table 2. Kola Deposit sylvinite mineral resources, as estimated 20 August 2012.

	MEASURED		INDICATED		TOTAL MEASURED + INDICATED		INFERRED		TOTAL RESOURCES ALL CATEGORIES	
Seam	**M tonnes**	**%KCl**	**M tonnes**	**%KCl**	**M tonnes**	**%KCl**	**M tonnes**	**%KCl**	**M tonnes**	**%KCl**
Hangingwall Seam	-	-	-	-	-	-	47	55.04	47	55.04
Upper Seam	171	35.55	159	34.90	330	35.24	96	34.49	426	35.07
Lower Seam	93	30.44	150	30.28	243	30.34	107	30.31	350	30.29
Footwall Seam	-	-	-	-	-	-	225	27.93	225	27.93
TOTAL	**264**	**33.75**	**309**	**32.61**	**573**	**33.13**	**475**	**32.48**	**1,048**	**32.84**

Notes: *The Kola Mineral resources were estimated by CSA Global of Perth, and reported under the JORC Code 2004. Kore Potash is not aware of any new information or data that materially affects the information included in the Announcement to the ASX on the 21th August 2012 titled "Elemental Announces Further Significant Mineral Resource Upgrade for Kola". In the case of the Mineral Resources the Company can confirm the assumptions and the technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context of the Competent Person's findings as presented in the announcement have not materially changed. Table entries are rounded to the appropriate significant figure. A conversion factor of 1.5837 was used to convert K_2O to KCl. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues.*

Table 3. Position of drillhole EK_49 (refer to figure 2). Projection: UTM zone 32 S Datum: WGS 84

BH_ID	Final Depth m	Easting m	Northing m	Elevation m above msl	azimuth	dip
EK_49	349.7	797950	9543242	48.3	NA	-90

Competent Person Statement

This exploration result information has been compiled and reviewed by Mr. Andrew Pedley, Chief Geologist for Kore Potash. Mr. Pedley is a Competent person in the field of potash exploration and mineral resource estimation. He is a registered scientist (Pr. Sci. Nat) with the South African Council for Natural Scientific Professions (reg No. 400311/13) and is a member of the Geological Society of South Africa. The information relating to Mineral Resources or Ore Reserves, and the results of economic studies, is extracted from previous public reports, as referred to in footnotes herein. 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.

Forward-Looking Statements

This news release contains statements that are "forward-looking". Generally, the words "expect," "potential", "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature, forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Statements in this news release regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as resource estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

- ENDS -

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APPENDIX 1. Checklist of Assessment and Reporting Criteria in the format of Table 1 of the JORC code 2012 edition

Section 1 - Sampling Techniques and Data

JORC Criteria	JORC Explanation	Commentary
1. SAMPLING TECHNIQUES	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• No sampling of the core has taken place as it is to be used for metallurgical testwork. The grade is determined from conversion of calibrated API data as discussed in section 6 below.
2. DRILLING TECHNIQUES	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• EK_49 was drilled by rotary Percussion to the anhydrite layer above the salt member, then the hole cased and grouted before continuing in PQ (85 mm diameter and 89 mm for historic holes) diamond coring through the salt and potash layers. Coring was by conventional diamond drilling methods with the use of tri-salts (K, Na, Mg).
3. DRILL SAMPLE RECOVERY	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. .*	• Core recovery is recorded at the drill site as a percentage volume of core recovered vs the drilling advance. In EK_49 recovery is over 95% for the salt and over 99% for the Hangingwall seam intersection as is shown in figure 1 of the announcement). • The use of tri-salts in the drilling fluid is essential in achieving excellent recovery. After the core reaches surface it is wrapped in cellophane wrap within minutes.
4. LOGGING	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • The total length and percentage of the relevant intersections logged.	• The entire length of the hole was logged in detail, from rotary chips in the 'cover sequence' and core in the evaporite. • Logging is qualitative and supported by quantitative downhole geophysical data including gamma, acoustic televiewer, density, caliper data which correlates extremely well with the quantitative logging. Figure A1 below shows the geophysical data for the Hangingwall seam.

JORC Criteria	JORC Explanation	Commentary
5. SUB-SAMPLING TECHNIQUES AND SAMPLE PREPARATION	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The core has not been sampled as it will be used for metallurgical and geotechnical testwork. • As is described in section 6, the gamma ray logging provides a representative 'sample' of the side-wall of the hole.
6. QUALITY OF ASSAY DATA AND LABORATORY TESTS	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• No laboratory assays have been carried out as whole core is required for metallurgical and geotechnical testwork. • The KCl grade was determined by converting gamma-ray data to API units which were then converted to KCl % by the application of a conversion factor known as a K-factor. • The geophysical logging was carried out by independent downhole geophysical logging company Wireline Workshop (WW)of South Africa, and data was processed by WW. Data collection, data processing and quality control and assurance followed a stringent operating procedure. • API calibration of the tool was carried out at a test-well at WW's base in South Africa to convert raw gamma ray CPS to API using a coefficient for sonde NGRS6569 of 2.799 given a standard condition of a diameter 150mm bore in fresh water (1.00gm/cc mud weight). • To provide a Kola specific field based K-factor, log data were converted via a K factor derived from a comparison with laboratory data for boreholes EK_13, EK_14 and EK_24. In converting from API to KCl (%), a linear relationship is assumed (no dead time effects are present at the count rates being considered). • In order to remove all depth and log resolution variables, an 'area-under-the-curve' method was used to derive the K factor (Fig. A2). This overcomes the effect of narrow beds not being fully resolved as well as the shoulder effect at bed boundaries. • To calculate a K-factor, it was necessary to convert the laboratory data to a wireline log and to zero all values between ore zones. A block was created (Fig. A2) that covered all data and both wireline gamma ray log (GAMC) and laboratory data log were summed in terms of area under the curves. • From this like-for –like comparison a K factor of 0.074 was calculated. In support if this factor, it compares well with the theoretical K-factor derived using Schlumberger API to KCl conversion charts which would be 0.0767 for this tool in hole of PQ diameter (125 mm from caliper data) • As a check on instrument stability over time, EK_24 is logged frequently. No drift in the gamma-ray data is observed.

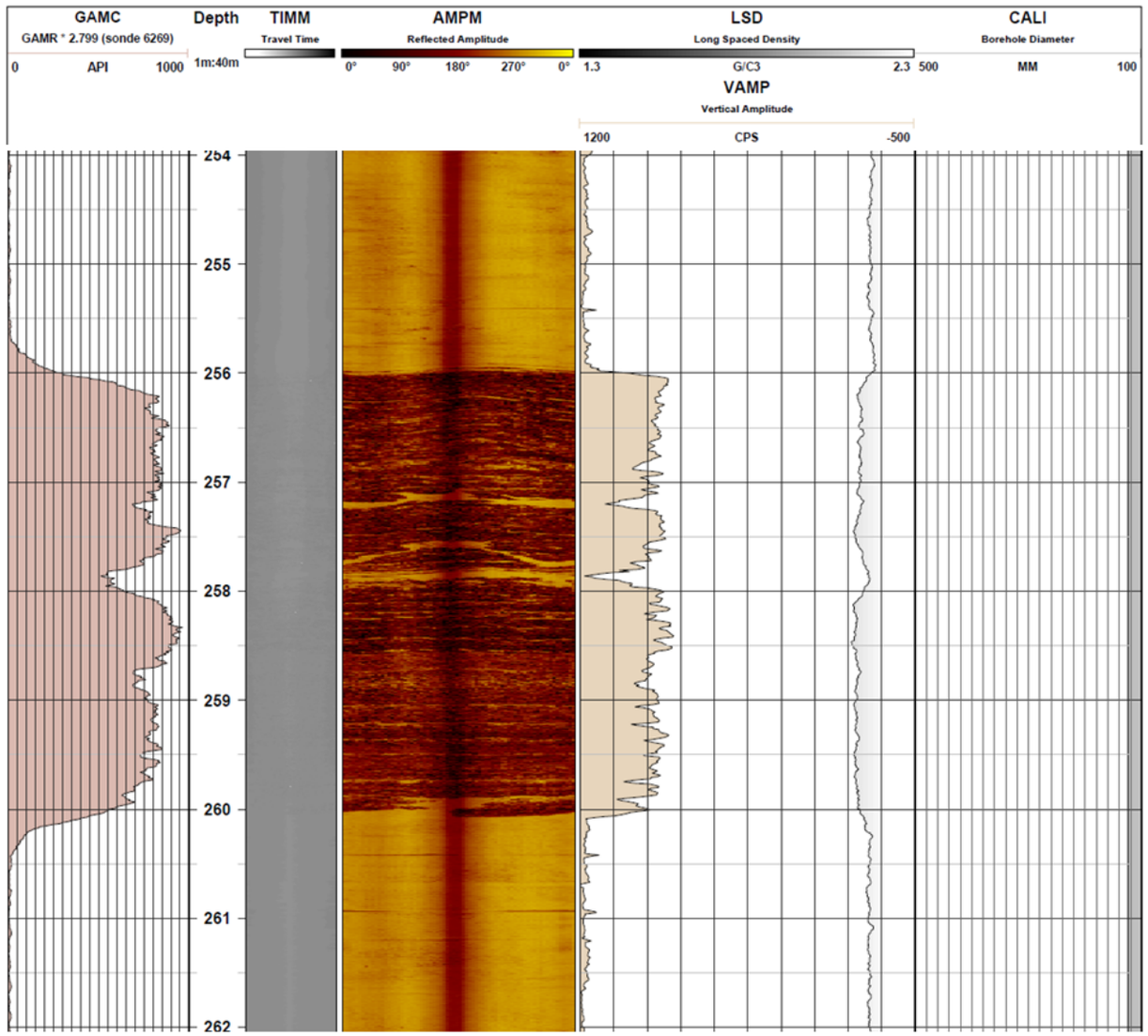

Figure A1. Downhole geophysical data for EK_49. Acoustic televiewer data is at centre. Gamma ray data as API is shown on the left. Density and caliper data to the right.

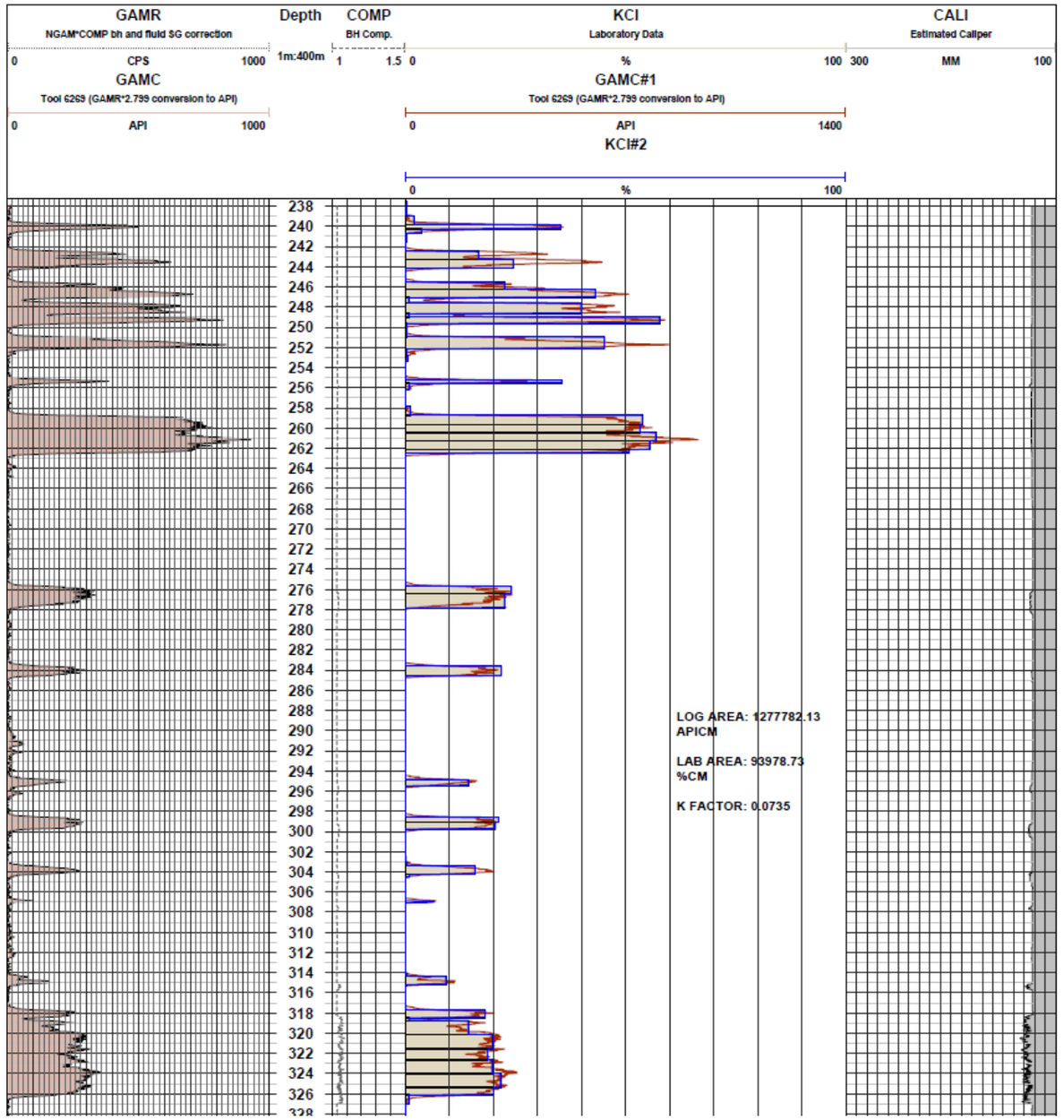

Figure A2. Extract from work by Wireline Workshop comparing assay KCl% (grey bars) with API data (brown line) and the resulting API-derived KCl% (blue lines) for previous drillholes. This work is for the determination of the K factor for the conversion from API to KCl (0.074)

JORC Criteria	JORC Explanation	Commentary
7. VERIFICATION OF SAMPLING AND ASSAYING	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• As described in section 6, the API derived KCl data was determined by an independent consultant after a stringent process of verification. • As additional validation of the KCl grade, it is consistent with grades of other intersections of sylvinite Hangingwall seam at Kola, all of which were determined by laboratory assay and reported previously. These intersections are provided in Table 1 of the announcement. • The core photographs and the acoustic televiewer data provides validation of the intensity of the sylvite abundance of the seam and the thickness of the seam. Visually it can be seen that the core comprises between 50 and 60% sylvite.
8. LOCATION OF DATA POINTS	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The hole was positioned using a handheld GPS and so is likely to be accurate to within 5-10 m. The elevation of the collar was taken from LIDAR data and so is likely to be accurate to within 0.2 m as the drill site is flat. • The position is given in UTM zone 32 S using WGS 84 datum (Table 3 of the announcement). • A DGPS will be used to survey the hole after EK_50 and EK_51 are completed.
9. DATA SPACING AND DISTRIBUTION	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• EK_49 is 830 m SW of EK_13 and 1200 m NE of EK_26 (Fig 2 of the annoucement), both of which contained sylvinite Hangingwall seam. These holes are positioned on seismic line SP-15 which supports continuity between EK_49 and EK_13 with a high degree of confidence. • No sample compositing has been applied the API derived KCl grade is for the full thickness of the seam.
10. ORIENTATION OF DATA IN RELATION TO GEOLOGICAL STRUCTURE	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Downhole survey data shows that hole was within 1 degree of vertical. The logging and acoustic televiewer data shows that the seam is close to being horizontal (layering is perpendicular to the core axis). Therefore the reported intersection for EK_49 is considered the true thickness. No bias in sampling is likely.
11. SAMPLE SECURITY	• *The measures taken to ensure sample security.*	• The EK_49 core is stored at the Koutou core shed at the project field camp/office. Core is wrapped in plastic film and sealed tube bags, and within an air-conditioned room (17-18 degrees C) to minimize deterioration.
12. AUDITS OR REVIEWS	• *The results of any audits or reviews of sampling techniques and data.*	• The KCl grade was determined by an independent consulting company Wireline Workshop of South Africa. The data and the grade determination was reviewed by Andrew Pedley, Chief Geologist for Kore Potash.

Section 2 - Reporting of Exploration Results

JORC Criteria	JORC Explanation	Commentary
13. MINERAL TENEMENT AND LAND TENURE STATUS	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The Kola deposit is within the Kola Mining Lease which is held 100% under the local company Kola Mining SARL which is in turn held 100% by Sintoukola Potash SA RoC, of which Kore Potash holds a 97% share. • which is The lease was issued August 2013 and is valid for 25 years. • There are no impediments on the security of tenure.
14. EXPLORATION DONE BY OTHER PARTIES	• *Acknowledgment and appraisal of exploration by other parties.*	• Potash exploration was carried out in the area in the1960's by Mines de Potasse d' Alsace S.A in the 1960's. Holes K6, K18, K19, K20, K21 are in the general area. K6 and K18 are within the deposit itself and both intersected sylvinite of the Upper and Lower Seam; it was the following up of these two holes by Kore Potash (then named Elemental Minerals) that led to the discovery of the deposit in 2012.
15. GEOLOGY	• The potash seams are hosted by the 300-900 m thick Lower Cretaceous aged (Aptian) Loeme Evaporite formation These sedimentary evaporite rocks belong to the Congo (Coastal) Basin which extends from the Cabinda enclave of Angola to southern from approximately 50 km and extending some 200-300 km offshore. The evaporites were deposited between 125 and 112 million years ago, 'proto Atlantic' sub-sea level basin following the break-up of Gondwana into the Africa and South America continents. • The evaporites formed by the seepage of brines unusually rich in potassium and magnesium chlorides into the basin and evaporation resulting in precipitation of evaporite minerals, principally halite (NaCl), carnallite ($KMgCl_3 \cdot 6H_2O$) and bischofite ($MgCl_2 \cdot 6H_2O$), which account for over 90% of the evaporite rocks. The mineral sylvite (KCl) forms by replacement of carnallitite in areas that have been affected by gentle undulation of the salt as at Kola. • The evaporite is covered by a thick 'cover sequence' (Fig. A3) of carbonate rocks and clastic sediments of Cretaceous age (Albian) to recent, which is between 170 and 270 over the Kola deposit. At the top of the evaporite formation, above the 'salt member, is an impermeable layer of anhydrite and clay typically between 5 and 15 m thick (the anhydrite member). • The Kola deposit is comprised of the sylvinite (sylvite and halite) and carnallitite (carnallite and halite). The sylvinite forms flat or gently dipping seams at depths of between 200 and 300 m below surface and are present over an area of approximately 12 km by 8 km. The area is one of gently undulating stratigraphy and overall elevation of the evaporite rocks forming a 'high', thought to be an important control on sylvinite formation. Sylvinite formed by the replacement of carnallitite by gradual movement of brine through the upper part of the evaporite. The process was very efficient; when converted no residual carnallite remains within the sylvite and the contact between the two is abrupt and within the seam, carnallitite is always below the sylvinite. • The contact between the anhydrite member and the underlying salt is an unconformity; the thickness of the salt member beneath this contact varies and is the main control on the extent and distribution of the seams at Kola and is the reason why the uppermost seams such as the Hangingwall Seam are sometimes absent, and the lower seams such as the Upper and Lower Seam are preserved over most of the deposit. • The most widely distributed sylvinite seams at Kola are the Upper and Lower Seams (Fig. XX) which grade between 30% and 35% KCl and average 4 m thick. These seams are always separated by 3-4 m of rock salt. Sylvinite Hangingwall Seam is extremely high grade (55-60% KCl) but is not as widely preserved as the Upper and Lower Seam. Where it does occur it is approximately 60 m above the Upper Seam. The Footwall Seam is different to the other seams forming lenses of sylvinite up to 13 m thick but only in localized settings, 45 to 50 m below the Lower Seam. The Top Seams are a collection of narrow high grade seams 10-15 m above the Hangingwall Seam but are not considered for extraction at Kola as they are absent in most holes.	

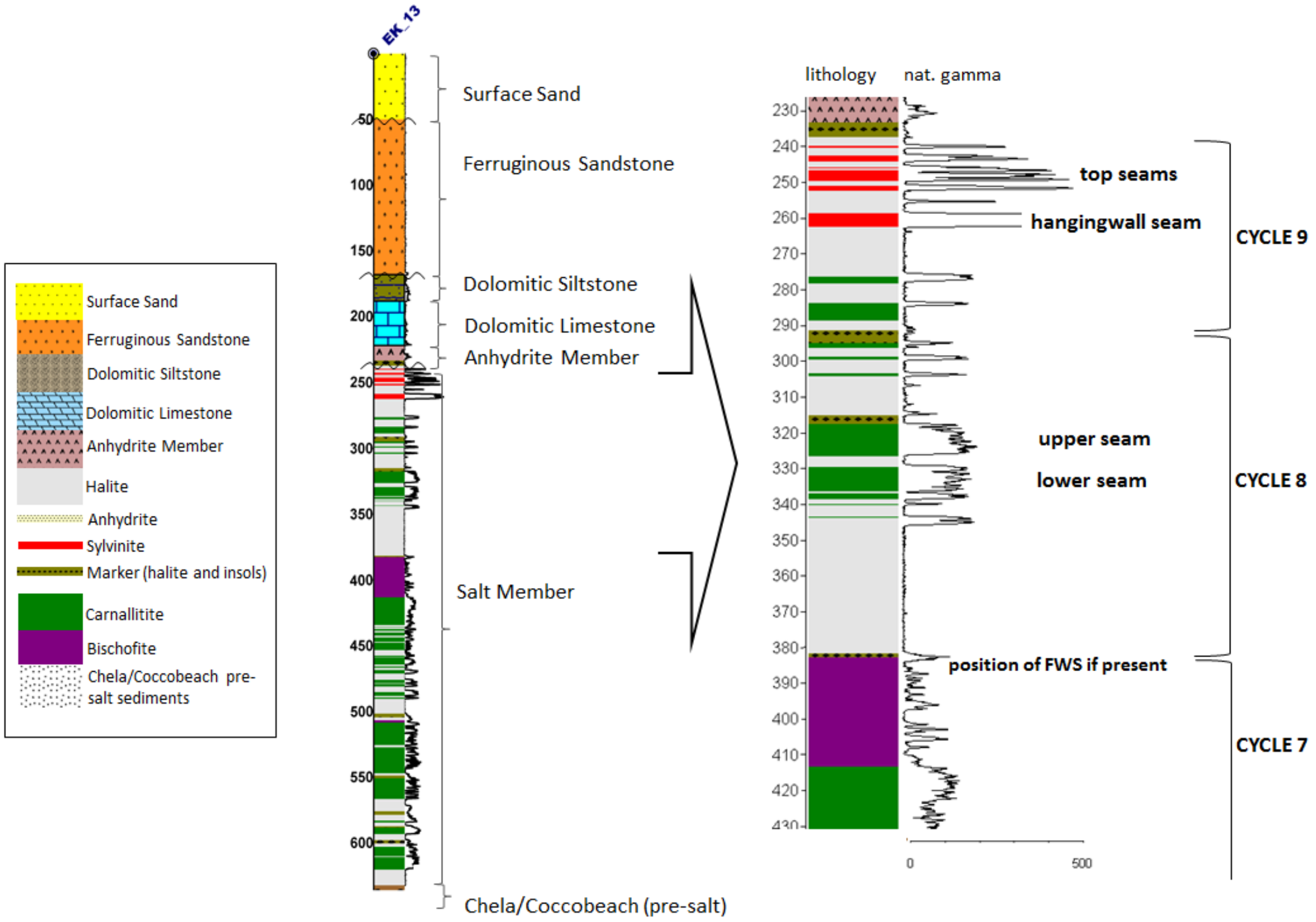

Figure A3. Typical geological column for the area from surface to the (Chela/Coccobeach) sediments below the evaporite rocks, as intersected in EK_13 at Kola. On the right is a close-up of the upper part of the 'salt' hosting the important seams discussed in text. Note: in this hole the Hangingwall seam is also preserved and is sylvinite. The Upper and Lower seams are carnallitite.

JORC Criteria	JORC Explanation	Commentary

16. DRILL HOLE INFORMATION	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The borehole collar position of EK_49 is provided in Table 3 of the announcement, along with the final depth. It was drilled vertically and no significant deviation was reported in drillhole surveys. Positions of the hole in relation to other holes is shown in Figure 2 of the announcement.

17. DATA AGGREGATION METHODS	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• The grade of the intersection in EK_49 was determined using an area-under-the curve method of conversion of API data for the full width of the mineralised zone (as described in section 6) so no weight averaging was required. • No selective cutting of high or low grade material was carried out. • No metal equivalents were calculated.
18. RELATIONSHIP BETWEEN MINERALISATION WIDTHS AND INTERCEPT LENGTHS	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The sylvinite in EK_49 is effectively perpendicular to the core axis and therefore the intersection is within 5% of the true width and so is reported as the true width.
19. DIAGRAMS	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Figure 2 of the announcement shows the position of the hole in relation to other holes with sylvinite hangingwall seam and other relevant features. Other relevant images and figures are provided in the announcement and this Appendix (Figs A1 to A3)
20. BALANCED REPORTING	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All relevant exploration data is reported. The reporting is balanced and not misleading in any way.

JORC Criteria	JORC Explanation	Commentary
21. OTHER SUBSTANTIVE EXPLORATION DATA	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• There are no other meaningful or material observations relevant to this announcement of EK_49
22. FURTHER WORK	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• EK_50 and EK_51 are planned to be completed during January and early February 2017. • An update of the Kola mineral resource update is underway and is planned to be completed during Q2 2017. • Samples of the narrow sylvinite seams above and below the Hangingwall Seam will be submitted for laboratory analysis for KCl to provide additional confirmation of the API-derived KCl grade for the Hangingwall Seam.