



Kore Potash plc  
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**For immediate release**

14 June 2019

**Kore Potash Plc**  
("Kore Potash" or the "Company")  
**Results of Placing and Subscription**

Kore Potash plc, the potash exploration and development company whose flagship asset is the 97%-owned Sintoukola Potash Project ("**Kola**" or the "**Kola Project**"), located within the Republic of Congo ("**RoC**"), is pleased to announce the successful completion of the Placing and Subscription (the "**Fundraise**") of approximately US\$13m announced on 14 June 2019.

Canaccord Genuity Limited ("**Canaccord**") and Shore Capital Stockbrokers ("**Shore Capital**") have acted as joint bookrunners to the Company in the Fundraise.

**Highlights**

- The Company has raised, in aggregate, approximately US\$13 million at a price of 1.6p per new Ordinary Share (the "**Placing Price**").
- 381,098,890 new Ordinary Shares have been placed with new and existing institutional investors at the Placing Price (the "**Placing Shares**"). In addition, certain new and existing shareholders have subscribed directly with the Company for a total of 265,815,364 new Ordinary Shares at the Placing Price (the "**Subscription Shares**"). A total of 646,914,254 new Ordinary Shares will therefore be issued pursuant to the Fundraise representing 43 per cent of the Enlarged Share Capital.



- Completion of the Fundraise is subject to, inter alia, Shareholder approval of certain resolutions to authorise the issue of new Ordinary Shares which will be sought at a general meeting of the Company, details of which can be found below.

Capitalised terms used in this announcement (this "Announcement") have the meanings given to them in the announcement made on 14 June 2019 regarding the Placing and Acquisition (the "Placing Announcement"), unless the context provides otherwise.

### Circular and notice of general meeting

A circular containing further details of the Fundraise and notice of a general meeting of the Company to, inter alia, pass the resolutions required to enable the Company to implement the Fundraise, is expected to be published and despatched to Shareholders as soon as practicable. Following its publication, the circular will be available on the Company's website at [www.korepotash.com](http://www.korepotash.com). Shareholder approval will be sought, amongst other reasons, under ASX Listing Rules 7.1 and 10.11, as applicable.

Normal trading in the Company's securities on the ASX is expected to resume on 17 June 2019.

### Substantial shareholders & related party transactions

On completion of the Placing and the Subscription, the following are expected to be the shareholdings of the Company's existing significant shareholders:

<b>Shareholder</b>	<b>Number of existing Ordinary Shares</b>	<b>Number of New Ordinary Shares</b>	<b>Total Number of Ordinary Shares upon completion of the Fundraise</b>	<b>Percentage of enlarged share capital</b>
Princess Aurora Company Pte Ltd ("SGRF")	163,735,000	140,488,209	304,223,209	20.2%
Sociedad Quimica y Minera ("SQM")	150,789,000	146,107,737*	296,896,737	19.7%
Harlequin Investments Ltd	103,500,000	-	103,500,000	6.9%
Dingyi Group Investments	75,783,010	123,235,271	199,018,281	13.2%

\* SQM's participation includes 19,421,879 new Ordinary Shares issued to them in lieu of a payable outstanding from the Company of US\$364,000 under the previously disclosed Technical Services agreement.

In addition, David Hathorn and Bradley Sampson, both directors of the Company, have participated in the Fundraise with their expected respective shareholdings on completion of the Fundraise outlined below:

<b>Director</b>	<b>Number of existing Ordinary Shares</b>	<b>Number of New Ordinary Shares</b>	<b>Total Number of Ordinary Shares upon completion of the Fundraise</b>	<b>Percentage of enlarged share capital</b>
David Hathorn*	23,186,355	19,717,643	42,903,998	2.8%
Bradley Sampson	-	2,464,705	2,464,705	0.2%

\*Mr Hathorn has participated in the Fundraise through a trust of which he is a beneficiary.



By virtue of being substantial shareholders in the Company, together with the number of new Ordinary Shares acquired, SQM and SGRF, are deemed to be related parties for the purposes of AIM Rule 13. In addition, David Hathorn and Bradley Sampson, as directors of the Company and participants in the Fundraise, are also deemed to be related parties for the purposes of AIM Rule 13.

The independent directors of the Company, being Jonathan Trollip, David Netherway and Leonard Math, having consulted with the Company's nominated adviser, Canaccord Genuity, consider that the terms of the aforementioned related party transactions are fair and reasonable insofar as Shareholders are concerned.

### **Appointment of Joint Broker**

The Company is also pleased to announce the appointment of Shore Capital as joint broker alongside its existing nominated adviser and broker Canaccord Genuity.

### **Brad Sampson, CEO of Kore Potash, commented:**

*"We are very pleased with the results of the Fundraising and delighted by the level of support we have received from both new and existing shareholders.*

*"The Sintoukola basin has the potential to become one of the world's preeminent potash production hubs, due to the large scale and high grade of the deposits, and their close proximity to surface and the coast.*

*"Within the Republic of Congo, Sintoukola is ideally placed to supply potash to the African and South American agricultural markets that will need increased fertiliser use to meet the world's rising food needs in the coming decades, as the yield requirements for arable land rise.*

*"This fundraise will allow Kore to rapidly progress the pre-feasibility study of the Dougou Extension project and optimise the Kola project, preserving optionality for the Company in its asset development schedule, and so help make the Company a producer as soon as possible for the benefit of all shareholders, local communities and in-country stakeholders."*

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### **Market Abuse Regulation**

This announcement is released by Kore Potash plc and contains inside information for the purposes of the Market Abuse Regulation (EU) 596/2014 ("MAR") and is disclosed in accordance with the Company's obligations under Article 17 of MAR. The person who arranged for the release of this announcement on behalf of Kore Potash plc was Brad Sampson, Chief Executive Officer.

### **Important Notices**

This announcement is for information purposes only and shall not constitute an offer to buy, sell, issue, or subscribe for, or the solicitation of an offer to buy, sell, issue, or subscribe for any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

The distribution of this announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Canaccord or Shore Capital that would permit an offering of such shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company, Canaccord and Shore Capital to inform themselves about, and to observe such restrictions.

This announcement does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy any shares or other securities of the Company to any person in Australia. This announcement is not, and does not purport to be a document containing disclosures to investors for the purposes of Part 6D.2 of the Australian Corporations Act 2001 (Cth) and will not be filed with and has not been reviewed or approved by the Australian Securities and Investments Commission.

This announcement contains no "offer to the public" and does not constitute a "registered prospectus" as such expressions are defined in Chapter 4 of the South African Companies Act, 2008. This announcement does not constitute a pre-listing statement prepared in accordance with the Johannesburg Stock Exchange Listings Requirements.

This announcement is being issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Canaccord, Shore Capital, nor any of their respective affiliates or agents (or any of their respective directors, officers, employees or advisers) for the contents of this announcement, or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of any of Canaccord, Shore Capital or any of their respective affiliates in connection with the Company or the Proposed Fundraise and any responsibility therefor is expressly disclaimed. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by any of Canaccord, Shore Capital, or any of their respective affiliates, agents, directors, officers or employees as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

### **Forward-looking statements**

Certain statements, beliefs and opinions in this announcement are forward-looking, which reflect the Company's or, as appropriate, the Company's directors' current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect



the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Except as required by applicable law or regulation, the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

### **Target Market Assessment**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended from time to time ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: (a) the price of the Placing Shares may decline and investors could lose all or part of their investment; (b) the Placing Shares offer no guaranteed income and no capital protection; and (c) an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord and Shore Capital will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Placing Shares and determining appropriate distribution channels.

### **Further notices**

Canaccord is regulated by the Financial Conduct Authority ("**FCA**"), is acting exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of Canaccord or for providing advice in relation to the matters described in this announcement.

Shore Capital is regulated by the FCA, is acting exclusively for the Company and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of Shore Capital or for providing advice in relation to the matters described in this announcement.

No statement in this announcement is intended to be a profit forecast or estimate, and no statement in this announcement should be interpreted to mean that earnings per share of the Company for the current



or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.