



KORE POTASH PLC

HALF-YEARLY REPORT

**FOR THE 6 MONTHS ENDED
30 JUNE 2021**

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CORPORATE DIRECTORY

COMPANY REGISTRATION NUMBER

United Kingdom 10933682

NON-EXECUTIVE CHAIRMAN

David Hathorn

CHIEF EXECUTIVE OFFICER

Brad Sampson

JOINT COMPANY SECRETARY

Henko Vos

St James's Corporate Services Limited

PRINCIPAL & REGISTERED OFFICE (UK)

25 Moorgate, London, United Kingdom EC2R 6AY

Telephone: +44 (0)20 7131 4000

SHARE REGISTRY (AUSTRALIA)

Computershare Investor Services Pty Ltd

Level 11, 172 St George's Terrace

Perth WA 6000

Telephone: +61 8 9323 2000

SHARE REGISTRY (UK)

Computershare Investor Services Plc

The Pavilions, Bridgwater Road

Bristol BS99 6ZZ

United Kingdom

Telephone: +44 (0) 370 707 1258

SHARE REGISTRY (JOHANNESBURG)

Computershare Investor Services (Pty) Ltd

Rosebank Towers

15 Biermann Avenue

Rosebank 2196

South Africa

JSE SPONSOR

Questco Corporate Advisory Proprietary Limited

1st Floor, Yellowwood House,

Ballywoods Office Park 33 Ballyclare Drive,

Bryanston, 2191

South Africa

SECURITIES EXCHANGE LISTINGS

London Stock Exchange (AIM)

Australian Securities Exchange (ASX)

Johannesburg Stock Exchange (JSE)

NON-EXECUTIVE DIRECTORS

Jonathan Trollip

Trinidad Maria Reyes Perez

David Netherway

Timothy Keating (Resigned with effect from 1 April 2021)

Sameer Oundhakar (Appointed with effect from 1 April 2021)

AUSTRALIAN OFFICE

Level 3, 88 William Street,

Perth WA 6000

Telephone: +61 (8) 9463 2463

SINTOUKOLA POTASH S.A

24 Avenue Charles de Gaulle

Immeuble Atlantic Palace

BP 662 Pointe Noire

République du Congo

Telephone: +242 222 9419

NOMINATED ADVISER AND JOINT BROKER

Canaccord Genuity Limited

88 Wood Street

London EC2V 7QR

United Kingdom

JOINT BROKER

Shore Capital

Cassini House

57 St James's Street

London SW1A 1LD

AUDITORS

BDO LLP

55 Baker St

London W1U 7EU

United Kingdom

Ph: +44 (0) 20 7486 5888

WEBSITE

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

GLOSSARY

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
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 9 June 2021.
AIM	Alternative Investment Market	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 currency of the Commonwealth of Australia.
Board	The board of directors of Kore Potash plc	
Carnallite	A rock type comprised predominantly of the potash mineral carnallite (KMgCl ₃ ·6H ₂ O) and halite (NaCl).	Carnallite may be replaced by the word carnallite for simplicity.
CDIs	CHESS Depositary 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	
CFR	Cost and Freight	"Cost and Freight" means that the seller must pay the costs and freight necessary to bring the goods to the named port of destination but the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered on board the vessel is transferred from the seller to the buyer when the goods pass the ship's rail in the port of shipment.
Company	Kore Potash plc	Kore Potash plc is public company incorporated and registered in England and Wales (registered number 10933682).
COO	Chief Operating Officer	
CRU	Commodity Research Unit	
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 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 SPISA.
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.
DX	Dougou Extension	The Dougou Extension sylvinite solution mining project.

GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
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.
EPCM	Engineering, Procurement and Construction Management	As opposed to EPC where the Contractor is responsible for the construction directly, not only the management of it.
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.
FC	The French Companies Consortium Of Engineering	The FC is a consortium of engineering companies who undertook the DFS on the Kola Project. The FC consists of TechnipFMC, VINCI Construction Grands Projets, Egis and Louis Dreyfus Armateur.
GBP	British pound sterling	The official currency of the United Kingdom.
Granular MoP	The selling description for compacted MoP.	
Group	Kore Potash plc and its controlled entities	A list of the controlled entities within the Group is on page 99 under Note 8 of the 2020 Annual Report.
Insoluble material	Here refers to clays, organic material and other insoluble components of the sylvinitic.	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.
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.
Mt	Million tonnes	
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.

GLOSSARY (CONT)

Acronym / Term	Stands For / Meaning	Definition and/or Additional Information
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.
NED	Non-Executive Director	Non-Executive Director of Kore Potash plc.
NPV	Net Present Value	NPV ₁₀ denotes the Net Present Value calculated at a 10% discount rate.
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
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.
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)	
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 Dougou Extension Project (previously known as the Yangala Project).
SJCS	St James's Corporate Services Limited	SJCS, together with Henko Vos, is the Company's joint company secretary.
SoP	Sulfate of Potash	Also called potassium sulphate, arcanite, or archaically known as potash of sulfur. SoP is the inorganic compound with formula K ₂ SO ₄ . It is a white water- soluble solid. It is commonly used in fertilizers, providing both potassium and a source of sulfur.
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 uncompacted MoP.	
Summit	Summit Africa Limited	Summit represents a consortium of investors and engineering firms as described further on page 8.
Sylvinite	A rock type comprised predominantly of the potash mineral sylvite (KCl) and halite (NaCl)	
USD	Denotes USD or United States dollars.	The USD is the functional and presentation currency of the Company and the Group.

DIRECTORS' REPORT

The Board of Directors of Kore Potash plc ("Kore Potash" or "Company") presents herewith the half-yearly report of Kore Potash plc and its subsidiaries ("the Group") for the 6 months ended 30 June 2021.

DIRECTORS

The names of the directors of the Company in office during the 6 months and as at the date of this report are:

David Hathorn	(Non-Executive Chairman)
Brad Sampson	(Chief Executive Officer)
Jonathan Trollip	(Non-Executive Director)
Trinidad Maria Reyes Perez	(Non-Executive Director)
David Netherway	(Non-Executive Director)
Timothy Keating	(Non-Executive Director) (resigned with effect from 1 April 2021)
Sameer Oundhakar	(Non-Executive Director) (appointed with effect from 1 April 2021)

All directors were in office from the beginning of the half-year until the date of this report unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activity of the Group during the financial half year was exploration for potash minerals prospects and project development at the Company's Sintoukola Potash Project including the Kola and Dougou Potash Permits in the RoC. There were no significant changes in the nature of activities of the Group during the half year.

OPERATING RESULTS

Net operating loss after tax for the 6 months ended 30 June 2021 was USD1,290,440 (H1 2020: USD1,320,961).

At 30 June 2021, the Group had USD170,592,485 in capitalised Exploration and Evaluation asset (31 Dec 2020: USD172,025,750). Cash and cash equivalents increased by USD8,608,074 during the Period to USD14,163,074 at 30 June 2021.

REVIEW OF OPERATIONS AND STRATEGIC REPORT

The Board is pleased to present its review of the potash exploration and development activities of the Group, whose flagship asset is the Sintoukola Potash Project, located within the RoC.

The Group is developing its globally significant potash deposits in the RoC, which are ideally located to supply the important Brazilian agricultural market and high growth African markets. The 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 35 kilometres from the coast.

Feeding the world's growing population as arable land per capita declines requires increasing application of fertiliser. 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, as well the potential for the Group to be one of the lowest cost suppliers of potash to Brazil and African markets, puts the Group in a good position to increase its business value over the long term.

PROJECT OVERVIEW

The Sintoukola Potash Project comprises the Kola sylvinitic and carnallite deposits, the Dougou Extension ("DX") sylvinitic deposit and the Dougou carnallite deposit. These deposits are all within the Kola and Dougou Mining Licenses.

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

DIRECTORS' REPORT (CONTINUED)

PROJECT OVERVIEW (CONTINUED)

The Kola sylvinite deposit has a Measured and Indicated sylvinite Mineral Resource of 848 million tonnes grading 34.8% KCl (see Table 2) at an average depth of approximately 250 metres below surface. The results of the Definitive Feasibility Study ("DFS") were announced on 29 January 2019, which determined Proved and Probable Ore Reserves totaling at 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 sylvinite was announced on 21 November 2018. A non-binding Memorandum of Understanding ("MoU") for the completion of a capital optimisation study on Kola and presentation of an EPC proposal and financing for the construction of Kola was signed with the Summit Consortium and announced on 6th April 2021.

The DX Deposit contains a total sylvinite Mineral Resources of 145 Mt grading 39.7% KCl, hosted by two seams. The results of a Pre-Feasibility Study ("PFS") were announced on 13 May 2020, which determined Ore Reserves of 17.7 Mt with an average grade of 41.7% KCl. DX is located 15 km southwest of Kola. The DX deposit is open laterally and an Exploration Target for the northward extension of sylvinite at DX was announced on the 21 November 2018. Additional drilling was undertaken at DX as part of the first phase of a DFS. The drilling results were released on 27 May 2021.

The Kola and DX sylvinite deposits are high grade relative to most potash deposits globally and have the advantage of containing less than 0.3% insoluble material which provides a further processing advantage over other deposits.

The Dougou carnallite deposit has a Measured and Indicated Potash Mineral Resource of 3.056 billion tonnes grading 20.7% KCl (at a depth of between 400 and 600 metres) hosted by 35-40 metres of carnallite within 4 flat-lying seams. The Dougou deposit remains open laterally and at depth. A scoping study was completed in February 2015 and announced on 17th February 2015.

SUMMARY OF KEY DEVELOPMENTS

HIGHLIGHTS

- On the 6 April 2021 the Company signed a non-binding Memorandum of Understanding ("MoU") with Summit Africa Limited ("Summit"), on behalf of a consortium of investors and engineering firms, to arrange the total financing required for the construction of the Kola Potash Project ("Kola")
 - The MoU outlines a roadmap to optimise the capital design, fully finance and construct Kola via a mix of debt and royalty financing.
 - The MoU was signed in the Minister of Mines offices in Brazzaville with the Minister and his key staff present. Under the proposed financing arrangements, the RoC Government retain their 10% shareholding in the Kola project.
 - During the Period, Summit and their technical partners SEPCO Electric Power Construction Corporation ("SEPCO"), signed the Optimisation Agreement to undertake a study "Optimisation Study" to reduce Kola's capital cost with a target of less than USD1.65 billion ("Target Capex"). A team of representatives from Kore, ENFI (a key subcontractor to SEPCO) and the RoC Minister of Mines completed a Kola site visit and data handover. The optimisation study work has commenced with regular updates provided to the Kore team.
 - Under the Consortium's proposed financing structure, the Company will not be required to contribute to the capital needed to build the Kola project and will retain a 90% equity interest in Kola.
- During the Period the Company successfully raised USD14,024,596 through equity funding.
 - On 8 April 2021, the Company successfully completed an oversubscribed fundraising. A total of 823,475,618 New Ordinary Shares were issued at the Placing Price of 1.1 pence (2.0 Australian cents) for a total value of USD12.6 million (the "Fundraise"), exceeding the initial USD11.0 million target.
 - Subsequent to the fundraise, the Oman Investment Authority ("OIA"), Kore's largest shareholder, in line with its rights under their investment agreement with the Company, subscribed for 92,226,613 New Ordinary Shares in the Company at the Placing Price for a total cash consideration of USD1.4 million.
- The DX DFS Phase 1 results were published on 27 May 2021 with the following highlights:
 - The Phase 1 work program for the DFS was completed on budget including the drilling of seven diamond drill holes and geochemical testing.
 - Key technical studies and laboratory test work for Phase 1 of the DX DFS that were completed.
 - Work has commenced to develop an improved geological model for the DX deposit incorporating all recent drilling information and is expected to be completed before the end of 2021. The completion of this work may result in a re-estimation of the DX Mineral Resources.
- Cash and cash equivalents, at 30 June 2021 was USD14,163,074.

DIRECTORS' REPORT (CONTINUED)

HIGHLIGHTS (CONTINUED)

- The exploration and evaluation asset at 30 June 2021 was USD170,592,485 a decrease of USD1,433,265 from USD172,025,750 at 31 December 2020 due to the strengthening of the RoC Currency. During the Period the Company capitalized USD3,957,328 in exploration and evaluation expenditure.
- The Coronavirus ("COVID-19") pandemic is ongoing and it has not have a material impact on the Company's operations during the Period.
- During the Period the Company did not renew the Sintoukola 2 exploration permit. The Company had not done any exploration work on the Sintoukola 2 permit area and continues its focus on the development of the Kola and DX projects.

OPERATIONAL ACTIVITIES

Kola Potash Project

- The company signed a non-binding agreement MoU with Summit, on behalf of a consortium of investors and engineering firms, to arrange the total financing required for the construction of Kola in the presence of the Minister of Mines and his key staff in Brazzaville.
- The Summit Consortium includes:
 - BRP 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 and a wholly owned subsidiary of Power Construction Corporation of China (POWER CHINA). SEPCO will be the Engineering Procurement and Construction ("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 7 of these in Africa, in addition to its construction capability, SEPCO will also assist in arranging the debt financing for Kola; and
 - China ENFI Engineering Corporation ("ENFI"), 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 south east Asia.
- Representatives of the key engineering partner of the Summit Consortium, SEPCO and the Company met with the RoC Minister of Mines and his staff in Brazzaville. A site inspection at the Kola Project was conducted with representatives from ENFI a subcontractor to SEPCO, and delegates from the Ministry of Mines.
- The Company and the Summit Consortium signed the Optimisation Agreement for the Kola on terms congruent with the MoU announced by the Company on 6 April 2021.
- SEPCO and its subcontractor ENFI commenced work on the Optimisation Study for the Kola. Further Kola Project data was sent to SEPCO to facilitate the Optimisation Study. The study considers capital cost reduction initiatives in most project areas including mine design, underground access, material transportation system, processing plant design and location, key infrastructure design and marine facilities.
- The Company will contribute a maximum of US\$950,000 to the Optimisation Study costs. SEPCO will cover the remaining 50% of the estimated costs of the study.

Next Steps

- The Optimisation Agreement requires the Summit Consortium to provide an interim report by the end of September 2021 and to complete the Optimisation Study by 29 January 2022.

DIRECTORS' REPORT (CONTINUED)

OPERATIONAL ACTIVITIES (CONTINUED)

Dougou Extension (DX) Sylvinite Defined Feasibility Study Phase 1

During the half year, the Company released its update on the DX project. The Company reported the following highlights:

- The seven diamond drill hole program for Phase 1 of the DX DFS was completed, and assay results were received.
- Analysis of the drill hole logs and assay results from the drilling campaign has:
 - Confirmed the locations of the targeted Hanging wall and Top potash seams.
 - Improved confidence in the distribution of sylvinite within the Top Seams ("TS").
 - Demonstrated that the sylvinite / carnallite boundary within the Hanging Wall Seam ("HWS") is structurally controlled and the sylvinite distribution is more complex than modelled in the Pre-Feasibility Study.
 - Identified areas containing carnallite that will be excluded and not considered for extraction in future mine planning for the DX project.
 - Indicated that further drill hole and seismic information may be required to have confidence in the distribution of sylvinite in the HWS.
- Key technical studies and laboratory test work for Phase 1 of the DX DFS that were completed include:
 - Dissolution testwork to provide improved data for temperature brine-modelling.
 - Laboratory testing of rock mechanics properties to assist in determination of cavern stability, the possible extent of reservoir mining and expected subsidence over the project life.
 - Production well design to provide specifications for future capital cost estimating.
 - Cavern blanket design parameters (to control cavern formation) to provide specifications for future capital cost estimating.
- Work completed in Phase 1 of the DX DFS has been completed within the planned budget.

Next Steps

- Before proceeding further with the DX DFS, the Company plans to:
 - Develop a new geological model for the DX deposit incorporating the results of the recent drilling campaign. This work has commenced with completion expected before the end of 2021.
 - Determine using the new modelling whether further drill hole and seismic information may be required to further improve confidence in the distribution of Sylvinite and Carnallite within the DX Deposit.

Environmental and social impact assessment ("ESIA")

- The Minister of Tourism and Environment of the RoC issued certificates on 31 March 2020 granting a 25-year approval period for the ESIA's for both the Dougou and the Kola Mining Licences. This approval aligned with the provisions of the Mining Convention in place between the Government and Kore and eliminated the previous requirement for annual re-approvals. The Company plans in the future to seek approval for amendments to the ESIA for the Dougou Mining Licence to include the planned mining and processing of the DX sylvinite Deposit which sits within the Dougou Mining Licence.

Mining Convention and Research Convention

- The Company continues to engage with the RoC Government to implement the commitments contained within the Mining Convention. This includes the intra-group transfer of the Dougou Mining License from Sintoukola Potash S.A. to the operating entity Dougou Potash Mining S.A. and the transfer of a 10% shareholding in Kola Potash Mining S.A. and Dougou Potash Mining S.A. to the State.

Impact of COVID-19

- COVID-19 has not had a material adverse impact on the Company's activities during the Period.
- Within the RoC, the State of Health Emergency concerning COVID-19 remains in force.
- The Group's employees within the RoC have implemented social distancing, wearing of masks, temperature monitoring and hand sanitisation procedures to mitigate the risk of contracting COVID-19.
- All recruits working in-country are required to undergo a COVID-19 test before being employed and anyone visiting the operations from abroad is required to test negative for COVID-19 before travelling.
- Kore maintained full business continuity in country in Pointe Noire and at Koutou through teleworking, Company transportation for employees, and controlled access to facilities to ensure full attendance.
- Assistance to local schools in the project impact zone was provided (masks, hand washing equipment).

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The directors have considered the principal risks facing the Group and concluded they have not changed since the publication of the annual report for the year ended 31 December 2021, which are summarised below:

- country risk in RoC;
- geological and technical risk posed to exploration and commercial exploitation success;
- change in potash commodity prices and market conditions;
- environmental and occupational health and safety risks;
- government policy changes;
- retention of key staff;
- capital requirement and lack of future funding; and
- Coronavirus (COVID-19) and the impact it may have on the Group's operations and fundraising activities.

GOING CONCERN

The 30 June 2021 half-yearly 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 determining the appropriateness of the basis of preparation, the directors have considered the impact of COVID-19 on the position of the Group at 30 June 2021 and its operations in future periods.

Cash and cash equivalents, at 30 June 2021 were USD14,163,074 (30 June 2020: USD1,839,826) the increase was driven by the successful fundraise of USD14,024,596 announced on 8 April 2021. For the Period ended 30 June 2021 the Group recorded a net loss of USD1,290,440 (30 June 2020: USD1,320,961) and at 30 June 2021 had a net working capital of USD12,910,909 (31 December 2020: USD4,993,998). The Group also recorded a net cash used in operating activities for the Period ended 30 June 2021 of USD1,036,777 (30 June 2020: USD1,367,781).

The Group's financial projections and cash flow forecasts covering a period of more than twelve months from the date of approval of these financial statements show that, as a result of the successful fundraising in the review Period, the Group will have sufficient available funds in order to meet its contracted and committed expenditure.

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 Dougou Potash Mining S.A. which holds the Dougou Mining Lease and Kola Potash Mining S.A 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	100% potassium rights only	Sintoukola Potash S.A.

DIRECTORS' REPORT (CONTINUED)

About Kore Potash's Projects

Kore Potash is an advanced stage mineral exploration and development company whose primary asset is a 97%-owned interest in the Sintoukola project, a potash project located in the RoC. The Sintoukola project comprises the DX sylvinite Deposit, the Kola sylvinite and carnallite Deposits, and the Dougou carnallite Deposit. These deposits are within the Dougou and Kola Mining Licenses.

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

The Kola sylvinite Deposit has a Measured and Indicated sylvinite Mineral Resource of 848 million tonnes grading 34.8% KCl. The results of a DFS were announced on 29 January 2019, which determined Ore Reserves of 152.4 Mt with an average grade of 32.5% KCl. The deposit is open laterally; an Exploration Target for the Southward extension of sylvinite was announced on the 21 November 2018.

The DX sylvinite Deposit contains a total sylvinite Mineral Resource Estimate of 145 Mt grading 39.7% KCl, hosted by two seams. The results of a PFS were announced on 13 May 2020, which determined Ore Reserves of 17.7 Mt with an average grade of 41.7% KCl. DX is located 15 km southwest of Kola. The deposit is open laterally; an Exploration Target for the northward extension of sylvinite was announced on the 21 November 2018. Additional drilling was undertaken as part of the DFS Phase 1 and announced to the market on 27 May 2021 this information has improved the understanding of the deposit and updated technical modelling information for future capital estimates.

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

The Dougou carnallite deposit has a Measured and Indicated Potash Mineral Resource of 3.056 billion tonnes grading 20.7% KCl (at a depth of between 400 and 600 meters) hosted by 35-40 meters of carnallite within 4 flat-lying seams. A Scoping Study was completed in February 2015. This Study indicated that a Life of Mine operating cost of USD68 per tonne MoP was achievable.

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

DIRECTORS' REPORT (CONTINUED)

Kore's Potash Mineral Resources

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

SYLVINITE DEPOSITS

KOLA SYLVINITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	216	34.9	75.4	194	34.9	67.8
Indicated	292	35.7	104.3	263	35.7	93.9
Sub-Total Measured + Indicated	508	35.4	179.7	457	35.4	161.7
Inferred	340	34.0	115.7	306	34.0	104.1
TOTAL	848	34.8	295.4	763	34.8	265.8

	Gross			Net Attributable (90% interest)		
Ore Reserve Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	62	32.1	19.8	56	32.1	17.9
Probable	91	32.8	29.7	82	32.8	26.7
TOTAL	152	32.5	49.5	137	32.5	44.6

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

DOUGOU EXTENSION SYLVINITE DEPOSIT (HWSS and TSS)						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	-	-	-	-	-	-
Indicated	79	39.1	30.8	71	39.1	27.7
Sub-Total Measured + Indicated	79	39.1	30.8	71	39.1	27.7
Inferred	66	40.4	26.7	59	40.4	24.0
TOTAL	145	39.7	57.5	130	39.7	51.8

	Gross			Net Attributable (90% interest)		
Ore Reserve Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	-	-	-	-	-	-
Probable	17.7	41.7	7.4	16	41.7	6.6
TOTAL	17.7	41.7	7.4	16	41.7	6.6

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

DIRECTORS' REPORT (CONTINUED)

DOUGOU CARNALLITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	148	20.1	29.7	133	20.1	26.8
Indicated	920	20.7	190.4	828	20.7	171.4
Sub-Total Measured + Indicated	1,068	20.6	220.2	961	20.6	198.2
Inferred	1,988	20.8	413.5	1789	20.8	372.2
TOTAL	3,056	20.7	633.7	2750	20.7	570.3

KOLA CARNALLITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	341	17.4	59.4	307	17.4	53.5
Indicated	441	18.7	82.6	397	18.7	74.4
Sub-Total Measured + Indicated	783	18.1	142.0	705	18.1	127.8
Inferred	1,266	18.7	236.4	1140	18.7	212.8
TOTAL	2,049	18.5	378.5	1844	18.5	340.6

DIRECTORS' REPORT (CONTINUED)

Forward-Looking Statements

This report contains statements that are "forward-looking". Generally, the words "expect," "potential", "intend," "estimate," "will" and similar expressions identify forward-looking statements. By their very nature and whilst there is a reasonable basis for making such statements regarding the proposed placement described herein; forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Statements in this report regarding the Company's business or proposed business, which are not historical facts, are "forward looking" statements that involve risks and uncertainties, such as resource estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

Competent Person Statement

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 sylvinitite 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 sylvinitite Mineral Resource Estimate and Ore Reserve Estimate were reported in an announcement titled "Dougou Extension (DX) Project Pre-Feasibility Study" on 13 May 2020. Ms. Vanessa Santos, P.Geo. of Agapito Associates Inc., for the Exploration Results and Mineral Resources. 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). 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.



David Hathorn
 Chairman
 23 08 2021



Brad Sampson
 Chief Executive Officer
 23 08 2021

INDEPENDENT REVIEW REPORT TO KORE POTASH PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2021 which comprises condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

As disclosed in note one, the annual financial statements of the Company were prepared in accordance with International Financial Reporting Standards and IFRS interpretations Committee interpretations as adopted by the European Union and with IFRS and their Interpretations issued by the IASB.

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2021 has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the United Kingdom, and IAS 34 as issued by the IASB.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on AIM and the rules of the Australian Stock Exchange, which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

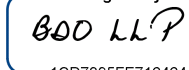
INDEPENDENT REVIEW REPORT TO KORE POTASH PLC

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2021 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM, the rules of the Australian Stock Exchange, International Accounting Standard 34 'Interim Financial Reporting' as adopted by the United Kingdom, and IAS 34 as issued by the IASB.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and the rules of the Australian Stock Exchange, and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability

DocuSigned by:

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BDO LLP
Chartered Accountants
London UK
23 August 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 30 JUNE 2021

		6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year ended 31 Dec 2020 USD Audited
	Notes			
Directors' remuneration		(347,603)	(279,640)	(834,760)
Equity compensation benefits	5	(47,010)	71,556	(176,388)
Salaries, employee benefits and consultancy expense		(505,250)	(522,926)	(1,150,649)
London listing expenses		(33,609)	(30,065)	(68,374)
Administration expenses	6	(385,581)	(573,539)	(985,438)
Fair value change of a derivative financial liability		-	1,027	1,027
Interest income		9,803	27,468	30,116
Interest and finance expenses		(2,455)	(9,760)	(10,204)
Net realised and unrealised foreign exchange loss		21,265	(6,056)	42,800
Loss before income tax expense		(1,290,440)	(1,321,935)	(3,151,870)
Income tax income/(expense)	7	-	974	7,698
Loss for the period		(1,290,440)	(1,320,961)	(3,144,172)
Other comprehensive income/(loss)				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences gain/(loss) on translating operations		(5,477,438)	1,161,844	11,321,754
Other comprehensive loss for the period		(5,477,438)	1,161,844	11,321,754
Total comprehensive loss for the period		(6,767,878)	(159,117)	8,177,582
Loss attributable to:				
Owners of the Company		(1,289,516)	(1,344,225)	(3,141,042)
Non-controlling interest		(924)	23,264	(3,130)
		(1,290,440)	(1,320,961)	(3,144,172)
Total comprehensive loss attributable to:				
Owners of the Company		(6,766,954)	(182,381)	8,180,712
Non-controlling interest		(924)	23,264	(3,130)
		(6,767,878)	(159,117)	8,177,582
Loss per share				
Basic and diluted loss per share (cents per share)	13	(0.05)	(0.09)	(0.17)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

		30 June 2021	30 June 2020	31 Dec 2020
		USD	USD	USD
	Notes	Unaudited	Unaudited	Audited
ASSETS				
Current Assets				
Cash and cash equivalents		14,163,074	1,839,826	5,555,000
Trade and other receivables		120,960	284,306	225,044
Total Current Assets		14,284,034	2,124,132	5,780,044
Non-Current Assets				
Trade and other receivables		96,005	178,846	99,436
Property, plant and equipment		516,026	520,071	542,418
Exploration and evaluation expenditure	8	170,592,485	159,552,021	172,025,750
Total Non-Current Assets		171,204,516	160,250,938	172,667,604
TOTAL ASSETS		185,488,550	162,375,070	178,447,648
LIABILITIES				
Current Liabilities				
Trade and other payables	9	1,373,099	671,918	786,020
Derivative financial liability		26	26	26
Total Current Liabilities		1,373,125	671,944	786,046
Non-Current Liabilities				
Total Non-Current Liabilities		-	-	-
TOTAL LIABILITIES		1,373,125	671,944	786,046
NET ASSETS		184,115,425	161,703,126	177,661,602
EQUITY				
Issued share capital – Ordinary Shares	10	3,375,494	1,556,531	2,451,768
Reserves		236,078,936	221,629,143	238,515,593
Accumulated losses		(54,775,497)	(60,946,359)	(62,743,176)
Equity attributable to the shareholders of Kore Potash plc		184,678,933	162,239,315	178,224,185
Non-controlling interests		(563,508)	(536,189)	(562,583)
TOTAL EQUITY		184,115,425	161,703,126	177,661,602

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2021

Notes	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non- controlling Interest USD	Total Equity USD
Balance at 1 Jan 2021	2,451,768	32,004,080	203,738,800	(62,743,176)	9,866,536	(7,093,823)	178,224,185	(562,583)	177,661,602
Loss for the period	-	-	-	(1,289,516)	-	-	(1,289,516)	(924)	(1,290,440)
Other comprehensive (loss)/gain	-	-	-	-	-	(5,477,438)	(5,477,438)	-	(5,477,438)
Total comprehensive (loss)/gain	-	-	-	(1,289,516)	-	(5,477,438)	(6,766,954)	(924)	(6,767,878)
Transactions with owners:									
Issue of shares Share	917,702	13,106,894	-	-	-	-	14,024,596	-	14,024,596
Issue expense	-	(931,462)	-	-	-	-	(931,462)	-	(931,462)
Transfer of lapsed options	-	-	-	9,257,195	(9,257,195)	-	-	-	-
Conversion of performance rights	10, 14(b)	6,024	53,738	-	-	-	59,762	-	59,762
Share based payments	10, 14(c)	-	-	-	68,805	-	68,805	-	68,805
Balance at 30 June 2021	3,375,494	44,233,251	203,738,800	(54,775,497)	678,146	(12,571,261)	184,678,933	(563,507)	184,115,425

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non- Controlling Interest USD	Total Equity USD
Balance at 1 Jan 2020	1,541,253	25,573,592	203,738,800	(60,584,489)	10,439,608	(18,415,577)	162,293,187	(559,453)	161,733,734
Loss for the period	-	-	-	(1,344,225)	-	-	(1,344,225)	23,264	(1,320,961))
Other comprehensive (loss)/gain	-	-	-	-	-	1,161,844	1,161,844	-	1,161,844
Total comprehensive (loss)/gain	-	-	-	(1,344,225)	-	1,161,844	(182,381)	23,264	(159,117)
Transactions with owners:									
Issue of shares (net of costs)	-	(6,330)	-	-	-	-	(6,330)	-	(6,330)
Transfer of lapsed options	-	-	-	127,825	(127,825)	-	-	-	-
Conversion of performance rights	3,508	(3,008)	-	212,111	(212,111)	-	500	-	500
Cancellation of performance rights	-	-	-	642,419	(642,419)	-	-	-	-
Share based payments	11,770	81,288	-	-	41,281	-	134,339	-	134,339
Balance at 30 June 2020	1,556,531	25,645,542	203,738,800	(60,946,359)	9,498,534	(17,253,733)	162,239,315	(536,189)	161,703,126

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Ordinary Shares USD	Share Premium Reserve USD	Merger Reserve USD	Redeemable Preference Share USD	Accumulated Losses USD	Option Reserve USD	Foreign Currency Translation Reserve USD	Owners of the Parent USD	Non- controlling , Interest USD	Total Equity USD
Balance at 1 Jan 2020	1,541,253	25,573,592	203,738,800	-	(60,584,489)	10,439,608	(18,415,577)	162,293,187	(559,453)	161,733,734
Loss for the year	-	-	-	-	(3,141,042)	-	-	(3,141,042)	(3,130)	(3,144,172)
Other comprehensive (loss)/gain	-	-	-	-	-	-	11,321,754	11,321,754	-	11,321,754
Total comprehensive (loss)/gain	-	-	-	-	(3,141,042)	-	11,321,754	8,180,712	(3,130)	8,177,582
Transactions with owners:										
Transfer of previously lapsed options	-	-	-	-	127,825	(127,825)	-	-	-	-
Conversion of performance rights	3,508	-	-	-	212,111	(212,111)	-	3,508	-	3,508
Cancellation of performance rights	-	-	-	-	642,419	(642,419)	-	-	-	-
Share issue	886,217	6,633,407	-	-	-	-	-	7,519,624	-	7,519,624
Share issue costs	-	(281,199)	-	-	-	-	-	(281,199)	-	(281,199)
Share based payments	20,790	78,280	-	-	-	409,283	-	508,353	-	508,353
Balance at 31 Dec 2020	2,451,768	32,004,080	203,738,800	-	(62,743,176)	9,866,536	(7,093,823)	178,224,185	(562,583)	177,661,602

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS ENDED 30 JUNE 2021

		6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year ended 31 Dec 2020 USD Audited
Notes				
Cash Flows from Operating Activities				
		(1,036,777)	(1,368,755)	(4,030,579)
		-	974	7,691
	15	(1,036,777)	(1,367,781)	(4,022,888)
Cash Flows from Investing Activities				
		(22)	(1,015)	(15,664)
		(3,491,856)	(4,350,371)	(5,262,603)
		9,803	27,468	30,116
		(3,482,075)	(4,323,918)	(5,248,151)
Cash Flows from Financing Activities				
		(931,462)	-	(281,199)
		14,024,596	500	7,519,624
		-	(12,052)	(12,171)
		-	(191)	(192)
		13,093,134	(11,743)	7,226,062
Net (decrease)/increase in cash and cash equivalents				
		8,574,282	(5,703,442)	(2,044,977)
		5,555,000	7,578,727	7,578,727
		33,792	(35,459)	21,250
		14,163,074	1,839,826	5,555,000

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021

1. REPORTING ENTITY

The half-yearly report of the Group for the six months ended 30 June 2021 was authorized for issue in accordance with a resolution of the directors on 20 August 2021.

The Company is a public company incorporated and registered in England and Wales with primary dual listing on AIM and on the ASX, and a secondary listing on the JSE. The registered office of the Company is 25 Moorgate, London, United Kingdom EC2R 6AY.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements for the year ended 31 December 2020 were prepared in accordance with International Financial Reporting Standards and IFRS interpretations Committee interpretations as adopted by the European Union and with IFRS and their Interpretations issued by the IASB.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. Kore Potash Plc transitioned to UK-adopted international accounting standards in its consolidated financial statements on 1 January 2021. There was no impact or changes in accounting policies from the transition and the company will also continue to comply with IFRS and their interpretations issued by the IASB.

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2021 has been prepared in accordance with IAS 34 as issued by the IASB and the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting'.

The half-yearly report does not include all the information and disclosures required in the annual report and should be read in conjunction with the annual report for the year ended 31 December 2020, and any public announcements made by Kore Potash Plc during the interim reporting period. The annual report was prepared in accordance with IFRS's as adopted by the EU and is available on the website (www.korepotash.com).

(b) Statutory Accounts

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2020 were approved by the board of directors on 30 March 2021 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, with an emphasis of matter on going concern and did not contain any statement under section 498 of the Companies Act 2006.

The financial information for the six months ended 30 June 2021 and 30 June 2020 is unaudited.

(c) New Standards, Interpretations and Amendments Adopted by the Group

The accounting policies adopted in the preparation of the half-yearly report are consistent with those followed in the preparation of the Group's annual report for the year ended 31 December 2020. Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(d) Standards and Interpretations in issue not yet adopted

The directors have also reviewed all Standards and Interpretations in issue not yet adopted for the Period ended 31 December 2020. As a result of this review the directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(e) Critical Accounting Judgements and Estimates

There have been no material revisions to the nature and amount of changes in judgements and estimates of amounts reported in the annual report for the year ended 31 December 2020.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

3. GOING CONCERN

The 30 June 2021 half-yearly 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 determining the appropriateness of the basis of preparation, the directors have considered the impact of COVID-19 on the position of the Group at 30 June 2021 and its operations in future periods.

Cash and cash equivalents, at 30 June 2021 were USD14,163,074 (30 June 2020: USD1,839,826) the increase was driven by the successful fundraise of USD14,024,596 announced on 8 April 2021. For the Period ended 30 June 2021 the Group recorded a net loss of USD1,290,440 (30 June 2020: USD1,320,961) and at 30 June 2021 had a net working capital of USD12,910,909 (31 December 2020: USD4,993,998). The Group also recorded a net cash used in operating activities for the Period ended 30 June 2021 of USD1,036,777 (30 June 2020: USD1,367,781).

The Group's financial projections and cash flow forecasts covering a period of more than twelve months from the date of approval of these financial statements show that, as a result of the successful fundraising in the review period, the Group will have sufficient available funds in order to meet its contracted and committed expenditure.

4. 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. 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 makes 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.

5. EQUITY COMPENSATION BENEFITS

The expense recognised for directors, employee and consultant services during the 6 months is shown in the table below:

	6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year Ended 31 Dec 2020 USD Audited
Equity-based payments – directors, key management personnel and other employees	47,010	(71,556)	176,388

The credit equity-based payments for the 6 months ended 30 June 2020 is due to the cancellation of performance rights which did not meet the performance and service vesting conditions.

The equity-based payments capitalised as Exploration and Evaluation Expenditure for the 6 months ended 30 June 2021 was USD21,796 (H1 2020: USD112,836).

The full details of equity-based payments issued for the Period ended 30 June 2021 are disclosed in Note 14.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

6. ADMINISTRATION EXPENSES

	6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year ended 31 Dec 2020 USD Audited
Accounting, company secretary and audit fees	144,199	135,554	354,173
Insurance expenses	43,372	87,037	91,226
Compliance, registration and other tax fees	52,128	33,409	67,284
Legal fees	21,004	8,327	42,710
Marketing and investor relations	74,621	100,117	146,557
Premises and office related costs	4,580	-	(2,808)
Travel and accommodations	11,201	54,778	61,131
Professional fees	119	68,803	99,335
Recruitment fee	-	1,210	2,239
Reversal of litigation provision	-	(48,883)	-
Depreciation	-	13,555	-
Other expenses	34,357	119,632	123,591
Total	385,581	573,539	985,438

7. INCOME TAX EXPENSE

Tax for the six-month Period is charged at 19% (six months ended 30 June 2020: 19%, year ended 31 December 2020: 19%), representing the best estimate of the average annual effective tax rate for the full year applied to the pre-tax income for the six-month Period and considering the Group's assets are in the exploration phase. There is no income tax income for H1 2021 and the income tax charge for H1 2020 of USD974 and 31 December 2020 USD7,698 arose on the pre-tax income generated in South Africa for intercompany management services. Carry forward tax loss for the group year ended 31 December 2020 GBP 1,904,503 (31 December 2019: GBP 1,892,959).

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

8. RECONCILIATION OF CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2021 USD Unaudited	30 June 2020 USD Unaudited	31 Dec 2020 USD Audited
Opening balance	172,025,750	156,019,360	156,019,360
Exploration and evaluation expenditure capitalised during the period	3,957,328	4,348,617	2,835,793
Foreign exchange differences	(5,390,594)	(815,956)	13,170,597
Closing balance	170,592,484	159,552,021	172,025,750
Exploration and evaluation expenditure relating to: Kola mining project	137,435,226	135,092,707	142,554,630
Dougou mining project	33,157,258	24,459,314	29,471,120
Closing balance	170,592,484	159,552,021	172,025,750

9. TRADE AND OTHER PAYABLES

	30 June 2021 USD Unaudited	30 June 2020 USD Unaudited	31 Dec 2020 USD Audited
Trade and other creditors	341,087	222,607	223,964
Accruals	684,412	246,497	407,322
Employee benefits and related payables	347,350	175,265	154,320
Other payables	250	27,549	414
	1,373,099	671,918	768,020

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

10. ISSUED SHARE CAPITAL

	30 June 2021 USD Unaudited	30 June 2020 USD Unaudited	31 Dec 2020 USD Audited
3,375,494,446 fully paid ordinary shares at par value of USD0.001 each (30 June 2020: 1,556,531,836 fully paid ordinary shares at par value of USD0.001, 31 December 2020: 2,451,768,173 fully paid ordinary shares at par value of USD0.001)			
Fully paid ordinary shares	3,375,494	1,556,531	2,451,768

Movement in Share Capital of Consolidated Entity

Date	Details	No. of Shares	USD
31 Dec 2019	Balance at 31 December 2018	1,541,252,564	1,541,253
31 March 2020	Equity issued to directors in lieu of payment (i)	7,770,939	7,770
07 April 2020	Conversion of performance rights (i)	1,250,000	1,250
25 June 2020	Conversion of performance rights (ii)	2,258,333	2,258
25 June 2020	Equity research services share issue (iii)	4,000,000	4,000
30 June 2020	Balance at 30 June 2020	1,556,531,836	1,556,531
21 Sept 2020	Capital raising at GBP0.008515 each (iv)	882,688,876	882,689
06 Oct 2020	Equity issued to directors in lieu of payment v)	6,566,821	6,567
31 Dec 2020	Equity issued to directors in lieu of payment and Issue of Equity (vi)	5,980,640	5,981
31 Dec 2020	Balance at 31 December 2020	2,451,768,173	2,451,768
09 April 2021	Equity issued to directors in lieu of payment, Fundraise Tranche 1 admitted to market and Director's performance rights (vii)	365,518,522	365,518
06 May 2021	Issue of Equity - Fundraise Tranche 2 admitted to market (viii)	462,310,392	462,310
11 May 2021	Issue of Equity - Fundraise OIA Princess Aurora Company (ix)	92,226,613	92,227
01 June 2021	Issue of Equity (x)	716,667	717
30 June 2021	Issue of Equity (xi)	2,954,079	2,954
30 June 2021	Balance at 30 June 2021	3,375,494,446	3,375,494

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

10. ISSUED SHARE CAPITAL (CONTINUED)

- (i) On 7 April 2020, 7,770,939 ordinary shares of USD0.001 each were issued to David Hathorn, David Netherway and Jonathan Trollip in lieu of cash remuneration or part remuneration for the quarter ended 31 March 2020 in line with the cost reduction strategy announced on 27 June 2019. In addition, 1,250,000 ordinary shares of USD0.001 each were issued under the Company's performance rights plans as previously announced on 15 April 2019.
- (ii) On 25 June 2020, a total of 2,258,333 ordinary shares of USD0.001 each were issued to certain current and former employees of the Company to satisfy the conversion of vested Performance Rights in ordinary shares. Of these, 1,410,000, were issued to Gavin Chamberlain, the Company's COO.
- (iii) On 25 June 2020, Align Research Limited, an unrelated party to the Company, has initiated coverage on the Company and will provide on-going equity research services to the Company. As consideration for these services, 4,000,000 ordinary shares of USD0.001 each in the Company were issued to Align Research Limited at an agreed price of 0.75p per share, being the prevailing price at the date of signing the agreement.
- (iv) On 21 September 2020, a total of USD 7,516,096 was raised from existing and new investors through the placing and direct subscription of 882,688,876 ordinary shares in the Company at a placing price of GBP 0.008515 per new ordinary share. The par value of the 882,688,876 ordinary shares was USD882,689.
- (v) On 6 October 2020, the Group issued in lieu of remuneration, 6,566,821 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD6,567.
- (vi) On 15 January 2021, the Group issued in lieu of remuneration, 2,909,389 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD2,909.

In addition, a total of 3,071,251 ordinary shares of US\$0.001 each in the Company ("New 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 ("Performance Shares") (together with the Remuneration Shares the "New Ordinary Shares").

- (vii) On 9 April 2021, the Group issued in lieu of remuneration, 1,103,296 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD1,103.

Additionally, the Company issued 1,250,000 ordinary shares due under the third and final tranche of the Company's performance rights plan (the "Performance Rights") for Non-Executive Directors. The previous two tranches were announced on 15 April 2019 and 7 April 2020. The par value of this issue was USD1,250.

The Company issued 363,165,226 new Ordinary Shares were placed with new and existing institutional investors at the Placing Price (the "Unconditional Placing").

- (viii) The Company approved an issue of 462,310,392 new ordinary shares ("Ordinary Shares") in the Company at 1.1p (2.0 Australian cents) per share in line with the Company's announcements of 19 April 2021. The Ordinary Shares were admitted to trading on 6 May 2021. David Hathorn participated in the fundraise, for a total of 23,056,653 shares.
- (ix) As a substantial shareholder after confirmation of the Fundraise in April Princess Aurora Company Pte Ltd ("OIA") signed a subscription agreement for 92,226,613 new ordinary shares ("OIA Shares") at 1.1p for a total cash consideration of US\$1.4 million. The OIA Shares were admitted to trading on 11 May 2021.
- (x) On 1 June 2021, a total of 716,667 ordinary shares of US\$0.001 each in the Company ("New 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 ("Performance Shares"), of which 516,667 ordinary shares were issued to Gavin Chamberlain, COO.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

10. ISSUED SHARE CAPITAL (CONTINUED)

- (i) On 8 July 2021, the Group issued in lieu of remuneration, 2,954,079 ordinary shares to David Hathorn, David Netherway and Jonathan Trollip. The par value of this issue was USD 2,954.

11. COMMITMENTS FOR EXPENDITURE

Exploration and Evaluation Expenditure Commitments

In order to maintain current rights of tenure to exploration permits, the Group is required to meet minimum expenditure and minimum activity requirements by performing exploration and development work. The Company did not spend any money in respect to the Group's Sintoukola 2 exploration permit and this tenement was relinquished during the period. No adjustment is required to the accounts as a result of the relinquishment as no expenditure was incurred and therefore included in the carrying value of the exploration and evaluation expenditure.

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 in the project companies, which are currently wholly-owned by the Group's subsidiary, SPSA.

If the Group decides to relinquish certain licences and/or does not meet the obligations of the new mining convention, assets recognised in the statement of financial position may require review to determine the appropriateness of the carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

12. RELATED PARTY TRANSACTIONS

Arrangements with related parties continue to be in place in line with those disclosed in the 2020 Annual Report.

On 15 January 2021, a total of 2,909,389 ordinary shares of USD0.001 each in the Company were issued to certain Non- Executive Directors (NED) of the Company in lieu of remuneration for the quarter ended 31 December 2020.

The number of ordinary shares issued to each NED in lieu of remuneration for the quarter ended 31 December 2020 was calculated as follows:

	Annual fee	Quarterly fee	Percentage of Remuneration	GBP/USD	7 day VWAP	Number of shares
David Hathorn	USD100,000	USD25,000	55%	1.37	0.84	1,194,821
David Netherway	USD80,500	USD20,125	55%	1.37	0.84	961,831
Jonathan Trollip	USD63,000	USD15,750	55%	1.37	0.84	752,737
Total						2,909,389

On 9 April 2021, a total of 1,103,296 ordinary shares of USD0.001 each in the Company were issued to certain Non- Executive Directors of the Company in lieu of remuneration for the quarter ended 31 March 2021.

The number of ordinary shares issued to each NED in lieu of remuneration for the quarter ended 31 March 2021 was calculated as follows:

	Annual fee	Quarterly fee	Percentage of Remuneration	GBP/USD	7 day VWAP	Number of shares
David Hathorn	USD100,000	USD8,333*	55%	1.3779	1.5994	207,973
David Netherway	USD80,500	USD20,125	55%	1.3779	1.5994	502,254
Jonathan Trollip	USD63,000	USD15,750	55%	1.3779	1.5994	393,068
Total						1,103,296

* As part of the Company's on-going cost saving exercise David Hathorn waived his remuneration for the months of February and March 2021.

On 9 April 2021, 1,250,000 Performance Rights Series 16 – 20 for NED were converted into ordinary shares following the satisfaction of the vesting conditions of the Performance Rights, being the third anniversary of admission to trading on AIM. Refer Note 14(b) for the breakdown per Director.

On 8 July 2021, a total of 2,954,079 ordinary shares of USD0.001 each in the Company were issued to certain Non- Executive Directors of the Company in lieu of remuneration for the quarter ended 30 June 2021.

The number of ordinary shares issued to each NED in lieu of remuneration for the quarter ended 30 June 2021 was calculated as follows:

	Annual fee	Quarterly fee	Percentage of Remuneration	GBP/USD	7 day VWAP	Number of shares
David Hathorn	USD100,000	USD25,000	55%	1.3805	0.821	1,213,174
David Netherway	USD80,500	USD20,125	55%	1.3805	0.821	976,605
Jonathan Trollip	USD63,000	USD15,750	55%	1.3805	0.821	764,300
Total						2,954,079

On 19 September 2020 shareholders approved the issue of up to 63,417,499 ordinary shares to SQM, the Company's largest shareholder, for the provision of certain services in relation to a DFS proposed to be undertaken by the Company for a maximum fee of US\$540,000 (Technical Services Shares). The Company obtained an ASX waiver from ASX listing rule 10.13.5 granting the Company a period of 10 months post receipt of shareholder approval to issue the Technical Services Shares. At 30 June 2021, and the date of this report, none of the Technical Services Shares had been issued.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

13. LOSS PER SHARE

	6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year ended 31 Dec 2020 USD Audited
Earnings reconciliation			
Loss attributable to ordinary shareholders	(1,289,516)	(1,344,225)	(3,141,042)
	Number	Number	Number
Weighted average number of shares used as the denominator	2,783,423,169	1,545,888,889	1,796,239,418
Basic and diluted loss per share (cents per share)	(0.05)	(0.09)	(0.17)

Options, equity warrants, and performance rights are considered to be potential ordinary shares. However, as the Group is in a loss position, they are anti-dilutive in nature, as their exercise would not result in a diluted earnings per share. The options warrants and performance rights have therefore not been included in the determination of basic loss per share.

Headline loss per share

It is a JSE listing requirement to disclose headline earnings/loss per share, a non-IFRS measure. 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 half-year. During the current and prior periods 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 HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

14. SHARED BASED PAYMENTS

a) Options

Movement in unlisted options as share based payment arrangements during the Period:

Exercise Period	Exercise Price	Balance 1 Jan 2021	Options Issued	Options Cancelled	Balance 30 June 2021
		Number	Number	Number	Number
On or before 1 Jan 2024	GBP 0.022	33,000,000	-	(13,000,000)	20,000,000
On or before 19 Jul 2024	GBP 0.022	26,900,000	-	-	26,900,000
On or before 1 Jun 2026	GBP 0.022	-	12,000,000	-	12,000,000
		59,900,000	12,000,000	(13,000,000)	58,900,000

Options issued during the Period:

Options Series 37

The Board approved the issue of 12,000,000 unlisted options on 1 June 2021 under the Company's Long Term Incentive Plan. The options vest over 3 years on a one third basis per annum. These include the award of 12,000,000 options to Jean-Michel Bour (CFO).

The fair value of the options at grant date of GBP0.00534 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:

Input into the model	Series 37
Grant date share price	GBP0.00925
Exercise price	GBP0.022
Expected volatility	94.98%
Annual risk-free rate	0.32%
Expiry date	5 years
Grant date fair value	GBP0.00534

Options cancelled during the Period:

Following the determination by the Board that the applicable vesting conditions within each category would not be achieved, 13,000,000 Unlisted Options previously issued have been cancelled as follows:

Unlisted Options exercisable at £0.022 each, expiring on 1 January 2024	13,000,000
Total	13,000,000

b) Performance Rights

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

Rights series	Grant Date	Expiry Date	Balance 1 Jan 2021	Rights Lapsed	Rights Converted	Rights Cancelled	Balance 30 June 2021
			Number	Number	Number	Number	Number
9	06/07/2016	01/03/2021	5,031,250	(531,250)	-	(4,500,000)	-
12	29/05/2017	31/05/2021	605,000	(75,000)	-	(530,000)	-
13	31/05/2017	31/05/2022	660,000	(660,000)	-	-	-
14	27/06/2018	22/05/2022	1,536,668	(1,171,667)	(233,334)	(131,665)	-
15	29/05/2017	31/05/2022	2,759,000	(500,000)	-	(499,002)	1,760,000
16 - 20	27/06/2018	22/05/2022	1,250,000	-	(1,250,000)	-	-
25	17/03/2020	17/03/2025	2,250,000	(133,334)	(483,333)	(1,083,333)	550,000
			14,091,918	(3,071,251)	(1,966,667)	(6,744,000)	2,310,000

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

14. SHARED BASED PAYMENTS (CONTINUED)

b) Performance Rights (continued)

Performance Rights converted into ordinary shares during the Period:

On 9 April 2021, 1,250,000 Performance Rights Series 16 – 20 for NED were converted into ordinary shares following the satisfaction of the vesting conditions of the Performance Rights, being the third anniversary of admission to trading on AIM. The following is the breakdown of the ordinary shares issued under the Performance Rights:

	Number of Shares
David Hathorn	500,000
David Netherway	250,000
Jonathan Trollip	250,000
Timothy Keating	250,000
Total	1,250,000

On 1 June 2021, a total of 716,667 ordinary shares were issued to certain employees and ex-employees following the vesting of Performance Rights (233,334 for Series 14 and 483,333 for Series 25) awarded under the Company's Employee Performance Incentive Plans ("Performance Shares"), of which 516,667 ordinary shares were issued to Gavin Chamberlain, COO.

During the Period, a number of performance rights have lapsed and therefore have been moved from the Options Reserve to Retained Earnings that have previously been issued to apply a consistent policy to all series. The balance at the end of the Period for Series 15 and 25 are the remaining shares to be issued if the vesting conditions are met.

Performance Rights cancelled during the Period:

Following the determination by the Board that the applicable vesting conditions within each category would not be achieved, 6,744,000 Performance Rights previously issued have been cancelled during the Period, as follows:

Performance Rights expiring 1 March 2021 (Directors) - Series 9	4,500,000
Performance Shares vesting on 31 May 2021 - Series 12	530,000
Performance Shares under Short Term Incentive Scheme Plan - Series 14	131,665
Performance Shares under Long Term Incentive Plan – Series 15	499,002
Performance Rights under Short Term Incentive Scheme Plan - Series 25	1,083,333
Total	6,744,000

c) Unquoted equity warrants

Unquoted equity warrants expired during the Period:

On 31 March 2021, the Company announced that 13,144,659 unexercised Unquoted Equity Warrants expired.

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

15. CASH FLOW INFORMATION

	30 June 2021 USD Unaudited	30 June 2020 USD Unaudited	31 Dec 2020 USD Audited
Cash and cash equivalents	14,163,074	1,839,826	5,555,000
Restricted cash	-	-	-
Cash and cash equivalents presented at Condensed Consolidated Statement of Cash Flows	14,163,074	1,839,826	5,555,000

Reconciliation of cash flows from operating activities with loss after tax is as follows:

	6 months ended 30 June 2021 USD Unaudited	6 months ended 30 June 2020 USD Unaudited	Year ended 31 Dec 2020 USD Audited
Reconciliation of cash flows from operating activities:			
Loss for the year	(1,290,440)	(1,320,961)	(3,144,172)
Adjustments for:			
Depreciation expensed	-	13,555	14,303
Loss on asset disposals	-	164	165
Equity compensation benefits	47,010	(71,556)	176,388
Net realised and unrealised foreign exchange gains	41,147	6,055	(37,010)
Impairment of right-of-use asset	-	-	-
Fair value change in derivative financial liability	-	(1,027)	(1,027)
Interest paid on lease liabilities	-	(7,374)	(7,446)
Interest received not classified as operating activities cash inflow	(9,803)	(27,468)	(30,116)
Operating loss before changes in working capital	(1,212,086)	(1,408,612)	(3,028,915)
Decrease/(increase) in receivables	101,303	160,952	(930,448)
Decrease in tax payable	-	-	-
Decrease in payables	74,006	(120,121)	(63,525)
Net cash used in operating activities	(1,036,777)	(1,367,781)	(4,022,888)

NOTES TO THE HALF-YEARLY REPORT FOR THE 6 MONTHS ENDED 30 JUNE 2021 (CONTINUED)

16. SUBSEQUENT EVENTS AFTER BALANCE SHEET DATE

There are no other significant events that have occurred since reporting date requiring separate disclosure.

17. CONTINGENT LIABILITIES

There is an Appeal before the Supreme Court by former staff relating to retrenchments and overtime in 2014, claiming the ruling of the Supreme Court in favour of the Company is not valid for procedural reasons.

There has been one commercial dispute settled in the Tribunal of Commerce in favour of the Company in 2015 - 2016, however the funds arising from this of USD 33,000 have not yet been released.

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.

The lawyer of a former employee has requested that the Company settle at an amount of approximately USD850,000 for unfair dismissal, which the Company denies. The Group considers that this claim has no reasonable legal basis, and the Group is contesting this matter.