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3 December 2018

Kropz Plc
(“Kropz” or the “Company”)

Update on offer for Cominco Resources Limited (“Cominco”),
Issue of Shares and Total Voting Rights

Kropz Plc (AIM: KRPZ), an emerging African producer of plant nutrient feed minerals, is pleased to announce that its offer for Cominco had its Final Closing at 1pm (London time) on 30 November 2018 and that the Company has received in aggregate valid acceptances in respect of 98.97 per cent. of the ordinary shares of Cominco (“Cominco Shares”).

As stated in the Admission Document, as Kropz has received acceptances under the Offer in respect of 90 per cent. or more of the Cominco Shares and the Offer has been declared unconditional in all respects, Kropz intends to apply the provisions of section 176 of the BVI Business Companies Act 2004 to compulsorily redeem any outstanding Cominco Shares held by the remaining Cominco Shareholders.

The further acceptances of the Offer are in respect of 13,016,470 Cominco Shares for which a further 21,652,475 Ordinary Shares of Kropz will be issued. Application will be made for these additional 21,652,475 Ordinary Shares to be admitted to trading on AIM with admission expected at 8am (London time) on 7 December 2018.

Following the issue of the further consideration shares, the total number of Ordinary Shares will be 261,881,253. This figure may be used by shareholders as the denominator for the calculations by which they determine if they are required to notify their interest in, or a change of their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

As a result of the further acceptances of the Offer, Teh Hong Investment Holdings Limited will become a significant shareholder of Kropz and the interests of all other significant shareholders will be diluted. The following table sets out the resultant significant shareholders of Kropz.

Name of Shareholder	No. of Ordinary Shares	% of enlarged share capital
ARC Fund ⁽¹⁾ ⁽²⁾	125,103,064	47.8%
Kropz International ⁽¹⁾ ⁽²⁾ ⁽³⁾	51,587,817	19.7%

Ackerman Group Holdings Limited	18,073,368	6.9%
R & H Trust Co (Guernsey) Limited as Trustees of The Resource Securities Trust	17,481,224	6.7%
Teh Hong Investment Holdings Limited	15,637,012 ⁽⁴⁾	6.0%
Macquarie Bank Limited	11,633,045	4.4%

- (1) In the event that the ARC Fund falls below 50.5% as a result of additional acceptances of the offer for Cominco, Kropz International has undertaken to the ARC Fund to transfer to it such number of Ordinary Shares for nil consideration as are needed to ensure the ARC fund shareholding is above 50.5%. As a result of the further acceptances, the holding of the ARC Fund in Kropz has decreased to below 50.5 per cent. of the issued share capital. As a consequence of this, under the arrangements between the ARC Fund and Kropz International outlined in the Admission Document, Kropz International has agreed not to vote 20,000,000 Ordinary Shares it holds for a period of 12 months, due to the lock-ins provided by Kropz International at Admission.
- (2) Kropz International and the ARC Fund have entered into an arrangement pursuant to which Kropz International has granted to the ARC Fund a call option over 50 per cent. of its shareholdings. The call option over Kropz International's Ordinary Shares can be exercised by the ARC Fund if the value of the ARC Fund's shareholding on the second anniversary of Admission is 20 per cent. lower than its value at Admission. The call option has an alternative settlement of cash or assets, if the transfer of the Ordinary Shares would require the transferee to make a Rule 9 offer for the Company pursuant to the City Code.
- (3) Mike Nunn, a director of Kropz, holds his beneficial interest in Kropz through Kropz International.
- (4) Of these, 7,755,958 Ordinary Shares held by Teh Hong Investment Holdings Limited will be subject to a 12 month lock in on the same terms as set out in Admission Document.

Meridian Investment Group PTE Ltd, a Cominco Shareholder, which has accepted the Offer and has received 5,600,246 Ordinary Shares in Kropz as consideration has agreed that 2,776,200 Ordinary Shares will be subject to a 12 month lock in. Meridian Investment Group PTE Ltd has also agreed to enter into an undertaking that for a further period of 12 months thereafter, that they will only dispose of such Ordinary Shares through H&P or Mirabaud (or the Company's then retained broker) in order to maintain an orderly market in the Ordinary Shares, save in certain circumstances.

Any defined terms in this announcement shall have the same meaning as in the Admission Document unless otherwise specified.

Chief Executive Officer, Ian Harebottle, commented:

"It is pleasing to see the additional acceptances that were received following our admission to London's AIM Market on Friday the 30th November. Kropz is now well positioned to develop this suite of assets, with a pipeline of projects at various stages of development and looks forward to bringing each of these on stream, in time and within our targeted budgets.

“Gaining this additional level of control of Cominco, and its underlying Hinda phosphate project, will allow us to direct more of our attention towards this asset and should certainly assist in the process of developing it in to a world class operating mine.

“I’d like to welcome our new shareholders on board at the listed company level, as they join us on this exciting journey.”

The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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About Kropz Plc

Kropz is an emerging plant nutrient producer with an advanced stage phosphate mining project in South Africa, a phosphate project in the Republic of Congo and an exploration asset in Ghana. The vision of the Group is to become a leading independent phosphate rock producer and to develop into an integrated, mine-to-market plant nutrient company focusing on sub-Saharan Africa.

Kropz's Elandsfontein Phosphate Project is a near-term producing asset in South Africa's Western Cape Province, close to export infrastructure and primed to take advantage of a recovery in phosphate prices.

The Company's medium-term development asset is the Hinda Phosphate Project in the RoC.

The Company has also secured a prospecting right in Ghana, to undertake further exploration work on the Aflao Project, the potential extension of the well-known, high grade and historically exploited Hahotoe-Kpogame-Kpeme deposit in Togo.

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