

16 March 2020

Kropz Plc
("Kropz" or the "Company")

Elandsfontein Update

Water Tribunal ("Tribunal")

Kropz plc (AIM: KRPZ), an emerging African phosphate explorer and developer, advises that, further to the announcement on 12 February 2020, the appeal hearing against Elandsfontein's valid integrated water use licence ("WUL") which was due to reconvene today, has been postponed. The postponement has been ordered by the Chairperson of the Tribunal as certain parties undergo routine self-quarantine under government guidelines for persons recently arrived from COVID-19 affected regions. The hearing will therefore be delayed while the Tribunal reviews alternative dates and arrangements. The Company will provide an update when further information is available.

Pending the Tribunal's decision, there is no legal impediment to the continuation of the water use activities authorised in the WUL.

Corporate update

As detailed in the Company's announcement dated 14 February 2020, the Company's subsidiary, Kropz Elandsfontein Pty (Ltd) ("Kropz Elandsfontein"), has a project finance facility with BNP Paribas S.A. ("BNPP") for US\$30 million, which is currently fully drawn. As previously announced, due to delays in finalising a comprehensive funding package for the Elandsfontein phosphate mine ("the Project"), the Company advises that Kropz Elandsfontein continues to be in technical default of the BNPP facility. The Company and Kropz Elandsfontein remain in ongoing constructive dialogue with BNPP to remedy the breach and confirm that no capital repayments are due under the current BNPP facility until 30 September 2020.

Further to the Company's announcement dated 26 February 2020, the Company has entered into a ZAR30 million (approximately US\$1.83 million) loan facility with its major shareholder, the ARC Fund, of which ZAR5 million (approximately US\$305 000) has been drawn down. This facility meets the Company's short-term cash requirements to progress the Project to April 2020, as detailed in the Company's announcement on 14 February 2020, while discussions on the comprehensive funding solution are ongoing.

For further information visit www.kropz.com or contact:

Kropz Plc

Mark Summers (interim-CEO) +27 (0)79744 8708

Grant Thornton UK LLP

Richard Tonthat

Samantha Harrison

Niall McDonald

Nominated Adviser

+44 (0) 20 7383 5100

Hannam & Partners

Joint Broker

Andrew Chubb +44 (0)20 7907 8500
Ernest Bell

Mirabaud Securities Ltd **Joint Broker**
Rory Scott +44 (0)20 3167 7220
Edward Haig-Thomas +44 (0)20 3167 7222

Tavistock **Financial PR & IR (UK)**
Emily Moss +44 (0) 207 920 3150
Jos Simson kropz@tavistock.co.uk
Oliver Lamb

R&A Strategic Communications **PR (South Africa)**
James Duncan +27 (0)11 880 3924
james@rasc.co.za

About Kropz Plc

Kropz is an emerging African phosphate explorer and developer, with an advanced stage phosphate mining project in South Africa and a phosphate project in the Republic of Congo. 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.

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