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

1 June 2020

Kropz Plc
(“Kropz” or the “Company”)

Placing and Open Offer

Kropz Plc (AIM: KRPZ), an emerging African phosphate explorer and developer, is pleased to announce that it has raised a total of US\$ 353,595 (before expenses) by way of an equity placing with an existing investor and two directors, Robin Renwick and Mark Summers, (“**Placing**”) at a price of 6.75 pence per ordinary share (“**Issue Price**”). In conjunction, the Company today launches an open offer to existing shareholders to raise up to a further US\$ 4 million, before expenses, at the Issue Price (“**Open Offer**”).

The Placing and Open Offer (together, the “**Fundraise**”) are in addition to the Equity Facility announced on the 13 May 2020, which was approved by shareholders at the General Meeting held on Friday, 29 May 2020. Under the terms of the Equity Facility, Kropz’s major shareholder, ARC Fund, has committed to provide up to the ZAR equivalent of US\$ 40 million (ZAR 680 million) to the Company which will be converted into new ordinary shares at the Issue Price.

The proceeds of the Fundraise and the Equity Facility will be used to bring the Company's Elandsfontein phosphate project, located in South Africa, into production, and subject to funding raised, advance the new feasibility study at its Hinda project in the Republic of Congo, and for general working capital purposes.

The Issue Price represents a discount of approximately 15.6 per cent. to the closing mid-market price of 8 pence per Existing Ordinary Share on 29 May 2020 (being the latest practicable date prior to the date of this announcement).

The Placing

4,505,060 Placing Shares have been conditionally placed with Placees, comprising an existing investor and two directors, Robin Renwick and Mark Summers, at the Issue Price. The Placing is not being underwritten or conditional on the Open Offer, and the Placing Shares are not subject to a clawback under the Open Offer.

The Placing is conditional upon the admission of the Placing Shares to trading on the AIM Market of the London Stock Exchange (“**AIM**”).

The Placing Shares issued pursuant to the Placing will, when issued, be credited as fully paid and will rank pari passu in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid after their date of issue. For the avoidance

of doubt, the Placing Shares issued pursuant to the Placing will not be eligible to participate in the Open Offer.

Director's Participation and Related Party Transaction

Robin Renwick, chairman of Kropz, and Mark Summers, Interim CEO, are subscribing for 330,000 Placing Shares in aggregate in the Placing.

	Existing Ordinary Shares		Placing Shares	Ordinary Shares following the Placing Admission		Options
	No.	%		No.	%	
Robin Renwick	nil	-	300,000	300,000	0.10	nil
Mark Summers	334,889	0.12	30,000	364,889	0.13	3,362,609

Details on these subscriptions are included at the end of this announcement in accordance with the requirements of the EU Market Abuse Regulation.

The participation in the placing of Robin Renwick and Mark Summers is a related party transaction pursuant to Rule 13 of the AIM Rules for Companies. The directors of the Company who are considered independent of the participation (being all the directors excluding Robin Renwick and Mark Summers), having consulted with the Company's nominated adviser, consider the terms of the participation to be fair and reasonable insofar as the Company's shareholders are concerned.

Admission of the Placing Shares and Total Voting Rights

Application will be made for the Placing Shares to be admitted to trading on AIM. It is expected that admission will become effective, and that dealings in the Placing Shares will commence, at 8 a.m. on 4 June 2020.

On Admission, the Company's issued share capital will consist of 287,911,367 ordinary shares with voting rights. There are no shares held in treasury. 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.

The Open Offer

The Directors recognise the importance of pre-emption rights to Shareholders and, consequently, invite Qualifying Shareholders to participate in the proposed issue of New Ordinary Shares by way of the Open Offer at the Issue Price. The Open Offer provides Qualifying Shareholders with an opportunity to participate in the Fundraise by subscribing for their Basic Entitlements and Excess Entitlements.

ARC Fund have indicated that they intend to subscribe for 25,481,481 Open Offer Shares (equal to approximately US\$ 2,000,000) under the Open Offer (subject to a clawback which may reduce their subscription to a minimum of 25,128,164 Open Offer Shares if the Open Offer is fully subscribed).

The Open Offer provides Qualifying Shareholders with the opportunity to apply to acquire Open Offer Shares at the Issue Price pro rata to their holdings of Existing Ordinary Shares as at the Record Date on the following basis:

9 Open Offer Shares for every 50 Existing Ordinary Shares

Entitlements to apply to acquire Open Offer Shares will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be aggregated and made available under the Excess Application Facility. Qualifying Shareholders who do not take up their Basic Entitlements in full will experience a dilution to their interests of approximately 16.4 per cent. following Admission (assuming full subscription under the Placing and the Open Offer and excluding the dilution from the Equity Facility).

If Qualifying Shareholders have sold or otherwise transferred all of their Existing Ordinary Shares on or after the 'ex-entitlement' date, you are not entitled to participate in the Open Offer.

Qualifying Shareholders should note that the Open Offer Shares have neither been placed or subject to a clawback under the Placing nor have they been underwritten, and the Placing is not conditional upon the number of applications received under the Open Offer.

The Open Offer is conditional on the Open Offer Admission occurring no later than 8 a.m. on 19 June 2020 (or such later time and/or date as the Company may decide being not later than the Long Stop Date). The Open Offer Shares will, when issued and fully paid, rank pari passu in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Those Placees who are Qualifying Shareholders will also be entitled to participate in the Open Offer. However the Placing Shares issued pursuant to the Placing will not be eligible to participate in the Open Offer.

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Non-CREST Shareholders should be aware that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that, in the Open Offer, unlike in a rights issue, any entitlements to Open Offer Shares not applied for or not taken up will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Excess applications

The Open Offer is structured to allow Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price pro rata to their existing holdings of Ordinary Shares on the Record Date.

Qualifying Shareholders may also make applications in excess of their Basic Entitlements. To the extent that Basic Entitlements are not subscribed by Qualifying Shareholders, such Open Offer Shares will be available to satisfy such excess applications. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. The Board may scale back applications made in excess of Open Offer Entitlements on such basis as it reasonably considers to be appropriate.

Actions to be Taken

Application has been made for the Basic Entitlements for Qualifying CREST Shareholders to be admitted to CREST. It is expected that the Basic Entitlements will be admitted to CREST on 2 June 2020.

The Excess CREST Open Offer Entitlements will also be admitted to CREST on 2 June 2020. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a bona fide market claim.

Qualifying Non-CREST Shareholders will receive an Application Form which gives details of their Basic Entitlement under the Open Offer (as shown by the number of the Open Offer Shares allocated to them) with the Open Offer Circular. If they wish to apply for Open Offer Shares under the Open Offer, they should complete the Application Form accompanying the Open Offer Circular in accordance with the procedure for application set out in the Open Offer Circular and on the Application Form itself. The completed Application Form, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Computershare Investor Services PLC, Corporate Actions Project, Bristol, BS99 6AH, so as to arrive as soon as possible and in any event no later than 11 a.m. on 15 June 2020.

Qualifying CREST Shareholders, will receive no Application Form with the Open Offer Circular but will receive a credit to their appropriate stock account in CREST in respect of their Basic Entitlement and if appropriate their Excess Entitlement. They should refer to the procedure for application set out in Part 3 (Terms and Conditions of the Open Offer) of the Open Offer Circular. The relevant CREST instruction must have settled by no later than 11 a.m. on 15 June 2020.

The latest time for applications under the Open Offer to be received is 11 a.m. on 15 June 2020. The procedure for application and payment depends on whether, at the time at which application and payment is made, a Qualifying Shareholder has an Application Form in respect of their Basic Entitlement or have their Basic Entitlement credited to their stock account in CREST.

Application, Settlement and Dealings

Application will be made to the London Stock Exchange for the Open Offer Shares, to be admitted to trading on AIM. Subject to certain conditions, it is expected that the Open Offer Admission will become effective and that dealings in respect of such Open Offer Shares will commence at 8 a.m. on 19 June 2020. A further announcement in respect of the admission of such Open Offer shares will be made in due course.

Posting of Circular

The Open Offer Circular will be sent to Eligible Shareholders today and will be available shortly for download from the Company's website at www.kropz.com.

Expected Timetable of Principal Events

Record Date for entitlements under the Open Offer	6 p.m. on 28 May 2020
Announcement of the Placing and the proposed Open Offer	7 a.m. on 1 June 2020
Settlement and admission of the Placing Shares	4 June 2020
Existing Ordinary Shares marked "ex" by London Stock Exchange	7 a.m. on 1 June 2020
Publication and posting of the Open Offer Circular and to Qualifying Non-CREST shareholders only, and the Application Form	1 June 2020

Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders	8 a.m. on 2 June 2020
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4:30 p.m. on 9 June 2020
Latest time and date for depositing Basic Entitlements and/or Excess Entitlements into CREST	3 p.m. on 10 June 2020
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3 p.m. on 11 June 2020
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11 a.m. on 15 June 2020
Announcement of result of the Open Offer	17 June 2020
Open Offer Admission and commencement of dealings in the Open Offer Shares on AIM	8 a.m. on 19 June 2020
Open Offer Shares credited to CREST members' accounts	19 June 2020
Despatch of definitive share certificates in certificated form	within 5 business days of the Open Offer Admission

- (i) References to times in the Open Offer Circular are to London time (unless otherwise stated).
- (ii) If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

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

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About Kropz

Kropz is an emerging African phosphate explorer and developer, with an advanced stage phosphate 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.

Important Information

This announcement is for information purposes only and the information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its accuracy or completeness. The information in this announcement is subject to change. This announcement is not intended to and does not constitute, or form part of, an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, nor shall there be any purchase, sale or exchange of securities or such solicitation in any jurisdiction in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction.

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PDMR Notification made in accordance with the requirements of the EU Market Abuse Regulation.

1	Details of the person discharging managerial responsibilities / person closely associated			
a)	Name	Robin Renwick		
2	Reason for the notification			
a)	Position/status	Director		
b)	Initial notification /Amendment	Initial		
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor			
a)	Name	Kropz plc		
b)	LEI	2138005Y467BCQ3QOT77		
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted			
a)	Description of the financial instrument, type of instrument	Ordinary shares		
	Identification code	GB00BZ1HLP69		
b)	Nature of the transaction	Purchase		
c)	Price(s) and volume(s)	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Price(s)</td> <td style="width: 50%;">Volume(s)</td> </tr> </table>	Price(s)	Volume(s)
Price(s)	Volume(s)			

		£0.0675	300,000
d)	Aggregated information - Aggregated volume - Price	N/A	
e)	Date of the transaction	29 May 2020	
f)	Place of the transaction	Outside a trading venue	

PDMR Notification made in accordance with the requirements of the EU Market Abuse Regulation.

1	Details of the person discharging managerial responsibilities / person closely associated						
a)	Name	Mark Summers					
2	Reason for the notification						
a)	Position/status	Director					
b)	Initial notification /Amendment	Initial					
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a)	Name	Kropz plc					
b)	LEI	2138005Y467BCQ3QOT77					
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted						
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares GB00BZ1HLP69					
b)	Nature of the transaction	Purchase					
c)	Price(s) and volume(s)	<table border="1"> <tr> <td>Price(s)</td> <td>Volume(s)</td> </tr> <tr> <td>£0.0675</td> <td>30,000</td> </tr> </table>		Price(s)	Volume(s)	£0.0675	30,000
Price(s)	Volume(s)						
£0.0675	30,000						

d)	Aggregated information - Aggregated volume - Price	N/A
e)	Date of the transaction	29 May 2020
f)	Place of the transaction	Outside a trading venue

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