10 January 2023

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

Update of Mineral Resource Estimate for Elandsfontein

Kropz Plc (AIM: KRPZ), an emerging African phosphate producer and developer, is pleased to announce an update to the JORC (2012) compliant Mineral Resource Estimate ("**MRE**") at its South African phosphate project, Elandsfontein Phosphate Project **("Elandsfontein")**, following additional infill drilling, relogging of historical cores and mapping of ore exposures as intersected within the current mining horizon.

The previous resource statement was validated and published by SRK Consulting (Pty) Ltd ("**SRK**") in 2018, following their peer review of the resource estimate by Snowden Mining Industry Consultants (Pty) Ltd.

The geology at Elandsfontein was believed to be continuous with no major project risks or potential flaws identified associated with the sampling, delineation, and estimation of the mineral resources by previous authors (SRK, 2018). In July 2022, mining operations intersected previously unknown and undefined indurated phosphatic (phoscrete) lenses colloquially referred to as 'hard bank'.

Based on current conditions and on-site learnings, not only from the mining, but also from the revised geological interpretations, it was considered prudent that the resource model be reclassified. The estimate needed to be brought in line with the level of confidence that reflected grade and physical properties and continuity (mining output and plant performance), as these aspects play a role in economic viability, and therefore associated reserve determination.

Summary

- The updated MRE now caters for geotechnical characteristics of the ore in addition to the grade characteristics;
- Increase in total phosphate resources at Elandsfontein to 106.58 million tonnes ("**Mt**");
- Downgrade of much of the previously Measured resource to Indicated, and downgrade of previously Indicated resources to Inferred. Total Measured and Indicated resource tonnage has reduced by approximately 76%. The updated resource now considers core recovery, average drill hole spacing and sample count;
- Grade has improved, with the refined lithological contacts and improved estimates from the infill drilling and pit sampling. This can also be confirmed from the current pit intersections; and,
- Proven reserve of 7.31 Mt at 10.71% P_2O_5.

Mark Summers, Chief Executive Officer commented:

"While the downgrade of the Measured and Indicated resource is disappointing, it enables Kropz to move forward with a significantly increased level of confidence, that will allow for accurate and efficient mine planning.

"The increase in total resource, and more importantly, the increase in grade, supported by the additional drilling programme is excellent news, and the continued drilling planned for the year ahead will further increase confidence, and support an increase in reserve tonnes."

ELANDSFONTEIN RESOURCE STATEMENT AS OF 15 DECEMBER 2022								
CLASS	**TONNES (Mt)**	**P_2O_5 (%)**	**SiO_2 (%)**	**Al_2O_3 (%)**	**MgO (%)**	**Fe_2O_3 (%)**	**CaO (%)**	**CONTAINED P_2O_5 (Mt)**
Measured	**9.40**	**11.21**	**65.58**	**1.13**	**0.16**	**0.90**	**16.10**	**1.05**
Indicated	**9.62**	**7.90**	**75.21**	**1.17**	**0.12**	**0.86**	**11.24**	**0.76**
Total Measured & Indicated	**19.02**	**9.54**	**70.45**	**1.15**	**0.14**	**0.88**	**13.64**	**1.81**
Inferred	**87.56**	**7.68**	**73.92**	**1.20**	**0.16**	**1.03**	**11.15**	**6.72**
Total Resources	**106.58**	**8.01**	**73.30**	**1.19**	**0.16**	**1.00**	**11.59**	**8.54**
NETT ATTRIBUTABLE (74% TO THE COMPANY)								
Measured	**6.96**	**11.21**	**65.58**	**1.13**	**0.16**	**0.90**	**16.10**	**0.78**
Indicated	**7.12**	**7.90**	**75.21**	**1.17**	**0.12**	**0.86**	**11.24**	**0.56**
Total Measured & Indicated	**14.07**	**9.54**	**70.45**	**1.15**	**0.14**	**0.88**	**13.64**	**0.67**
Inferred	**64.79**	**7.68**	**73.92**	**1.20**	**0.16**	**1.03**	**11.15**	**4.98**
Total Resources	**78.87**	**8.01**	**73.30**	**1.19**	**0.16**	**1.00**	**11.59**	**6.32**
Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies to the numbers reported in this table.								

The revised resource estimate contains 30 additional sonic boreholes with recoveries above 90%. The additional holes have provided significant insight in terms of the geological interpretation, mineralised lithologies and data confidence. Differences are further seen in the elevation with regards to top contact of mineralisation. The 2022 modelling further utilised implicit modelling which creates additional refined contacts between lithologies. The optimised modelling has contributed to improved grades over the more accurately estimated areas and will improve planning in terms of anticipating mineralised horizons, and lithology types which are not always visibly distinguishable.

DIFFERENCE 2018 VS 2022 RESOURCE DECLARATION								
CLASS	**TONNES (Mt)**	**P_2O_5 (%)**	**SiO_2 (%)**	**Al_2O_3 (%)**	**MgO (%)**	**Fe_2O_3 (%)**	**CaO (%)**	**CONTAINED P_2O_5 (Mt)**
Total Measured and Indicated 2022	**19.02**	**9.54**	**70.45**	**1.15**	**0.14**	**0.88**	**13.64**	**1.81**
Total Measured and Indicated 2018	**77.80**	**8.30**	**74.90**	**1.17**	**0.17**	**0.93**	**11.86**	**3.60**
Difference Measured and Indicated	***-58.78***	***1.24***	***-4.45***	***-0.02***	***-0.03***	***-0.05***	***1.78***	**-1.79**
Inferred 2022	**87.56**	**7.68**	**73.92**	**1.20**	**0.16**	**1.03**	**11.15**	**6.72**
Inferred 2018	**23.30**	**5.48**	**82.50**	**1.15**	**0.13**	**0.95**	**7.50**	**1.28**
Difference Inferred	***64.26***	***2.20***	***-8.58***	***0.05***	***0.03***	***0.08***	***3.65***	**5.44**
Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies to the numbers reported in this table.								

The 2022 reserve estimate was impacted by the reclassification of the resource estimate. Reserves are estimated at 17.42 Mt at a P_2O_5 grade of 9.19% of which 7.31 Mt is proven at 10.71% P_2O_5, where previously no proven tonnes were stated in 2018.

ELANDSFONTEIN RESERVE STATEMENT AS AT 15 DECEMBER 2022			
CLASSIFICATION	**TONNES (Mt)**	**P_2O_5 (%)**	**CONTAINED P_2O_5 (Mt)**
Proven	**7.31**	**10.71**	**0.78**
Probable	**10.11**	**8.09**	**0.82**
Total Reserve	**17.42**	**9.19**	**1.60**
NETT ATTRIBUTABLE (74% TO THE COMPANY)			
Proven	**5.41**	**10.71**	**0.58**
Probable	**7.48**	**8.09**	**0.61**
Total Reserve	**12.89**	**9.19**	**1.18**

There is a 46 Mt difference between the 2018 and 2022 estimates, which is mainly due to the downgrade in the measured and indicated resource categories in the 2022 resource estimate.

DIFFERENCE 2018 VS 2022 RESERVE DECLARATION			
RESOURCE CLASSIFICATION	**TONNES (Mt)**	**P_2O_5 (%)**	**CONTAINED P_2O_5 (Mt)**
Total Proven 2022	**7.31**	**10.71**	**0.78**
Total Proven 2018	**-**	**-**	**-**
Total Probable 2022	**10.11**	**8.09**	**0.82**
Total Probable 2018	**63.63**	**9.60**	**6.11**
Total Proven and Probable 2022	**17.42**	**9.19**	**1.60**
Total Proven and Probable 2018	**63.63**	**9.60**	**6.11**
Difference Proven and Probable	**-46.21**	**-0.41**	**-4.51**
Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies in this table			

Competent Persons Statement

Information in this announcement pertaining to Reporting of Sampling Techniques and Data, Exploration Results and Estimation and Reporting of Mineral Resources has been reviewed and approved by Vanessa Clark-Mostert, a Principal Consultant for Practara (Pty) Ltd, Golder House, Maxwell Office Park, Magwa Crescent, Building 1, West, Midrand, 1685, South Africa. The Company Registration number is 2015/217925/07.

Ms Clark-Mostert is registered with the South African Council for Natural Scientific Professionals, in the field of Geological Science, Pr. Sci. Nat. member No. 400161/07. She holds an MSc Earth Science Practice and Management, University of Pretoria, 2012, BSc (Honours) Environmental and Engineering Geology, University of Pretoria, 2002 and a BSc (Geology) from the University of Pretoria. Ms Clark-Mostert has more than 19 years' experience in the mining industry of which most of her working career included work as a consultant. Roles fulfilled which is pertinent to the style of mineralisation and mining method include Geological Consultant and Technical advisor. Parent Companies include Anglo American, Tronox, Richards Bay Minerals, TRG, TWP Investments, Phalaborwa Mining Company,

General Nice Mining, Norilsk & BCL, Namakwa Sands, Assmang and Assore.

Ms Clark-Mostert is a 'Competent Person' as defined in the SAMREC Code which allows her to act as a Competent/Qualified Person.

Ms Clark-Mostert consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears. Ms Clark-Mostert confirms that the Company is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that the form and context in which the information has been presented has not been materially modified.

The information in this release that relates to the Estimation and Reporting of Ore Reserves has been compiled by Mr Christopher Kuhl. Mr Kuhl is employed by Practara (Pty) Ltd as a Principal Consultant to perform studies and assignments related to Mining and Technical Advisory. Mr Kuhl is registered as a member with the South African Institute of Mining and Metallurgy. He holds a BSc Engineering (Mining) from the University of the Witwatersrand and a GDE (Mineral Economics) from the University of the Witwatersrand.

Mr Kuhl has more than 25 years' experience in the mining industry. Parent Companies include African Rainbow Minerals and Assore, Jubilee Platinum, Cheetah Mining, Sail and Anglo American.

Mr. Kuhl consents to the inclusion in this report of the contained technical information relating the Ore Reserve Estimation in the form and context in which it appears. Mr Kuhl confirms that the Company is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that the form and context in which the information has been presented has not been materially modified.

Glossary

Term	**Intended generalised meaning**
Competent Person	A minerals industry professional who is a Member or Fellow of the Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a Recognised Professional Organisation, as included in a list available on the JORC and Australian Securities Exchange websites.
Diamond drilling	The act or process of drilling boreholes using bits inset with diamonds as the rock-cutting tool.
Governing Principles	The principles governing the operation and application of the JORC Code are Transparency, Materiality and Competence. Transparency requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of material information that is known to the Competent Person. Materiality requires that a Public Report contains all the relevant information that investors and their professional advisers would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Exploration Results, Mineral Resources or Ore Reserves being reported. Where relevant information is not supplied an explanation must be provided to justify its exclusion.
Grade	The measurement of the quantity, percentage or quality of a metal or mineral contained within a mineral deposit.
Hard bank	Ore material mined in the pit, regardless of grade, which has a strength classification exceeding moderately strong classification (+12.5 MPa) and or hardness classification exceeding medium

	hard rock and exceeds an in-situ width of 0.5m. The material occurs as continuous layers when intersected. These layers require mechanical breaking methods to be applied to mine. This material is to be stockpiled separately in the short term.
Indicated Mineral Resource	An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.
Inferred Mineral Resource	That part of a Mineral Resource for which quantity and grade or quality are estimated from limited geological evidence and sampling.
Infill drilling	Drilling designed to fill or close gaps between existing drill holes.
JORC	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code is produced by the Australasian Joint Ore Reserves Committee ('the JORC Committee').
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 edition (JORC Code), is an internationally recognised professional code of practice which sets minimum standards for the public reporting of Exploration Results, Mineral Resources and Ore Reserves.
Losses/Modifying Factors	“Modifying Factors” or losses include mining, metallurgical, economic, marketing, legal, environmental, social and governmental considerations.
Material	Circumstances are considered material if omission or misstatement of the associated factor, constituent or information could influence the economic decisions of users. As a rule of thumb, this difference would normally be equal to or exceed 10%.
Materiality	A Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and expect to find, for the purpose of making a reasoned and balanced judgement regarding the Exploration Results, Mineral Resources and Mineral Reserves being reported.
Measured Mineral Resource	That part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.
Mineable	Those parts of the ore body, both economic and uneconomic, that can be extracted during the normal course of mining.
Mineral Resource	A concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade, quality and quantity that there are reasonable prospects for eventual economic extraction.
Mineralisation	Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.
Mineral Resource	A concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade, quality and quantity that there are reasonable prospects for eventual economic extraction.
Mt	Million tonnes
Ore	Lithological units with grade exceeding 4% P_2O_5. It can include C to G Unit as described in the stratigraphic column of the area.
Ore Reserve	The economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances

	for losses, which may occur when the material is mined or extracted
P_2O_5	Phosphorus pentoxide
Percussion Drilling	The process of boring into rock by means of an air- or hydraulic-powered drill bit.
Probable Ore Reserve	The economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the modifying factors applying to a Probable Ore Reserve is lower than that applying to a Proven Ore Reserve. A Probable Ore Reserve has a lower level of confidence than a Proven Ore Reserve but is of sufficient quality to serve as the basis for a decision on the development of the deposit.
Proven Ore Reserve	The economically mineable part of a Measured Mineral Resource. A Proven Ore Reserve implies a high degree of confidence in the Modifying Factors. A Proven Ore Reserve represents the highest confidence category of an Ore Reserve estimate. The style of mineralisation or other factors could mean that Proven Ore Reserves are not achievable in some deposits.
SACNASP	South African Council for Natural Scientific Professionals
SAMREC	The South African Code for The Reporting of Exploration Results, Mineral Resources and Mineral Reserves (The SAMREC Code)
Sonic Boreholes	A borehole derived through sonic drilling, a drilling technique which utilises high-frequency energy generated inside a sonic head to advance a core barrel downwards through a substrate.
Sonic Drilling	Sonic is an advanced form of drilling which employs the use of high-frequency, resonant energy generated inside the Sonic head to advance a core barrel or casing into subsurface formations.
Tonnage	An expression of the amount of material of interest.

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "**UK MAR**") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. 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 African phosphate producer with projects in South Africa and 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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