

20 June 2024

**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”).

The significant write-down in declared Ore Reserves from 2018 to 2022 has been partially reversed in the 2023 Ore Reserve estimate, largely due to the additional infill drilling which was completed in 2023.

It is expected that the future drilling campaigns will continue to improve the Mineral Resource estimates from Inferred to Measured or Indicated categories and will enable improved conversion of the Mineral Resources to Reserves.

While both the declared Reserve tonnes and grade have increased, the grade and tonnage estimate of the Resource has decreased. This aligns to the improved confidence in the grade estimation of the deposit and reflects the declining grade of the deposit over its life.

**Summary**

- The 2023 Reserve estimate was positively affected by the completed infill and exploration drilling, which significantly improved the total declared Measured and Indicated Mineral Resources. The Ore Reserves are stated at 30 September 2023, and account for the pit depletions up until the end of September 2023;
- Total Measured and Indicated resource tonnage has increased by approximately 72%, while the Total resource tonnage has reduced by 30%;
- Decrease in total phosphate resources at Elandsfontein to 74.23 million tonnes (“Mt”) from 106.58 million tonnes in 2022;
- Total Reserves are estimated at 26.63 Mt at a P<sub>2</sub>O<sub>5</sub> grade of 9.38% of which 16.56 Mt is Proven at 10.25% P<sub>2</sub>O<sub>5</sub>. This compares to previous estimate at 17.42 Mt at 9.19% P<sub>2</sub>O<sub>5</sub>.

**Louis Loubser, Chief Executive Officer commented:**

*“Our planned infill drilling campaign has proved worthwhile. Although the changes in our Resource estimate have been substantive, our ability to accurately predict the spatial position and grade of the ore body has improved greatly. This has led to further accuracy and prediction improvements which are reflected in an encouraging increase in our mineable ore Reserves.”*

<b>ELANDSFONTEIN RESOURCE STATEMENT AS OF 30 SEPTEMBER 2023</b>								
<b>CLASS</b>	<b>TONNES (Mt)</b>	<b>P<sub>2</sub>O<sub>5</sub> (%)</b>	<b>SiO<sub>2</sub> (%)</b>	<b>Al<sub>2</sub>O<sub>3</sub> (%)</b>	<b>MgO (%)</b>	<b>Fe<sub>2</sub>O<sub>3</sub> (%)</b>	<b>CaO (%)</b>	<b>CONTAINED P<sub>2</sub>O<sub>5</sub> (Mt)</b>
<b>Measured</b>	<b>19.96</b>	<b>10.25</b>	<b>63.86</b>	<b>1.22</b>	<b>0.15</b>	<b>0.79</b>	<b>14.68</b>	<b>2.05</b>
<b>Indicated</b>	<b>12.78</b>	<b>7.68</b>	<b>64.30</b>	<b>1.30</b>	<b>0.15</b>	<b>0.88</b>	<b>11.30</b>	<b>0.98</b>
<b>Total Measured &amp; Indicated</b>	<b>32.74</b>	<b>9.24</b>	<b>64.03</b>	<b>1.25</b>	<b>0.15</b>	<b>0.83</b>	<b>13.36</b>	<b>3.03</b>
<b>Inferred</b>	<b>41.49</b>	<b>6.30</b>	<b>66.26</b>	<b>1.39</b>	<b>0.15</b>	<b>0.86</b>	<b>9.52</b>	<b>2.61</b>
<b>Total Resources</b>	<b>74.23</b>	<b>7.60</b>	<b>65.28</b>	<b>1.33</b>	<b>0.15</b>	<b>0.85</b>	<b>11.21</b>	<b>5.64</b>
<b>NETT ATTRIBUTABLE (74% TO THE COMPANY)</b>								
<b>Measured</b>	<b>14.77</b>	<b>10.25</b>	<b>63.86</b>	<b>1.22</b>	<b>0.15</b>	<b>0.79</b>	<b>14.68</b>	<b>1.51</b>
<b>Indicated</b>	<b>9.45</b>	<b>7.68</b>	<b>64.30</b>	<b>1.30</b>	<b>0.15</b>	<b>0.88</b>	<b>11.30</b>	<b>0.73</b>
<b>Total Measured &amp; Indicated</b>	<b>24.23</b>	<b>9.24</b>	<b>64.03</b>	<b>1.25</b>	<b>0.15</b>	<b>0.83</b>	<b>13.36</b>	<b>2.24</b>
<b>Inferred</b>	<b>30.70</b>	<b>6.30</b>	<b>66.26</b>	<b>1.39</b>	<b>0.15</b>	<b>0.86</b>	<b>9.52</b>	<b>1.93</b>
<b>Total Resources</b>	<b>54.93</b>	<b>7.60</b>	<b>65.28</b>	<b>1.33</b>	<b>0.15</b>	<b>0.85</b>	<b>11.21</b>	<b>4.17</b>
<i>Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies to the numbers reported in this table.</i>								

The 2023 Mineral Resource Estimate (MRE) for Elandsfontein reflects significant changes compared to 2022 and was notably affected by the completed infill and exploration drilling. The total Measured and Indicated resources have increased by approximately 72%, rising from 19.02 Mt in 2022 to 32.74 Mt in 2023, despite a slight decrease in the P<sub>2</sub>O<sub>5</sub> grade from 9.54% to 9.24%. Conversely, the total Inferred resources have decreased substantially from 87.56 Mt in 2022 to 41.49 Mt in 2023, accompanied by a decline in the P<sub>2</sub>O<sub>5</sub> grade from 7.68% to 6.30%. This reduction in Inferred resources and the simultaneous increase in Measured and Indicated resources indicate improved confidence in the resource estimates due to the successful infill drilling program. These changes highlight the enhanced accuracy in predicting the spatial distribution and grade of the ore body, leading to a more reliable reserve estimate and better strategic planning for future mining operations.

DIFFERENCE 2023 VS 2022 RESOURCE DECLARATION								
CLASS	TONNES (Mt)	P <sub>2</sub> O <sub>5</sub> (%)	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	MgO (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	CaO (%)	CONTAINED P <sub>2</sub> O <sub>5</sub> (Mt)
Total Measured and Indicated 2023	32.74	9.24	64.03	1.25	0.15	0.83	13.36	3.03
Total Measured and Indicated 2022	19.02	9.54	70.45	1.15	0.14	0.88	13.64	1.81
<i>Difference Measured and Indicated</i>	13.72	-0.30	-6.42	0.10	0.01	-0.05	-0.28	1.22
Inferred 2023	41.49	6.30	66.26	1.39	0.15	0.86	9.52	2.61
Inferred 2022	87.56	7.68	73.92	1.20	0.16	1.03	11.15	6.72
<i>Difference Inferred</i>	-46.07	-1.38	-7.66	0.19	-0.01	-0.17	-1.63	-4.11
Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies to the numbers reported in this table.								

The 2023 reserve statement for Elandsfontein reflects significant improvements compared to the 2022 estimates, driven by changes in the resource base and a better understanding of the modifying factors to be applied. The total proven reserves have increased substantially from 7.31 Mt at a P<sub>2</sub>O<sub>5</sub> grade of 10.71% in 2022 to 16.56 Mt at a grade of 10.25% in 2023. Meanwhile, the total probable reserves have remained relatively stable, showing a slight decrease from 10.11 Mt at a P<sub>2</sub>O<sub>5</sub> grade of 8.09% in 2022 to 10.07 Mt at a grade of 8.01% in 2023. As a result, the combined total of proven and probable reserves has risen from 17.42 Mt at a P<sub>2</sub>O<sub>5</sub> grade of 9.19% in 2022 to 26.63 Mt at a grade of 9.38% in 2023.

These changes are largely attributable to the successful completion of infill and exploration drilling, which significantly improved the total declared Measured and Indicated Mineral Resources. Additionally, the enhanced understanding of modifying factors, such as mining, metallurgical, economic, and environmental considerations, has contributed to a more accurate and reliable reserve estimate. This improved accuracy in predicting the spatial distribution and grade of the ore body has bolstered confidence in the reserve estimations and strategic planning for future mining operations.

ELANDSFONTEIN RESERVE STATEMENT AS AT 30 SEPTEMBER 2023			
CLASSIFICATION	TONNES (Mt)	P <sub>2</sub> O <sub>5</sub> (%)	CONTAINED P <sub>2</sub> O <sub>5</sub> (Mt)
Proven	16.56	10.25	1.70
Probable	10.07	8.01	0.81
Total Reserve*	26.63	9.38	2.50
NETT ATTRIBUTABLE (74% TO THE COMPANY)			
Proven	12.26	10.25	1.26
Probable	7.45	8.01	0.60
Total Reserve*	19.70	9.38	1.85

\*Modifying Factors:

- Mining loss of 2% applied
- 2.25% Dilution applied

<b>DIFFERENCE 2022 VS 2023 RESERVE DECLARATION</b>			
<b>RESOURCE CLASSIFICATION</b>	<b>TONNES (Mt)</b>	<b>P<sub>2</sub>O<sub>5</sub> (%)</b>	<b>CONTAINED P<sub>2</sub>O<sub>5</sub> (Mt)</b>
<b>Total Proven 2023</b>	<b>16.56</b>	<b>10.25</b>	<b>1.70</b>
<b>Total Proven 2022</b>	<b>7.31</b>	<b>10.71</b>	<b>0.78</b>
<b>Total Probable 2023</b>	<b>10.07</b>	<b>8.01</b>	<b>0.81</b>
<b>Total Probable 2022</b>	<b>10.11</b>	<b>8.09</b>	<b>0.82</b>
<b>Total Proven and Probable 2023</b>	<b>26.63</b>	<b>9.38</b>	<b>2.50</b>
<b>Total Proven and Probable 2022</b>	<b>17.42</b>	<b>9.19</b>	<b>1.60</b>
<b><i>Difference Proven and Probable</i></b>	<b>9.21</b>	<b>0.19</b>	<b>0.9</b>
Note: All numbers are reported to two significant figures. Rounding may cause minor discrepancies in this table			

### **Competent Persons Statement**

The corresponding JORC Table 1 relating to the 2023 MRE and Reserve is available on the Company's website at: <https://www.kropz.com/investors/press-releases/2024>

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, Unit 1, Floor 1, Building 12 Thornhill Office Park, Bekker Rd, Midrand, 1686, RSA, 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.

## 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	<p>The principles governing the operation and application of the JORC Code are Transparency, Materiality and Competence.</p> <p>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.</p> <p>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.</p>
Grade	The measurement of the quantity, percentage or quality of a metal or mineral contained within a mineral deposit.
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 advisers 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.

<b>Term</b>	<b>Intended generalised meaning</b>
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 <sub>2</sub> O <sub>5</sub> . 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 <sub>2</sub> O <sub>5</sub>	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.

For further information visit [www.kropz.com](http://www.kropz.com) or contact:

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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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