



Kore Potash plc
25 Moorgate, London EC2R 6AY
United Kingdom

30 January 2025

Kore Potash Plc
(“Kore Potash” or “the Company”)

Review of Operations for the Quarter ended 31 December 2024

Kore Potash (AIM: KP2, ASX: KP2, JSE: KP2, A2X: KP2), the potash development company with 97% ownership of the Kola Potash Project (“**Kola**” or the “**Kola Project**”) and Dougou Extension (“**DX**”) Potash Project in the Sintoukola Basin, located in the Republic of Congo (“**RoC**”), provides its quarterly update for the period ended 31 December 2024 (the “**Quarter**”).

Quarterly Highlights

Projects

- Engineering, Procurement and Construction contract (“**EPC**” or the “**Contract**”) for the Kola Project with PowerChina International Group Limited (“**PowerChina**” or the “**Contractor**”) was signed in Brazzaville in the presence of the RoC Minister of Mines and Geology on 19 November 2024.

Corporate

- Lodgement of the cleansing prospectus on 22 November 2024 to remove any on-sale restrictions in relation to the shares to be issued pursuant to the Company’s US\$0.9 million placement.
- Successful completion of c.US\$0.9 million fundraise announced on 26 November 2024.
- As of 31 December 2024, the Company held US\$1.34 million in cash.

Operational Activities

Kola EPC

The EPC for the Kola Project with PowerChina was signed in Brazzaville in the presence of the RoC Minister of Mines and Geology on 19 November 2024.

The EPC is a fixed price contract worth US\$1.929 billion. This fixed price is of significant benefit to the Company as it minimises the risk of cost overruns for the Company. The EPC also includes provisions for penalties in the event of delayed completion and non-compliance to performance metrics.

The EPC remains subject to Financial Close.

Entry into the EPC reaffirms the board of directors’ strategy for Kore Potash to become one of the lowest cost producers globally for the Brazilian agricultural market and high growth African markets.

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Kola Financing

As announced on 6 April 2021, a non-binding memorandum of understanding was signed with the Summit Consortium (“**Summit**” or “**Summit Consortium**”) to arrange the full financing required for the construction of the Kola Project (“**Summit MoU**”).

The Company confirms the Summit Consortium is not a related party of the Company.

In line with this memorandum of understanding, following the signing of the EPC, Summit is expected to deliver a non-binding financing term sheet within three months. This term sheet will be subject to the completion of detailed and definitive legal documentation.

The Company confirms its confidence in the Summit Consortium as a financier for the construction of the Kola Project. This confidence is based on the Company having worked with the Summit Consortium for the past 10 years and their track record in assisting with financing for Kore Potash including sourcing the approximately US\$40 million equity investment provided by the Oman Investment Authority (“**OIA**”) and Sociedad Quimica y Minera de Chile S.A. (“**SQM**”) in 2016. OIA and SQM are among top three largest shareholders of the Company who together hold 27.58% in the issued share capital of the Company.

The material terms of the Summit MoU were set out in the 6 April 2021 announcement and are reaffirmed as follows:

- The Summit MoU outlines a roadmap to optimise the capital design to fully finance and construct Kola via a mix of debt and royalty financing.
- Under the proposed financing arrangements, the RoC Government will retain their 10% shareholding in Kola.
- Under Summit’s proposed financing structure, the Company will not contribute to the capital needed to build the Kola Project and will retain a 90% equity interest in Kola.

The Company retains the right not to accept any finance proposal presented by Summit and there is no guarantee that any proposal or legally binding agreement will be forthcoming. The Company provides no assurance to shareholders that the Summit Consortium will provide the financing required on terms which are acceptable to the Company. If the Summit Consortium does not provide an acceptable financing package leading to binding legal documents, the Company will need to explore other debt, equity and structured finance alternatives having regard to the prevailing capital market conditions.

The Company expects any financing provided by the Summit Consortium to be subject to the Summit Consortium being granted full security over the Kola Project, however (as noted above) the full terms of any financing proposal from the Summit Consortium (including any security package) will be subject to further discussions.

The Summit Consortium is currently expected to deliver this finance proposal by the end of February 2025.

Further details about the financing arrangements will be notified to the market in accordance with the Company’s continuous disclosure obligations.

Congo Government Relations

In August 2023, the RoC State Minister of Mines and Geology (the “**Minister**”), H.E. Mr Pierre Oba, pledged written support for Kore Potash’s projects despite some unmet deadlines, reaffirming the validity of the Company’s mining titles and agreements; reiterating RoC Government support. One month later, the Minister visited the Kola Project, where the Company held a ceremony to mark development progress and the start of work by SEPCO Electric Power Construction Corporation (“**SEPCO**”). PowerChina is SEPCO’s parent company.

Thereafter, RoC government engagement was continual and positive. On 24 February 2024, David Hathorn and Warren Thompson visited RoC and updated the Minister on EPC progress. Two months later, the newly appointed CEO, André Baya, met with the Minister in Brazzaville to keep him informed about further progress.

At all times and without exception, the Minister expressed support and enjoined Kore Potash to continue diligently. He was regularly informed of negotiation meetings with PowerChina in Beijing and Dubai. Finally, on 19 November 2024, the EPC construction contract was signed between Kore Potash and PowerChina in Brazzaville in the presence of a large and supportive delegation from the RoC Ministry of Mines & Geology. During his speech, Summit Consortium reassured the audience that the next step was well underway and that the financing process would result in a finance proposal by the end of February 2025.

DX Potash Project

At present, the Company remains focused on completing the financing of Kola and moving forward to construction of Kola as soon as possible. The Company is also exploring what strategic options are available for the DX project.

Corporate

On 22 November 2024, the Company issued a cleansing prospectus for the offer of up to 500 CHES Depositary Interests (“**CDIs**”) in the capital of the Company at an issue price of AUD 0.0543 per CDI to raise up to AUD 27.15 (before expenses). This cleansing prospectus had been prepared primarily for the purpose of section 708A(11) of the Australian Corporations Act 2001 (*Cth*) to remove any on-sale restrictions in relation to the shares to be issued pursuant to the Company’s US\$900,000 placement announced on 6 November 2024.

On 26 November 2024, the Company successfully completed a c.US\$0.9 million fundraise via the issue of 25,441,268 new ordinary shares of US\$0.001 each in the Company with existing and new shareholders at a price of 2.76 pence per share.

As at 31 December 2024, the Company held US\$1.34 million in cash.

There were no mining production or construction activities during the Quarter.

Quarterly cashflow report

In accordance with the ASX Listing Rules, the Company will also lodge its cashflow report for the Quarter today.



The Company invested US\$553,000 in exploration in the Quarter, which comprised US\$550,000 related to the Kola Study and US\$3,000 for the DX DFS Study. The Company ended the Quarter with c.US\$1.34 million in cash.

This announcement has been approved for release by the Board of Kore Potash.

Market Abuse Regulation

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“MAR”), and is disclosed in accordance with the Company’s obligations under Article 17 of MAR.

ENDS

For further information, please visit www.korepotash.com or contact:

Kore Potash

André Baya, CEO
Andry Maruta, CFO

Tel: +44 (0) 20 3963 1776

Tavistock Communications

Emily Moss
Nick Elwes
Josephine Clerkin

Tel: +44 (0) 20 7920 3150

SP Angel Corporate Finance – Nomad and Broker

Ewan Leggat
Charlie Bouverat

Tel: +44 (0) 20 7470 0470

Shore Capital – Joint Broker

Toby Gibbs
James Thomas

Tel: +44 (0) 20 7408 4050

Questco Corporate Advisory – JSE Sponsor

Doné Hattingh

Tel: +27 63 482 3802

Tenement Details and Ownership

The Company is incorporated and registered in England and Wales and wholly owns Kore Potash Limited of Australia. Kore Potash Limited has a 97% shareholding in Sintoukola Potash SA (“SPSA”) in the RoC. SPSA has 100% ownership of Kola Potash Mining SA (“KPM”). KPM has 100% ownership of the Kola Mining Lease on which the Kola Deposit is situated. The Kola Deposit is located within the Kola Mining Lease. SPSA is also the 100% owner of the Dougou Mining Lease. The Dougou Mining lease hosts the Dougou Deposit and the DX Deposit.

Under the existing Mining Convention, the RoC Government is entitled to 10% ownership in the Kola and DX Projects. The transfer of this 10% awaits instructions from the Government and the Mineral Resources and Ore Reserves are shown below in gross and 90% attributable bases.

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Table 1: Schedule of mining tenements (Republic of Congo)

Project & Type	Tenement Issued	Company Interest	Title Registered to
Kola Mining	Decree 2013-412 of 9 August 2013	100% potassium rights only	Kola Potash Mining S.A.
Dougou Mining	Decree 2017-139 of 9 May 2017 Revised Decree No 2021-389 of 2 August 2021	100% potassium rights only	Sintoukola Potash S.A.

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Kore Potash Mineral Resources and Ore Reserves - Gross and according to future 90% interest (10% by the RoC government)

KOLA SYLVINITE DEPOSIT						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	216	34.9	75.4	194	34.9	67.8
Indicated	292	35.7	104.3	263	35.7	93.9
Sub-Total Measured + Indicated	508	35.4	179.7	457	35.4	161.7
Inferred	340	34.0	115.7	306	34.0	104.1
TOTAL	848	34.8	295.4	763	34.8	265.8

	Gross			Net Attributable (90% interest)		
Ore Reserve Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	62	32.1	19.8	56	32.1	17.9
Probable	91	32.8	29.7	82	32.8	26.7
TOTAL	152	32.5	49.5	137	32.5	44.6

Ore Reserves are not in addition to Mineral Resources but are derived from them by the application of modifying factors

DOUGOU EXTENSION SYLVINITE DEPOSIT (HWSS and TSS)						
	Gross			Net Attributable (90% interest)		
Mineral Resource Category	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Measured	20	32.4	6.5	18	32.4	5.9
Indicated	8	23.1	1.8	7	23.1	1.6
Sub-Total Measured + Indicated	28	29.9	8.3	25	29.9	7.5
Inferred	101	23.5	23.8	91	23.5	21.4
TOTAL	129	24.8	32.1	116	24.8	28.9

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Ore Reserve Category	Gross			Net Attributable (90% interest)		
	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes	Sylvinite Million Tonnes	Average Grade KCl %	Contained KCl million tonnes
Proved	6.1	32.5	2.0	5.5	32.5	1.8
Probable	3.2	41.8	1.3	2.9	41.8	1.2
TOTAL	9.3	35.7	3.3	8.4	35.7	3.0

Ore Reserves are not in addition to Mineral Resources but are derived from them by the application of modifying factors

DOUGOU CARNALLITE DEPOSIT						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	148	20.1	29.7	133	20.1	26.8
Indicated	920	20.7	190.4	828	20.7	171.4
Sub-Total Measured + Indicated	1,068	20.6	220.2	961	20.6	198.2
Inferred	1,988	20.8	413.5	1,789	20.8	372.2
TOTAL	3,056	20.7	633.7	2,750	20.7	570.3

KOLA CARNALLITE DEPOSIT						
Mineral Resource Category	Gross			Net Attributable (90% interest)		
	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes	Million Tonnes carnallite	Average Grade KCl %	Contained KCl million tonnes
Measured	341	17.4	59.4	307	17.4	53.5
Indicated	441	18.7	82.6	397	18.7	74.4
Sub-Total Measured + Indicated	783	18.1	142.0	705	18.1	127.8
Inferred	1,266	18.7	236.4	1,140	18.7	212.8
TOTAL	2,049	18.5	378.5	1,844	18.5	340.6

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Competent Persons Statements

All Mineral Resource and Ore Reserves are reported in accordance with the JORC Code (2012 edition). Numbers are rounded to the appropriate decimal place. Rounding 'errors' may be reflected in the "totals".

The Kola Mineral Resources were reported 6 July 2017 in an announcement titled 'Updated Mineral Resource for the High -Grade Kola Deposit'. It was prepared by Competent Person Mr. Garth Kirkham, P.Geo., of Met-Chem division of DRA Americas Inc., a subsidiary of the DRA Group, and a member of the Association of Professional Engineers and Geoscientists of British Columbia. The Ore Reserves for sylvinitic at Kola was first stated on 29 January 2019 in an announcement titled "Kola Definitive Feasibility Study" and was prepared by Met-Chem. The Competent Person for the estimate was Mr Mo Molavi, member of good standing of Engineers and Geoscientists of British Columbia. The Ore Reserves were reviewed when the changes to the underlying assumptions (as detailed in the 27 June 2022 announcement "Kola Project optimisation study outcomes") were made and Mr Molavi verified that the Ore Reserves remained unchanged.

The Dougou carnallite Mineral Resources were reported on 9 February 2015 in an announcement titled 'Elemental Minerals Announces Large Mineral Resource Expansion and Upgrade for the Dougou Potash Deposit'. It was prepared by Competent Persons Dr. Sebastiaan van der Klauw and Ms. Jana Neubert, senior geologists and employees of ERCOSPLAN Ingenieuresellschaft Geotechnik und Bergbau mbH and members of good standing of the European Federation of Geologists.

The Dougou Extension sylvinitic Mineral Resource Estimate and Ore Reserve Estimate were reported in an announcement titled "Updated Dougou Extension (DX) PFS and Production Target" on 24 January 2023. Dr. Douglas F. Hambley, Ph.D., P.E., P.Eng., P.G of Agapito Associates Inc., for the Exploration Results and Mineral Resources. Mr. Hambley is a licensed professional geologist in states of Illinois (Member 196-000007) and Indiana (Member 2175), USA, and is an Honorary Registered Member (HRM) of the Society of Mining, Metallurgy and Exploration, Inc. (SME, Member 1299100RM), a Recognized RPO included in a list that is posted on the ASX website from time to time and Dr. Michael Hardy was the Competent Person for the Ore Reserves, and he is a registered member in good standing (Member #01328850) of Society for Mining, Metallurgy and Exploration (SME) which is an RPO included in a list that is posted on the ASX website from time to time.

The Company confirms that, it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or statements of Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward-Looking Statements

This release contains certain statements that are "forward-looking" with respect to the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. Forward-looking statements include those containing words such as: "anticipate", "believe", "expect", "forecast", "potential", "intends", "estimate", "will", "plan", "could", "may", "project", "target", "likely" and similar expressions identify forward-looking statements. By their very nature forward-looking statements are subject to known and unknown risks and uncertainties and other factors which are subject to change without notice and may involve significant elements of subjective judgement and assumptions as to future events which may or may



not be correct, which may cause the Company's actual results, performance or achievements, to differ materially from those expressed or implied in any of our forward-looking statements, which are not guarantees of future performance. Neither the Company, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur. Except as required by law, and only to the extent so required, none of the Company, its subsidiaries or its or their directors, officers, employees, advisors or agents or any other person shall in any way be liable to any person or body for any loss, claim, demand, damages, costs, or expenses of whatever nature arising in any way out of, or in connection with, the information contained in this document.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Kore Potash Plc

ARBN

621 843 614

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(26)	(116)
	(e) administration and corporate costs	(238)	(655)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	32
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Intercompany payments	-	-
1.9	Net cash from / (used in) operating activities	(252)	(739)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(553)	(2,262)
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(553)	(2,262)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	891	2,856
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(0)	(44)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	891	2,812
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,278	1,584
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(252)	(739)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(553)	(2,262)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	891	2,812

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	(25)	(56)
4.6	Cash and cash equivalents at end of period	1,339	1,339

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,339	1,278
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,339	1,278

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$US'000**

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(252)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(553)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(805)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,339
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,339
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.67
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company does not expect to have the same level of net operating cashflow in the foreseeable future. Future payments are based on milestones as included and explained in the Quarterly Activities Report and related announcements.	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company successfully raised US\$891,000 in cash during the quarter ended 31 December 2024.	
Further fundraise assumptions will depend on receiving full terms of Engineering, Procurement and Construction contract financing proposal from the Summit Consortium.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The operations are expected to continue subject to receiving full terms of Engineering, Procurement and Construction contract financing proposal from the Summit Consortium and further fundraising.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2025

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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