

ASX ANNOUNCEMENT

17 March 2022

SECOND HOLE DRILLING COMMENCES

- Drilling of OHM-01 has now commenced, targeting completion in early May 2022
- Core samples from OHM-02 currently being assayed
- Resource Upgrade and Scoping Study on track for May & June respectively

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to announce that drilling has now commenced on drill site OHM-01, the second of two confirmatory holes located within the flagship Ohmgebirge Mining Licence (**Ohmgebirge**) area of the South Harz region. This hole is scheduled to be completed in early May and will be assayed for chemical composition immediately once core is withdrawn.

The first of the two planned confirmatory drillholes was completed earlier this month (ASX announcement 1 March 2022) to a final depth of 721 metres. The core from the identifiable salt horizon was prepared and 61 samples were issued to the laboratories of K-Utec Salt Technologies GmbH (“K-Utec”) from which the results are expected in approximately 2 weeks’ time. Approximately 10 further samples will be sent to a different laboratory for confirmatory analyses as required by JORC 2012 regulations.

Drillhole OHM-01 is planned to a depth of 813m, targeted to fully penetrate the known potash horizon in the area. The drillhole is designed to twin the historical drillhole, *Kal Ktf 5/83*, which recorded a potash intercept from 785.2m to 788.2m (3.0 m thick) with an historic reported grade of 12.4% K₂O (see South Harz ASX announcement dated 23 December 2019^[1]).

Drilling and assay of these two confirmatory drillholes is targeted to allow South Harz to upgrade a substantial proportion of the current Ohmgebirge JORC (2012) Inferred Mineral Resource estimate to the Indicated category. Subject to concurrent and satisfactory advancement of all modifying factors, this is expected to allow the release of a comprehensive Scoping Study (a preliminary technical and economic assessment) for Ohmgebirge, which is scheduled for completion in the coming months.

South Harz Managing Director, Dr Chris Gilchrist, commented: *“This is yet another momentous milestone for the company. After months of planning and preparation, drilling has advanced according to our overall objectives which also includes zero safety or environmental incidents and with the full support of the local communities. We are on target now to complete the second drillhole by early May and to release the Mineral Resource Upgrade and Scoping Study thereafter.”*

On behalf of the Directors of South Harz Potash Limited,

Dr Chris Gilchrist, Managing Director

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495.9M Ordinary Shares
135.5M Unlisted Options
46.2M Listed Options
1.5M Performance Rights

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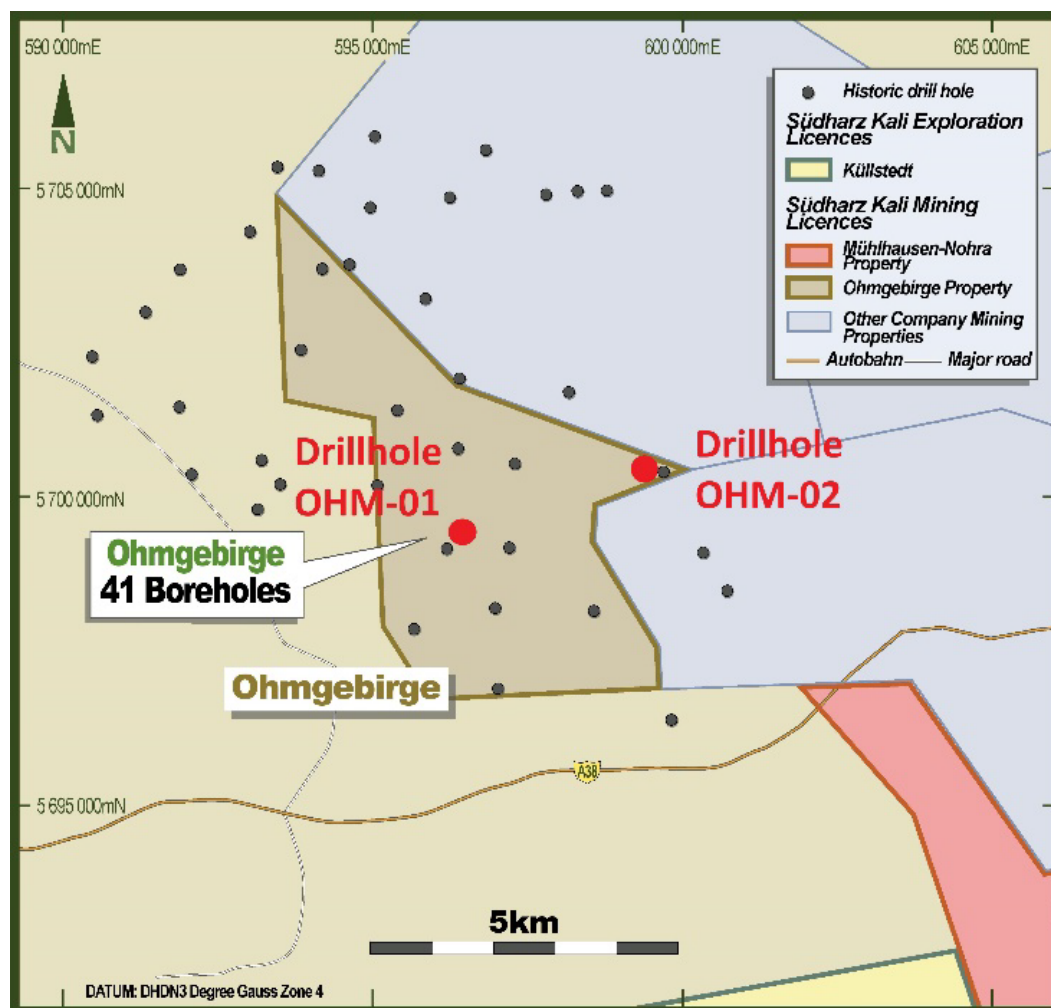


Figure 1: Ohmgebirge Mining Licence area showing the approximate location of historic drillholes and the twin confirmatory holes, OHM-01 and OHM-02.

About South Harz

South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

The South Harz Project hosts a globally large-scale potash JORC (2012) Inferred Mineral Resource estimate of 5.3 billion tonnes at 10.8% K₂O across four wholly-owned project areas¹ located favourably within central Europe. This comprises three perpetual potash mining licences, Ohmgebirge, Ebeleben and Mühlhausen-Nohra, and two potash exploration licences, Küllstedt and Gräfontonna, covering a total area of approximately 659km².

With strong established infrastructure and close proximity to the key European market, the South Harz Project is well positioned to enable rapid development across multiple deposits.

South Harz Potash: Growing a responsible potash business in the heart of Germany

www.southharzpotash.com

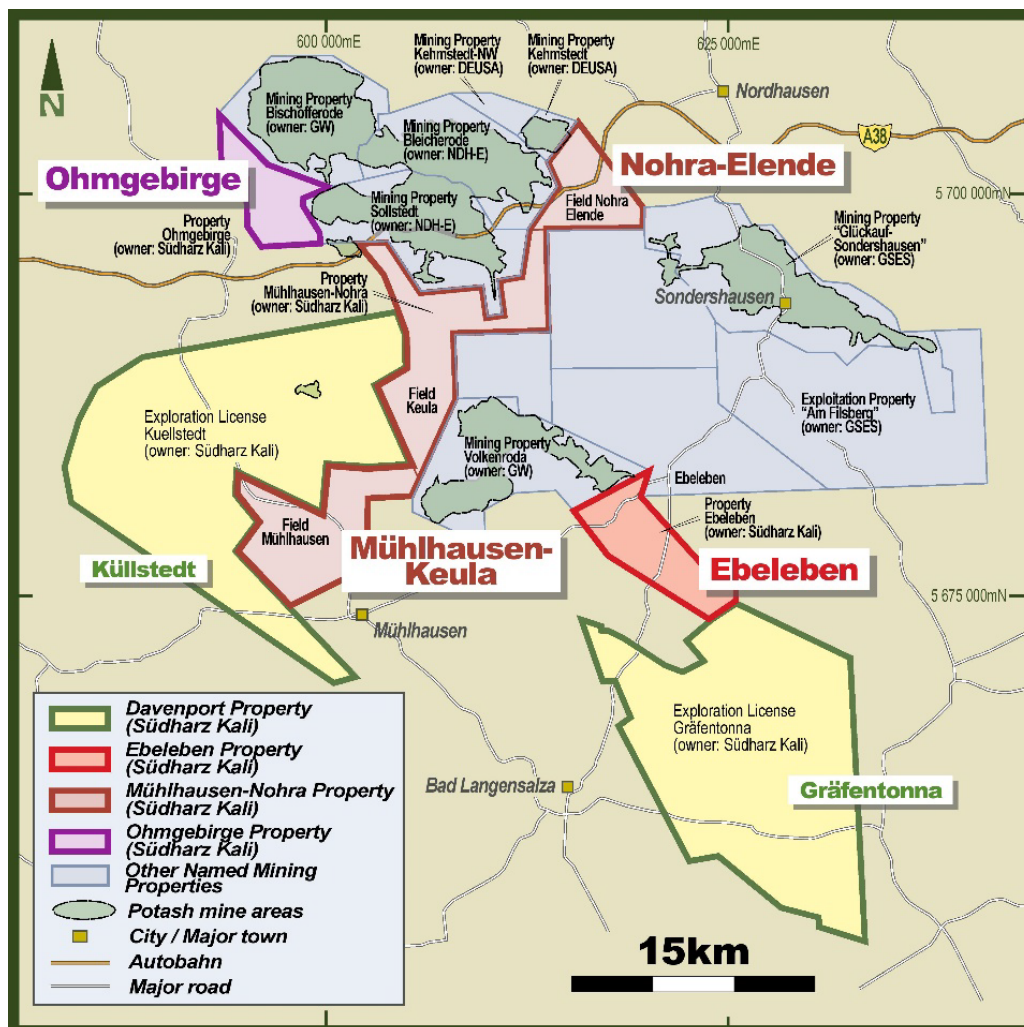


Figure 2 : Location of Ohmgebirge within the South Harz basin

1. Refer to South Harz ASX announcement dated 23 December 2019 for full Mineral Resource estimate details. In accordance with ASX Listing Rule 5.23, the Company is not aware of any new information or data that materially affects the information included in this announcement.



OHM-02 drill site with drill rig in centre



A gravel road was constructed to allow access to the drill site