

ASX ANNOUNCEMENT

24 October 2022

MANAGING DIRECTOR AND CEO APPOINTMENT

- **Appointment of leading natural resources industry executive, Luis da Silva, as Managing Director and CEO.**
- **Extensive operational mining, project advancement and capital markets experience.**
- **Proven track record of value creation in emerging natural resources businesses.**

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to announce the appointment of Mr Luis da Silva as Managing Director and CEO, effective 1 November 2022.

Luis is a proven natural resources business leader and executive with close to 30 years' experience in the mining industry. Over the last fifteen years he has progressively held CEO roles at listed mining companies and included his significant involvement in the phosphate and fertilizer industries.

Most recently, Luis was the President and CEO of Andean Precious Metals (TSXV:APM), a leading Latin-American silver producer from its San Bartolome Mine in Bolivia.

Prior to that he was the President and CEO of GB Minerals (TSXV:GBL), which was focused on the advancement and development of its Farim Phosphate Project in Guinea-Bissau. Luis successfully repositioned the business to near-funded status before leading it through to its eventual acquisition by Itafos (TSXV:IFOS), a significant Canadian listed producer of phosphate fertilisers.

Preceding that, Luis was President and CEO of African-focused Mano River Resources and African Aura, where he drove a business restructuring programme resulting in Aureus Mining (TSX/AIM listed) and Stellar Diamonds (now Newfield Resources (ASX:NWF). This also created the iron ore developer, Afferro Mining Inc (AIM:AFF, TSXV:AFF), which Luis then led to a dual-listing on the TSXV, and through to its subsequent acquisition by International Mining and Infrastructure Corp (AIM:IMIC).

Luis previously held senior leadership roles at construction materials majors, Lafarge and Blue Circle Industries.

Luis commenced his extensive international career as a mining engineer in South Africa. He holds a Bachelor of Engineering (Hons) (Mining Engineering) from the Camborne School of Mines (University of Exeter) and a MBA from Cranfield University.

Luis is a Portuguese and British dual national residing in the UK and will divide his time at the Company's Erfurt office in Germany. His immediate focus will be the evaluation and optimisation of South Harz's advancement and development strategy for its flagship Ohmgebirge deposit.

South Harz Acting Executive Chairman, Ian Farmer, commented: *"I am delighted to announce the appointment of Luis to our key executive role. He brings extensive natural resources business leadership experience and a track record of successfully funding and advancing significant mining assets across the world. He also brings valuable experience in the fertiliser space from his time leading GB Minerals to its eventual acquisition. I look forward to working closely with Luis in building South Harz into a leading supplier of potash to European markets and beyond."*

Commenting on his appointment, Mr da Silva, said: “South Harz has all the necessary components of a highly successful and valuable natural resources business. The South Harz Project is world-class by scale, geology, projected operating cost and proximity to end markets. I look forward to working with the entire South Harz team to drive its rapid advancement towards development and I am resolutely focussed on adding substantial shareholder value through this journey.”

The key terms of Mr da Silva’s appointment are outlined below.

The appointment of Mr da Silva will result in Acting Executive Chairman, Mr Ian Farmer, stepping back to his previous role as Non-Executive Chairman.

A holistic review of the South Harz Board’s size and composition has also recently been initiated.

CEO APPOINTMENT AND REMUNERATION TERMS

Commencement Date	1 November 2022
Term	Appointment on an on-going basis subject termination by either party (see termination and notice below)
Fixed Remuneration	£225,000 per annum (~A\$406,000) comprising base salary and superannuation
Short Term Incentives	Short Term Incentives of up to 20% of base salary subject to achieving performance targets to be defined by the Board
Long Term Incentives	Mr da Silva will be eligible to participate in the Company’s Long Term Incentive Plan of up to 50% of base salary, subject to the achievement of performance targets as determined by the Board
Termination and Notice	The Company or the CEO may terminate the agreement with 3 months’ notice
Incentive Options	Mr da Silva will receive the following Incentive Options which will be issued without shareholder approval pursuant to Exception 12 of Listing Rule 10.12 a) 2,000,000 Options exercisable at \$0.055, vesting on 31 January 2023; b) 2,000,000 Options exercisable at \$0.082, vesting on 31 October 2023; c) 2,000,000 Options exercisable at \$0.109, vesting on 31 October 2024; and d) 2,000,000 Options exercisable at \$0.136, vesting on 31 October 2025. All options expire on 31 October 2027

On behalf of South Harz Potash Limited,

Ian Farmer, Acting Executive Chairman

Investor & Media Enquiries

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