

ASX ANNOUNCEMENT

27 September 2023

OHMGEBIRGE PRE-FEASIBILITY STUDY UPDATE

- **All key PFS workstreams on time and budget, with overall progress now past 75% completion.**
- **Potential brownfield development pathway utilising existing regional shaft infrastructure delivers substantial time and capital cost advantages.**
- **Final PFS report on track for scheduled completion during December 2023.**
- **Initial spatial planning consultation and hearing process successfully completed.**

South Harz Potash Limited (ASX: SHP) (**South Harz** or the **Company**) is pleased to provide an update on the progress of the Pre-Feasibility Study (**PFS**) being undertaken on its flagship Ohmgebirge Potash Development (**Ohmgebirge**) in central Germany. The PFS process is being led by highly experienced South Harz COO, Lawrence Berthelet, in conjunction with global potash development leader, Hatch.

All key PFS workstreams are running on time and budget, with overall progress now having achieved the 75% completion level. The final PFS report remains on track for scheduled completion during December 2023.

Recent key milestones achieved by the combined engineering team, including Hatch, K-UTECH, ERCOSPLAN and Micon, include:

- Engineering studies progressing on brownfield and greenfield development options.
- Preferred base case layout option is installation of PocketLift conveyor and personnel/material cage in an existing shaft, thus optimizing existing infrastructure utilization and capital efficiency.
- Mine plan completed in September, optimizing both drill and blast and continuous mining methods.
- Planned utilization of underground crushing to accommodate PocketLift conveyor haulage; ventilation and haulage optimizations complete.
- Bulk sample testing completed confirming grade and recovery predictions; further opportunities discovered on leach residue and brine purification to optimize tank and clarifier layouts.
- Plant process flow diagrams and equipment list complete; 3D plant model to be finalised shortly.
- Dynamic modelling for both raw ore and product storage facilities finalised.
- Multiple Effect Evaporator (**MEE** – steam) versus Mechanical Vapour Recompression (**MVR** – electrical) trade-off evaluation completed; decision to take advantage of stabilizing power prices and adopt MVR.
- Total utilities estimates (power, water and gas) finalised from final mass balance.
- Loadout and rail engineering advanced to estimates stage; storage, load-out and rail facilities designed to dynamic shipping model based on optimised potash and salt marketing studies.
- Intermediate Tails Pile (**ITP**) optimised to mine plan to minimize size and existence timeframe of ITP.

The PFS scope also includes the analysis of options to limit peak capital requirements of the project, while retaining attractive overall economics. This includes not only brownfield options but also alternative approaches to capacity design, including a potential phased approach to capacity build-up.

This update follows confirmation last week that the initial spatial planning consultation and hearing process for Ohmgebirge was successfully completed with key local, NGO and regulatory stakeholders (refer South Harz ASX release dated 21 September 2023, *Ohmgebirge Permitting Process On Track*). Pleasingly, this process saw no significant concerns or objections raised on the application for Ohmgebirge.

South Harz continues to compile the full Spatial Planning Application for Ohmgebirge, which remains on track for submission to the regulator in early Q4 CY2023. Under the regulatory framework, the decision on spatial permitting is required within six (6) months of submission of the Spatial Planning Application.

This ASX release has been approved by CEO & Managing Director, Luis da Silva.

Investor and media enquiries

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About South Harz

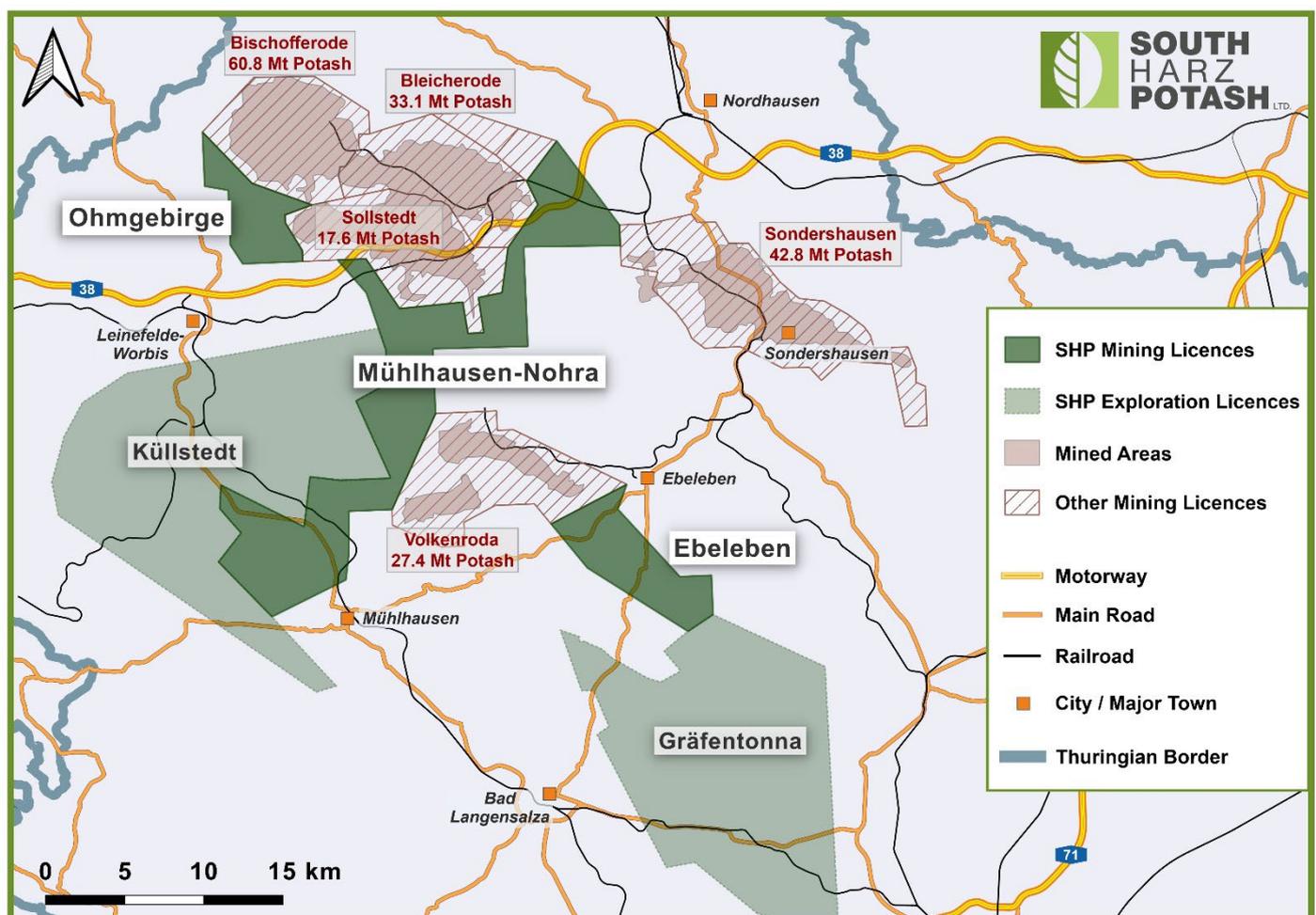
South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District of Germany, midway between Frankfurt and Berlin.

The South Harz Project hosts a globally large-scale potash JORC (2012) Mineral Resource estimate of 5 billion tonnes at 10.6% K₂O of Inferred resources and 258 million tonnes at 13.5% K₂O of Indicated Resources across four wholly-owned project areas located favourably within central Europe.¹ This comprises three perpetual potash mining licences, Ohmgebirge, Ebeleben and Mühlhausen-Nohra, and two potash exploration licences, Küllstedt and Gräfentonna, covering a total area of approximately 659km.

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

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

www.southharzpotash.com



1. Refer to South Harz ASX release dated 12 July 2022 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 release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in these releases continue to apply and have not materially changed.