

ASX ANNOUNCEMENT

7 December 2023

OHMGEBIRGE PRE-FEASIBILITY STUDY UPDATE

- Key PFS workstreams advancing on schedule, with overall progress now past 85% completion.
- Technical and commercial discussions advancing with neighbouring Bernterode owner, NDH-E/DEUSA, for long-term utilization of existing shaft and associated infrastructure in developing Ohmgebirge.
- Final PFS delivery on track for scheduled completion in early Q2 CY2024, inclusive of Bernterode shaft and infrastructure utilization as base case development pathway.
- Comprehensive Ohmgebirge Spatial Planning application to be submitted imminently to key regulator.

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

Recent key milestones achieved by the combined engineering team (Hatch, K-UTEC, ERCOSPLAN and Micon), include:

- Mine plan nearing definitive-level accuracy, with ongoing optimizations driving further efficiencies.
- Updated Ohmgebirge Mineral Resource estimate and maiden Ore Reserve declaration approaching completion.
- Baseline process flow sheet, including mass balance, following bulk sample optimization evaluations, at 90% definitive feasibility study level.
- Surface water containment design finalised including 100-year run-off event capture capacity.
- Power, water and gas supplies have been identified and a preliminary estimate for connection has been provided by each of the local utility supplier. All equipment and contract work required has been included in the estimate.
- Product storage and loadout strategy optimized to maximize rail freight utilisation, thereby reducing truck traffic and minimizing GHG emissions.
- Ongoing value engineering activities driving capital and operating cost efficiencies for a brownfield development.

Technical and commercial discussions advancing with neighbouring Bernterode shafts owner, NDH-E/DEUSA, focused on achieving the optimal engineering, environmental and economic outcomes for Ohmgebirge under a brownfield development route. Further business development opportunities that may give rise to increased technical and commercial synergies between the two operations are also being explored.

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

REGISTERED OFFICE

Unit13,
6–10 Douro Place
West Perth WA 6005

CONTACT DETAILS

W: southharzpotash.com
E: info@southharzpotash.com
P: +61 (0) 408 447 493

ABN: 64 153 414 852**ASX Code:** SHP**Frankfurt Code:** A2DWXX**724.9 M** Ordinary Shares**113.5 M** Unlisted Options

South Harz expects to submit the comprehensive Spatial Planning application for Ohmgebirge in the coming days to the key regulator, the Thuringian General State Administration Authority (TLVWA). Under the German Spatial Planning Act, the TLVWA will have a regulated period of six (6) months to decide on the application.

South Harz Managing Director and CEO, Luis da Silva, commented, *"We continue to drive through the advanced stages of the Ohmgebirge PFS and I am very pleased with how all the major workstreams are coming together. This includes our ongoing discussions with NDH-E/DEUSA and their implications for the capital-efficient brownfield development pathway we are pursuing as the base case in both our spatial planning submission and PFS evaluation."*

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

Investor and media enquiries

Luis da Silva

Managing Director and CEO
South Harz Potash Ltd
info@southharzpotash.com

Michael Vaughan

Fivemark Partners
+61 422 602 720
michael.vaughan@fivemark.com.au

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About South Harz

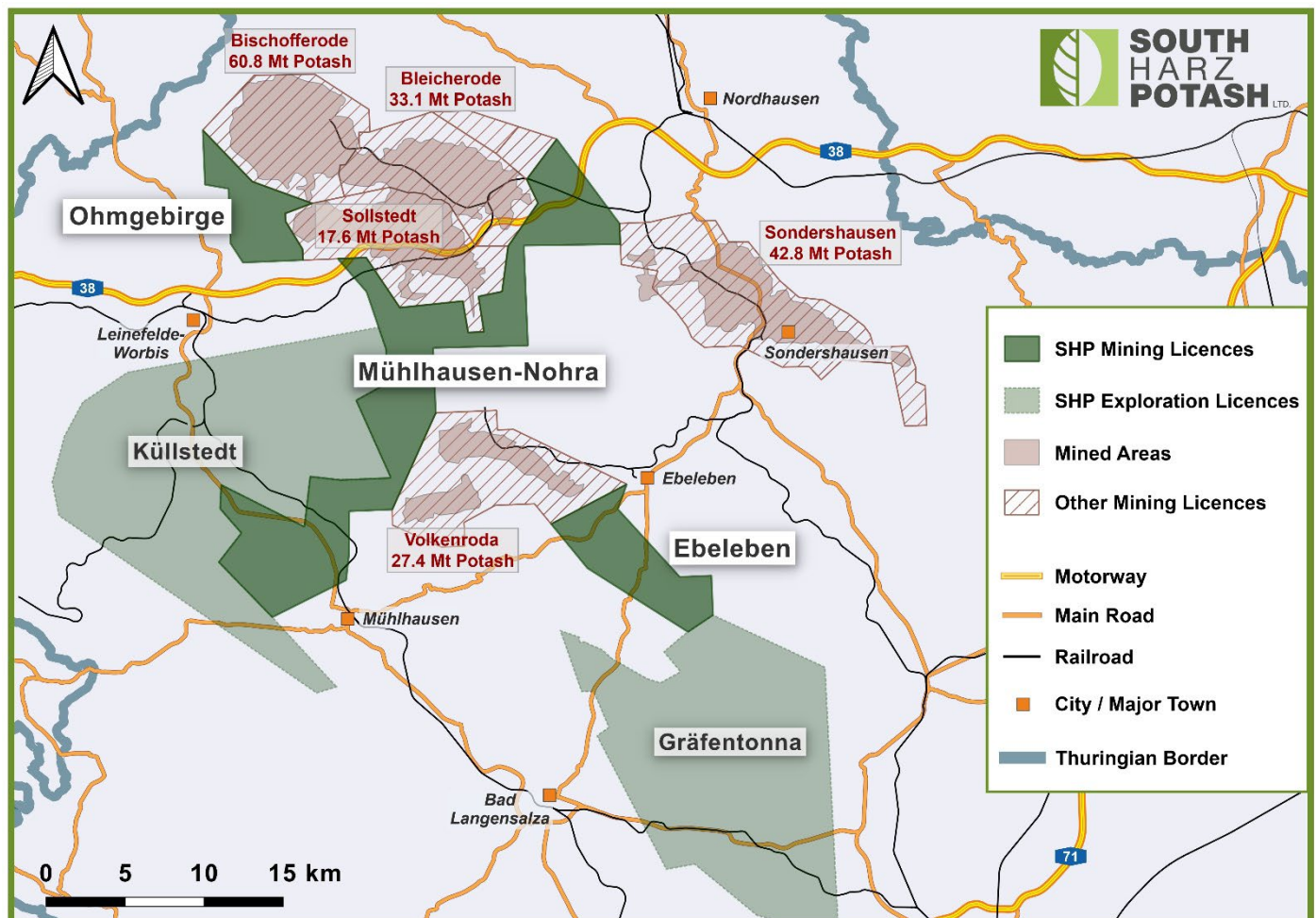
South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

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.

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