

#### ASX ANNOUNCEMENT

11 March 2024

# OHMGEBIRGE PROJECT AND CORPORATE UPDATE

- PFS on track for early Q2 CY2024 completion; commercial partnership discussions with Ohmgebirge neighbour, Deusa, continue to advance.
- Company to implement a lower cost structure following PFS completion with focus on internal project optimisation.
- Development permitting to be advanced in parallel with expected strengthening of global potash market conditions.
- South Harz has granted due diligence access and entered discussions with another party on a potential commercial transaction.
- Non-Executive Director, Seamus Cornelius, has stepped down from the South Harz Board in order to avoid potential conflicts.

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) provides a corporate and project update on its flagship Ohmgebirge Potash Development (**Ohmgebirge**), located in central Germany.

The Ohmgebirge Pre-Feasibility Study (**PFS**) remains on track for completion and market release during early Q2 CY2024. In parallel, commercial partnership discussions with adjoining project and infrastructure owner, NDH-E/DEUSA International GmbH (**Deusa**), are progressing well. Successful delivery of a definitive agreement with Deusa for long-term shaft access and utilisation will enable implementation of the targeted brownfield development pathway for Ohmgebirge. This pathway offers substantial time, capital cost and footprint advantages versus greenfield shaft construction.

Following completion of the PFS, South Harz plans to enter a lower cost, internal project optimisation phase on Ohmgebirge. This decision has been taken as a function of current global potash market conditions, including cyclically depressed price levels, impacting on available opportunities for more rapid project advancement and financing.

The Company plans to systematically progress permitting on Ohmgebirge during this phase, allowing the project to steadily advance in this critical path area, and remain well positioned versus potash development competitors, alongside the expected re-strengthening in global potash market conditions over the next 12-24 months.

Ohmgebirge is a highly attractive new potash mine proposition across long-term global development and operating environments. As such, this planned optimization phase is also expected to provide the opportunity for ongoing value engineering processes to be undertaken on final PFS capital and operating cost outcomes, which are naturally expected to reflect the context of the present inflationary environment.

South Harz has also granted due diligence access and entered discussions with another party in respect of a potential commercial transaction. It should be noted, there is no assurance that any transaction will result from these discussions. As a result of this development, South Harz Non-Executive Director, Seamus Cornelius, has resigned from the South Harz Board in order to avoid any potential or perceived conflicts of interest.

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

# Investor and media enquiries

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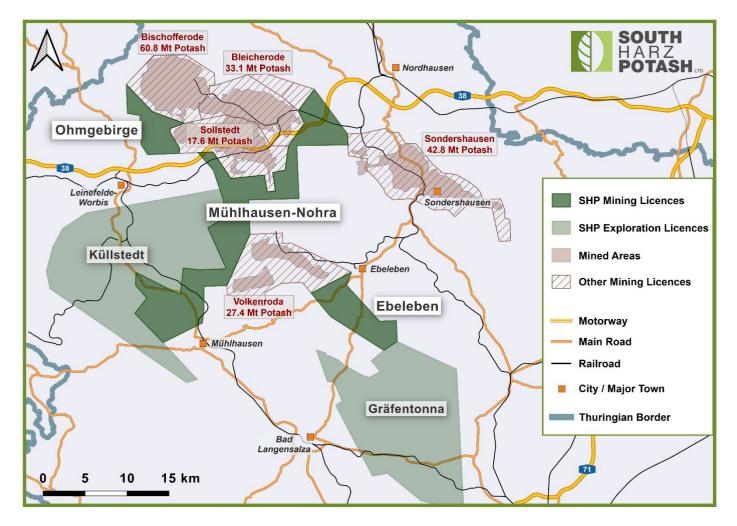
## About South Harz

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 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% K<sub>2</sub>O of Inferred resources and 258 million tonnes at 13.5% K<sub>2</sub>O of Indicated Resources across four wholly-owned project areas located favourably within central Europe.<sup>1</sup> 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.