

ASX ANNOUNCEMENT

5 July 2024

INVESTOR WEBINAR PRESENTATION

South Harz Potash Ltd (ASX:SHP) ('South Harz' or 'the Company'), is pleased to announce its participation in the ShareCafe Hidden Gems Webinar, to be held Friday 5 July 2024 from 12:30pm AEST/ 10:30am AWST.

Len Jubber (Executive Chairman) will provide an overview of the Company, and its flagship potash project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

This webinar can be viewed live via Zoom and will provide viewers the opportunity to hear from, and engage with, a range of ASX-listed leading micro/mid cap companies.

To access further details of the event and to register at no cost, please copy and paste the following link into your internet browser:

https://us02web.zoom.us/webinar/register/WN_FWefKDY2QESWthLOvE2tNw#/registration

A copy of the investor presentation to be delivered during the webinar will be released.

A recorded copy of the webinar will be made available following the event.

This ASX release has been approved by Executive Chairman Len Jubber.

Investor and media enquiries**Len Jubber**

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ABN: 64 153 414 852**ASX Code:** SHP**Frankfurt Code:** A2DWXX**827.2 M** Ordinary Shares**113.4 M** Unlisted Options

About South Harz

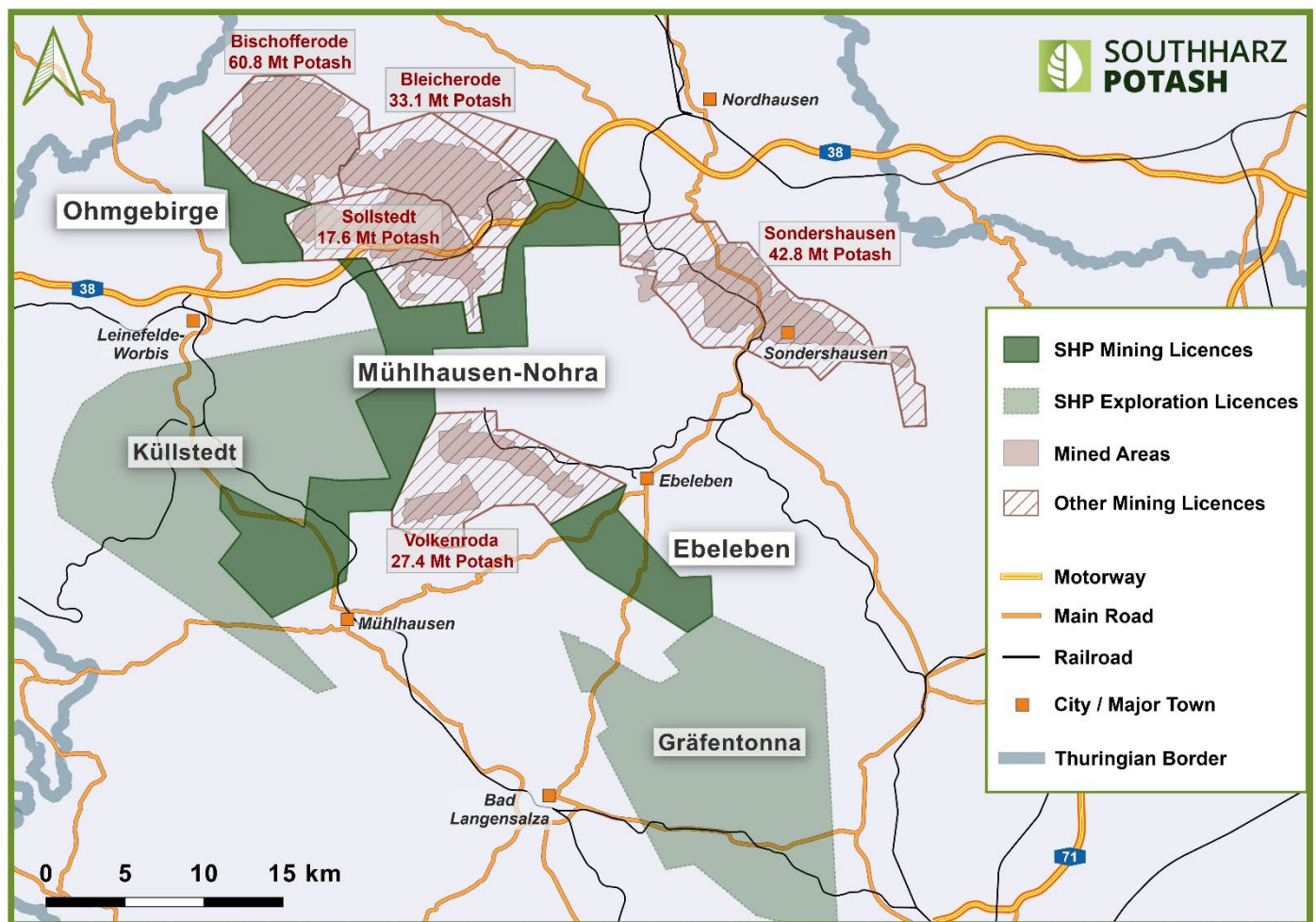
South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

The South Harz Project hosts a globally large-scale potash JORC (2012) Mineral Resource estimate of 5.1 billion tonnes at 10.6% K₂O of Inferred Resources and 258 million tonnes at 13.2% 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. For full Mineral Resource and Ore Reserve estimate details refer to South Harz ASX release *Landmark Sollstedt Mine Purchase, Ohmgebirge Pre-Feasibility Study and Maiden Ore Reserve* dated 22 May 2024, and *Landmark Resource Upgrade at Ohmgebirge* dated 12 July 2022. 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.



SOUTH HARZ POTASH

SHARECAFE - HIDDEN GEMS WEBINAR
FRIDAY, 5 JULY 2024, 12:30PM AEST

ASX: SHP | July 2024

IMPORTANT NOTICES

Forward looking statements and Disclaimer



This presentation has been prepared by South Harz Potash Limited (“South Harz Potash”, “SHP”, “The Company”). The information contained herein is a professional opinion only and is provided in good faith. Certain information has been derived from third party sources and, while SHP has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by SHP. The presentation is in summary form and does not purport to be all-inclusive or complete. Recipients should conduct their own investigations and perform their own analyses in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained.

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Any forward-looking statements included in this document involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and may be unknown to SHP. In particular, they speak only as of the date of this document, they assume the success of SHP’s strategies and they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Recipients of this document are cautioned not to place undue reliance on such forward-looking statements.

For full Mineral Resource and Ore Reserve estimate details refer to South Harz ASX release LANDMARK SOLLSTEDT MINE PURCHASE, OHMGEBIRGE PRE-FEASIBILITY STUDY AND MAIDEN ORE RESERVE dated 22 May 2024, and LANDMARK RESOURCE UPGRADE AT OHMGEBIRGE dated 12 July 2022. 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.

SOUTH HARZ POTASH

A compelling natural resources investment opportunity



Geographic position in central Germany / proximity to export ports and logistic infrastructure



Perpetual mining tenure in a region with extensive potash heritage



Brownfield development delivers competitive capital intensity



Low environmental impact, highly sustainable operations



Permitting pathway clearly defined



Project strongly underpinned by long term potash demand

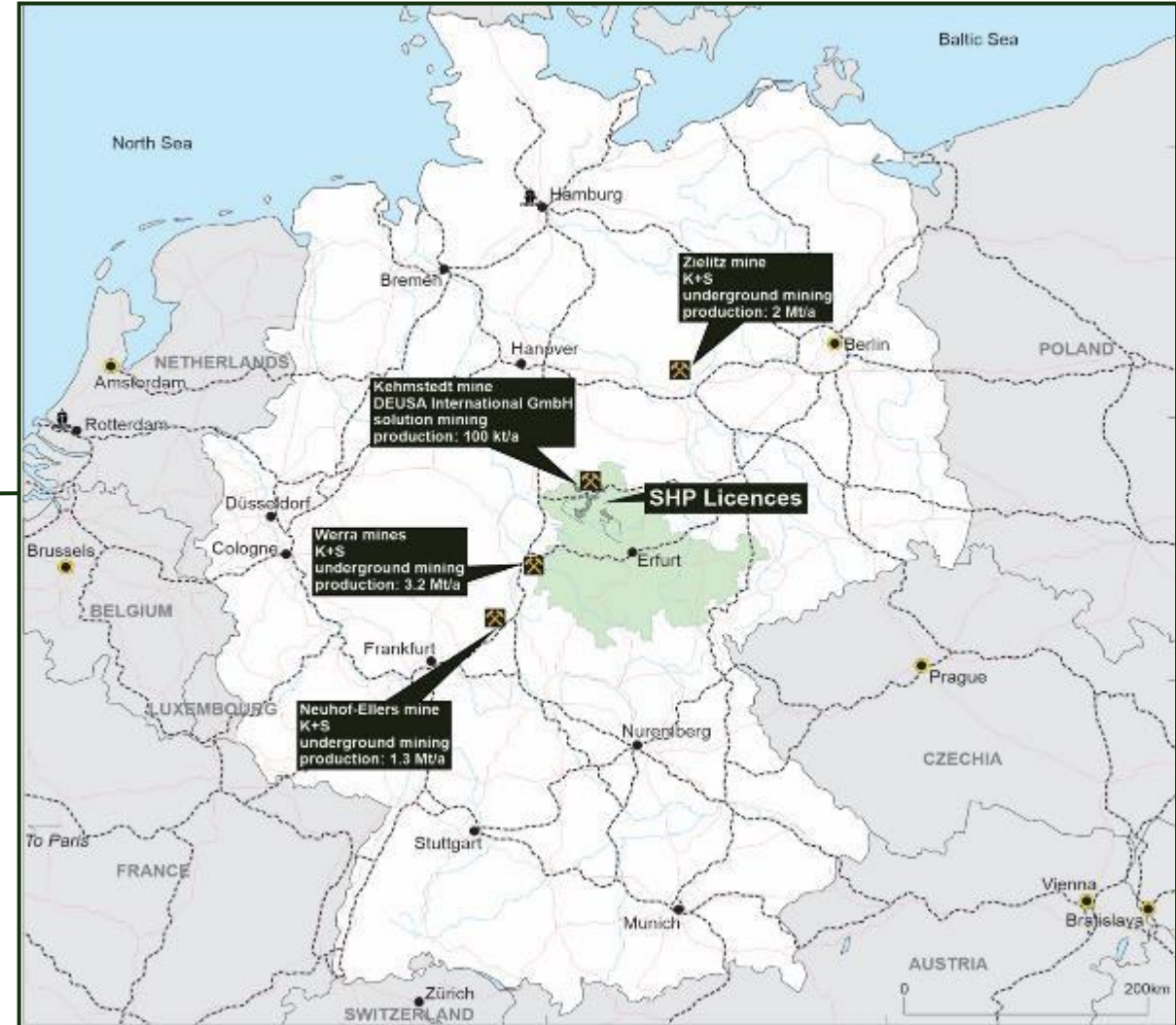
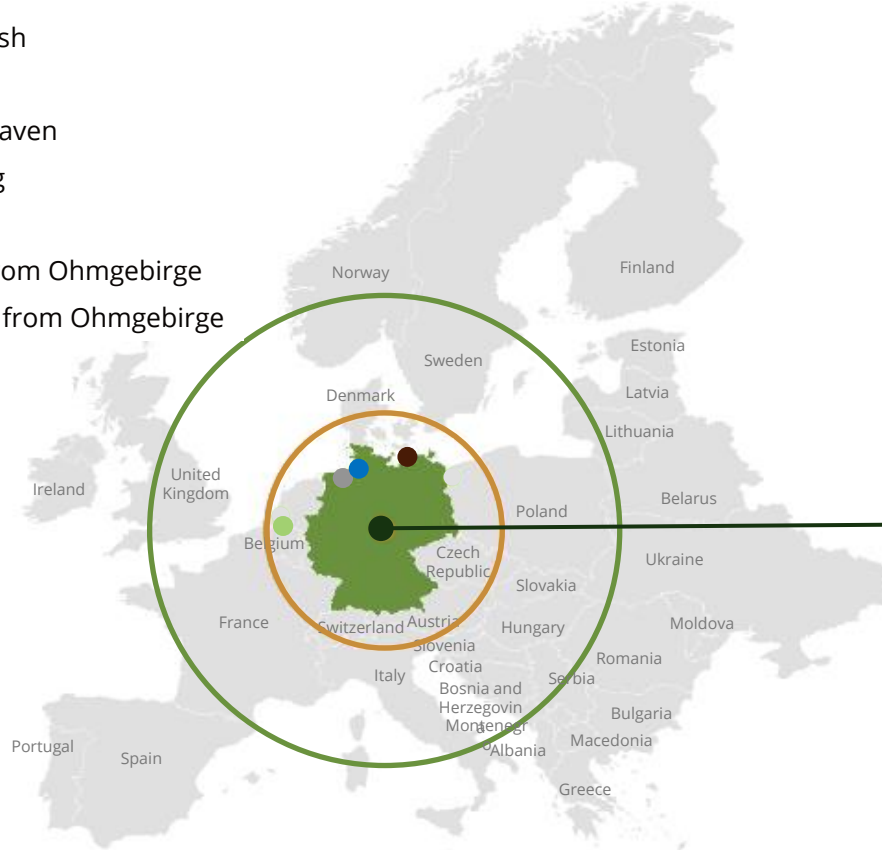


OUTSTANDING CENTRAL EUROPEAN LOCATION

Benefiting from proximity to key European and international export markets



- South Harz Potash
- Port of Antwerp
- Port of Bremerhaven
- Port of Hamburg
- Port of Rostock
- 500 km radius from Ohmgebirge
- 1,000 km radius from Ohmgebirge



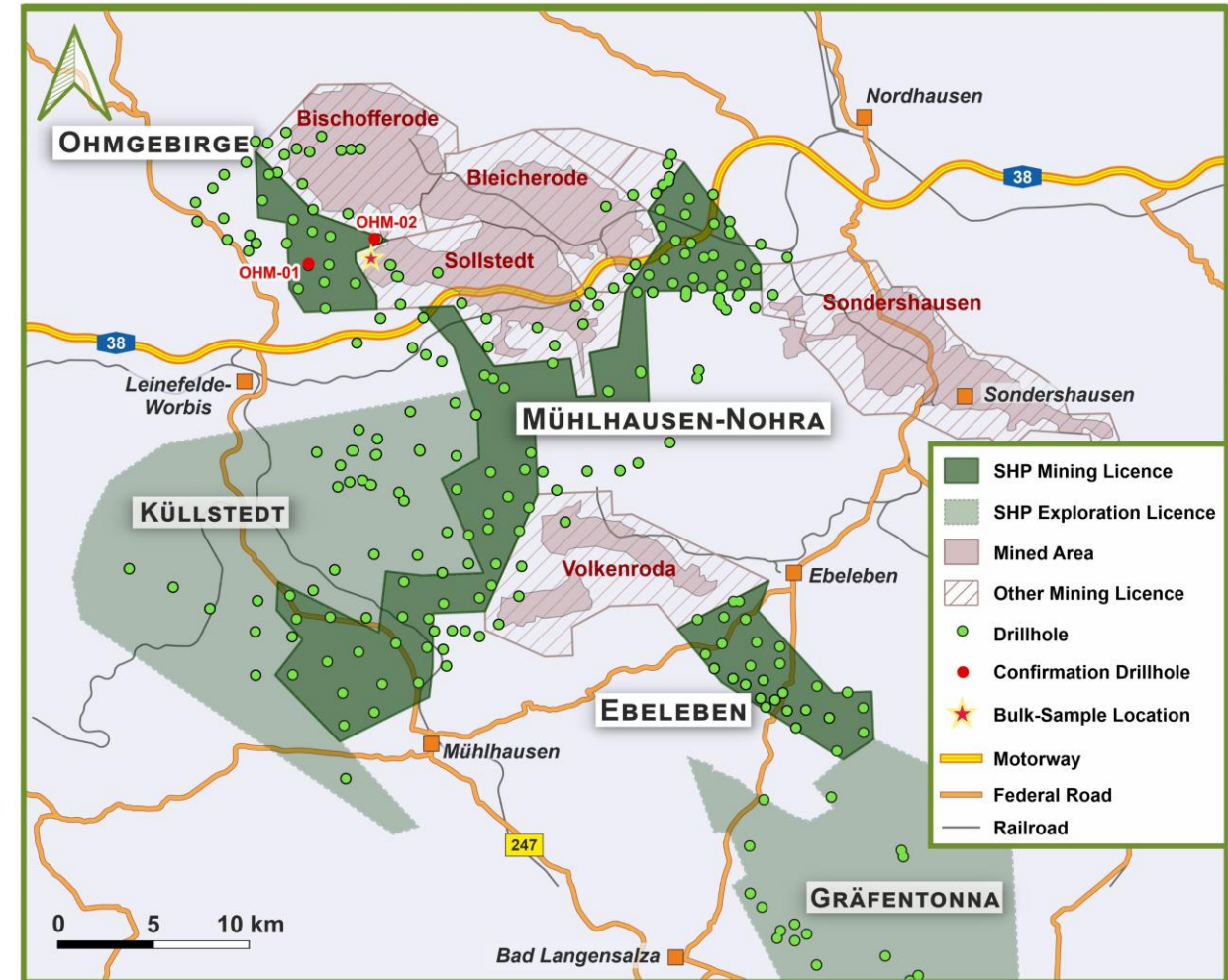
**SITUATED IN A REGION WITH
A LONG, PROUD HISTORY OF DISTRICT-
SCALE POTASH MINING**

PERPETUAL MINING TENURE

Extensive historical drilling database de-risked by confirmation holes



- Ohmgebirge tenement and immediate surrounds contain **41 historical drill holes**
- Broader South Harz Project contains **308 historical drill holes**
- This database (and associated geological modelling) was **heavily de-risked in 2022** via South Harz's drilling of two confirmatory drillholes into Ohmgebirge
- At approximately A\$5M per new drill hole, there is **significant latent value in the existing drillhole database** at Ohmgebirge and the broader South Harz Project

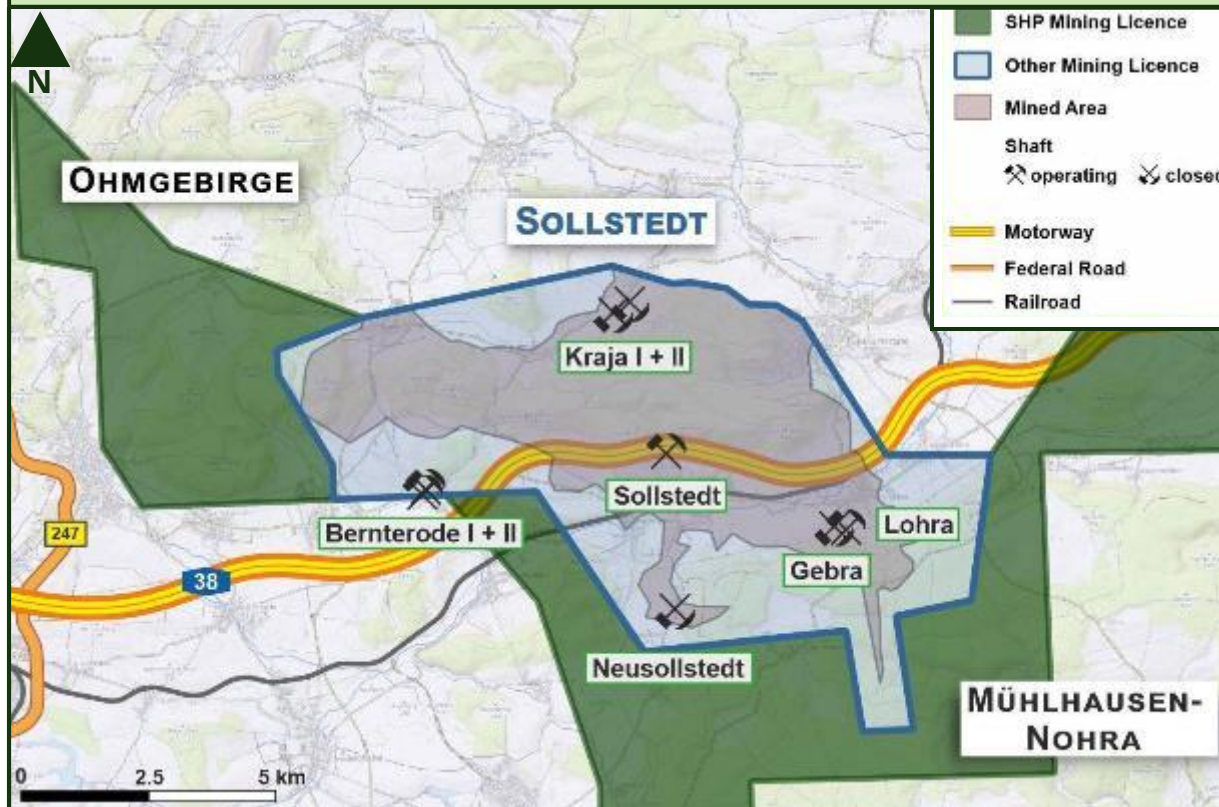


LANDMARK SOLLSTEDT MINE PURCHASE

Unlocks substantial value and sustainability benefits



SOLLSTEDT ACQUISITION FACILITATES LARGE-SCALE INTEGRATED MINING AND BROWNFIELD DEVELOPMENT OPPORTUNITY



KEY NON-BINDING TERMS AGREED

- Cash consideration of EUR 40 million payable on future acquisition and transfer of title in the assets
- Execution of binding sale and purchase agreement subject to:
 - Satisfactory detailed due diligence activities
 - Consents of relevant Government authorities
 - Negotiation of definitive documentation

**FINAL TRANSACTION COMPLETION
(AND PAYMENT OF CASH CONSIDERATION)
IS TO BE CONDITIONAL ON SOUTH HARZ
ACHIEVING FULL PROJECT FINANCING AND
TAKING A POSITIVE FINAL INVESTMENT
DECISION FOR THE OHMGEBIRGE DEVELOPMENT**

PFS OUTLINES A WORLD-CLASS BROWNFIELD POTASH DEVELOPMENT

Nameplate 1Mtpa MOP and two-decade initial operating life at Ohmgebirge



92%
OF MINE SCHEDULE IS
COMPRISED OF DECLARED ORE
RESERVES

4.7 Mtpa
AVERAGE ANNUAL
THROUGHPUT - NO
STOCKPILING

90.1 Mt
TOTAL ORE PRODUCTION
OVER LIFE-OF-MINE

19 YEAR
INITIAL
LIFE-OF-MINE

12.5%
AVERAGE DILUTED
K₂O GRADE

0.93 Mtpa
AVERAGE MOP PRODUCTION
AND SALES

KEY PHYSICAL PARAMETERS¹

KCl product	Mtpa MOP	0.93
Ore throughput (average LOM)	Mtpa ROM	4.7
Total adjusted exploitable ore	Mt	90.1
Initial life-of-mine	Years	19
K ₂ O head grade	%	12.5%
Standard MOP output and sales (+60% K₂O, SMOP K60)	% MOP	40%
Granular MOP output and sales (+60% K₂O, GMOP K60)	% MOP	60%
Industrial salt sales (+99% NaCl)	Mtpa NaCl	0.93

The PFS mine and process schedule is comprised of 92% Ore Reserves, with Inferred material accounting for 8%. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the mine and process schedule itself will be realised. The mine and process schedule incorporates mining of Inferred Mineral Resources during the final two years of operation. South Harz confirms that the financial viability of the Ohmgebirge Development is not dependent on the inclusion of Inferred Resources in the production schedule.

1. For key Ohmgebirge PFS details, refer South Harz ASX release dated 22 May 2024, LANDMARK SOLLSTEDT MINE PURCHASE, OHMGEBIRGE PRE-FEASIBILITY STUDY AND MAIDEN ORE RESERVE. South Harz confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

INDUSTRY-LOW CAPEX INTENSITY AND +60% NET MOP UNIT MARGINS

Attractive forecast returns delivered via brownfield development pathway



US\$1.03 B

PRE-TAX NPV_{8%}
(REAL BASIS, UNGEARED)

17.8%

PRE-TAX IRR
(REAL BASIS, UNGEARED)

US\$3.64 B

PRE-TAX PROJECT NET
CASHFLOW

US\$1.15 B

PRE-PRODUCTION CAPITAL
EXPENDITURE

US\$165/t

AISC – MOP NET DELIVERED

US\$441/t

LOM WEIGHTED AVERAGE
DELIVERED POTASH PRICE

KEY FINANCIAL PROJECTIONS¹

Price inputs

LOM weighted average potash price (delivered)	US\$/t	441
LOM average NaCl price (delivered)	US\$/t	79
EUR/US\$ exchange rate	US\$/EUR	1.05
Combined Municipal, State and Federal tax rates	%	29.65

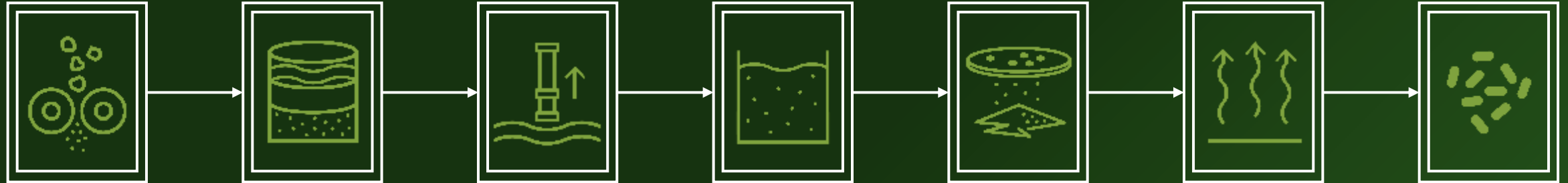
Key metrics

NPV _{8%} (pre-tax, real basis, ungeared)	US\$M	1,029
IRR (pre-tax, real basis, ungeared)	%	17.8%
NPV _{8%} (post-tax, real basis, ungeared)	US\$M	602
IRR (post-tax, real basis, ungeared)	%	14.4%
Payback period (pre-tax, from first production)	Years	5.0
Pre-production capital expenditure	US\$M	1,152
Project net cashflow (pre-tax)	US\$M	3,643
All-in-sustaining-cost (AISC) – MOP net delivered	US\$/t	165
All-in-sustaining-cost (AISC) – MOP net FCA Bernterode	US\$/t	112

1. For key Ohmgebirge PFS details, refer South Harz ASX release dated 22 May 2024, LANDMARK SOLLSTEDT MINE PURCHASE, OHMGEBIRGE PRE-FEASIBILITY STUDY AND MAIDEN ORE RESERVE. South Harz confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

SIMPLE, WELL UNDERSTOOD PROCESS FLOWSHEET

Project infrastructure further simplified via underground crushing and dissolution route



CRUSHING

Raw ore crushing to a grain size that facilitates **liberation of chloridic potash minerals from the associated minerals** for complete leaching

DISSOLUTION

Leaching of all chloride potash minerals from raw ore while leaving sulphate minerals largely undissolved in residues. **Key process that determines overall efficiency**

TRANSPORT TO SURFACE

Leached slurry pumped to surface for clarification and further processing

PURIFICATION

Magnesium and calcium removed from leached slurry by precipitation using caustic soda and soda ash

EVAPORATION

A KCl saturated solution plus crystallized NaCl is produced by evaporating water from the purified brine that crystallizes the NaCl **leaving a hot, highly concentrated KCl solution**

CRYSTALLIZATION SEPARATION AND DRYING

Solid KCl is crystallized out of the hot KCl mother liquor, **separated, and dried to produce a standard MOP product for sale**

COMPACTION

The portion of dried KCl that is destined for sale in granular form is then **compacted to produce a granular MOP product for sale**

LOW ENVIRONMENTAL IMPACT, SUSTAINABLE OPERATIONS

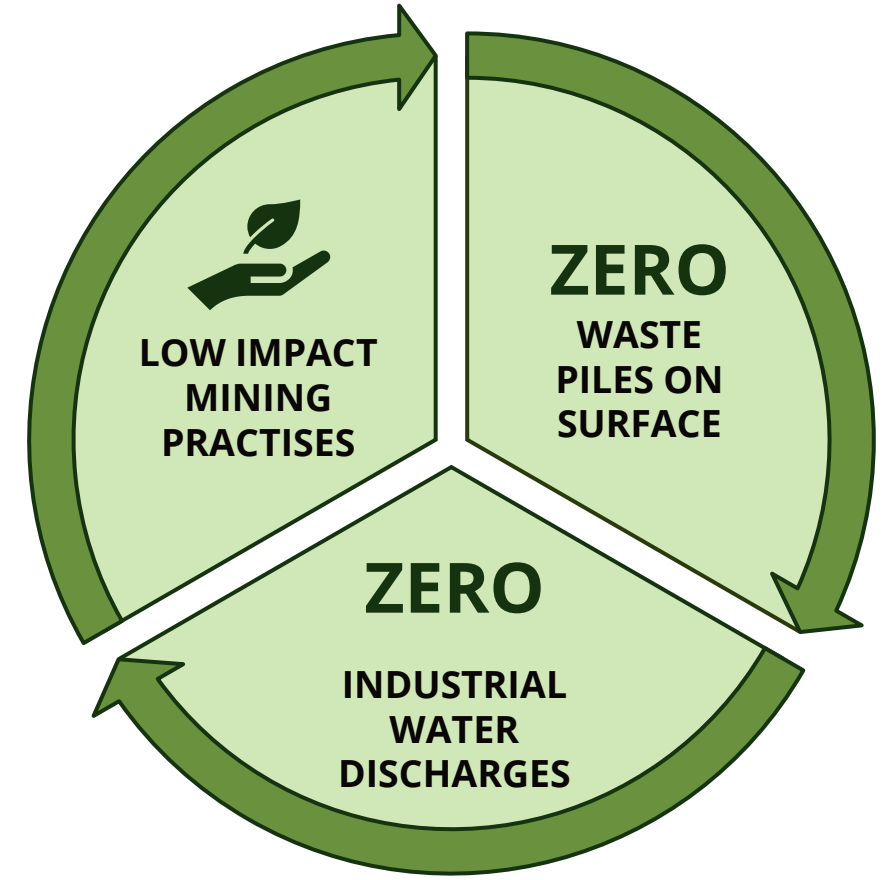
Best-in-class German potash industry credentials with a demonstrated commitment to low impact mining practices



- ✓ **Zero waste piles on surface: no tailing facilities**
- ✓ **Zero industrial water discharges: no brine waste**
- ✓ Low surface footprint and no major protected areas impacted
- ✓ Proximity to rail loadout and market minimises transport logistics and emissions

**CONVENTIONAL COLD LEACHING AND EVAPORATION-
HOT CRYSTALLISATION PROCESS ROUTE**

**HIGHLY SUSTAINABLE OPERATION UTILISING GRID
POWER, WITH 60%+ OF GRID SUPPLIED FROM
RENEWABLE ENERGY**



TRANSPARENT, WELL-ADMINISTERED APPROVAL PROCESS



Spatial planning assessment received – Stage 1 site permitting given the green light

1

SITE APPROVAL

REGIONAL AND SPATIAL PLANNING PROCEDURE

- Determines spatial, social and environmental compatibility at the planned location
- Assesses and determines the feasibility of the project in a broader scope at an early planning stage



ASSESSMENT RECEIVED JUNE 2024¹

2

FRAMEWORK OPERATING PLAN APPROVAL

PLANNING & BUILD APPROVAL PROCEDURE

- Covers all mandatory regulatory processes and permits for general Framework Operating Plan
- Includes all approvals and permits by the competent authorities to construct a mine and related facilities, except for certain water law permits

3

+

4

OPERATING APPROVAL

SPECIAL APPROVAL

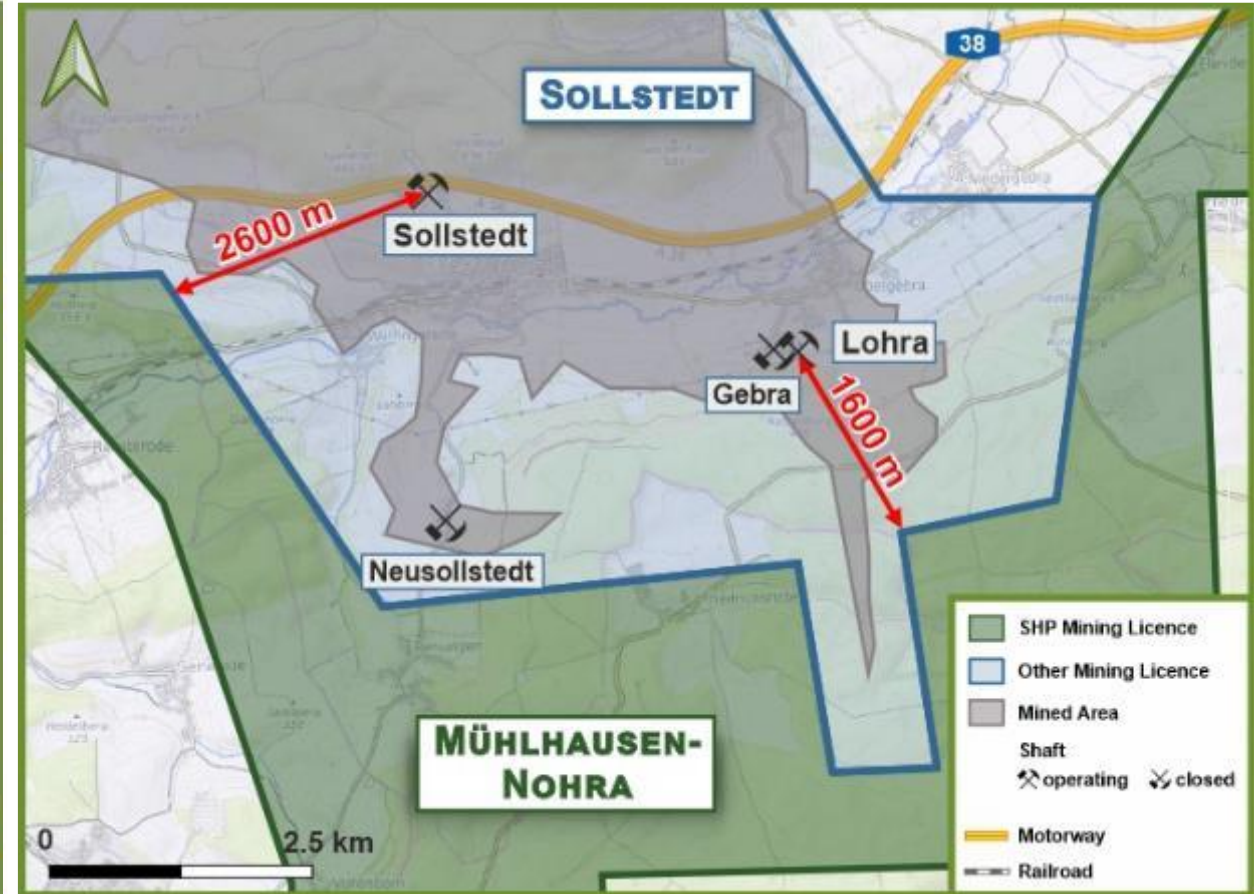
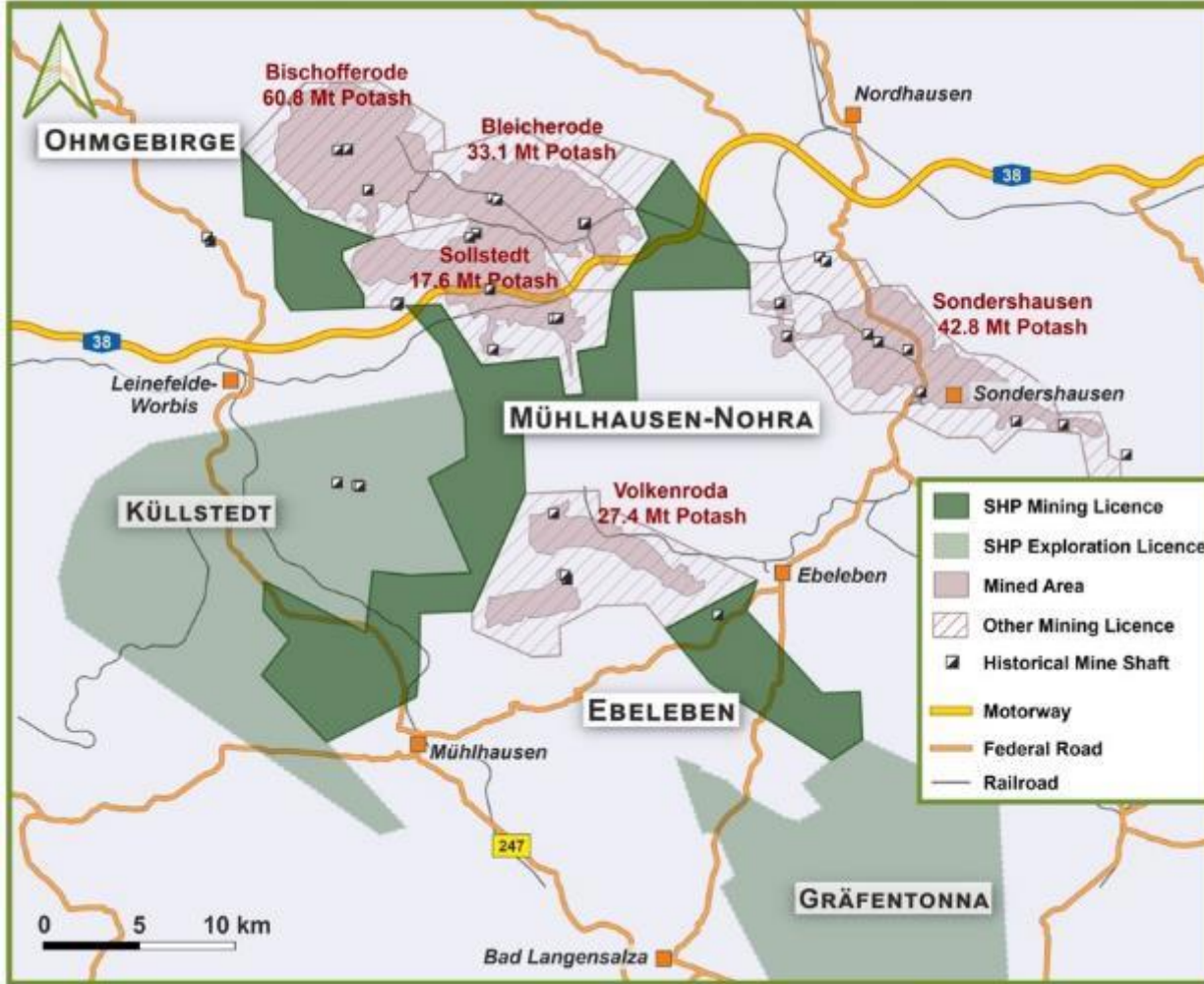
FOR OPERATION OF PLANT & FACILITIES AND SPECIAL INSTALLATIONS (APPLICATIONS RUN IN PARALLEL)

- Mining authority has no discretion regarding approval of initial & subsequent Main Operating Plans and Special Operating Plans; if statutory requirements fulfilled and in-line with the Step 2 General Operations Approval, then the Step 3 & 4 approvals must be granted
- Includes submission of Main Operating Plan (renewable every two years) and Special Operating Plan (for specific installations with longer lifetimes, separated from the Main Operation Plan)

1. Refer South Harz ASX release dated 14 June 2024, SPATIAL PLANNING ASSESSMENT RECEIVED..

SOLLSTEDT UNLOCKS FURTHER SOUTH HARZ RESOURCES

Muhlhausen-Nohra deposit readily proximate to existing Sollstedt property shaft infrastructure



Quoted numbers in red represent mined volumes of potash from neighbouring historical underground mining operations

LEAN, EFFICIENT AND FOCUSED POTASH DEVELOPER

Advancing via a lower cost, internal project optimisation phase



NEXT STEPS

- Complete Sollstedt due diligence, negotiate definitive documentation and execute binding agreement
- Progress Ohmgebirge permitting activities
- Undertake value engineering activities and evaluate synergy opportunities afforded via Sollstedt purchase
- Review broader South Harz development opportunities & forward plan
- Seeking project partner to help fund equity required to get to FID and into production
- Project partners could include sovereign wealth funds, industry players, large mining companies etc



MAINTAIN STRONG POSITIONING VERSUS GLOBAL POTASH DEVELOPMENT PEERS ALONGSIDE EXPECTED STRENGTHENING IN GLOBAL POTASH MARKETS OVER NEXT 12-24 MONTHS

SOUTH HARZ POTASH

Ticks all the boxes for a compelling investment opportunity



-  **Feeding a growing world population, forecast to increase by 2 billion people in 25 years¹**
-  **MOP demand growth to drive significant upside price potential**
-  **Brownfield development for competitive capital intensity**
-  **Reduced development risk through 100 years of technical knowledge**
-  **Low-impact development: low surface footprint, zero effluent / wastewater discharges and zero surface waste piles**
-  **Transparent permitting pathway – 1st stage complete, strong regional & governmental support**

1. Source: UN

SOUTHHARZ POTASH



CAPITAL STRUCTURE (ASX: SHP)

Share price (4 July 2024)	A\$0.013
Shares on issue	827.2M
Options	113.4M
Market capitalisation (undiluted)	A\$10.8M
Cash (31 March 2024)	A\$1.0M
Debt (31 March 2024)	Zero

SHARE PRICE CHART



SOUTHHARZ POTASH



BOARD OF DIRECTORS



Len Jubber
Executive Chairman

Len Jubber was Managing Director & Chief Executive Officer of Bannerman Resources Ltd, an ASX listed uranium development company for eight years. Prior roles include Managing Director/Chief Executive of Perilya Ltd, an ASX listed zinc and lead producer, and Chief Operating Officer of Oceana Gold Ltd. He started his career with Rio Tinto in Namibia. In a mining career spanning more than 30 years, he brings a wealth of technical, commercial and corporate experience.



Reinout Koopmans
Non-Executive Director

Dr Koopmans spent 15 years in investment banking, based in London. He was responsible globally for public equity raising for natural resource companies at Deutsche Bank and he led the European equity capital markets team at Jefferies International. In the 1990's, Reinout was a management consultant with McKinsey & Co in Germany and South-East Asia. He has significant business experience in Germany.



Rory Luff
Non-Executive Director

Mr Rory Luff is the founder of BW Equities, a specialist Melbourne equities advisory firm and has over 15 years experience in the financial services industry. Rory has spent most of his career in the financial markets advising resources companies on capital raisings and financial markets strategy.

TO EXPLORE THE OHMGEBIRGE DEVELOPMENT IN MORE VISUAL DETAIL, INCLUDING THE RANGE OF POTENTIAL UPSIDE OPPORTUNITIES TO BE FURTHER EVALUATED, PLEASE VISIT:

<https://vrify.com/decks/16044>



**SOUTH HARZ
POTASH**