

20 August 2024

Dear Shareholder

SOUTH HARZ POTASH LIMITED – PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

As announced on 9 August 2024, South Harz Potash Ltd ACN (153 414 852) (the **Company**) is undertaking a non-renounceable rights issue of one fully paid ordinary share in the capital of the Company (**Share**) for every three Shares held at an issue price of \$0.01 per Share to raise up to \$2,966,894 (**Offer**).

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 9 August 2024.

The Company intends to apply the funds raised from the Offer (less expenses) to:

- (a) technical and business running costs including Ohmgebirge project internal value engineering and evaluation of strategic alternatives towards a DFS;
- (b) working capital; and
- (c) expenses of the Offer.

For further specifics of the use of funds please refer to section 3 of the Prospectus.

Following completion of the Offer, assuming any shortfall is subsequently placed and the full subscription is raised, the Company will have issued approximately 296,689,424 Shares resulting in total Shares on issue of 1,186,757,696.

Ineligible shareholders

A Shareholder who has a registered address outside Australia, New Zealand, the European Union (excluding Austria), United Kingdom, Switzerland and Singapore (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand, the European Union (excluding Austria), United Kingdom, Switzerland and Singapore compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

If you have any queries concerning the Offer, please contact your financial adviser or Graeme Smith, Company Secretary, on +61 408 447 493.

Yours sincerely



Len Jubber
Executive Chairman
South Harz Potash Limited