

UPDATE ON OHMGEBIRGE AND CORPORATE ACTIVITIES

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to provide an update on its 100%-owned Ohmgebirge Potash Development (**Ohmgebirge**) in Thuringia, Germany, and its broader corporate activities.

Highlights

- A\$425,500 in new equity funds raised through initial shortfall placement.
- Due diligence activities and commercial discussions with Deusa advancing on acquisition of neighbouring Sollstedt mine property.
- Recent investor site visit hosted at Ohmgebirge and broader South Harz Potash Project.
- Attendance by South Harz representatives at key industry conferences in Germany & Europe.

Further shortfall placement

South Harz has undertaken an initial placement of 42,550,000 Shortfall Shares representing A\$425,500. The Shortfall Shares were issued on 19 November 2024 pursuant to Section 2.6 of the Entitlement Offer Prospectus (refer ASX announcement dated 9 August 2024, *Rights Issue Prospectus*) (**Prospectus**) and follows its recently completed Entitlement Offer (refer SHP ASX announcement dated 23 September 2024, *Completion of Entitlement Offer*).

In addition, 4,147,500 shares were also issued to a service provider at A\$0.01 per share in exchange for the provision of services to the Company to the value of A\$41,475. These shares will be issued today out of the Company's ASX listing rule 7.1 placement capacity.

Additionally, previously announced firm commitments for 17,450,000 new shares, representing A\$174,500 of new equity (inclusive of a commitment for 5,000,000 shares representing A\$50,000 of new equity from Executive Chairman Len Jubber, subject to shareholder approval), remains pending receipt (refer SHP ASX announcement dated 8 October 2024, *New Equity Commitments of A\$450,000 Received*).

In aggregate, new equity (issued or committed) now totals approximately A\$2.213 million (before costs). This comprises new equity from the recent placement (including commitments for equity from Directors, subject to shareholder approval) (refer ASX announcement dated 1 August 2024, *New Equity of up to A\$4 Million to Advance Brownfield Ohmgebirge Potash Development*), completed Entitlement Offer (refer ASX announcement dated 23 September 2024, *Completion of Entitlement Offer*) and further placements of shares (including firm commitments for shares) as set out above.

In accordance with Section 2.6 of the Prospectus, the Shortfall Offer can remain open until 13 December 2024, which is three months following the Closing Date of the Entitlement Offer, unless the Directors decide to close the Shortfall Offer earlier.

Sollstedt Acquisition

Detailed due diligence activities and negotiation of definitive documentation for the purchase of the neighbouring Sollstedt mine property from Deusa International GmbH (**Duesa**) (refer ASX announcement dated 22 May 2024, *Landmark Sollstedt Mine Purchase, Ohmgebirge Pre-Feasibility*

Study and Maiden Ore Reserve) are advancing, with the exclusivity date recently extended by agreement with Deusa to 28 February 2025 as previously announced (refer ASX announcement dated 30 October 2024, *Quarterly Activities/Appendix 5B Cash Flow Report*).

Both parties continue to target finalisation and execution of definitive transaction documentation by 28 February 2025.

Investor site visit

In early November 2024, South Harz hosted an investor site trip to Ohmgebirge and across its broader South Harz Potash Project tenure. The visit included an underground tour at the neighbouring Sollstedt mine and driving underground to the potential access areas towards Ohmgebirge, and visiting potential / targeted areas for processing and logistics.

Feedback received from the visit included an enhanced appreciation of the scale of the opportunity and the extent of the existing infrastructure, and accompanying brownfield development benefits, offered by the targeted acquisition of the Sollstedt mine property.



Figure 1: Executive Chairman Len Jubber (far right) with representatives of Deusa and a key SHP investor at the shaft entrance prior to their visit to the Sollstedt mine.



Figure 2: Potash ore seams at the Sollstedt mine

Argus Fertiliser Europe Conference

In late October 2024, South Harz Executive Chairman Len Jubber attended the Argus Fertiliser Europe Conference held in Athens. The event is billed as Europe largest fertilizer trading event and was attended by leading global and European fertiliser industry participants. Introductory meetings were held with various logistic chain operators, financiers, producers, etc. It was highlighted by the broad range of participants that the fertiliser industry is an integral part of sustaining and nourishing a growing global population.

BDI Raw Materials Congress

On 11 November 2024, South Harz Regional Director Babette Winter attended the Raw Materials Congress of the German Industry Association BDI in Berlin. The Congress brought together over 400 representatives from business, government, science, and civil society to discuss a secure, comprehensive and sustainable supply of raw materials for Germany, including increasing mining activities in Germany. Quoting BDI: *“To advance domestic raw material extraction, the industry is calling on the German government to facilitate mining through strategic land use planning and by speeding up approval processes.”*

Ongoing activities

In line with South Harz's streamlined low-cost optimisation setting in current global potash markets, the current focus of corporate and operational activities remains:

- Completion of detailed due diligence and negotiation of definitive documentation for the purchase of Sollstedt;
- Advancement of preparatory Stage 2 permitting activities (Framework Operating Plan) for the Ohmgebirge Potash Development following grant of the Spatial Planning Assessment (refer ASX announcement dated 14 June 2024, *Spatial Planning Assessment Received – Flagship Ohmgebirge Potash Development Receives Stage 1 Permitting Greenlight*);
- Qualification assessment for potential German R&D tax incentive rebates (supplementary working capital) and complementary funding opportunities such as freight rail access and clean energy utilisation / critical minerals grants; and
- Evaluation of long-term Definitive Feasibility Study design and development funding pathways, including potential strategic partnership.

This announcement was authorised for release by the South Harz Board of Directors

Investor and media enquiries

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About South Harz

South Harz is a potash exploration and development company with its flagship project located in the historic South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

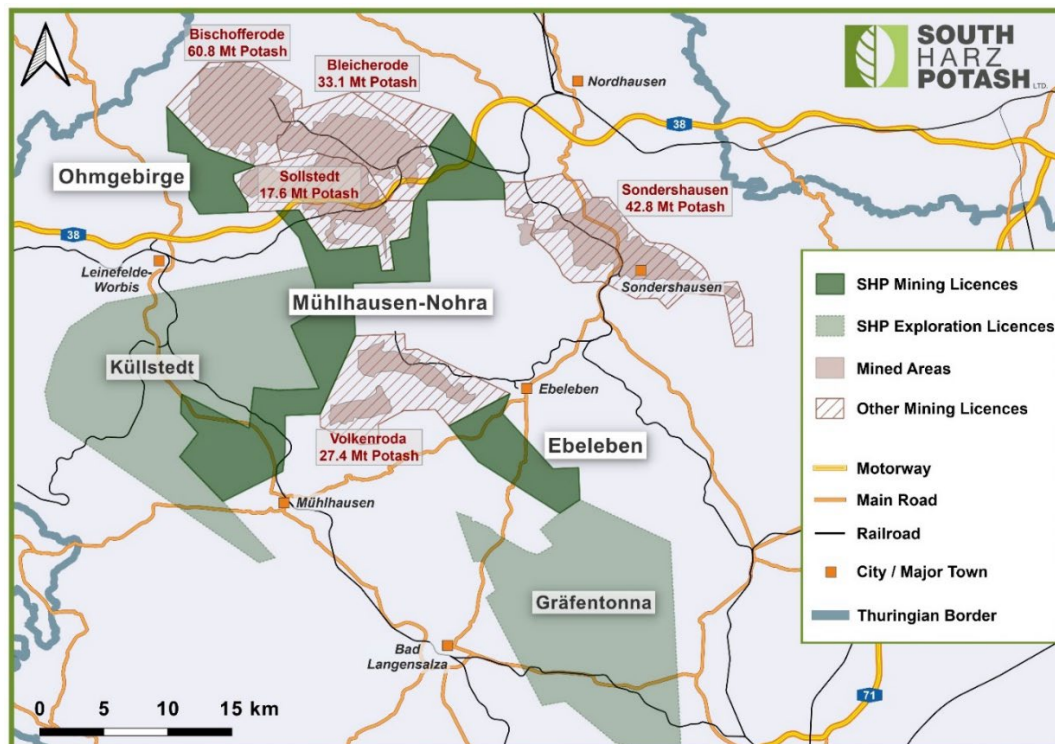
The South Harz Project hosts a globally large-scale potash JORC (2012) Mineral Resource estimate of 258 million tonnes at 13.2% K₂O of Indicated Resources and 5.1 billion tonnes at 10.6% K₂O of Inferred Resources across four wholly-owned project areas located favourably within central Europe. This comprises three perpetual potash mining licences, Ohmgebirge, Ebeleben and Mühlhausen-Nohra, and two potash exploration licences, Küllstedt and Gräfentonna.

The flagship Ohmgebirge Development (1.0 Mtpa potash capacity) was the subject of a positive Pre-Feasibility Study (PFS) and maiden Ore Reserve declaration in May 2024. As part of that process, South Harz also agreed non-binding key terms for the purchase of the neighbouring Sollstedt mine property, which includes extensive underground and surface infrastructure (including multiple operating shafts). The envisaged brownfield development of Ohmgebirge (as facilitated by the Sollstedt mine) delivers significantly lower pre-production capital expenditure and surface footprint (relative to the greenfield alternatives).

South Harz also received the Spatial Planning Assessment for Ohmgebirge in June 2024, a key step in the permitting process which confirmed the compatibility of all submitted site options with regional planning requirements.

South Harz Potash: Responsible potash mine development in the heart of the European market

www.southharzpotash.com



For full Mineral Resource, Ore Reserve, Ohmgebirge PFS and Sollstedt acquisition key terms refer to South Harz ASX announcements *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. South Harz is not aware of any new information or data that materially affects the information included in these releases and confirms that all material assumptions and technical parameters underpinning the estimates in these releases continue to apply and have not materially changed.