

CLOSURE OF SHORTFALL PLACEMENT

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) advises that it has now closed its Shortfall Shares placement offer arising from its recently concluded pro-rata non-renounceable entitlement offer (**Entitlement Offer**), as detailed in the Prospectus dated 30 June 2025 (**Prospectus**).

The Company is pleased to advise that it has received commitments of A\$180,000 in gross new equity for 60,000,000 new shares to a combination of new and existing investors and Directors, completing the Company's capital raising programme outlined in recent ASX announcements. The commitments include the following:

- Commitments of A\$110,000 in gross new equity for 36,666,668 Shortfall Shares and 18,333,335 options.
- Commitments by Directors to take up A\$70,000 worth of additional shares (**Director Shares**) as follows:
 - New Director Richard Pearce has committed to A\$20,000 of new equity representing 6,666,667 shares and 3,333,334 options, and
 - Executive Chairman Len Jubber has committed to A\$50,000 of new equity representing 16,666,665 shares and 8,333,331 options).

The Shortfall Shares and Director Shares will be issued at A\$0.003 per share, consistent with the terms of the Entitlement Offer, and include attaching options on a 1-for-2 basis with an exercise price of A\$0.006 and a two-year expiry. The issue of the Director Shares and attaching options is subject to shareholder approval at the Company's forthcoming Annual General Meeting (details to be advised in due course).

Committed funds from the recent two-tranche placement (**Placement**) (refer ASX release dated 19 June 2025, *Equity Raising of up to A\$3.11 million to Advance South Harz Dual-Asset Strategy*), the completed Entitlement Offer and the Shortfall Shares and Director Shares referred to above total approximately A\$2.58 million in new equity (before costs), being approximately 83% of the previously announced A\$3.11m new equity target from these capital raising activities. This includes subscriptions of A\$294,000 from South Harz Directors in tranche two of the Placement (the completion of which was approved by shareholders at the Company's General Meeting held on 15 August 2025).

The funding from these capital raising activities will be utilised in advancing South Harz's dual-asset strategy over the next 9–12 months, including:

- Identification and targeted acquisition of a second mining project complementary to the Company's Ohmgebirge Development (**Ohmgebirge**) and broader South Harz Potash Project in Germany.
- Preservation and growth in the longer-term option value of Ohmgebirge and the broader South Harz Potash Project via targeted additional funding sources such as German government grants/rebates and ongoing engagement with financial and industry parties on potential strategic asset-level investment.

South Harz Executive Chairman Len Jubber, commented:

"The successful capital raising programme reflects confidence in South Harz's strategic direction and asset base. With funding now secured, the Company is well-positioned to execute on its growth initiatives and deliver long-term value to shareholders."

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

Investor and media enquiries

Len Jubber

Executive Chairman
South Harz Potash Ltd
info@southharzpotash.com

Michael Vaughan

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

REGISTERED OFFICE

U13, 6 -10 Douro Place
West Perth, W.A. 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

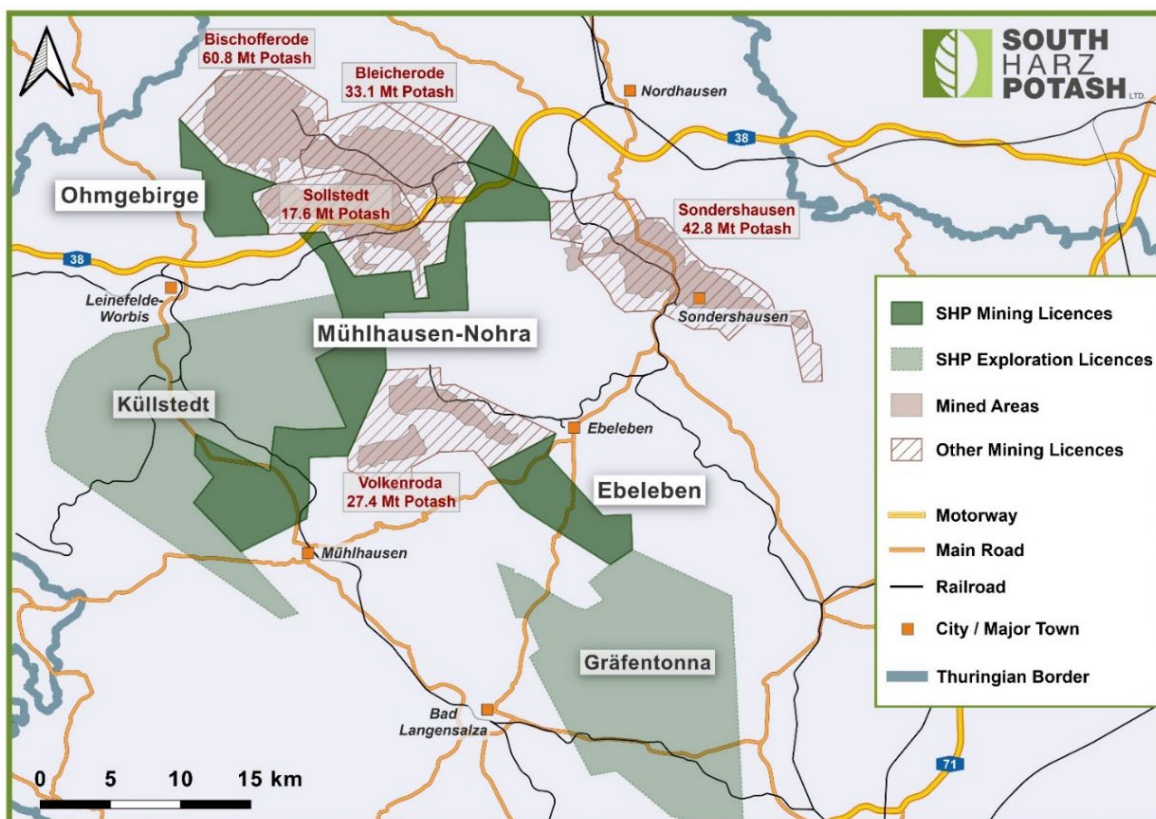
About South Harz: Responsible potash mine development in the heart of the European market

South Harz is a potash exploration and development company with its principal 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 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. 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.