

ASX ANNOUNCEMENT

30 December 2022

GRÄFENTONNA EXPLORATION LICENCE EXTENSION GRANTED

- Three-year extension to Gräfentonna exploration licence, to January 2026, granted by Thuringian mining authority.
- Rapid grant of extension delivered within one month of application submission.
- Gräfentonna exploration licence covers an area of approximately 216 km² enclosing the eastern portion of the known South Harz potash basin.

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to announce the Thuringian mining authority, Thüringer Landesamt für Umwelt, Bergbau und Naturschutz (**TLUBN**), has granted a three-year extension to the Gräfentonna exploration licence (to January 2026) following submission of an application in November 2022.

The Gräfentonna exploration licence lies immediately south of the Company's Ebeleben mining licence and would form the natural extension of any future mine at Ebeleben. The large licence covers over 216 km² of known potash territory. It was previously drilled during various campaigns of exploration targeting hydrocarbons up until 1985 with a significant number of these drillholes intercepting potash. Results from these historical drilling campaigns facilitated South Harz's estimation of an Exploration Target on the Gräfentonna licence of between 2.678 and 3.396 billion metric tonnes at a potash grade between 4.3% and 25% K₂O.

The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. For full details refer to South Harz ASX release dated 22 May 2017. South Harz is not aware of any new information or data that materially affects the information included in this ASX release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

The Gräfentonna exploration licence has been held by the Company's wholly-owned German subsidiary, Südharz Kali GmbH, since January 2015. The Gräfentonna licence covers the eastern portion of the known potash basin in the South Harz region.

South Harz Managing Director, Luis da Silva, commented:

"We are delighted to again announce a multi-year licence extension, this time for the Gräfentonna permit. As with the Küllstedt licence extension last month, our team in Germany has readily demonstrated its strong working relationship with the TLUBN. Our gratitude again goes to the TLUBN for their efficacy in evaluating and approving the licence extension."

CONTACT DETAILS**W:** southharzpotash.com**E:** info@southharzpotash.com**P:** +61 (0) 408 447 493**ABN:** 64 153 414 852**ASX Code:** SHP**ASX Code (Options):** SHPO**Frankfurt Code:** A2DWXX**586.1M** Ordinary Shares**123.8M** Unlisted Options**46.2M** Listed Options**0.8M** Performance Rights

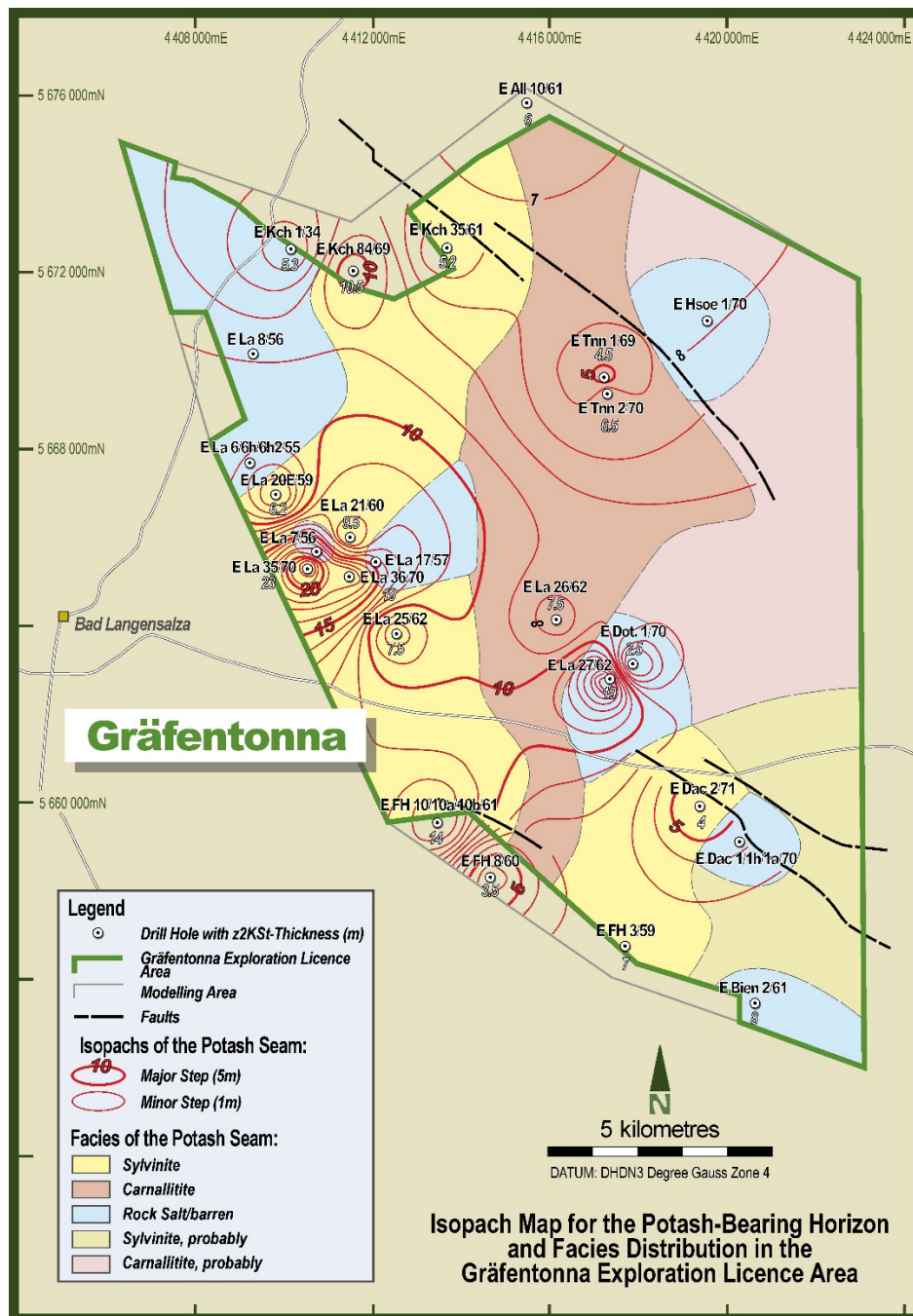


Figure 1. Gräfontonna Exploration Licence Isopach Map showing distribution of Sylvinite and Carnallite potash bearing horizon. Location of Ebeleben Mining Licence shown on map on following page.

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

Investor and media enquiries

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About South Harz

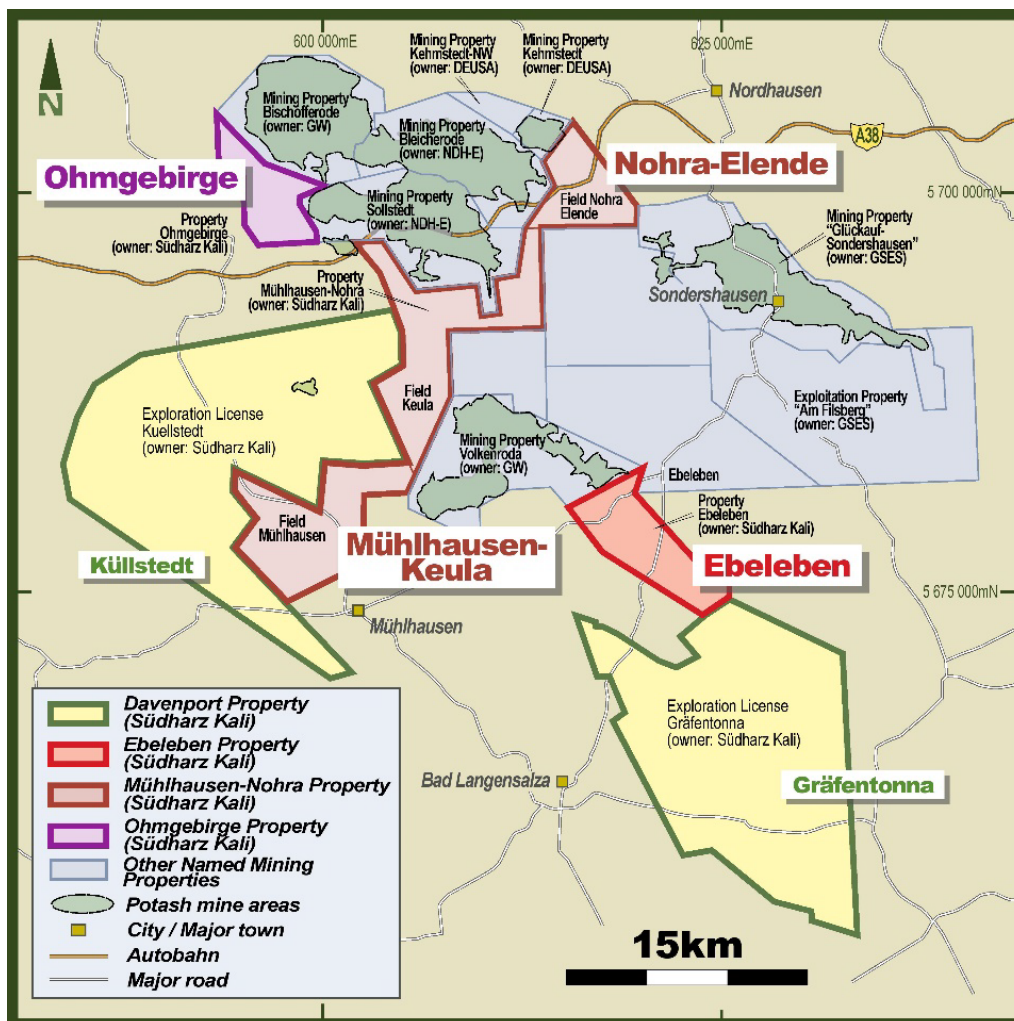
South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

The South Harz Project hosts a globally large-scale potash JORC (2012) Mineral Resource estimate of 5 billion tonnes at 10.6% K₂O of Inferred resources and 258 million tonnes at 13.5% 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 Gräfontonna, covering a total area of approximately 659km².

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 this release continue to apply and have not materially changed.