ASX ANNOUNCEMENT
2 March 2022

FIRST DRILLHOLE AT OHMGEBIRGE COMPLETED

- Drilling of first confirmatory hole at Ohmgebirge (OHM-02) safely and successfully completed
- OHM-02 intercepted the targeted strata at the same depth as the historic drillhole being twinned, with excellent stratigraphic correlation
- Core assay results from OHM-02 are expected to be received in approx. 4 weeks
- Drill pad at the second Ohmgebirge confirmatory hole (OHM-01) set to be completed in coming days with drilling of this hole now scheduled to be completed by late April.

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to announce that drilling of the first of two confirmatory drillholes within the Ohmgebirge Mining Licence (**Ohmgebirge**) area of its South Harz Potash Project has been successfully completed.

The first confirmatory drillhole at Ohmgebirge, OHM-02, was designed to twin and confirm the results of the historic drillhole, *Kal Wr 6 Liese*, which was drilled in 1906. This historic drillhole recorded potash within the Staßfurt Potash Horizon from a depth of 651.70m to 657.20m (5.5m thickness) with an historic reported grade of 14.4% K_2O (*refer SHP ASX announcement dated 23 December 2019*[1]).

Drilling of OHM-02, located 115m west of the historic drillhole, has been safely completed to a final depth of 718m, in order to fully penetrate the known Staßfurt Potash Horizon. Critically, OHM-02 intercepted the top of the Staßfurt Potash Horizon at 651.30m, which is effectively the same depth as recorded in the historic drillhole. It also showed excellent stratigraphic correlation with the historic hole. The intercept returned in OHM-02 extended to a depth of 666.54m.

The core from OHM-02 is being prepared ahead of despatch for assay with results expected to be received in approximately 4 weeks. Downhole geophysics are also set to be conducted on OHM-02 prior to the final grouting of the drillhole.

Harsh weather conditions in Thüringa have hampered construction of the drill pad for the second Ohmgebirge confirmatory drillhole, OHM-01. However, the pad is now nearing completion with a final asphalt layer expected to be laid in coming days, after which the drilling equipment will be mobilized to site. Drilling of OHM-01 is now scheduled to be completed by late April, with assays likely to be received by mid/late May.

Drilling and assay of core from these two confirmatory drillholes is intended to allow South Harz to upgrade a substantial proportion of the current Ohmgebirge JORC (2012) Inferred Mineral Resource estimate to the Indicated category. Subject to concurrent and satisfactory advancement of all modifying factors, this is expected to allow the release of a comprehensive Scoping Study (a preliminary technical and economic assessment) for Ohmgebirge.

Due to the weather-induced delays in drill pad construction for OHM-01, the Ohmgebirge Scoping Study is now expected to be completed during June 2022 (previously May 2022) provided there are no further unforeseen technical delays.

South Harz Managing Director, Dr Chris Gilchrist, commented:

"Initial observations of the geology from drillhole OHM-02 show excellent geological correlation with the nearby historic drillhole which was drilled over a century ago. This firmly supports our confidence in the historical data from the project area. The next phase of our drilling aims to twin a drillhole from the second and most extensive historical potash drilling campaign which took place in the 1960's and 1980's. This second drillhole is set to begin shortly and should be completed by late-April. The results from these two holes, including comprehensive chemical assays, are set to drive the planned update of the existing Inferred Mineral Resource estimate and completion of a Scoping Study on Ohmgebirge."

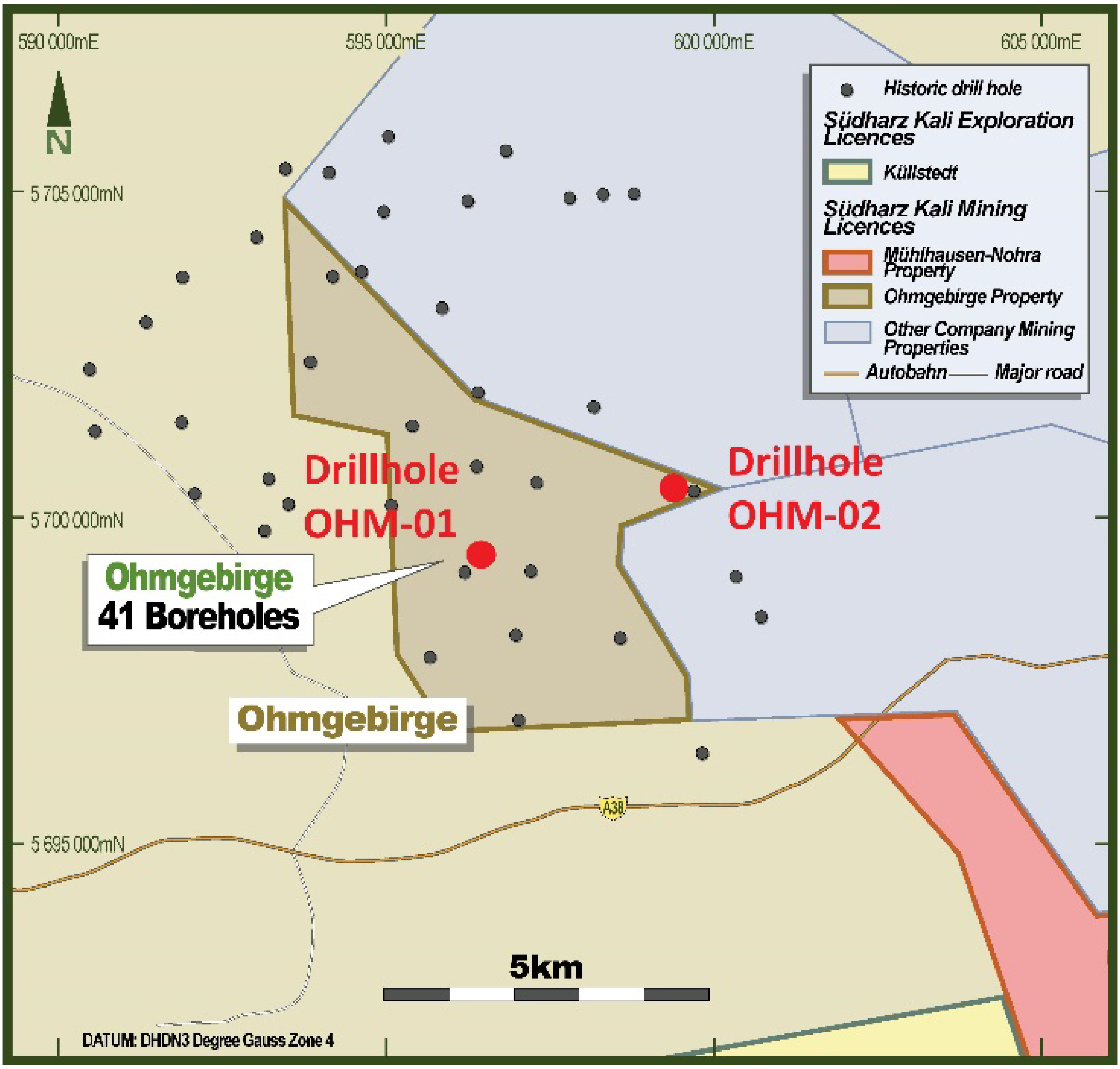

***Figure 1:** Ohmgebirge Mining Licence area showing the approximate location of historic drillholes and the twin confirmatory holes, OHM-01 and OHM-02.*

Figure 2: Overview of core recovery, boxing and depth logging. Excellent core recovery and overall condition is being achieved as evident from the photographs.

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424.1M Ordinary Shares
160.7M Unlisted Options
46.2M Listed Options
4.1M Performance Rights

This announcement has been authorised by the Board of South Harz Potash Limited.

On behalf of South Harz Potash Limited,
Dr Chris Gilchrist, Managing Director

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About South Harz

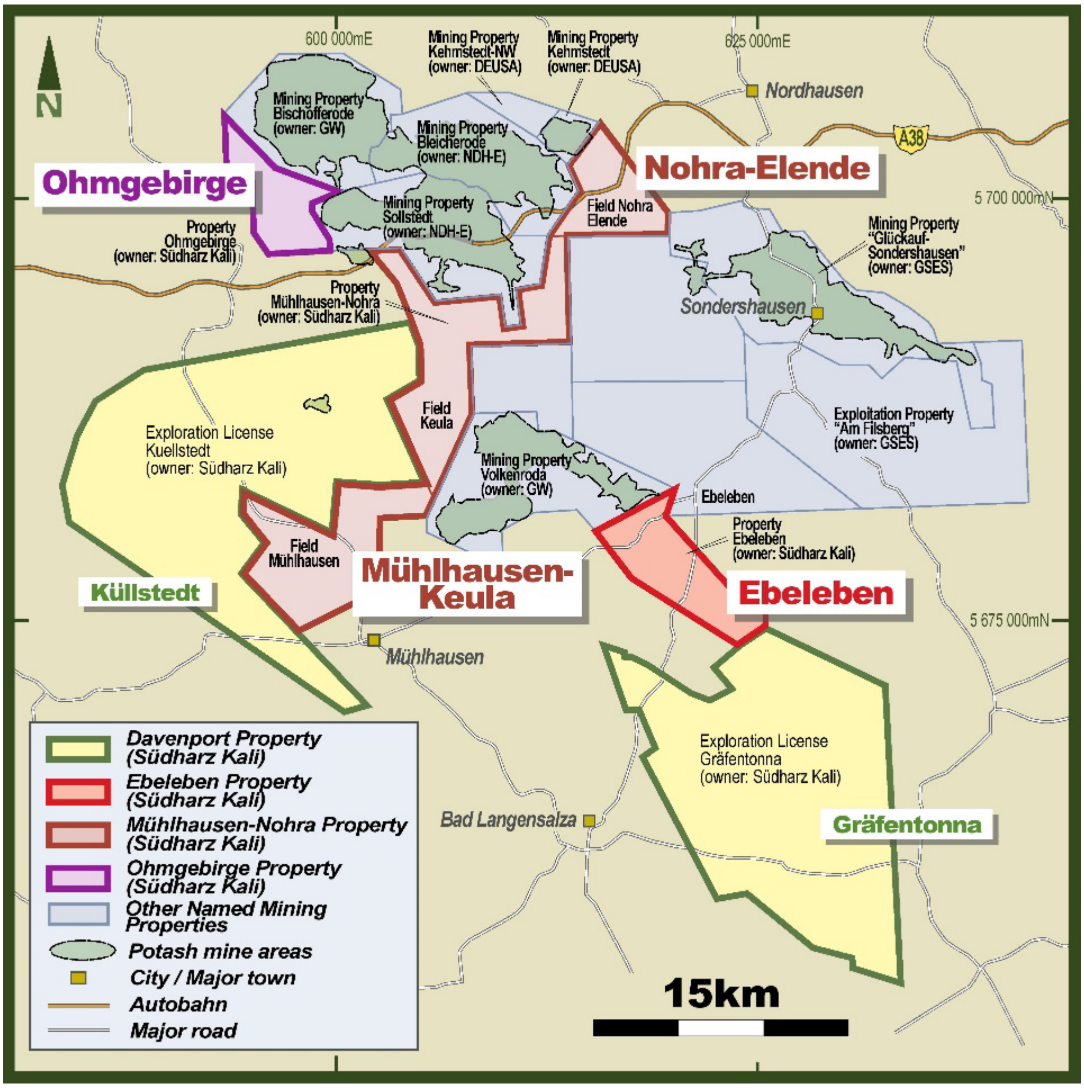
South Harz Potash (ASX: SHP) (**South Harz**) is a potash exploration and development company with its flagship project located in the South Harz Potash District region of Germany, midway between Frankfurt and Berlin.

The South Harz Project hosts a globally large-scale potash JORC (2012) Inferred Mineral Resource estimate of 5.3 billion tonnes at 10.8% K_2O across four wholly-owned project areas[1] 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, covering a total area of approximately 659km².

With strong established infrastructure and close proximity to the key European market, the South Harz Project is well positioned to enable rapid 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 announcement dated 23 December 2019 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 announcement.

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