

21 June 2023

# OHMGEBIRGE PERMITTING PROCESS COMMENCED INCLUDING NEW BROWNFIELD OPTIONALITY

Scoping Paper submitted to Thuringian state regulatory authority outlining two development pathways for Ohmgebirge:

- brownfield at Bernterode utilising existing shaft infrastructure historically used for potash mining
- greenfield at Haynrode new shaft construction

Preferred brownfield option provides potential savings to overall capital expenditure.

Non-binding consent received from owner of Bernterode shafts (NDH-E/Deusa) to submit Scoping Paper with brownfield pathway option.

Bernterode shaft is located only 1,500m from Ohmgebirge tenement boundary and is contiguous with Ohmgebirge deposit.

Full Spatial Planning Application submission targeted by Q4 2023.

Process requires a regulatory decision on the spatial permitting of the Project within six months of Spatial Planning Application submission.

South Harz Potash Limited (ASX:SHP) (**South Harz** or the **Company**) is pleased to announce that its whollyowned subsidiary, Südharz Kali GmbH, has commenced the planning approval process for the Ohmgebirge Potash Development (**Ohmgebirge** or the **Project**) by submitting the requisite Scoping Paper to the state regulatory body, Thüringer Landesverwaltungsamt (**TLVwA**).

Pleasingly the permitting process will include brownfield optionality utilizing existing shaft infrastructure at Bernterode.

The spatial planning approval process has two main steps as outlined below.

## Step 1 – Scoping Paper (submitted)

The submission of the Scoping Paper is a preliminary step in commencing the spatial planning procedure. The Scoping Paper provides the TLVwA with an overview of the scope of work and supporting documentation planned for inclusion in the full Spatial Planning Application. The Spatial Planning approval process is designed to ensure that the land use planned by a particular development is compatible with the objectives and principles of regional planning and spatial development. Following the submission of the full Spatial Planning Application, as the Project moves towards development, the Company will then apply for General Operations Permit.

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 600.0M Ordinary Shares67.8M Unlisted Options46.2M Listed Options



The Scoping Paper for the Project incorporates two potential development pathways (inclusive of two suboptions) with respect to underground and surface infrastructure:

#### Option 1: Bernterode (brownfield; existing shaft)

- A) Bernterode shaft and Bernterode railway station
- B) Bernterode shaft and Leinefelde

## Option 2: Haynrode (greenfield; new shaft)

- A) Haynrode and Leinefelde
- B) Haynrode and Bernterode railway station

## Step 2 – Spatial Planning Application (to be submitted in Q4 2023)

Based on feedback and consultations with various stakeholders, the final Spatial Planning Application will be based on a single proposed development pathway. The regulatory timeframe from submission of the Spatial Planning Application to a decision from the TLVwA is a maximum of six months.

South Harz has received the non-binding consent of the existing owner of the Bernterode shafts, NDH-E/Deusa, to submit the Scoping Paper inclusive of Option 1. The Company is advancing constructive discussions with NDH-E/Deusa with respect to the potential of such a highly capital-efficient development pathway which has the potential to realise significant capital savings. South Harz notes that the Ohmgebirge Scoping Study (August 2022) was based on a higher capital cost greenfield shaft development pathway (Option 2).

**South Harz CEO, Luis da Silva, commented**, "I congratulate the entire South Harz team for their excellent work in advancing us to submission of the Ohmgebirge Scoping Paper to the TLVwA. It is a milestone juncture as we commence the permitting process for Ohmgebirge. We are also excited to present a credible brownfield development option for Ohmgebirge, with all the accompanying capital cost and timetable benefits that this can deliver."

**South Harz Regional Director, Babette Winter, said,** "While we benefit from excellent local and regional support for critical potash mining activities, our commitment to best-in-class development and operating practice remains unwavering. This is reflected in our overarching approach to the spatial planning approval process and our interaction with all governmental and regulatory stakeholders as part of this. We thank the authorities for their dedication and the constructive dialogue as we strive to develop the optimal balance between economic development with environmental best practices."

## Access to Existing Infrastructure

The following plan illustrates the immense opportunity for development of Ohmgebirge with its existing infrastructure. In addition to operating shafts, the project is serviced by all necessary facilities including power, gas, rail and road access.

On 8 March 2023 (<u>https://wcsecure.weblink.com.au/pdf/SHP/02641114.pdf</u>) the Company announced a 5 tonne bulk sample via access provided by NDH-E/Deusa's same infrastructure. The bulk sample was extracted at approximately 790-800m depth via access through the Bernterode shaft. The extraction area is located approximately 700m from the Ohmgebirge tenement boundary. The Hartsalz potash seam from which the sample was extracted is contiguous with the Ohmgebirge deposit.





## Initial process overview and next steps

The spatial planning approval process is designed to ensure that the land use planned by a particular development is compatible with the objectives and principles of regional planning and spatial development. In addition, it seeks to achieve joint definition of the project-specific scope of environmental impact assessment to be undertaken by the Project sponsor.

The Scoping Paper includes a description of the Project plus the envisaged study frameworks for the spatial impact study, Environmental Impact Assessment (EIA), landscape management plan, species protection report and NATURA 2000.

Following submission of the Scoping Paper, the TLVwA will now inform all affected municipalities, lower authorities, public interest groups and other stakeholders by distributing the Scoping Paper and scheduling a public hearing. The feedback from this hearing, and from the TLVwA directly, may lead to some pre-submission changes in the Ohmgebirge Spatial Planning Application currently under preparation by South Harz. The Company has received support at all levels for the development of Ohmgebirge and this first consultation period will provide further valuable feedback in preparing the final application.



The full Spatial Planning Application will be based on a single selected site (i.e. Option 1 or Option 2) and is on track to be submitted to the TLVwA by Q4 2023. The federal legal framework on Spatial Planning (Raumordnungsgesetz ROG) obliges the responsible authority to arrive at a decision within six months of submission of the Spatial Planning Application.

#### This ASX release has been approved by CEO & 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.

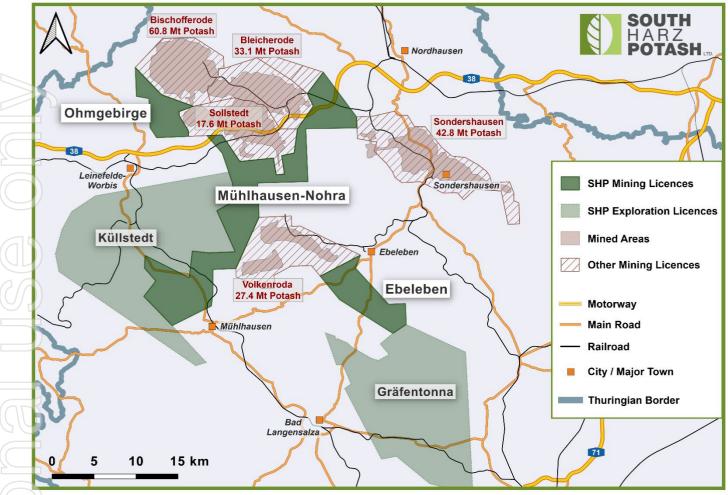
The South Harz Project hosts a globally large-scale potash JORC (2012) Mineral Resource estimate of 5 billion tonnes at 10.6% K<sub>2</sub>O of Inferred resources and 258 million tonnes at 13.5% K<sub>2</sub>O of Indicated Resources across four wholly-owned project areas located favourably within central Europe.<sup>1</sup> 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 659km.

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





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 these releases continue to apply and have not materially changed.