SOUTHHARZ POTASH

17 January 2024

Dear Shareholder

SOUTH HARZ POTASH LIMITED – PRO-RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on 15 December 2023 and 9 January 2024, South Harz Potash Limited (ACN 153 414 852) (**Company**) is undertaking a non-renounceable entitlement issue of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every fifteen (15) Shares at an issue price of $0.023 per Share to raise up to $1,196,152 (based on the number of Shares on issue as at the date of the Prospectus) (**Offer**).

This Offer is partially underwritten by Luis da Silva (Chief Executive Officer), Leonard Jubber (Non-Executive Director) and Alexandra Jubber (Mr Jubber's spouse) ATF Jubber Super Fund A/C and Suitangi Pty Ltd (an entity controlled by Mr Seamus Cornelius (Non-Executive Director)) (together, the **Underwriters**). There are no fees payable to the Underwriters.

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 9 January 2024.

The Company intends to apply the funds raised from the Offer (less expenses of the Offer) to completion of the PFS on the Company's flagship Ohmgebirge potash development targeting inclusion of value engineering fort the optimised brownfield scenario, complete commercial terms for the existing brownfields infrastructure, consultation for the spatial permitting process, continue engagement with strategic parties and working capital.

Following completion of the Offer, the Company will have issued approximately 52,006,609 Shares resulting in total Shares on issue of 832,105,747 (assuming full subscription of the Offer occurs).

Ineligible shareholders

A Shareholder who has a registered address outside Australia, New Zealand, the European Union and the United Kingdom (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus.

This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand and the United Kingdom compared with the small number of Ineligible Shareholders and the number and value of Shares to which they would otherwise be entitled.

If you have any queries concerning the Offer, please contact your financial adviser or the Company, by telephone on +61 408 447 493 or email info@southharzpotash.com.

Yours sincerely

IAN FARMER
NON-EXECUTIVE CHARIMAN
SOUTH HARZ POTASH LIMITED