

*This is an English Translation of a press release made in German*

## **New future for potash mining in Thuringia**

### **Südharz Kali GmbH examines potential for sustainable resumption of operations**

Developing potash resources without permanent tailings heaps, using environmentally friendly methods with modern technology: Approval process started with partners K-UTEC and Ercosplan

*Erfurt - February 09, 2021.* Potash mining in Thuringia has a very long and successful tradition, which was largely interrupted by mine closures in the southern Harz region during German reunification. Now there is a chance to continue this important mining tradition - in a modern and sustainable way.

"Together with Thuringia, we want to seize this opportunity", said Südharz Kali GmbH Project Director Jason Wilkinson. "It is our declared goal to enable the exploitation of existing potash deposits thus benefitting the region, but at the same time being environmentally friendly and safe."

The mining district in Thuringia's Südharz region - west of Sondershausen and north of Mühlhausen - is considered the largest potash resource in Western Europe, with this ground held by Südharz Kali GmbH and its parent company Davenport Resources Ltd under licences since late 2017.

Davenport Resources stated aim is to specialize in potash mining project development

"We want to re-evaluate the potential of this district for future exploitation," Davenport Resources CEO Dr Chris Gilchrist said.

"With our initial project at Ohmgebirge, we want to be part of a development that positively influences the future in Thuringia."

Südharz Kali GmbH was founded in 2013, at that time as East Exploration GmbH. In recent years, the company based in Berlin and Erfurt, together with the parent company, has made investments in the region. The "Ohmgebirge" licence area in the vicinity of the Kirchworbis-Haynrode-Brehme localities was acquired following a tendering process by Bodenverwertungs- und -verwaltungs GmbH (BVVG). This area borders on the old mines, where an expansion was already planned in GDR times.

Südharz Kali is supported by two experienced partners from the region: K-UTEC AG Salt Technologies, Sondershausen, and ERCOSPLAN GmbH, Erfurt. Together, they have developed a concept to further explore, extract and process the raw materials at Ohmgebirge.

"It is indispensable for us that this concept honours the framework conditions of nature conservation and environmental protection in the best possible way," Jason Wilkinson said.

Dr Gilchrist added: "We strive to minimize the impact on the environment and local people. Of course, we will maintain the highest environmental standards."

There had been geological exploration in this area until the early 1980s. In addition, potash salts continued to be mined at the adjacent Thomas Münzer mine in Bischofferode. Essential knowledge about the chemical-physical properties of the minerals at Ohmgebirge is therefore already available. What is missing are core samples of the potash minerals from the deposit. These are to be obtained and analyzed by means of drilling at two to three locations to depths of 600 to 850 metres.

The approval process for the drilling, for which the Thuringian State Office for the Environment, Mining and Nature Conservation is responsible, has already begun.

"Once we have successfully drilled the wells, we will decide on the next steps - first and foremost a feasibility study - based on the results," Dr Gilchrist said. "However, our vision is clear: we believe in the future of potash mining in the Thuringian southern Harz region. Our long-term goal is to be able to apply for the establishment of a potash mine on the basis of the Federal Mining Act."

However, it is already clear today: In the event of a resumption of potash mining in the southern Harz region of Thuringia, a new mine would not be comparable to the decades-old ones. Current technological developments focus on environmental protection, in particular.

"Potash mining can nowadays be carried out without permanent waste piles," Mr Wilkinson said. "Our philosophy is to dispose of as little waste as possible outside the mine, neither solids nor liquids."

In very specific terms, that means taking residues underground at the Ohmgebirge mine or to nearby abandoned mines.

"In this way, we avoid permanent salt stockpiles as well as saline wastewater discharges into rivers," Mr Wilkinson said.

For now, however, Südharz Kali GmbH is working with partners and the relevant authorities to implement the next steps. Drilling to lift the core material is scheduled for summer 2021. Currently, the Corona pandemic does not allow for events or personal visits.

"However, we hope to be able to answer questions about our project in person to the people of Thuringia as soon as possible," Dr Gilchrist said.

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**About Südharz Kali GmbH**

Südharz Kali GmbH is the German subsidiary of Davenport Resources Ltd. It was founded in 2013, at that time still under the name East Exploration GmbH. As the legal owner of the Ohmgebirge BWE, Südharz Kali GmbH coordinates and is responsible for all engineering and legal measures within the scope of further project development. It has its headquarters in Berlin. Project development is carried out from the Erfurt site.

Managing Director Jason Wilkinson is a geologist by training and has more than 25 years of mining experience in Australia, the USA, the Middle East, Turkey and Greece. Most recently, he served as managing director for a Ka-li project in Ethiopia. At Davenport Resources Ltd., Jason Wilkinson also assumes the responsibilities of Chief Operations Officer (COO).

**About Davenport Resources Ltd.**

Davenport Resources Ltd. is an Australian based company specializing in the development of potash mining projects. The company itself, which is also listed on the German Stock Exchange, is still quite young. But many members of the team consistently have vast and long experience in the exploration, development and mining of potash around the world.

Dr. Chris Gilchrist, Chief Executive Officer (CEO) and thus spokesman of the Board of Management, is regarded as a profound expert on potash mining throughout the world. In his more than 35 years as a mining manager, he has built up and managed companies in this sector in Europe and Africa.