

SECOND SUPPLEMENTARY PROSPECTUS

DAVENPORT RESOURCES LIMITED [ABN 64 153 414 852]

IMPORTANT NOTICE

This second supplementary prospectus is dated 2 December 2016 and was lodged with the Australian Securities and Investments Commission ("ASIC") on that date. This second supplementary prospectus supplements the replacement prospectus dated 24 October 2016 ("the replacement prospectus") and has been issued in substitution for the first supplementary prospectus dated 25 November 2016, both issued by Davenport Resources Limited ("the Company") and lodged with the Australian Securities and Investments Commission on those dates.

This second supplementary prospectus must be read in conjunction with the replacement prospectus.

The Australian Securities and Investments Commission and ASX Limited take no responsibility for the contents of this second supplementary prospectus or the replacement prospectus.

Terms used in this second supplementary prospectus have the same meaning as in the replacement prospectus unless otherwise defined or the contrary intention appears.

EMAIL TO HOT COPPER SUBSCRIBERS

On 18 November 2016 an email from the Company was sent to some Hot Copper subscribers. That email notified recipients of the Offers and of the availability of the replacement prospectus. The email also included reference to, and a link to, an independent research report ("the research report").

The Company wishes to clarify that in referring to the research report the Company did not thereby suggest that a JORC compliant inferred resource for the K  llstedt licence or any other resource or reserve exists or will be necessarily identified, or suggest that any size, grade or potential value of an inferred resource could be forecasted or assumed.

The Company has not adopted or endorsed the research report and expressly denies and negates any suggestion of implicitly adopting or endorsing the research report. In particular, as described in the replacement prospectus the Company has not reported and is not in a position to report a JORC compliant inferred resource or any other resource or reserve. The Company expressly denies that a JORC compliant inferred resource or any other resource or reserve has been identified or that there are sufficient grounds available to the Company to identify such a resource or to provide any estimate of the size, grade or potential value of such a resource.

As stated in the replacement prospectus, only an Exploration Target for the K  llstedt licence has been identified. 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 further detail see Section 4.1(a) of the replacement prospectus, particularly pages 45 and 46.

No regard should be had to any opinions or conclusions in the research report beyond repetition of the information in the replacement prospectus. The Company draws attention to the statement on page 3 of the replacement prospectus that no person is authorised to give information or to make any

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representation in connection with the Offers which is not contained in the replacement prospectus. Any information or representation not contained the replacement prospectus or a supplementary prospectus issued by the Company must not be relied on as having been authorised by the Company.

On 24 November 2016 ASIC issued an interim order that no offers, issues, sales or transfers of securities may be made under the replacement prospectus ("the interim stop order"). This second supplementary prospectus has been lodged to address the concerns raised by ASIC.

APPLICATIONS RECEIVED

106 applications for a total of 11,160,000 shares had been received prior to 18 November 2016.

59 applications for a total of 4,565,700 shares were received on or after 18 November 2016.

The Company will return to the applicant all application monies received in the period from 18 November 2016 to the date of this second supplementary prospectus and revocation of the stop order (inclusive). Any applicant whose application monies are returned may reapply after receiving this second supplementary prospectus.

FUTURE APPLICATIONS

Applications received after the date of this second supplementary prospectus and revocation of the stop order, including reapplications by applicants to whom application monies were refunded, will only be accepted if the application is made:

- by completing and lodging the applicable application form (a Davenport Priority Offer Form, a Potash West Priority Offer Form, a Broker Firm Offer Form or a General Offer Form) which was attached to or accompanied a copy of this second supplementary prospectus where a copy of the replacement prospectus was also received; or
- in the case of accepting the Davenport Priority Offer, the Potash West Priority Offer or the Broker Firm Offer, by making payment by BPAY® in accordance with the BPAY® instructions in the applicable application form which was attached to or accompanied a copy of this second supplementary prospectus where a copy of the replacement prospectus was also received;
- on a paper copy of the electronic General Offer application form which accompanied an electronic copy of this second supplementary prospectus where a copy of the replacement prospectus was also received, both of which can be found at and downloaded from www.davenportresources.com.au/prospectus; or
- using an electronic General Offer application form submitted using the Share Registry's on-line application facility at www.securitytransfer.com.au, in accordance with the instructions for use of the facility and only after downloading and confirming having received a copy of this second supplementary prospectus and a copy of the replacement prospectus.

Applications received after the date of this second supplementary prospectus using a form which was in the replacement prospectus or which accompanied the replacement prospectus without this second supplementary prospectus will not be accepted, and the application monies will be returned to the applicant.

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EXTENSION OF THE OFFER CLOSING DATE

The closing date of the offer period has been extended to 16 December 2016.

All references to the close of the Offers in the replacement prospectus (including references to the Closing Date) are amended replaced with the date "16 December 2016".

The revised indicative timetable for the remaining dates of the Offers is as set out in the table below. The extended closing date and remaining dates are subject to the interim stop order being revoked and may change. No offers will be made or shares allotted or issued while the interim stop order is in force, and the expected date of quotation is dependent on the interim stop order being revoked and the Offers proceeding.

Priority Offer and General Offer Closing Date (5pm)	16 December 2016
Broker Firm Offer Closing Date (5pm) ^	16 December 2016
Shares are expected to be allotted	30 December 2016
Expected Dispatch of holding statements	3 January 2017
Expected date of quotation of shares on ASX (subject to ASX approval)	10 January 2017

^An earlier date than the Broker Form Offer Closing Date may be specified by Brokers for returning applications for allocations under the Broker Firm Offer.

The above dates are indicative only and may change without notice. The Company, in consultation with the Lead Manager, reserves the right to extend or shorten the offer period or close the Equity Offer in its absolute discretion without notice. The Company also reserves the right not to proceed with all or part of the Equity Offer at any time before the issue of New Shares to applicants.

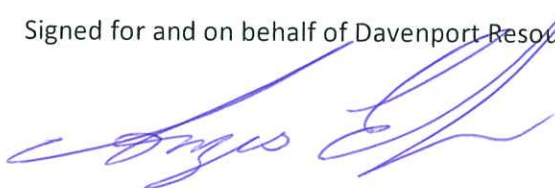
RELIANCE ON ASIC RELIEF

This second supplementary prospectus has been issued in reliance on ASIC Corporations (Substituted Supplementary Disclosure Documents) Instrument 2016/78 which permits a single supplementary prospectus to be issued where all the substantive information in all previous supplementary documents lodged with ASIC in relation to the offer except to the extent the substituted supplementary document corrects deficiencies in or updates that information or provides additional information.

DIRECTORS' CONSENT

Each of the Directors of Davenport Resources Limited has consented to the lodgement of this second supplementary prospectus with the Australian Securities and Investments Commission.

Signed for and on behalf of Davenport Resources Limited:



Angus Edgar
Director

Date: 2 December 2016

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GENERAL OFFER FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

All Correspondence to:

Security Transfer Australia Pty Ltd
PO BOX 52 Collins Street West VIC 8007
Exchange Tower, Level 9, Suite 913
530 Little Collins Street MELBOURNE VIC 3000
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

DAVENPORT RESOURCES LIMITED

ACN: 153 414 852

BROKER STAMP

Broker Code

Advisor Code

PLEASE READ CAREFULLY ALL INSTRUCTIONS ON THE REVERSE OF THIS FORM

This application relates to the offer of Fully Paid Ordinary Shares at the price of \$0.20 per Share.

No share will be issued pursuant to the Prospectus later than 13 months after the date of the Prospectus.

Before completing this Application Form you should read the accompanying Replacement Prospectus dated 24 October 2016 and second Supplementary Prospectus dated 2 December 2016 and the instructions overleaf.

Please print in BLOCK LETTERS.

I / We apply for:

, , shares at AUD \$0.20 per share

or such lesser number of shares which may be allocated to me/us by the Directors.



www.securitytransfer.com.au

BPAY® this payment via internet or phone banking.

Please visit our share registry's website: www.securitytransfer.com.au and complete the online application form.

If electronic payment cannot be made then cheque(s) or bank draft(s) can be used.

See reverse for further payment instructions.

I/We lodge full application of monies of:

A \$, , .

Full Name of Applicant / Company

Title (e.g.: Dr, Mrs) Given Name(s) or Company Name

Joint Applicant #2

Title (e.g.: Dr, Mrs) Given Name(s) or Company Name

Joint Applicant #3

Title (e.g.: Dr, Mrs) Given Name(s) or Company Name

Account Designation (for example: THE SMITH SUPERFUND A/C)

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Postal Address

Unit Street Number Street Name or PO BOX

Suburb / Town / City

State

Postcode

Country Name (if not Australia)

CHESS HIN (where applicable)

X

If an incorrect CHESS HIN has been provided (for example, an incorrect number as registration details do not match those registered) any securities issued will be held on the Issuer Sponsored subregister.

Tax File Number / Australian Business Number

Tax File Number of Security Holder #2 (Joint Holdings Only)

Contact Name

Contact Number

()

Email Address

Declaration and Statements:

- (1) I/We declare that all details and statements made by me/us are complete and accurate.
- (2) I/We agree to be bound by the terms & conditions set out in the Replacement Prospectus, and second Supplementary Prospectus and by the Constitution of the Company.
- (3) I/We authorise the Company to complete and execute any documentation necessary to effect the issue of Securities to me/us.
- (4) I/We have received personally a copy of the Replacement Prospectus and second Supplementary Prospectus accompanied by or attached to this Application form, or a copy of the Application Form or a direct derivative of the Application Form before applying for the Securities.
- (5) I/We acknowledge that the Company will send me/us a paper copy of the Replacement Prospectus, the second Supplementary Prospectus and any further Supplementary Prospectus (if applicable) free of charge if I/we request so during the currency of the Offers.
- (6) I/We acknowledge that returning the Application Form with the application monies will constitute my/our offer to subscribe for Securities in the Company and that no notice of acceptance of the application will be provided.

This Application Form relates to the Offer of Fully Paid Shares in DAVENPORT RESOURCES LIMITED.

APPLICATION FORMS

Please complete all parts of the Application Form using BLOCK LETTERS. Use correct forms of registrable name (see below). Applications using the wrong form of name may be rejected. Current CHESS participants should complete their name and address in the same format as they are presently registered in the CHESS system.

Insert the number of Shares you wish to apply for. The application must be for a minimum of 10,000 Shares and thereafter in multiples of 2,500 Shares. The applicant(s) agree(s) upon and subject to the terms of the Replacement Prospectus and second Supplementary Prospectus to take any number of Shares equal to or less than the number of Shares indicated on the Application Form that may be allotted to the applicants pursuant to the Replacement Prospectus and second Supplementary Prospectus and declare(s) that all details of statements made are complete and accurate.

No notice of acceptance of the application will be provided by the Company prior to the allotment of Shares. Applicants agree to be bound upon acceptance by the Company of the application.

Please provide us with a telephone contact number (including the person responsible in the case of an application by a company) so that we can contact you promptly if there is a query in your Application Form. If your Application Form is not completed correctly, it may still be treated as valid. There is no requirement to sign the Application Form. The Company's decision as to whether to treat your application as valid, and how to construe, amend or complete it shall be final.



www.securitytransfer.com.au

BPAY® your payment via internet or phone banking. Please visit our share registry's website:

www.securitytransfer.com.au and complete the online application form. All online applicants can BPAY their payments via internet or phone banking. A unique reference number will be quoted upon completion of the application.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer.

BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

You do not need to return any documents if you have made payment via BPAY.

Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such securities for which you have paid.

All cheques should be made payable to **DAVENPORT RESOURCES LIMITED** and drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable". Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured. Do not forward cash as receipts will not be issued.

LOADING OF APPLICATIONS

Completed Application Forms and cheques must be:

Posted to:
DAVENPORT RESOURCES LIMITED
C/- Security Transfer Australia Pty Ltd
PO Box 52
COLLINS STREET WEST VIC 8007

OR

Delivered to:
DAVENPORT RESOURCES LIMITED
C/- Security Transfer Australia Pty Ltd
Exchange Tower, Level 9, Suite 913,
530 Little Collins Street, MELBOURNE VIC 3000

Applications must be received by no later than 5:00pm AEST on the Closing Date 16 December 2016 which may be extended at any time and at the discretion of the Company.

CHESS HIN/BROKER SPONSORED APPLICANTS

The Company intends to become an Issuer Sponsored participant in the ASX CHESS System. This enables a holder to receive a statement of holding rather than a certificate. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold shares allotted to you under this Application on the CHESS subregister, enter your CHESS HIN. Otherwise, leave this box blank and your Shares will automatically be Issuer Sponsored on allotment.

CORRECT FORM OF REGISTRABLE TITLE

Note that only legal entities are allowed to hold securities. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to DAVENPORT RESOURCES LIMITED. At least one full given name and the surname are required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the example of the correct forms of registrable names below:

TYPE OF INVESTOR

Individual

Use given names in full, not initials.

CORRECT

Mr John Alfred Smith

INCORRECT

J A Smith

Company

Use the company's full title, not abbreviations.

ABC Pty Ltd

ABC P/L or ABC Co

Joint Holdings

Use full and complete names.

Mr Peter Robert Williams &
Ms Louise Susan Williams

Peter Robert &
Louise S Williams

Trusts

Use trustee(s) personal name(s). Do not use the name of the trust.

Mrs Susan Jane Smith
<Sue Smith Family A/C>

Sue Smith Family Trust

Deceased Estates

Use the executor(s) personal name(s).

Ms Jane Mary Smith &
Mr Frank William Smith
<Estate John Smith A/C>

Estate of Late John Smith
or
John Smith Deceased

Minor (a person under the age of 18)

Use the name of a responsible adult with an appropriate designation.

Mr John Alfred Smith
<Peter Smith A/C>

Master Peter Smith

Partnerships

Use the partners' personal names. Do not use the name of the partnership.

Mr John Robert Smith &
Mr Michael John Smith
<John Smith and Son A/C>

John Smith and Son

Superannuation Funds

Use the name of the trustee(s) of the super fund.

Jane Smith Pty Ltd

Jane Smith Pty Ltd Superannuation Fund

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.