

SECURITIES TRADING POLICY

Purpose

These guidelines set out the policy on the sale and purchase of securities in the Company by its Directors, Company Secretary and Key Management Personnel (together the “Designated Persons”), close family of Designated Persons and associated employees who work closely with, or in close proximity to, Designated Persons.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board has determined that its Key Management Personnel are those employees directly reporting to the Managing Director.

Directors and Key Management Personnel are encouraged to be long-term holders of the Company’s securities. However, it is important that care is taken in the timing of any purchase or sale of such securities. The purpose of these guidelines is to assist Designated Persons to avoid conduct known as ‘insider trading’.

This policy applies to both the sale and purchase of any securities of the Company and its subsidiaries.

General Prohibition on Insider Trading

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) that person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company’s securities (ie information that is ‘price sensitive’); and
- (b) that person:
 - (i) buys or sells securities in the Company; or
 - (ii) procures someone else to buy or sell securities in the Company; or
 - (iii) passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

Examples

To illustrate the prohibition described above, the following are possible examples of price sensitive information which, if made available to the market, may be likely to materially affect the price of the Company’s securities:

- (a) significant discoveries, exploration results, or changes in reserve/resource estimates from mining tenements in which the Company has an interest;
- (b) an agreement or option to acquire an interest in a mining tenement, or to enter into a joint venture or farm-in or farm-out arrangement in relation to a mining tenement;
- (c) shares or other securities issue proposal;
- (d) the Company considering a major acquisition;
- (e) a management or business restructuring proposal;

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- (f) the Company's revenue and profit or loss results materially exceeding (or falling short of) the market's expectations;
- (g) a material change in debt, liquidity or cash flow;
- (h) the grant or loss of a major contract; and
- (i) the threat of major litigation against the Company.

Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in these guidelines).

Information however obtained

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute inside information.

Employee share schemes

The prohibition does not apply to acquisitions of shares or options by employees made under employee share or option schemes, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

Guidelines for trading in the Company's securities

General rule

Designated Persons must not, except in exceptional circumstances deal in securities of the Company during the following periods:

- (a) two weeks prior to, and the next trading day after the release of the Company's Annual Financial Report;
- (b) two weeks prior to, and the next trading day after the release of the Half Year Financial Report of the Company; and
- (c) from end of the relevant quarter, and the next trading day after the release of the Company's quarterly reports (if applicable),

(together the "Closed Periods").

The Company may, at its discretion, vary this rule in relation to a particular Closed Period by general announcement to all Designated Persons either before or during the Closed Period. However, if a Designated Person is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in the Company's securities at any time.

General Prohibition from trade on any person possessing Inside Information

Any person who possesses inside information about the Company's securities is generally prohibited from trading in those securities under insider trading laws. This applies even where the trade occurs within a permitted trading window as specified in this policy.

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Ad Hoc restrictions

The Board reserves the right to impose ad hoc trading restrictions on securities during any period, including one that would otherwise fall within a permitted trading window under this policy, when it is considering a matter subject to ASX Listing Rule 3.1A. Ad hoc trading restrictions may apply to Key Management Personnel generally, or to anyone else affected by this policy. The communication of an ad hoc restriction is strictly limited to Key Management Personnel and any other employees who are directly involved in, or have knowledge of, the matter being considered under Listing Rule 3.1A.

No short-term trading in the Company's securities

Designated Persons should never engage in short-term trading of the Company's securities except for the exercise of options where the shares will be sold shortly thereafter.

Securities in other companies

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another company, they should not buy securities in either the Company or the other company.

Hedging, derivatives and margin lending arrangements

Designated Persons and their closely related parties are prohibited from entering into an arrangement that operates or is intended to operate to limit the economic risk of holdings of unvested or vested securities which are subject to a holding lock. This policy prohibits any person affected by this policy from entering into a hedging or derivative transaction.

Designated Persons must not at any time enter into a transaction that involves using securities in the Company as collateral in any financial transaction, including margin lending arrangements.

Exceptions

- (a) Designated Persons may at any time:
- (i) acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
 - (ii) acquire Company securities under a bonus issue made to all holders of securities of the same class;
 - (iii) acquire Company securities under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
 - (iv) acquire, or agree to acquire or exercise options under an employee incentive scheme (as that term is defined in the ASX Listing Rules);
 - (v) acquire ordinary shares in the Company as a result of the exercise of options held under an employee option scheme;
 - (vi) transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
 - (vii) make an investment in, or trade in units of, a fund or other scheme (other than a scheme only investing in the securities of the Company) where the

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assets of the fund or other scheme are invested at the discretion of a third party;

- (viii) undertake to accept, or accept, a takeover offer;
- (ix) trade under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (x) exercise (but not sell securities following exercise) an option or a right under an employee incentive scheme, or convert a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period or the Company has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so; or
- (xi) trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

Approval and Notification Requirements

Approval requirements

- (a) Directors (other than the Chairman) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so.
- (b) If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman must obtain the prior approval of the Board before doing so.
- (c) Key Management Personnel wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Managing Director

Approvals to buy or sell securities

- (a) All requests to buy or sell securities as referred to in the paragraph above must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.
- (b) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

Notification

Subsequent to approval obtained to buy or sell securities, any Designated Person who (or through his or her Associates) buys, sells, or exercises rights in relation to Company securities must notify the Company Secretary in writing of the details of the transaction within two (2) business days of the transaction occurring. This notification obligation operates at all times and includes applications for acquisitions of shares or options by employees made under

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employee share or option schemes and also applies to the acquisition of shares as a result of the exercise of options under an employee option scheme.

Designated Persons sales of securities

Designated Persons need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (ie a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Designated Person needs to be discussed with the Board prior to the execution of any sale.

Exemption from Closed Periods restrictions due to Exceptional Circumstances

In Exceptional Circumstances, Key Management Personnel who are not in possession of inside information in relation to the Company may be given prior written clearance by the Managing Director (or in the case of the Managing Director by all other members of the Board) to sell or otherwise dispose of Company securities in a Closed Period. Any clearance, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

Exceptional Circumstances means:

- severe financial hardship such as a pressing financial commitment or hardship that cannot be satisfied other than by selling the securities;
- a court order, court enforceable undertaking, or other legal or regulatory requirement requiring a sale or transfer of the securities;
- other circumstances considered by the Managing Director to be extremely exceptional that the sale or disposal of the securities is the only reasonable course of action.

Position of the Company on Clearances to Trade

The following statements apply to clearances to trade:

- (a) any clearance to trade can be given or refused by the Company in its discretion, without giving any reasons;
- (b) a clearance to trade can be withdrawn if new information comes to light or there is a change in circumstances;
- (c) the Company's decision to refuse clearance is final and binding on the person seeking the clearance; and
- (d) if clearance to trade is refused, the person seeking the clearance must keep that information confidential and not disclose it to anyone.

Third Parties Dealing with Company

This Policy does not impose any obligations on third parties dealing with the Company (i.e. contractors, consultants, advisers and auditors) over and above the legal constraints imposed on insider trading by common law, the Corporations Act and ASX Listing Rules, and accordingly the Company takes no responsibility for any breaches of those constraints. The Company reserves the right to unilaterally terminate any contract, agreement or arrangement with the third party in the event of a breach of those constraints.

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ASX Notification for Directors

The ASX Listing Rules require the Company to notify the ASX within 5 business days after any dealing in securities of the Company (either personally or through an Associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the ASX.

Effect of Compliance with this Policy

Compliance with these guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.

Dated: 21 December 2016