

19 January 2017

**DAVENPORT RESOURCES LIMITED [ABN 64 153 414 852]
Pre-Quotation Disclosure Announcement**

Davenport Resources Limited completes IPO and ASX Listing

Davenport Resources Limited [ABN 64 153 414 852] (the **Company**) is pleased to announce it has successfully completed the issue of 25,558,687 fully paid ordinary shares (**Shares**) at an issue price of \$0.20 per Share raising \$5,111,737.40 (before costs of the issue) under the offer made in its replacement prospectus dated 24 October 2016, as varied by the first supplementary prospectus dated 25 November 2016 and the second supplementary prospectus dated 2 December 2016 (**Prospectus**).

The following information is given for release to the market in connection with the commencement of official quotation of the Company's shares on the Australian Securities Exchange (**ASX**).

Unless defined in this announcement, capitalised terms have the meanings as described in the Prospectus.

Close of the Offers and completion of the acquisition of East Exploration Pty Ltd

The Company confirms all Offers made under the Prospectus have closed.

The Company confirms satisfaction of the conditions precedent to, and completion of, the agreement between the Company and East Exploration Pty Ltd (**East Exploration**) for the acquisition by the Company of 100% of the issued capital in East Exploration.

Mr Patrick McManus - Non-Executive Chairman

The Company confirms Mr Patrick McManus has taken office as Non-Executive Chairman with effect upon completion of the acquisition of East Exploration, in accordance with the terms of his election at the Company's general meeting on 28 September 2016.

Issues of securities

Issue of Ordinary Shares

The Company confirms it has issued 25,558,687 Shares at an issue price of \$0.20 per Share under the Equity Offer. The Company has received cleared funds for the issue price of the Shares (being \$5,111,737.40).

The Company confirms the issue of 36,458,333 Shares at a deemed issue price of \$0.20 per share to vendors of East Exploration Pty Ltd under the Vendor Offer.

Following the issues, the Company has 74,017,282 Shares on issue.

CHESS transaction confirmation statements and issuer sponsored holding statements confirming allocation of Shares were dispatched to successful Applicants on 5 January 2017. No refunds were made.

Issue of Milestone Shares

The Company confirms the issue 33,854,167 first milestone shares and 33,854,167 second milestone shares (collectively **Milestone Shares**) to vendors of East Exploration under the Vendor Offer.

ASX required the maximum period for achievement of the second milestone to be reduced from 6 years to 5 years from completion of the acquisition of East Exploration. The milestone applicable to the second milestone shares was amended accordingly, as provided for in the Milestone Share terms.

Full terms of the Milestone Shares have been released on the ASX Market Announcements Platform.

Issue of Options

The Company confirms the issue of 6,158,000 options (**Options**) under the Options Offer and dispatch of holding statements for the Options. Each Option is exercisable at \$0.25 and expire 3 years from the Company's admission to the official list of ASX.

Satisfaction of spread and free float requirements

The Company confirms:

- there are at least 350 shareholders, each having a parcel of shares with a value of at least \$2,000 (based on the Offer Price of \$0.20); and
- at least 25% of the Company's shares are not held by related parties.

A distribution schedule setting out the total number of Shareholders (including the number of Shareholders by size category) and a statement setting out the names of the 20 largest Shareholders (including the number and percentage of shares in the Company held by those Shareholders) have been released on the ASX Market Announcements Platform.

The Company confirms that, at the time of admission to the official list of ASX, it will have a free float of at least 20%.

Updated use of funds and pro-forma

The Company confirms its commitments in relation to the use of funds consistent with its business objectives to spend at least half of its cash and assets in a form readily convertible to cash.

The updated use of funds and pro-forma statement of financial position on the basis of the amount raised have been released on the ASX Market Announcements Platform.

ASX Corporate Governance Statement

The Company confirms that it has provided to ASX a statement disclosing the extent to which the Company will follow, as at the date of admission to the official list of ASX, the recommendations set by the ASX Corporate Governance Council (**Corporate Governance Statement**).

The Corporate Governance Statement has been released on the ASX Market Announcements Platform.

Shares, Milestone Shares and Options subject to escrow arrangements

The Company confirms 40,838,690 Shares are subject to escrow arrangements.

The escrow period on 2,925,000 of these shares will expire on 18 May 2017. The escrow period on the remaining 37,913,690 shares will expire 24 months from the date of official quotation of the Company's ordinary shares on ASX.

The Company confirms all 67,708,334 Milestone Shares are subject to an escrow period that will expire 24 months from the date of official quotation of the Company's ordinary shares on ASX.

The Company confirms all 6,158,000 Options are subject to an escrow period that will expire 24 months from the date of official quotation of the Company's ordinary shares on ASX.

Further information

Further information can be obtained by contacting the Company's secretary, Rajan Narayanasamy, on 0415 065 280.

Chris Bain
Managing Director
Davenport Resources Limited