

ASX Announcement

18 September 2017



COMPANY DETAILS

Davenport Resources Limited
ABN: 64 153 414 852
ASX CODE: DAV

PRINCIPAL AND REGISTERED OFFICE (& Postal Address)

Davenport Resources Limited
 Level 28,
 303 Collins Street
 Melbourne VIC 3000

W: www.davenportresources.com.au
E: info@davenportresources.com.au
P: +61 (0) 415 065 280

Capital Structure

74.3M Ordinary shares
 33.85M First milestone shares
 33.85M Second milestone shares
 6.2M Unlisted options

BOARD OF DIRECTORS

Patrick McManus
 (Non-Executive Chairman)
Chris Bain
 (Managing Director)
Rory Luff
 (Non-Executive Director)
Chris Gilchrist
 (Non-Executive Director)

German potash mining licence acquisition update

Highlights

- Issue of notarized certificate for the acquisition of German potash mining licences.
- Davenport now has access and ownership of significant historic exploration data.
- The mining licences adjoin Davenport's existing exploration licences in the South Harz region of Germany containing historic potash resources.
- Review of historic drilling and resource information has commenced to fast track evaluation.

Davenport Resources Limited (ASX: DAV) ("Davenport", "the Company"), is pleased to announce that German government agency Bodenverwertungs-und-verwaltungs GMBH (BVVG), has signed the necessary documentation to issue a notarized certificate confirming the acquisition of the three highly prospective potash Mining Licences in the South Harz region of Germany. The final formality to confirm the acquisition is approval to transfer title of the tenements to Davenport's German subsidiary company East Exploration GmbH.

Davenport Managing Director Chris Bain said: *"The issue of the notarized certificate allows Davenport access and ownership all historic exploration data from the licences. Our team in conjunction with our consultants, ERCOSPLAN, have commenced collecting and analyzing the information. Our priority is to review historic resource estimates within the licence to understand the work required to bring them to JORC2012 standards."*

The three licences – Mühlhausen-Nohra, Ebeleben and Ohmgebirge (Figure 1) – are unique and valuable, being perpetual mining licences granted under the former GDR system. They are not subject to expiry, rent, royalties or reporting requirements of the current German tenure system. They are however subject to the usual environmental laws and mine development regulations that apply in Germany.

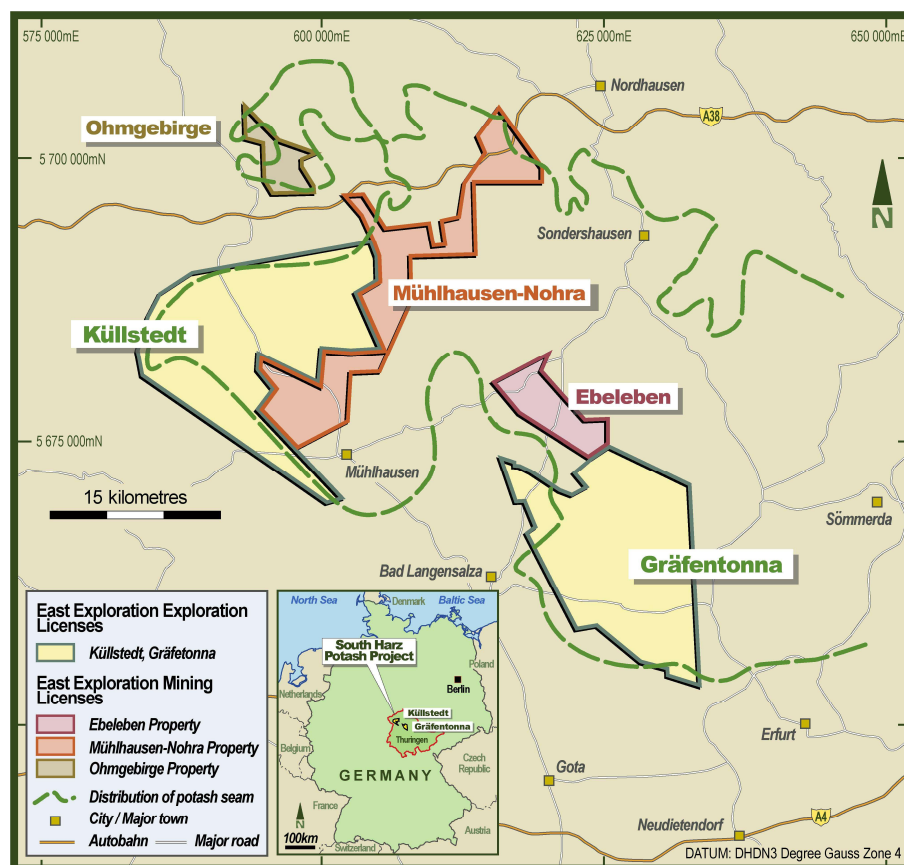


Figure 1 Newly acquired mining licences in the South Harz close to existing Davenport Exploration Licences

Adjoining Davenport's existing Exploration Licences in the South Harz region all three licences have been extensively drilled with historic resource estimates that date back to the GDR era when potash was actively mined in the South Harz region.

In total, more than 100 deep drill holes were sunk on the licences leading to the creation of an extensive exploration database that would cost in excess of €100M to replicate based on current industry costs. This information will allow Davenport to fast track cost-effective brownfields evaluation of the area with the aim of reinvigorating the South Harz as a globally significant potash producing region.

Following the acquisition, Davenport now holds exploration licences and perpetual mining leases covering well in excess of 650km² in the South Harz. The Company has prioritised areas for systematic data analysis and results will be released to the market at each stage.

The review of historic exploration will cover all three new licences, however, the immediate priority will be the subfield Mühlhausen as it contains areas of Sylvinitic mineralisation that extend into Davenport's adjacent Küllstedt licence. Drilling conducted within the subfield Mühlhausen and the Küllstedt exploration licence was completed during the same 1970s drill program. Davenport anticipates that once the existing data has been analysed, carefully located confirmation drill holes can validate the entire 1970s drill program and bring it into a JORC 2012 resource.

INVESTOR & MEDIA ENQUIRIES

Chris Bain - Managing Director
Davenport Resources Ltd
+61 (0) 413 275 756
cbain@davenportresources.com.au

Luke Forrestal - Account Director
Media & Capital Partners
+61 (0) 411 479 144
luke.forrestal@mcpartners.com.au