

## Cleansing Notice and ASX Listing Rule Disclosure

### Notice Pursuant to Section 708A(5)(e) of the Corporations Act 2001

Davenport Resources Ltd ("Davenport" or "the Company") gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) as follows:

- (a) On 5 July 2018, Davenport issued 26,496,700 fully paid ordinary shares in the Company.
- (b) The shares were issued without disclosure to the investor under Part 6D.2 of the Corporations Act.
- (c) As at the date of this notice the Company has complied with:
  - a. The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - b. Section 674 of the Corporation Act.
- (d) As at the date of this notice there is no excluded information required to be disclosed under section 708A(6)(e) of the Corporations Act.

### Information under ASX Listing Rules 7.1A.4(b) and 3.10.5A

In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A, the Company provides the following disclosures:

- (a) The Company today issued a total of 26,496,700 fully paid ordinary shares ("Placement Shares") of which 16,305,217 fully paid ordinary shares were issued under Listing Rule 7.1 and the remaining 10,191,483 shares were issued under Listing Rule 7.1A. The dilutive effect of the Placement Shares on existing shareholders as a result of the placement is approximately 19.6% of which 13.0% is as a result of the placement shares under ASX Listing Rule 7.1 and 6.6% as a result of the placement under ASX Listing Rule 7.1A. The holders of ordinary shares after the placement now hold 80.4% of shares on issue.
- (b) In relation to the shares issued pursuant to Listing Rule 7.1A, the shares were issued as a placement and not as a prorate issue to existing shareholders as the placement provided certainty and in a timely manner to raise capital. As announced by the Company on 21 June 2018, shareholders on the Company's register on 20<sup>th</sup> June 2018 and whose registered address is Australia or New Zealand will be given the opportunity to participate in a share purchase plan to acquire up to \$15,000 worth of shares on similar terms.
- (c) No underwriting arrangements were entered into for the placement.
- (d) A fee of 6% is payable to the Lead Manager to the placement. In addition and subject to shareholder approval at a general meeting to be held, the Lead manager is also entitled to 7.5 million unlisted options exercisable at 20 cents per share and expiring 5 years from the date of issue.

For and on behalf of davenport Resources Ltd



Chris Bain  
Director

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Davenport Resources Limited

ABN

64 153 414 852

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Fully paid ordinary shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 26,496,700   |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | The fully paid ordinary shares are of the same class with all other shares on issue. |

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

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4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	Yes
5	Issue price or consideration	\$0.07
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<ul style="list-style-type: none"> <li>• Additional data evaluation of German potash mining licences,</li> <li>• Target selection and drill hole permitting,</li> <li>• Administration pending regulatory approval to commence drilling the potash resource, and</li> <li>• General working capital</li> </ul>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	At the 2017 Annual General Meeting held on 23 <sup>rd</sup> November 2017
6c	Number of +securities issued without security holder approval under rule 7.1	16,305,217

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+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

6d	Number of +securities issued with security holder approval under rule 7.1A	10,191,483					
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A					
6f	Number of +securities issued under an exception in rule 7.2	N/A					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Yes Issue Date: 05 July 2018 Issue price: \$0.07 15 Day VWAP: \$0.0686 from the 15 trading days prior to the issue date. Source: ASX Trading data from PERSHING					
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1					
7	+Issue dates  <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small>  <small>Cross reference: item 33 of Appendix 3B.</small>	05 July 2018					
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Number</th> </tr> <tr> <td style="text-align: left;">63,430,292</td> </tr> </table>	Number	63,430,292	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">+Class</th> </tr> <tr> <td style="text-align: left;">Fully paid ordinary shares</td> </tr> </table>	+Class	Fully paid ordinary shares
Number							
63,430,292							
+Class							
Fully paid ordinary shares							
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Number</th> </tr> </table>	Number	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">+Class</th> </tr> </table>	+Class		
Number							
+Class							

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the <sup>+</sup> securities in section 2 if applicable)	71,767,857	Fully paid ordinary shares, held in escrow until 20 <sup>th</sup> January 2019
		3,125,000	Performance Rights Series A, convertible into 3,125,000 fully paid ordinary shares for nil consideration, upon vesting on 26 <sup>th</sup> April 2019 and subject to satisfying the relevant performance hurdle
		3,125,000	Performance Rights Series B, convertible into 3,125,000 fully paid ordinary shares for nil consideration, upon vesting on 26 <sup>th</sup> April 2020 and subject to satisfying the relevant performance hurdle
		6,158,000	Options expiring 20 <sup>th</sup> January 2020, exercisable at \$0.25 each and held in escrow until 20 <sup>th</sup> January 2019.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

## Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the <sup>+</sup> securities will be offered	
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	

<sup>+</sup> See chapter 19 for defined terms.

15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	<p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	

+ See chapter 19 for defined terms.

## Appendix 3B

### New issue announcement

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	<sup>+</sup> Issue date	

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a) ☒ <sup>+</sup>Securities described in Part 1

(b) ☐ All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

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<sup>+</sup> See chapter 19 for defined terms.

*Tick to indicate you are providing the information or documents*

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:

  - the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment



## Appendix 3B

### New issue announcement

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another <sup>+</sup>security, clearly identify that other <sup>+</sup>security)

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42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the <sup>+</sup>securities in clause 38)

Number	<sup>+</sup> Class

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<sup>+</sup> See chapter 19 for defined terms.

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....  
(Director)

Date: 05/07/2018

Print name: Chris Bain

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	74,017,282
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	330,000 shares issued on 25/08/2017 and ratified by shareholders at the 2017 Annual General Meeting held on 23 <sup>rd</sup> November 2017.  33,854,167 shares (conversion of First Milestone Shares on 03/04/2018)  500,000 shares granted pursuant to the Company’s Employee Security Ownership Plan
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	108,701,449

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	16,305,217
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	16,305,217 as per this Appendix 3B
<b>“C”</b>	<b>16,305,217</b>
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b>  <i>Note: number must be same as shown in Step 2</i>	16,305,217
<b>Subtract “C”</b>  <i>Note: number must be same as shown in Step 3</i>	16,305,217
<b>Total [“A” x 0.15] – “C”</b>	Nil  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	108,701,449
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>  <i>Note: this value cannot be changed</i>	0.10
<b>Multiply “A” by 0.10</b>	10,870,145
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	10,191,483 as per this Appendix 3B
<b>“E”</b>	10,191,483

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<b>“A” x 0.10</b>  <i>Note: number must be same as shown in Step 2</i>	10,870,145
<b>Subtract “E”</b>  <i>Note: number must be same as shown in Step 3</i>	10,191,483
<b>Total</b> [“A” x 0.10] – “E”	678,662  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.