



ASX Announcement

4 November 2016

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPAL AND REGISTERED OFFICE

Potash West NL
Level 1
675 Murray St
West Perth WA 6005

POSTAL ADDRESS

PO Box 1088
West Perth WA 6872

W www.potashwest.com.au

E info@potashwest.com.au

P +61 8 9479 5386

F +61 8 9475 0847

ASX CODE

PWN

FRANKFURT CODE

A1JH27

OTC PINK CODE

PWNNY

CORPORATE INFORMATION

(4 November 2016)
350M Ordinary shares
36M Partly paid shares
18M Listed Options
6M Unlisted options

BOARD OF DIRECTORS

Adrian Griffin
(Non-Executive Chairman)
Patrick McManus
(Managing Director)
Chew Wai Chuen
(Non-Executive Director)
Natalia Streltsova
(Non-Executive Director)

POTASH WEST SHAREHOLDERS OFFERED PRIORITY ALLOCATION IN DAVENPORT IPO

HIGHLIGHTS:

- Listing of Davenport Resources, targeted to raise \$6M
- Davenport to be focused on:
 - South Harz potash project in Germany, and
 - High potential IOCG project in Northern Territory
- Planning for drilling on South Harz project in progress

As foreshadowed in September 2016 (ASX release 12 September 2016) The Initial Public Offering (IPO) of Davenport Resources (ASX: **DAV**) has commenced. Initially planned for completion in October, it has been delayed to allow some changes to the prospectus, and a replacement prospectus has now been issued. The prospectus is available from the Davenport Website: <http://www.davenportresources.com.au/>

Whilst looking to raise \$6 million the board of DAV has set aside a total of 5 million shares for holders of Potash West shares, at the record date of 8th September 2016. This gives shareholders the opportunity to increase their investment in this asset, by direct ownership of DAV shares.

A personalized letter and summary sheet, similar to the attachments, have been sent to every eligible Potash West shareholder, with instructions on how to obtain a personalized copy of the prospectus and application form.

Potash West MD, Patrick McManus, said “The listing of Davenport provides the funding to progress the South Harz potash project by drilling identified targets on the K llstedt licence. Planning is in progress for this and we look forward to results in 2017. Reviewing of the previous drilling on the Grafentonna licence is in progress and could generate further exploration and drilling targets”.

“I would encourage shareholders to read the prospectus and consider the project details to decide whether to take this investment opportunity”

The South Harz Project

Located in Thuringia, in Central Germany, the project consists of 2 Exploration Licences, in a region with significant potash production and exploration in the past (refer Figures 1 & 2)



Figure 1 – South Harz project – location

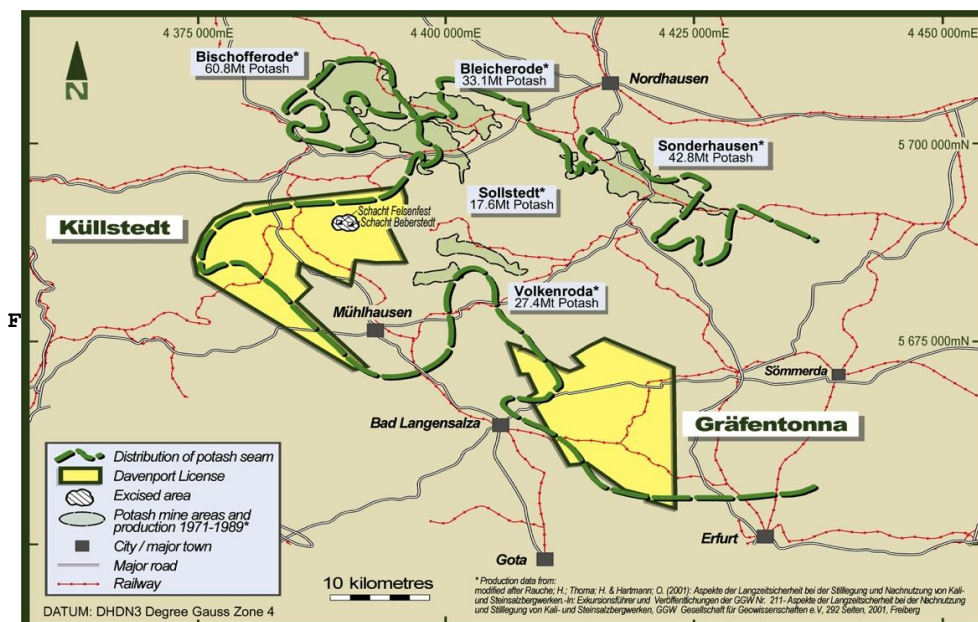


Figure 2 – South Harz potash field, Licences and previous production

There has been little exploration activity in the area in the last 30 years, but a review of the data derived from previous drilling at Küllstedt has allowed the reporting of an Exploration Target on the licence, (refer PWN ASX release 4 March, 2015 and DAV prospectus). Twinning of some existing drill-holes could allow reporting of a maiden JORC compliant potash resource on Küllstedt relatively quickly.

In addition Davenport currently holds the Southern Cross Bore project, which has good potential as an Iron Oxide Copper Gold (IOCG) deposit. Located just 75km from Alice Springs, the project comprises 600km² of exploration licences. Some significant results have been recorded from drilling in 2012, including 24m at 4.19 g/t gold and 0.33% Cu from 79m, and 34m at 3.83 g/t gold and 0.44% Cu from 63m.

For further details please contact:

Potash West NL:

Patrick McManus

Managing Director

Mob: +61 408 956 798

Email: patrick.mcmanus@potashwest.com.au

Web: www.potashwest.com.au

About Potash West

Potash West (ASX:PWN) is an exploration company focused on developing large greensand deposits in West Australia's Perth Basin. The Company aims to define a substantial resource base and investigate how best to recover phosphate, potash and other minerals from the Dandaragan Trough. The project is well situated in relation to infrastructure, with close access to rail, power and gas. A successful commercial outcome will allow the Company to become a major contributor to the potash and phosphate markets at a time of heightened regional demand.

The Company has a major land holding over one of the world's largest known glauconite deposits, with exploration licenses and applications covering an area of over 2,600km². Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 30km in width. Current JORC compliant Indicated Mineral Resources stand at 250Mt at 2.9% P₂O₅ of phosphate mineralisation and 175Mt at 4.2% K₂O, amenable to processing by the K-Max process (ASX release: 3 June 2015). A pre-feasibility study is in progress for stage 1, production of phosphate fertilisers.

The company has 55% of a potash exploration project in the South Harz region of Thuringia, in Central Germany. The region has been a potash producing area for over 100 years.

Attachment 1: Letter to PWN Shareholders

Attachment 2: Davenport Summary Sheet



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03 November 2016

Preferential offer to apply for shares in Davenport Resources Limited Initial Public Offer

Dear Shareholder

As a Potash West NL ("**Potash West**" or **PWN**) shareholder you have a unique priority opportunity to invest in Davenport Resources (**Davenport**) to increase your direct exposure to potash exploration interests in the South Harz region of Thuringia, Central Germany. To participate in this offer you may obtain a personalised copy of the Prospectus by visiting:

www.securitytransfer.com.au

and clicking on "**Davenport Resources Limited (IPO & Priority Offer)**" on the main page. For further information, please refer to the section below titled "How to Apply". Please ensure you read the Prospectus in its entirety and seek advice from your financial advisor/consultant prior to making an investment decision and lodging your application form with application funds **prior to the offer closing date of 25th November 2016**. To ensure you receive the priority entitlement, it is important that the application is in the same name as the shareholder in PWN (as addressed above).

As a Potash West shareholder, you will be aware that PWN owns 55% of East Exploration (**EE**) which holds exploration licences in the South Harz region of Thuringia, in Central Germany. The shareholders of EE have agreed to sell their holding to Davenport Resources, which is in the process of completing an Initial Public Offering (**IPO**) with the intention to list on the ASX.

The South Harz region was part of the former German Democratic Republic and was a major potash producing area for many decades. Large unmined potash areas still remain within this world class area.

EE holds two exploration licences, Küllstedt and Gräfen-tonna covering approximately 450 sq km in the South Harz potash basin. A detailed review of over 30 historic exploration drillholes has confirmed a large Exploration Target on the Küllstedt licence (PWN ASX Announcement: 04 March 2015). The review of a large information database found that the exploration work was carried out to a high standard, but no core was preserved. The next stage of work on Küllstedt is to carry out a drilling programme to confirm historical results and allow estimation of a JORC Inferred Resource.

In addition to the South Harz project, Davenport owns the Southern Cross Bore project, in the Northern Territory, 75 km north of Alice Springs. This is an IOCG (Iron Ore-Copper-Gold) Project that is prospective for copper and gold, with some significant exploration results, such as 24m at 4.2 g/t gold and 0.33% copper from 79m and 34m at 3.8 g/t gold and 0.44% copper from 63m (refer to full report in the prospectus).

Davenport plans to raise a minimum of \$5 million with the capacity to accept up to \$6 million through the IPO, sufficient to carry out exploration work planned for the Küllstedt, Gräfenonna licences, and Southern Cross Bore, over the next 2 years. After the IPO, PWN will own over 25% of Davenport and will also have performance rights. Mr Patrick McManus, your Managing Director, will join Davenport as non-executive Chairman.

PWN shareholders can participate in a priority allocation of shares in the IPO by subscribing for a minimum of 10,000 shares for a consideration of \$2000, or more as required.

If you have any queries on this Offer, please contact:

Davenport Resources Managing Director: Chris Bain 0413 275 756

Potash West NL Managing Director, Patrick McManus 08 9479 5386

How to Apply

Your current shareholder information as at the record date 08/09/2016 is as follows:

Your Holder Number:

To participate in the Potash West NL Priority Offer please visit our share registry www.securitytransfer.com.au and follow the below instructions:

On the main page please click Davenport Resources Limited (IPO & Priority Offer)

Before proceeding please download a copy of the prospectus. Once downloaded please agree to the terms. Proceed to elect Potash West NL Priority Offer and enter your post code. Then proceed to click apply for securities.

There are two (2) ways to apply for shares:

Online Application - please select and proceed as instructed.

Your application under the Potash West NL Priority Offer must be for a minimum of 10,000 shares and thereafter in multiples of 2,500 shares.

Once all the required fields have been completed and the shareholder accepts the declaration and statement, shareholders will be emailed their Bpay biller code and reference number to enable shareholders to make their payment.

Postal Application - Please click and complete the "Contact Us" fields for a priority application to be mailed to your email or street address. This form will contain relevant instructions to enable shareholders to participate in this offer.

For assistance in completing the application, please contact the share registry, Security Transfer Australia Pty Ltd, on 03 9628 2200 or via email registrar@securitytransfer.com.au; or the Davenport Company Secretary, Rajan Narayanasamy on 0415 065 280



Summary Sheet

Davenport Resources Limited (ASX: DAV) Initial Public Offer

OFFER DETAILS													
Company	Davenport Resources Limited ("Davenport", "DAV", "The Company")												
Type of Transaction	Initial Public Offering (IPO)												
Offer Details	Offer of up to 30,000,000 shares at 20 cents to raise A\$6,000,000 The minimum subscription is 25,000,000 shares to raise A\$5,000,000												
Issue Price	A\$0.20 per share (20 Cents per share)												
Use of Funds	Proposed two year program after A\$6m IPO (including existing working capital) <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Evaluation and Drilling - K��llstedt and Gr��fentonna potash Licence</td><td style="text-align: right; padding: 2px;">\$3.4mill</td></tr> <tr> <td style="padding: 2px;">Southern Cross Bore IOCG target evaluation</td><td style="text-align: right; padding: 2px;">\$0.4mill</td></tr> <tr> <td style="padding: 2px;">Administration</td><td style="text-align: right; padding: 2px;">\$1.0mill</td></tr> <tr> <td style="padding: 2px;">Cost of Offer and East Exploration transaction</td><td style="text-align: right; padding: 2px;">\$0.9mill</td></tr> <tr> <td style="padding: 2px;">Working Capital</td><td style="text-align: right; padding: 2px;">\$1.2 mill</td></tr> <tr> <td style="text-align: right; padding: 2px;">TOTAL (subject to rounding)</td><td style="text-align: right; padding: 2px;">\$6.9 mill</td></tr> </table>	Evaluation and Drilling - K��llstedt and Gr��fentonna potash Licence	\$3.4mill	Southern Cross Bore IOCG target evaluation	\$0.4mill	Administration	\$1.0mill	Cost of Offer and East Exploration transaction	\$0.9mill	Working Capital	\$1.2 mill	TOTAL (subject to rounding)	\$6.9 mill
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Working Capital	\$1.2 mill												
TOTAL (subject to rounding)	\$6.9 mill												
Restrictions	Davenport Resources Limited (ACN 153 414 852) ("Davenport" or "the Company") lodged a Replacement Prospectus for an offer of shares to raise a minimum of \$5 million and a maximum of \$6 million with the Australian Securities and Investments Commission ("ASIC") on or about 24 October 2016. An electronic copy of the Replacement Prospectus can be obtained in PDF format from the Company website www.davenportresources.com.au The Company's Share Registry will provide an online application facility for shares.												
Opportunity	<ul style="list-style-type: none"> • Participate in rapid evaluation of known potash mineralisation within an existing producing potash basin. Located in Th��ringia, Germany a region well supported by infrastructure, historic and current potash mining and technological expertise. • Davenport retains exploration licences in Australia. The Southern Cross Project, 75km north-east of Alice Springs is prospective for IOCG style copper and gold. Previous exploration has identified targets and mineralisation ready for follow up evaluation and drilling. 												

INVESTMENT DRIVERS	
<ul style="list-style-type: none"> ➤ Potash exploration company set to commence trading on the ASX in late 2016 ➤ Projects located in Central Germany where world-class infrastructure networks exist and are being utilised by current potash producers to get product to key markets. ➤ History of sylvinitite and carnallilitite production on and around the exploration licences and over 100 years of regional production (100M tonnes of potash prior to 1993). ➤ Well documented past exploration with historic potash drill intersections of up to 58m with grades of up to 18% K₂O of mineralisation in the south and up to 14% K₂O in the north. ➤ Extensive in-country expertise with a deep knowledge of mineralisation will enable rapid resource definition and growth building from extensive historical drilling records. ➤ Planning in progress for a drill program expected to commence early next calendar year to confirm historical results and allow estimation of a JORC Inferred Resource ➤ Retained Australian tenements at Southern Cross Bore with existing high grade copper-gold intersections in IOCG style mineralisation in the sought after Arunta region of Central Australia, ready for follow-up drilling. 	

INDICATIVE TIMETABLE*		CAPITAL STRUCTURE	
Replacement Prospectus lodged with ASIC	24 October 2016	Shares on Issue	12.0m
IPO Opens	26 October 2016	IPO Shares Issued (\$6m issue)	30.0m
Offer Closes	25 November 2016	Shares to Purchase East Exploration (future additional milestone shares may be issued – refer to the Replacement Prospectus)	36.5m
Allotment of shares	6 December 2016	Total shares on issue post IPO	78.5m
ASX Listing and trading commences (Subject to ASX approval)	14 December 2016	Cash and liquids post IP (After the transaction and cost of the offer)	A\$6.1m
		Enterprise value post IPO	A\$9.6m

GERMAN LICENCES

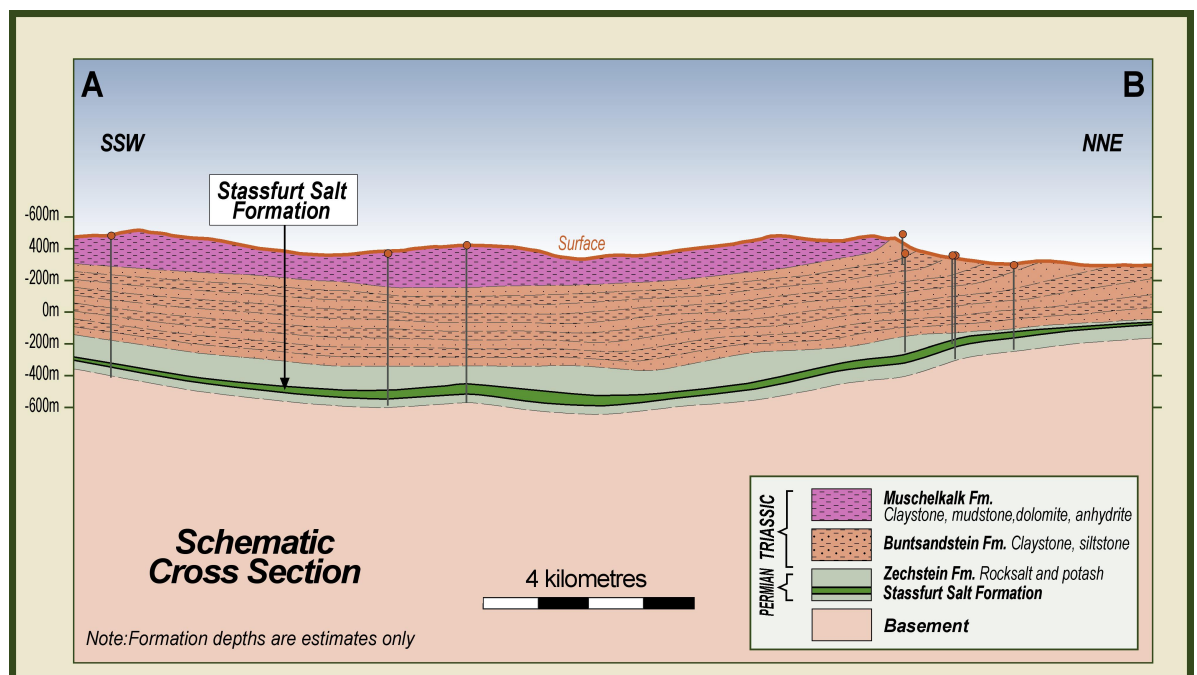
- Davenport was created by distribution to Arunta shareholders to invest in the German Potash Industry.
- Davenport will acquire East Exploration's South Harz potash exploration licenses from Potash West (ASX:PWN) and private interests at completion of the IPO.
- Planned rapid advancement of the Küllstedt and Gräfen-tonna Exploration License areas situated in the South Harz Potash District.
- The directors, executives and consultants of Davenport have been involved in exploration and development of potash projects and other minerals located in Western Europe, Australia and Africa.



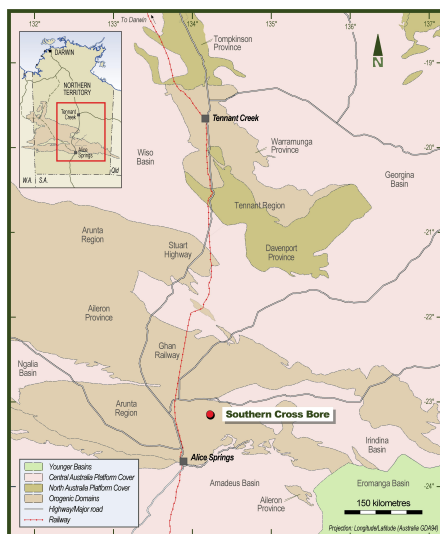
The Küllstedt and Gräfen-tonna licences are both located within the known potash bearing basin in the South Harz region of Thüringen, Germany. Much of the historic mining occurred along the northern margin of this basin, however, extensive exploration during the period 1960 to 1990 outlined significant potash deposits that are largely un-mined. These will be the initial focus for evaluation by Davenport.

At Küllstedt the depth of the top of the potash seam increases from the north to the south, from 510m to 980 m below the topographic surface. Due to the relative shallow deposit depth in the north of the licence area conventional mining was conducted in the past and proved successful. Davenport will target this area that has the potential to deliver shallow mineralisation amenable to modern mining practices. The initial confirmatory drill holes are planned so that part of the large Exploration Target on Küllstedt licence (refer PWN ASX release March 4 2015) can be upgraded to a JORC Inferred Resource.

Schematic cross section Küllstedt Licence



SOUTHERN CROSS BORE



Located close to Alice Springs in Australia's Northern Territory, the Southern Cross Bore project comprises 3 exploration licences covering some 600km² in the highly prospective Arunta Block.

Past exploration has identified numerous targets prospective for Iron Oxide Copper and Gold (IOCG) style mineralisation including the Johnnies Reward Prospect. Drilling at Johnnies Reward in 2013 intersected high grade mineralisation including 35.3m @3.44g/t gold, 0.45% copper and 4.42g/t silver (ASX:AJR Announcement 16 Sep 2013) within at least two copper-gold lenses, both of which are still open along strike and down dip.

A number of other targets have been prioritised for follow up and Davenport is planning an exploration program to determine the untested extent of mineralisation at Johnnies Reward and further evaluate the highest priority targets.



Significant Shareholders following \$5m IPO		BOARD AND MANAGEMENT	
East Exploration Holdings Pty Ltd	26.21%	Chairman	Patrick McManus
Lufgan Nominees Pty Ltd	10.29%	Managing Director	Chris Bain
Other Minority vendors of East Exploration	13.13%	Non-Executive Director	Angus Edgar
Existing Davenport shareholders	16.34%	Non-Executive Director	Rory Luff
Equity Offer shares	34.03%	German Project Director	Jason Wilkinson

Contacts

Angus Edgar Non-Executive Director 0419 336 900 aedgar@davenportresources.com.au	Chris Bain Managing Director 0413 275 756 cbain@davenportresources.com.au	Rory Luff Non-Executive Director 0411 620 020 rluff@davenportresources.com.au
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Disclosure

This Summary Sheet is presented for informational purposes only. It is not intended to, and does not, constitute an invitation to apply for or an offer of securities. This Summary Sheet is not intended to be the basis of any investment decision or any other risk evaluation, should not be relied upon and may not be considered as a recommendation by the Company or any other person in connection with an investment in the Company.

Offers of the Company's securities are made in the Replacement Prospectus. Before deciding to acquire shares, readers should read and consider the Replacement Prospectus in its entirety and, if in any doubt, consult with their professional advisors. Any decision by a person to apply for securities of the Company should be made on the basis of the information contained in the Replacement Prospectus including the risks disclosed therein and independent assessment as to whether to invest, and not in reliance on any information contained in this Summary Sheet. Eligible persons wishing to acquire the Company's shares will need to complete an application form which accompanies a copy of the Replacement Prospectus or make an application using the online application facility at the Company's Share Registry.

Disclaimer:

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