

ASX Announcement

11 September 2019



COMPANY DETAILS

Davenport Resources Limited
ABN: 64 153 414 852
ASX CODE: DAV
ASX CODE (Options): DAVO
FRANKFURT CODE: A2DWXX

PRINCIPAL AND REGISTERED OFFICE (& Postal Address)

Davenport Resources Limited
Level 1,
675 Murray Street,
West Perth WA 6005
PO Box 1088
West Perth WA 6872

W: www.davenportresources.com.au
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Capital Structure (11-Sep-19)

164.4M Ordinary Shares
16.7M Unlisted Options
45.0M Listed Options
3.1M Performance Rights

BOARD OF DIRECTORS

Patrick McManus
(Non-Executive Chairman)
Dr Chris Gilchrist
(Managing Director)
Rory Luff
(Non-Executive Director)
Dr Reinout Koopmans
(Non-Executive Director)

NOTICE UNDER SECTION 708A & INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A

The Company has yesterday issued 21,852,266 fully paid ordinary shares and 10,926,133 listed options (DAVO) exercisable at \$0.20 each, expiring 31 July 2023. The ordinary fully paid shares are part of a class of securities quoted on the Australian Securities Exchange Limited (ASX). The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act 2001. The shares were issued without disclosure to the investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act 2001. The Company, as at the date of this notice, has complied with:

- a) the provisions of Chapter 2M of the Corporations Act 2001; and
- b) Section 674 of the Corporations Act 2001.

There is no excluded information as at the date of this notice, for the purposes of Sections 708A(7) and (8) of the Corporations Act 2001.

For the issue of 1,524,511 fully paid ordinary shares that have been issued at \$0.042 per share and 10,926,133 free attaching listed options (DAVO) exercisable at \$0.20 each, expiring 31 July 2023, the Company provides the following information required under ASX Listing Rule 3.10.5A.

Details of issue under 10% Placement Facility (LR 7.1A)

The dilutive effect of the issue on existing shareholders is as follows:

- a) Number of shares on issue prior to the share issue: 143,137,413 listed fully paid ordinary shares.

Issue under Listing Rule 7.1A (12,450,644)	8.7%
Total dilution as a result of security issue	0.1%

Number of shares on issue following the share issue: 164,989,679 listed fully paid ordinary shares.

- b) The Company issued the shares under Listing Rule 7.1A, as it believed this was the most efficient mechanism for raising funds at the time.
- c) No underwriting arrangements were in place for the share issue.
- d) Commission of 6% of the issue was paid by the Company on the funds raised.

INVESTOR & MEDIA ENQUIRIES

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

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 | 1) Fully paid ordinary shares
2) Listed \$0.20 options expiring 31 July 2023 (DAVO) |
| 2 | Number of *securities issued or to be issued (if known) or maximum number which may be issued | 1) 21,852,266 Fully paid ordinary shares
2) 10,926,133 Listed \$0.20 options expiring 31 July 2023 (DAVO) |
| 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) | 1) Fully paid ordinary shares
2) Listed \$0.20 options expiring 31 July 2023 (DAVO) |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 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	1) Yes. 2) No. Upon exercise of the options into fully paid ordinary shares, the issued shares will rank equally with existing shares currently on issue in the Company.
5 Issue price or consideration	1) \$0.042 per share 2) \$Nil, free attaching
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1) 21,280,838 fully paid ordinary shares in the placement as announced on 26 August 2019 and 571,428 fully paid ordinary shares issued in lieu of services and 2) Free attaching options to placement announced on 26 August 2019 and free attaching options to shares issued in lieu of services
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes.
6b The date the security holder resolution under rule 7.1A was passed	At the annual general meeting held on 14 November 2018.
6c Number of +securities issued without security holder approval under rule 7.1	1) 20,327,755 Fully paid ordinary shares

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	1) 1,524,511 Fully paid ordinary shares 2) 10,926,133 Listed \$0.20 options expiring 31 July 2023 (DAVO)	
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. 15 day VWAP calculated at \$0.044 on 11 Sep 2019 (Source: Weblink). Issue price of \$0.042 on 11 Sep 2019.	
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 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. Cross reference: item 33 of Appendix 3B.	10 September 2019	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		164,989,679	Fully paid ordinary shares
		45,290,670	Listed \$0.200 options expiring 31-Jul-23

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

9	Number and +class of all +securities not quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		6,158,000	Unlisted \$0.250 options expiring 20-Jan-20
		7,500,000	Unlisted \$0.200 options expiring 11-Sep-23
		3,000,000	Unlisted \$0.081 options expiring 05-Sep-21
		3,125,000	Series B Performance Rights expiring 26-Apr-20
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 +securities will be offered	
14	+Class of +securities to which the offer relates	
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	

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
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	
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)	

Appendix 3B

New issue announcement

- | | | |
|----|---|--|
| 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 | *Issue date | |

Part 3 - Quotation of securities

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

- 34 Type of *securities
(tick one)
- (a) ☒ *Securities described in Part 1
- (b) ☐ All other *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

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

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
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+ See chapter 19 for defined terms.

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 +security, clearly identify that other +security)

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- 42 Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)

Number	+Class

+ 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: Patrick McManus
(Chairman)

Date: 11 September 2019

Print name: Patrick McManus

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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	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	139,283,842
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	3,853,571 - -
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	143,137,413

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	21,470,612
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of *equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	- - 21,470,612
“C”	21,470,612
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	21,470,612
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	21,470,612
Total [“A” x 0.15] – “C”	0 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	143,137,413
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	14,313,741
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • 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 • It may be useful to set out issues of securities on different dates as separate line items	12,450,644
“E”	12,450,644

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	14,313,741
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	12,450,644
Total ["A" x 0.10] – "E"	1,863,097 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.