

**ASX ANNOUNCEMENT**

23 December 2020

**CORRECTION TO AGM PRESENTATION**

Davenport Resources Limited (**"The Company"**) refers to the announcement entitled "Annual General Meeting Presentation" released on 27 November 2020 (**"AGM Presentation"**).

A revised AGM Presentation is attached.

The AGM Presentation included a competent person's statement that was not in accordance with ASX Listing Rule 5.22. The corrected competent person's statement is now set out in the revised AGM Presentation.

In accordance with ASX Listing Rule 5.23, the Company is not aware of any new information or data that materially affects the information included in the previous market announcements (Ohmgebirge: ASX Announcement 23 December 2019; Mühlhausen-Keula ASX Announcement 16 October 2018; Nohra-Elende ASX Announcements 13 November 2018 and 23 September 2020; Ebeleben ASX Announcement 3 April 2018) and that all material assumptions and technical parameters underpinning the estimate in the previous market announcements continue to apply as now shown on Slide 16 of the revised AGM Presentation and have not materially changed.

**Retraction*****Production Targets***

The Company refers to slide number 12 in the AGM Presentation which included scoping study and/or aspirational statements relating to production.

These statements comprise forecast financial information and forward-looking statements for the purposes of the listing rules. The Company formally retracts these statements as set out in the AGM Presentation and notes that:

- the production targets, forecast financial information and forward-looking statements contained in the AGM Presentation were not reported according to the requirements of the ASX Listing Rules; and
- it does not have a reasonable basis which is consistent with the requirements of ASIC Regulatory Guide 170 and Information Statement 214 for the forward-looking statements contained in the AGM Presentation.

***Peer Comparison***

The Company refers to slide numbers 9, 10 and 16 in the AGM Presentation which included a reference to the resource of the Company being the second largest untapped resource compared with other known projects and tier one assets. The peer comparison did not disclose the different stages of development and production of the various projects and following consultation with the ASX the Company retracts the information in these slides.

**CONTACT DETAILS**

Investors should not rely on the retracted information as a basis for any investment decision concerning the Company.

This announcement has been approved by the Managing Director of Davenport Resources Limited.

### Investor & Media Enquiries

**Dr Chris Gilchrist**

Managing Director

Davenport Resources Ltd

+353 41 988 3409

[cgilchrist@davenportresources.com.au](mailto:cgilchrist@davenportresources.com.au)

**Nathan Ryan**

Managing Director

NWR Communications

+61 420 582 887

[nathan.ryan@nwrcommunications.com.au](mailto:nathan.ryan@nwrcommunications.com.au)

**CONTACT DETAILS**

**W:** [davenportresources.com.au](http://davenportresources.com.au)

**E:** [info@davenportresources.com.au](mailto:info@davenportresources.com.au)

**P:** +61 (08) 6145 0291

**ABN:** 64 153 414 852

**ASX Code:** DAV

**ASX Code (Options):** DAVO

**Frankfurt Code:** A2DWXX

**214.6 M** Ordinary Shares

**294.6 M** Unlisted Options

**46.2 M** Listed Options

**4.1M** Performance Rights



**DAVENPORT  
RESOURCES**

**AGM Presentation  
November 2020**

# DISCLAIMER

**Davenport Resources Limited** (“Davenport”, “DAV”, “The Company”) has issued this Presentation for informational purposes only. It is not intended to, and does not, constitute specific advice to any particular party or person. The information in this presentation is based on publicly available information, internally developed data and other sources. Where any opinion is expressed in this presentation, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information.

The contents of this presentation are confidential and not for distribution to unauthorized parties.

## COMPETENT PERSON STATEMENTS

*Mrs Elizabeth de Klerk M.Sc., Pr.Sci.Nat., SAImm., Micon’s Director, Senior Geologist and Competent Person visited the South Harz Potash project from 12<sup>th</sup> to 16<sup>th</sup> February 2018 and 6<sup>th</sup> to 8<sup>th</sup> March 2018. During the initial site visit, the historical drilling area and laboratory facilities at K-Utec Salt Technologies Ltd in Sondershausen were visited. The original drill hole logs, reports, maps and cross-sections held in the Bodenverwertungs and verwaltungs GmbH (BVVG) archives in Berlin were also inspected. In addition, Mrs de Klerk interviewed the Ercosplan team at their offices in Erfurt to understand how the data were used to compile an Excel database and generate an initial Exploration Target for Mühlhausen-Nohra. The second site visit involved more time spent at K-Utec inspecting additional historical records for Mühlhausen-Nohra held in the archives at the offices of K-Utec Salt Technologies Ltd in Sondershausen. During the third visit, Mrs De Klerk visited the Ohmgebirge mining licence area as well as the K-UTEC archives and the surrounding dormant mining areas. Mrs De Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mrs De Klerk consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

## **SUMMARY - A COMPELLING INVESTMENT CASE**

- **Massive resources across four potential potash projects in Germany, 5.3 billion tonnes containing 567 Mt K<sub>2</sub>O in areas adjacent to historic potash mines (Ref. Slide 16).**
- **Davenport holds perpetual mining licences & results from over 300 exploration holes drilled by former East German state potash mining company.**
- **JORC Inferred resources have been established. Only two twin holes required to enable announcement of scoping studies in each licence area.**
- **Low targeted capital and operating costs.**
- **Unique resource also contains sulphates – attractively priced magnesium and potassium sulphate can be produced.**
- **Funding of drilling program reaching successful conclusion. Drilling will take place in 2021.**

# EAST GERMANY – WHERE POTASH MINING BEGAN

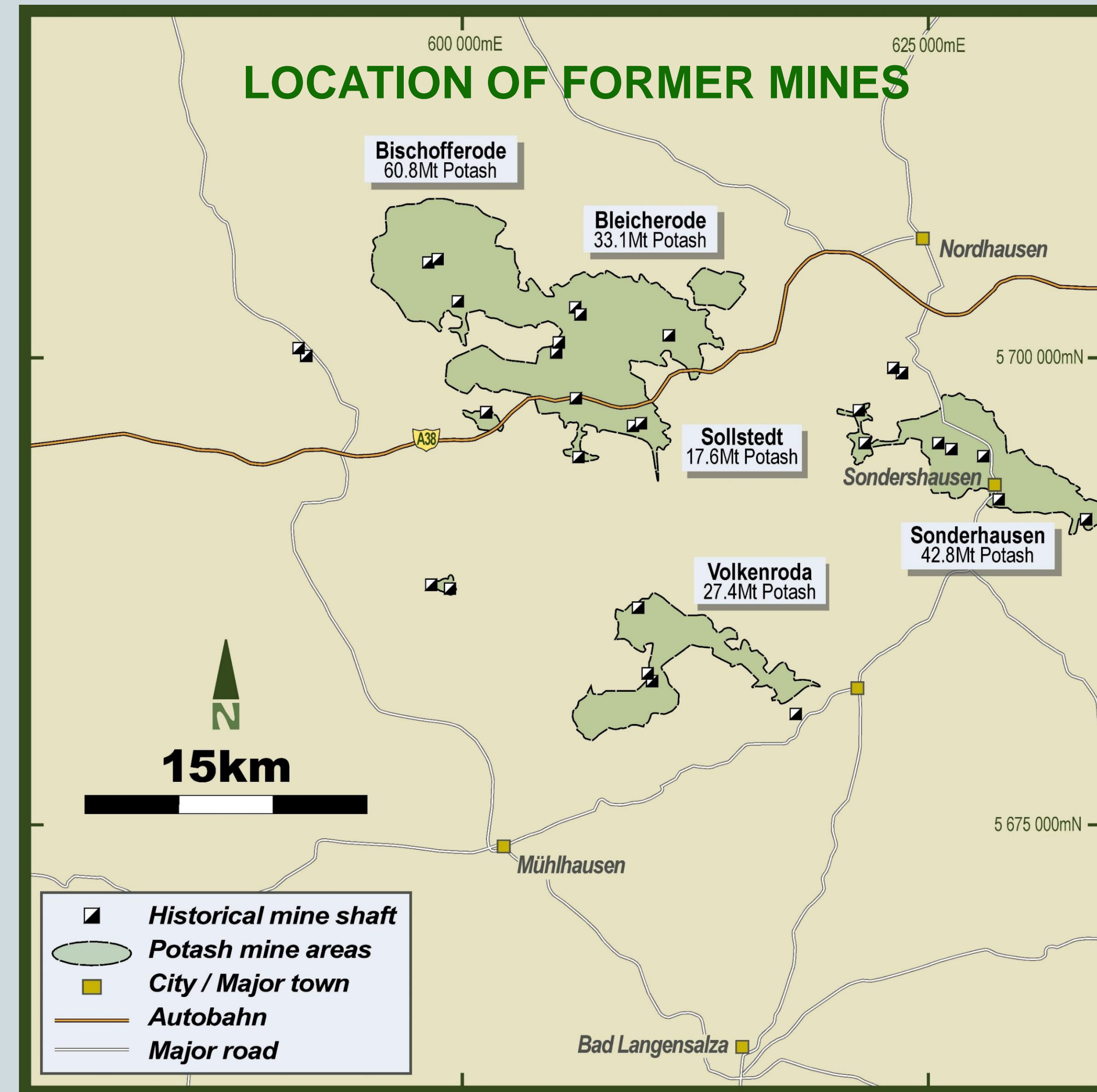


- **Salt works established in Staßfurt 1797**
- **Justus Von Liebig discovered in 1840 that plants need potassium to grow**
- **1861 world's first potash plant at Staßfurt, boom starts in potash exploration**
- **Hermann Pinno explored the South Harz region in 1888, this led to a mining boom in the area.**

# EAST GERMANY – WHERE POTASH MINING BEGAN

**Shafts were sunk in the South Harz area and the mines extracted a total of 181 Mt potash during their working lives.**

1897 – 1991	Sondershausen	43 Mt
1902 - 1991	Bleicherode	33 Mt
1906 – 1990	Söllstedt	18 Mt
1909 – 1991	Volkenrode	27 Mt
1911 – 1993	Bischofferode	61 Mt

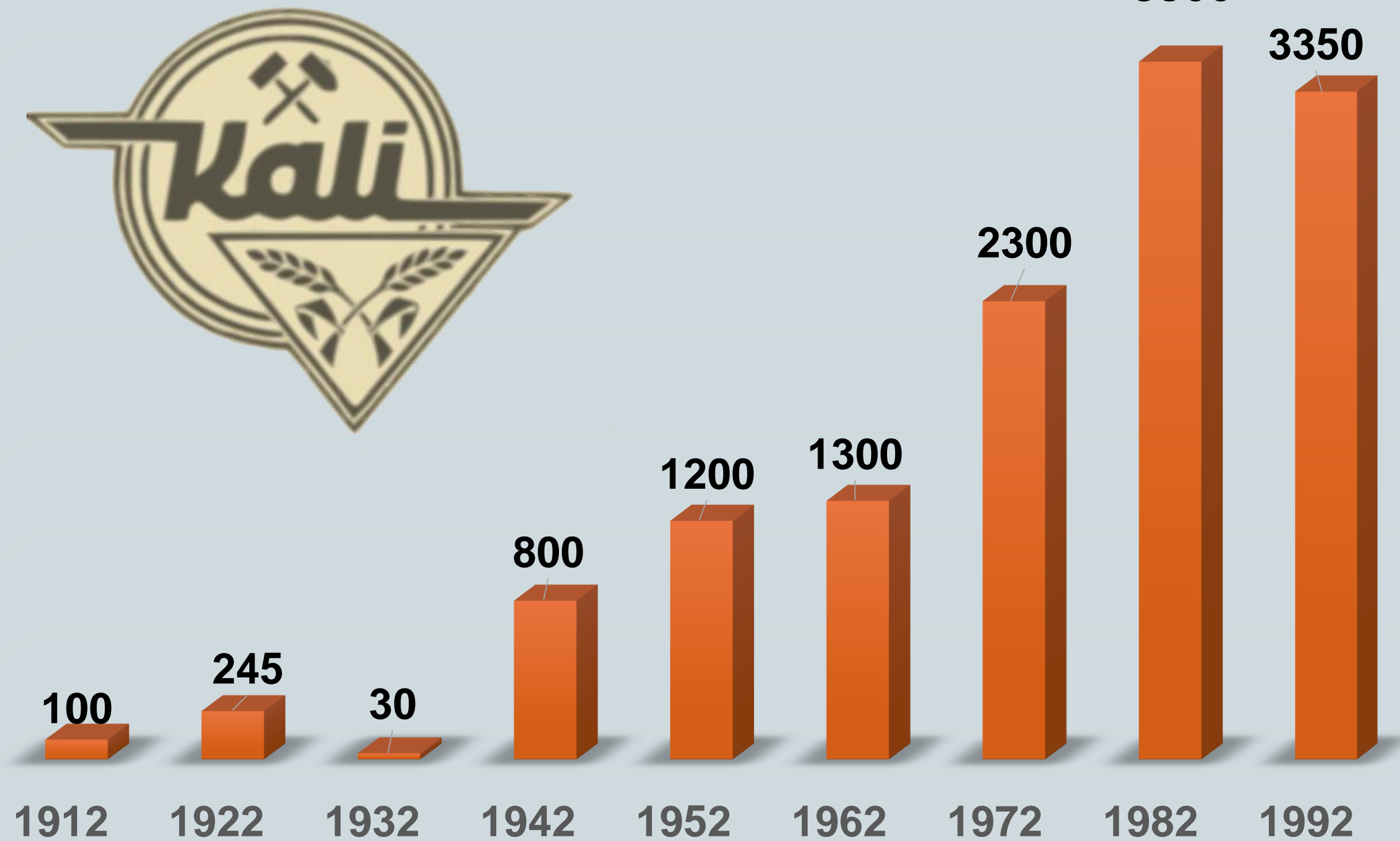


Data source: "Kali im SüdHarz-Unstrut-Revier", Heinz Bartl et al, ISBN 3-037-203-00-1, 2003

# PRODUCTION GREW STEADILY.....



Annual MOP extracted from South Harz area  
Tonnes 000's



Data source: "Kali im SüdHarz-Unstrut-Revier", Heinz Bartl et al, ISBN 3-037-203-00-1, 2003

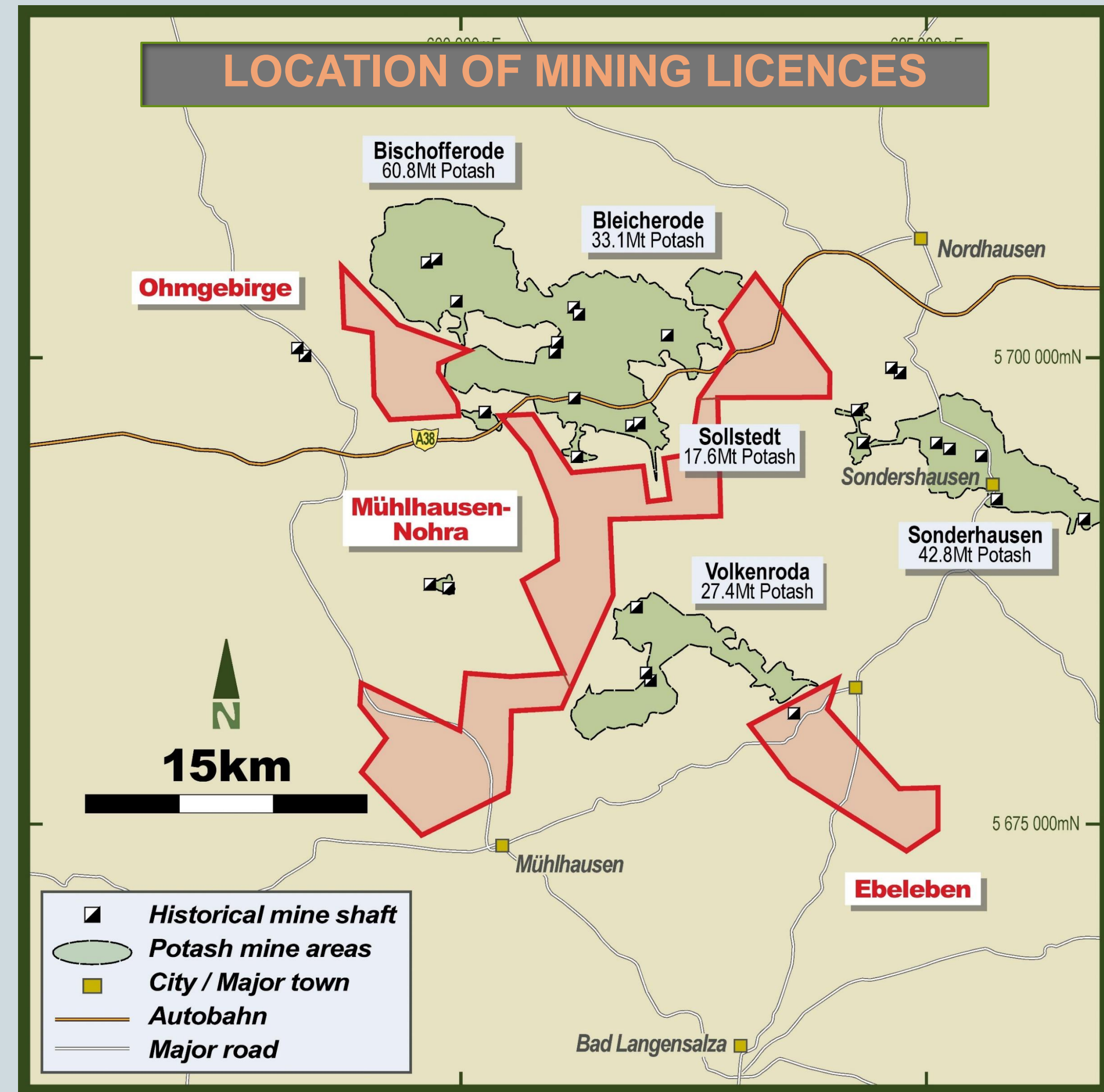
.....and potash became the prime source of foreign exchange to the GDR

# MINE CLOSURES

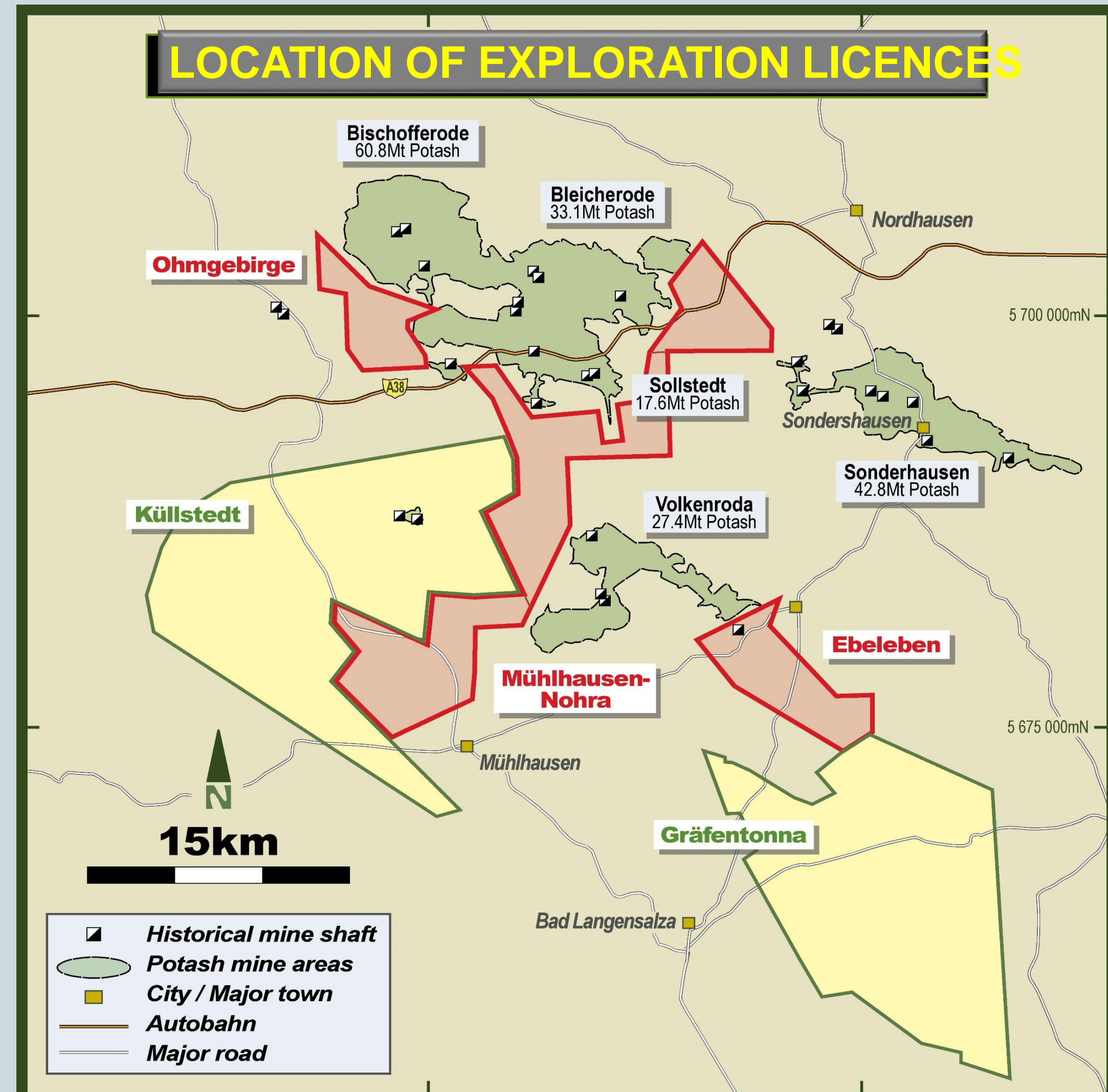
- The former mines were closed despite successful exploration programs which showed massive resources in adjacent properties.
- As was typical in the Soviet bloc, the mines were grossly over-manned, inefficient and not commercially viable at prevailing potash prices.
- The mines and adjacent, explored properties were offered for sale, but were greatly over-valued. The explored areas with their granted licences remained held by the German Government.



- Davenport bought mining licences for the explored areas in late 2017 and acquired the entire suite of exploration data from over 300 drillholes.
- The licences are unique and valuable as they are perpetual in nature and require no rent, royalty or development commitment.



- Davenport bought mining licences for the explored areas in late 2017 and acquired the entire suite of exploration data from over 300 drillholes.
- The licences are unique and valuable as they are perpetual in nature and require no rent, royalty or development commitment.
- Davenport also holds exploration licences for two large areas, Küllstedt and Gräfentonna.
- Davenport's total potash resource inventory currently stands at 5.3 billion tonnes (Ref. Slide 16)



# FUNDAMENTALS WILL DRIVE VOLUME AND PRICE GROWTH

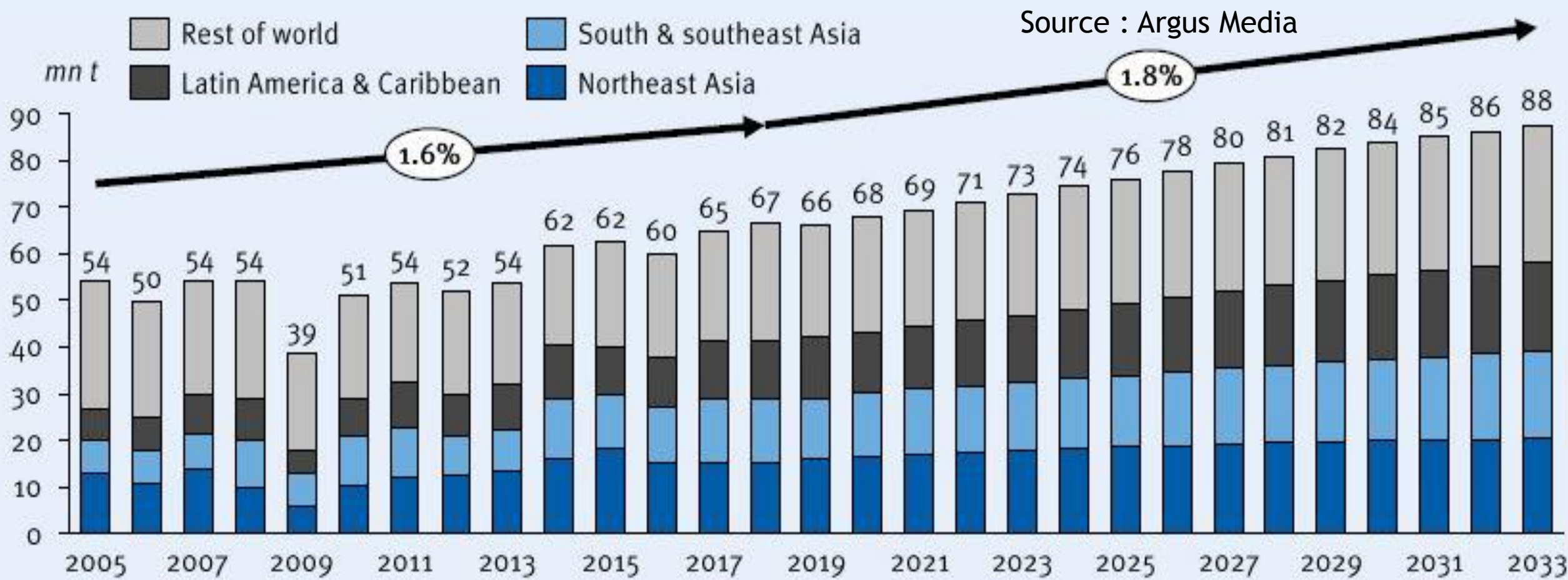


Global MOP demand is expected to increase steadily to 88 Mt by 2033

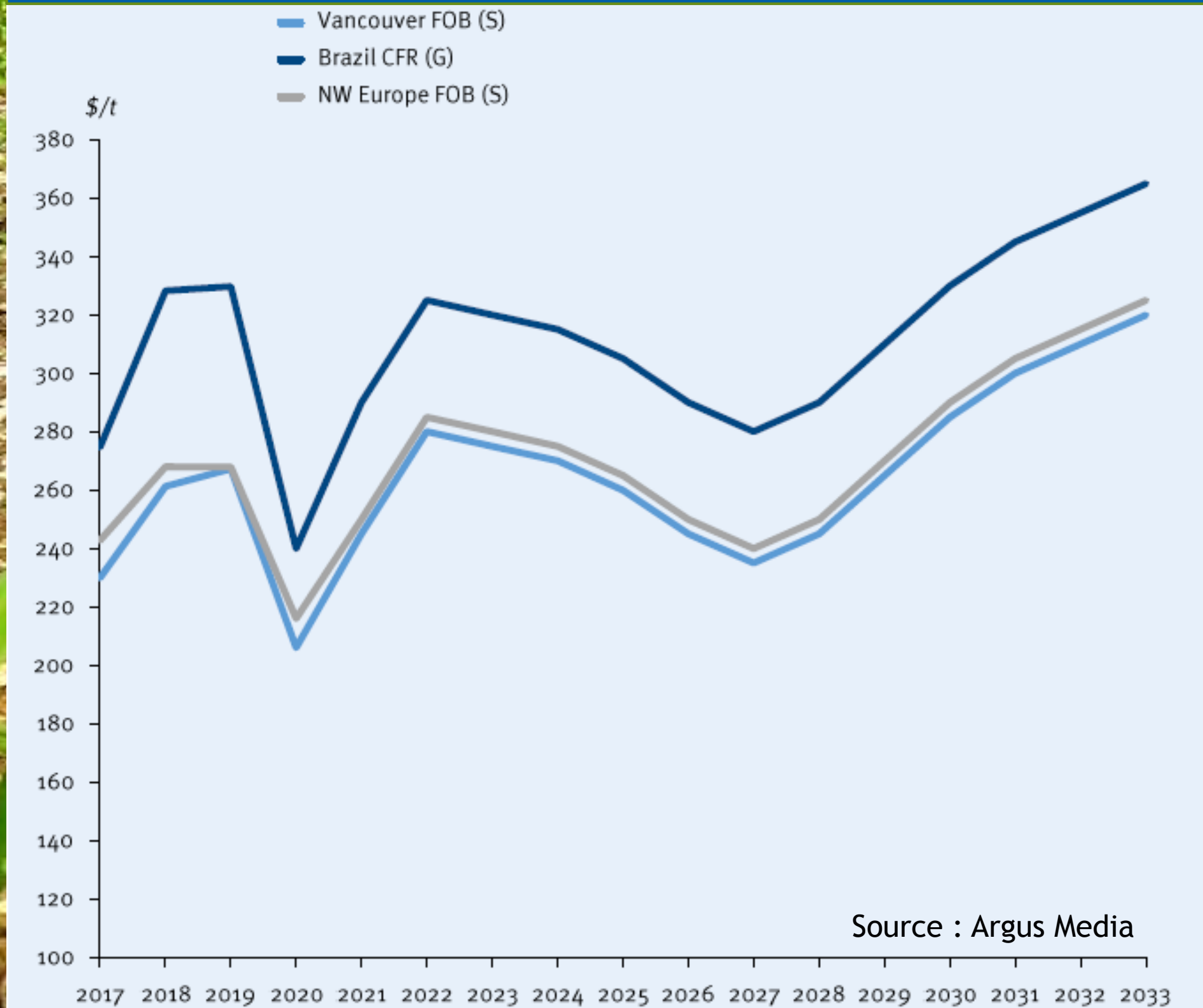


Prices are forecast to rise over the next ten years.

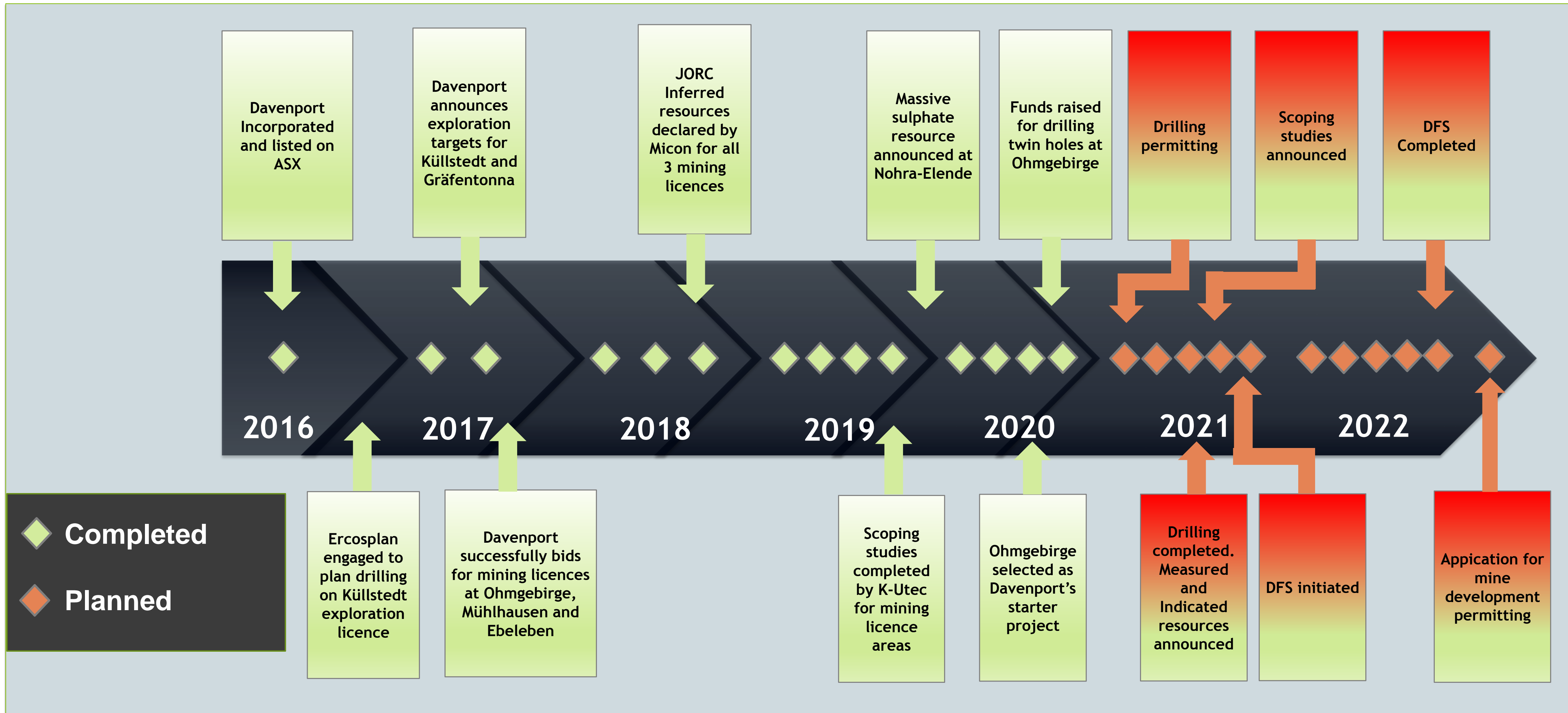
## Demand being driven by population increases and changing dietary demands



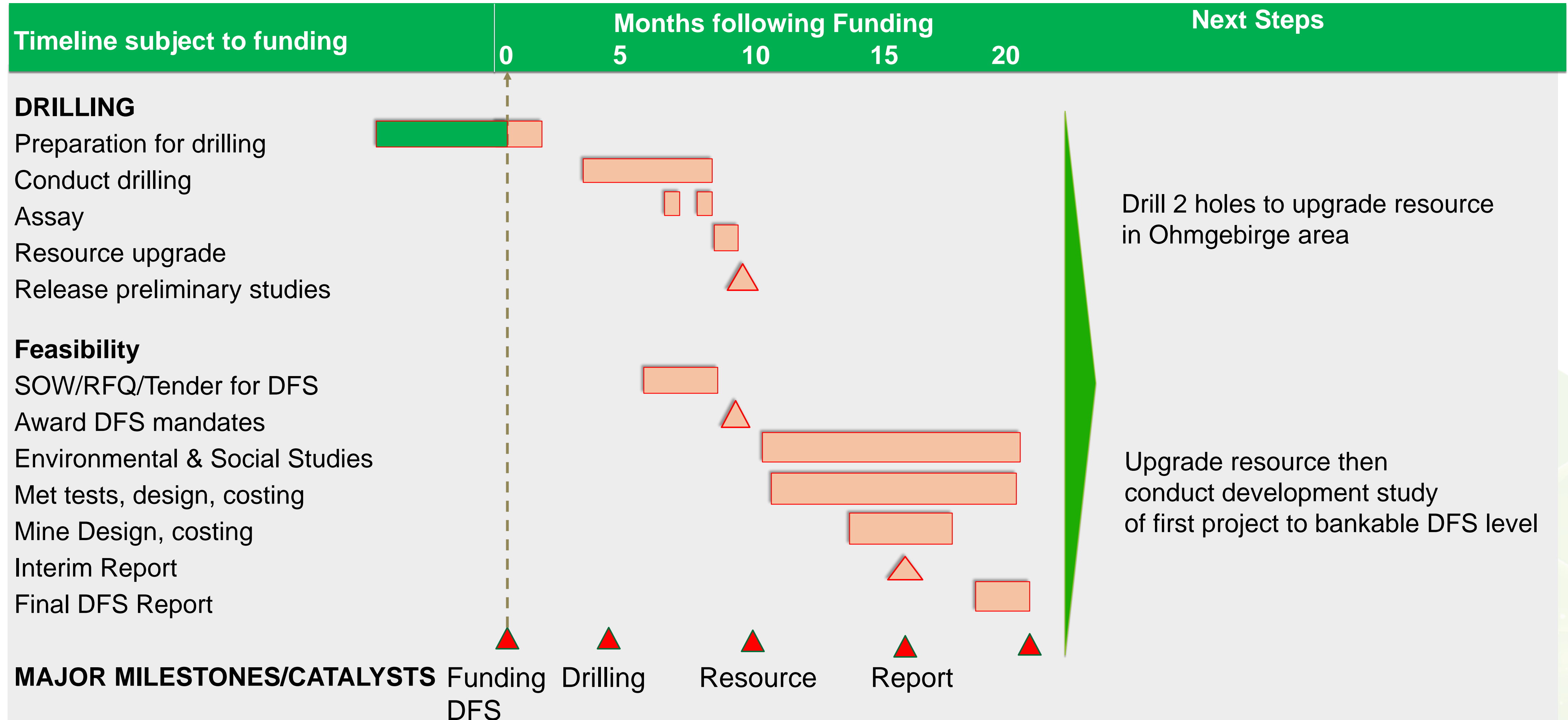
## Long term price forecast for MOP, USD/tonne



# EVOLUTION OF DAVENPORT'S POTASH PROJECTS

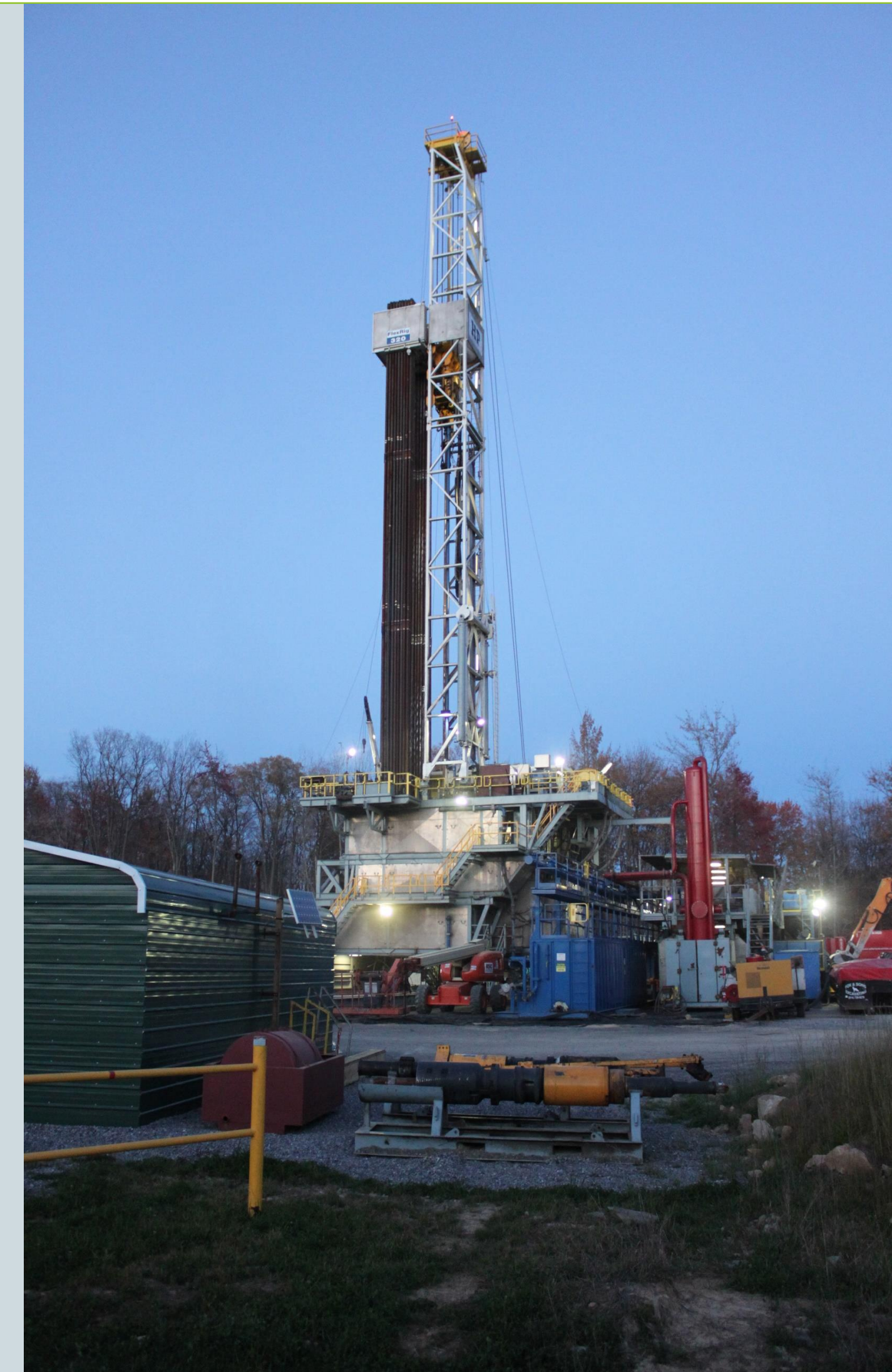


# ATTRACTIVE NEAR-TERM CATALYSTS FOR DAVENPORT'S STOCK



# FUND RAISING ACTIVITIES

- Two-stage fund raising successfully concluded 26 November by joint lead managers in Australia and UK, raising \$10m
- Purpose of funds to drill two holes at Ohmgebirge, upgrade the resource, announce scoping study results, general working capital
- Fund raising in two tranches :
  - Tranche One (Unconditional Placement under ASX Listing Rules 7.1 & 7.1a), to complete December 2020
    - *Tranche One already subscribed by commitment from an existing Shareholder*
  - Tranche Two (Conditional Placement) will require Shareholder approval at a General Meeting (TBA).
    - *Offer oversubscribed by 60% and book closed within 24 hours*
- Eligible Directors have confirmed their participation in Tranche 2, subject to shareholder approval
- Offer price OF \$0.045 represents a 22.4% discount to current share price
- One attached option was offered for each two new shares purchased



# STRONG MANAGEMENT TEAM WITH DEEP POTASH TRACK RECORD

## Executive

**Previous experience:**  
Gold Fields, De Beers, **Cleveland Potash**, Kenmare Resources, **South Boulder Mines**, **Circum Minerals**



**Dr Chris Gilchrist**  
Managing Director

**Previous experience:**  
VP Operations – **Allana Potash**, VP Exploration – Lydian International



**Jason Wilkinson**  
COO & Project Director



**Bob Van Der Laan**  
CFO/Interim Exec Director

## Non Executive



**Ian Farmer**  
Chairman



**Rory Luff**  
Non-Exec Director



**Hansjörg Plaggemars**  
Non-Exec Director



**Dr Reinout Koopmans**  
Non-Exec Director

# FURTHER INFORMATION

## ASX Listing Rule 5.23

In accordance with ASX Listing Rule 5.23, the Company is not aware of any new information or data that materially affects the information included in the previous market announcements :

- Ohmgebirge: ASX announcement 23 December 2019
- Nohra-Elende: ASX announcements 13 November 2018 and 23 September 2020
- Mühlhausen-Keula: ASX announcement 16 October 2018
- Ebeleben: ASX announcement 3 April 2018

## FURTHER INFORMATION – RESOURCE BREAKDOWN PER AREA

HORIZON	TONNAGE (MT)	K <sub>2</sub> O %	K <sub>2</sub> O (MT)
<b>EBELEBEN</b>			
Sylvinite	324	15.6	50
Carnallite	253	7.5	19
<b>MÜHLHAUSEN KEULA</b>			
Sylvinite	834	12.1	101
Carnallite	296	8.2	24
<b>MÜHLHAUSEN NOHRA-ELENDE</b>			
Sylvinite	101	14.2	14
Carnallite	1,597	9.4	150
<b>KÜLLSTEDT</b>			
Sylvinite	333	13.0	43
Carnallite	1,205	10.1	122
<b>OHMGEBIRGE</b>			
Sylvinite	261	14.0	36
Carnallite	64	9.8	6
<b>TOTAL JORC INFERRED</b>	<b>5,268</b>	<b>10.8</b>	<b>567</b>



# WE'RE ALL ABOUT GROWTH

## *INVESTOR & MEDIA ENQUIRIES*

**Dr Chris Gilchrist - Managing Director**

**Davenport Resources Ltd**

**+353 41 988 3409**

**[cgilchrist@davenportresources.com.au](mailto:cgilchrist@davenportresources.com.au)**

**Nathan Ryan**

**NWR Communications**

**+61 420 582 887**

**[nathan.ryan@nwrcommunications.com.au](mailto:nathan.ryan@nwrcommunications.com.au)**