



ASX Announcement

25 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
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Capital Structure

164.9M Ordinary Shares
16.7M Unlisted Options
45.2M 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)

Davenport Strategy Update

Recent Achievements

- **Technical and economic studies on several potential projects are nearing completion which will enable substantive discussions to commence with targeted strategic partners.**
- **A study on the Mühlhausen-Nohra perpetual mining licence area has already been completed.**
- **Studies on further areas will be completed within two weeks.**
- **NDA's have been signed with significant agribusiness companies who are showing interest in our portfolio.**
- **The completion of a successful capital raise for approximately A\$1.0 million.**
- **Two new sophisticated and professional investors, Delphi and Lions Bay Capital, have joined the register and hold 9.15% and 6.06% respectively of the Company's issued shares.**

The Board of Davenport Resources Limited (ASX:DAV) is pleased to update investors regarding recent achievements by the Company and its current priorities following the successful capital raise of approximately A\$1.0 million announced on 26 August 2019. The funds raised will be used to complete technical and economic studies on selected projects within the Company's portfolio of potash projects in the South Harz region of Germany. These studies will be used as the basis for reaching collaboration agreements with potential joint venture partners.

The Board of Davenport welcomes German based institutional investor DELPHI Unternehmensberatung AG (“Delphi”), (ASX announcement 26th August 2019) and Lions Bay Capital (ASX announcement 6 August 2019) as significant shareholders. These investments represent an endorsement of the Company’s prospects by investors highly experienced in the resources sector and in Germany.

As previous announcements have described, the Company holds three perpetual mining licences and two exploration permits for a total of 659 square kilometres within the Thüringian state of central Germany (figure 1). The three perpetual mining licences and part of the Küllstedt exploration licence area, hold approximately 5 billion tonnes of potash resource grading at 10.6% K₂O, which represents Western Europe’s largest declared potash inventory (ASX announcement 19th February 2019).

The Company has identified several potential, world-class potash projects within these areas and earlier this year commissioned the leading potash and salt consultancy, K-Utec AG Salt Technologies (“K-Utec”), who are based in the South Harz region, to conduct preliminary technical and economic studies. These studies are nearing completion and will be used during the fourth quarter of 2019 to progress discussions with potential strategic partners at the project level. The Company has already signed NDA’s with potential strategic partners in order to facilitate the exchange of technical and economic information between the parties.

The Company expects to update the market regarding the projects targeted by these studies during the fourth quarter of 2019 and will inform the market of developments as they occur.

Davenport’s MD, Dr Chris Gilchrist commented ***“We are now making meaningful and substantial progress with our strategy to evaluate our project portfolio and, as the recent addition of two new, sophisticated and institutional investors proves, the potential of our substantial assets is now being recognized. Further endorsement of the value of our substantial assets should be achieved once we conclude agreements with renowned agribusiness players.”***

INVESTOR & MEDIA ENQUIRIES

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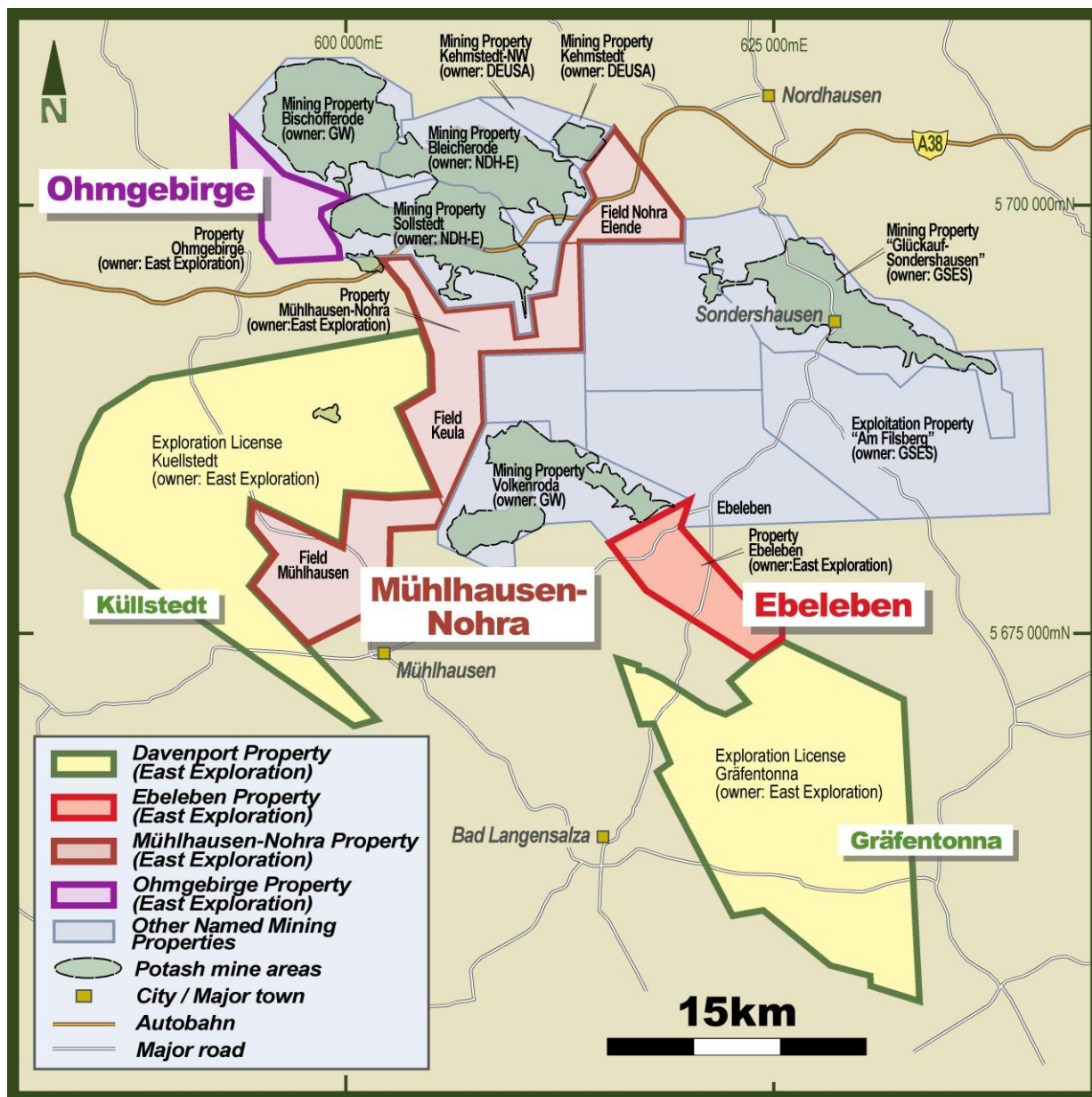


Figure 1: Map depicting Davenport’s perpetual mining licence areas Ohmgebirge, Mühlhausen-Nohra and Ebeleben and the two exploration licence areas Küllstedt and Gräfontonna. Former potash mines are shown in green.