

9 June 2020

Dear Shareholder,

Invitation to Participate in Share Purchase Plan

On 9 June 2020 Davenport Resources Ltd (ASX:DAV) (**Company**) announced that it will be conducting a capital raising via a share purchase plan (**Offer or Plan**) whereby Eligible Shareholders (defined below) will be able to participate in the Company's capital raising.

The Offer under the Plan will raise up to \$750,000 on the terms and conditions (**Terms and Conditions**) contained in this letter.

Under the Plan, Eligible Shareholders will have the opportunity to purchase up to \$30,000 worth of fully paid ordinary shares in the Company (**Shares**) irrespective of the size of their shareholding, without incurring brokerage or transaction costs.

The issue price under the Offer will be of \$0.04 per Share (**Offer Price**). The Offer Price represents a discount of 18.39% to \$0.049 being the volume weighted average price (**VWAP**) of the Company's Shares quoted on the ASX for the last 5 trading days prior to and including the last trading day immediately prior to the announcement of this Plan.

Participation under the Plan is optional and available to Shareholders of the Company who are recorded on the share register as at 5.00pm (WST) on 5 June 2020 (**Record Date**) and whose registered address is in Australia and New Zealand (**Eligible Shareholders**).

The Company intends to raise a maximum of \$750,000 under the Plan which will be applied towards advisory services, investor relations, working capital and administration costs while Davenport seeks to engage a strategic partner to develop its attractive potash projects in Germany. If total applications exceed \$750,000, the directors of the Company may in their absolute discretion accept or scale-back any applications.

Whilst the Company intends to raise \$750,000 under the Plan, the Company reserves the right to accept additional applications subject to shareholder demand and the ASX Listing Rules.

The market price for the Company's shares may change between the announcement date and the issue date of new shares (anticipated to be 1 July 2020). If the market price of shares on the issue date falls below the Offer Price, you may be disadvantaged by purchasing shares under the Plan. Eligible shareholders wanting to participate in the Plan should obtain independent professional advice about the taxation consequences of an investment under the Plan.

Eligible shareholders are able to purchase a parcel Shares worth \$1,000, \$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 and \$30,000 under the Plan. All Shares issued under the Plan will rank equally with existing ordinary shares in the Company. To apply for a parcel of Shares, please follow the instructions on the enclosed application form and ensure that your application is received in cleared funds no later than 5.00pm (WST) on 29 June 2020. The Plan is not subject to shareholder approval.

I encourage you to read the enclosed Terms and Conditions carefully. If you are unsure about whether to participate, please contact your professional adviser without delay. If you require further information, please contact us on +61 (0) 8 6145 0291.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company and thank you for your continued support as a shareholder.

Yours sincerely,



Chris Gilchrist
Managing Director