
DAVENPORT RESOURCES LIMITED
ABN 64 153 414 852

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3:00 pm WST
DATE: Friday, 27 November 2020
PLACE: Level 1
677 Murray Street
WEST PERTH WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (WST) on 25 November 2020.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6145 0291.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND ACCOUNTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020, together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the Company to adopt the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2020.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RORY LUFF

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Rory Luff, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – DR REINOUT KOOPMANS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Dr Reinout Koopmans, being a Director, retires by rotation and, being eligible, is re-elected as a Director.”

4. RESOLUTION 4 – ELECTION OF DIRECTOR – MR IAN FARMER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Ian Farmer, a Director who was appointed casually on 7 September 2020, retires, and being eligible, is elected as a Director.”

5. RESOLUTION 5 – ELECTION OF DIRECTOR – MR ROBERT VAN DER LAAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Robert Van der Laan, a Director who was appointed casually on 25 September 2020, retires, and being eligible, is elected as a Director.”

6. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution:

‘That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Shares on the terms and conditions set out in the Explanatory Memorandum.’

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,250,000 Shares on the terms and conditions set out in the Explanatory Memorandum.'

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the July Placement participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 9 – APPROVAL FOR RELATED PARTY PARTICIPATION IN JULY PLACEMENT – DR REINOUT KOOPMANS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 375,000 Shares at \$0.04 per Share to Dr Reinout Koopmans (or his nominee/s) under the Placement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Reinout Koopmans (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. RESOLUTION 10 – APPROVAL FOR RELATED PARTY PARTICIPATION IN JULY PLACEMENT – DR CHRIS GILCHRIST

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 125,000 Shares at \$0.04 per Share to Dr Chris Gilchrist (or his nominee/s) under the Placement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Reinout Koopmans (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

11. RESOLUTION 11 – APPROVAL FOR RELATED PARTY PARTICIPATION IN JULY PLACEMENT – PATRICK MCMANUS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 375,000 Shares at \$0.04 per

Share to Patrick McManus (or his nominee/s) under the Placement on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Reinout Koopmans (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

12. RESOLUTION 12 – GRANT OF OPTIONS TO A RELATED PARTY – MR IAN FARMER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 7,000,000 Options to Ian Farmer or his nominee on the terms set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Ian Farmer (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and

- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

13. RESOLUTION 13 – RATIFICATION OF PRIOR ISSUE OF SHARES – MR ROBERT VAN DER LAAN

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 311,464 Shares on the terms and conditions set out in the Explanatory Memorandum.'

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Mr Robert Van Der Laan) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

14. RESOLUTION 14 – RATIFICATION OF PRIOR ISSUE OF SHARES TO MR JASON WILKINSON

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 570,352 Shares on the terms and conditions set out in the Explanatory Memorandum.'

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Mr Jason Wilkinson) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
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Dated: 27 October 2020

By order of the Board

**Amanda Wilton-Head
Company Secretary
Davenport Resources Limited**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6145 0291.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at Level 1, 677 Murray Street, West Perth WA 6005 at 3:00 pm WST on Friday, 27 November 2020.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.davenportresources.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Voting consequences

If at least 25% of the votes cast on this Resolution are voted against adoption of the Remuneration Report at this Annual General Meeting, and then again at the Company's 2021 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2021 annual general meeting.

All of the Directors who were in office when the Company's 2021 directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the directors of the Company.

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RORY LUFF

2.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Rory Luff, who has served as a Director since 3 June 2016 and was elected on 30 June 2016, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

Mr Rory Luff is the founder of BW Equities, a specialist Melbourne equities advisory firm and has over 15 years' experience in the financial services industry. Mr Rory Luff has spent most of his career in the financial markets advising resources companies on capital raisings and financial markets strategy.

Mr Rory Luff has not held any other directorships in listed companies during the last 3 years.

2.3 Independence

If re-elected the Board considers Mr Rory Luff will not be an independent Director as a result of his substantial shareholding.

2.4 Board Recommendation

The Board has reviewed Mr Rory Luff's performance since his appointment to the Board and considers that Rory Luff's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Rory Luff and recommends that Shareholders vote in favour of this Resolution.

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – DR REINOUT KOOPMANS

3.1 General

Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Dr Reinout Koopmans, who has served as a Director since 8 January 2019 and was elected on 29 November 2019, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Dr Reinout Koopmans spent 15 years in investment banking, based in London. He was responsible globally for public equity raising for natural resource companies at Deutsche Bank and he led the European equity capital markets team at Jefferies International. In the 1990's, Dr Reinout Koopmans was a management consultant with McKinsey & Co in Germany and South-East Asia. He has significant business experience in Germany. Dr Reinout Koopmans has a PhD and Masters degree from the London School of Economics, and a degree from Erasmus University, Rotterdam.

Dr Reinout Koopmans has not held any other directorships in listed companies during the last 3 years.

3.3 Independence

If re-elected the Board considers Dr Reinout Koopmans will be an independent Director.

3.4 Board Recommendation

The Board has reviewed Dr Reinout Koopmans's performance since his appointment to the Board and considers that Dr Reinout Koopmans skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Dr Reinout Koopmans and recommends that Shareholders vote in favour of this Resolution.

4. RESOLUTIONS 4 AND 5 – ELECTION OF DIRECTORS

4.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Ian Farmer, having been appointed by other Directors on 7 September 2020 and Mr Robert Van der Laan having been appointed on 25 September 2020, in accordance with the Constitution, both retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

4.2 Qualifications and other material directorships

(a) Mr Ian Farmer

Mr Farmer is a UK based, highly experienced mining executive. He served as Chief Executive Officer of Lonmin, the third largest platinum miner globally, between 2008 and 2012, where he oversaw a period of significant transformation, both operationally and financially. During his 26 years at Lonmin and its parent company Lonrho, Mr Farmer held

various other financial and strategic positions, including Chief Strategy Officer from 2006-2008.

Mr Farmer led the acquisition of various junior mining projects and integrated them into the group. He has been a Non-Executive Director of The Royal Marsden NHS Foundation Trust in the UK since 2014, and previously was a Non-Executive Director of VTI Energy Partners LP (2014 - 2017).

(b) **Mr Robert Van der Laan**

Robert is a qualified accountant with more than 30 years' experience in the management of financial and risk management systems of public and private companies, in the resources and engineering sectors.

4.3 Independence of Directors

(a) **Mr Ian Farmer**

Mr Farmer has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Ian Farmer will be an independent Director.

(b) **Mr Robert Van der Laan**

Mr Van der Laan has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Robert Van der Laan will not be an independent Director by virtue of being appointed as an Executive Director.

4.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of both Mr Farmer and Mr Van der Laan.

4.5 Board recommendation

(a) **Mr Ian Farmer**

The Board has reviewed Mr Ian Farmer's performance since his appointment to the Board and considers that Ian Farmer's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Ian Farmer and recommends that Shareholders vote in favour of this Resolution.

(b) **Mr Robert Van der Laan**

The Board has reviewed Mr Van der Laan's performance since his appointment to the Board and considers that Robert Van der Laan's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Robert Van Der Laan and recommends that Shareholders vote in favour of this Resolution.

5. RESOLUTION 6 – APPROVAL OF 7.1A MANDATE

5.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(b) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the development of the Company's business and the acquisition of new assets or investments.

(c) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 21 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.0375	\$0.075	\$0.1125
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	197,052,549	19,705,254	\$738,947	\$1,477,894	\$2,216,841
50% increase	295,578,824	29,557,882	\$1,108,421	\$2,216,841	\$3,325,262
100% increase	394,105,098	39,410,509	\$1,477,894	\$2,955,788	\$4,433,682

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-

rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 197,297,549 Shares on issue comprising:
 - (a) 197,052,549 existing Shares as at the date of this Notice of Meeting; and
 - (b) 875,000 Shares which will be issued if Resolutions 10, 11 and 12 are passed at this Meeting.
2. The issue price set out above is the closing market price of the Shares on the ASX on 21 October 2020 (being [\$0.075]).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;

- (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).
- (e) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 29 November 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

5.3 Voting Exclusion Statement

A voting exclusion statement is included in Resolution 6 of this Notice.

6. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

6.1 Background

On 30 July 2020, the Company issued 1,000,000 Shares at an issue price of \$0.05 to raise \$50,000 (**Placement**).

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares .

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the April Placement Shares.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement.

6.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the April Placement Shares.

If this Resolution is not passed, the Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

6.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to this Resolution:

- (a) the Placement Shares were issued to professional and sophisticated investors who were identified by the Directors. The recipients were identified through a process of contacting major shareholders and contacting an investor who had shown a keen interest to invest in the Company. None of the recipients were related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 1,000,000 Placement Shares were issued and the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the April Placement Shares were issued on 30 July 2020;
- (e) the issue price per Share was \$0.05. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (f) the purpose of the issue of the Placement Shares was to raise \$50,000, which will be applied towards fund advisory services, investor relations, working capital and administration costs while the Company seeks to engage a strategic partner to develop its attractive potash projects in Germany;
- (g) the Placement Shares were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 7 of the Notice.

7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

7.1 Background

As announced on 8 July 2020, the Company proposed a capital raising by way of a placement the issue of approximately 4,125,000 Shares at an issue price of \$0.04 to professional and sophisticated investors (**July Placement**).

On 30 July 2020, pursuant to the July Placement the Company issued a total of 3,250,000 Shares to professional and sophisticated investors who participated in the July Placement (**July Placement Shares**).

Subject to Shareholder approval, certain Directors of the Company intend to also participate in the July Placement. The terms in which are set out in Resolutions 9, 10 and 11.

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the July Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the July Placement Shares .

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the July Placement Shares.

This Resolution seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the July Placement Shares.

7.2 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the July Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue with Shareholder approval over the 12 month period following the date of issue of the July Placement Shares.

If this Resolution is not passed, the July Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the July Placement Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

7.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to this Resolution:

- (a) the July Placement Shares were issued to professional and sophisticated investors who were identified by the Directors. The recipients were identified through a process of contacting major shareholders and contacting an investor who had shown a keen interest to invest in the Company. None of the recipients were related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 3,250,000 July Placement Shares were issued and the July Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the July Placement Shares were issued on 30 July 2020;
- (e) the issue price per Share was \$0.04. Subject to the receipt of Shareholder approval under Resolutions 8, 9 and 10, the Company has not and will not receive any other consideration for the issue of the Shares issued pursuant to the July Placement;
- (f) the purpose of the issue of the July Placement Shares was to raise \$130,000, which will be applied towards developing the drilling programme for its attractive potash projects in Germany, including advisory services, investor relations and working capital while Davenport seeks to engage a strategic partner; and
- (g) the July Placement Shares were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 8 of the Notice.

8. RESOLUTIONS 9, 10 & 11 – APPROVAL FOR RELATED PARTY PARTICIPATION IN JULY PLACEMENT – DR REINOUT KOOPMANS, DR CHRIS GILCHRIST & PATRICK MCMANUS

8.1 General

As announced on 8 July 2020, pursuant to the July Placement and as set out at section 7.1 above Dr Reinout Koopmans, Dr Chris Gilchrist and Patrick McManus (or their respective nominees) wish to participate in the July Placement on the same terms as other investors.

Accordingly, Resolutions 9, 10 & 11 seek Shareholder approval for the issue of up to 875,000 July Placement Shares to Dr Reinout Koopmans, Dr Chris Gilchrist and Patrick McManus (or their respective nominees) on the terms set out below.

8.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of July Placement Shares which constitutes giving a financial benefit to Dr Reinout Koopmans and Dr Chris Gilchrist (or their respective nominees) who are related parties of the Company by virtue of being Directors and Patrick McManus (or his respective nominee) who resigned as a Director on 25 September 2020, is a related party of the Company by virtue of being a former Director.

In regards to Resolution 9, the Directors (other than Dr Reinout Koopmans who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the July Placement Shares will be issued to Dr Reinout Koopmans (or his nominee) on the same terms as the July Placement Shares issued to non-related party participants in the July Placement and as such the giving of the financial benefit is on arm's length terms.

In regards to Resolution 10, the Directors (other than Dr Chris Gilchrist who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the July Placement Shares will be issued to Dr Chris Gilchrist (or his nominee) on the same terms as the July Placement Shares issued to non-related party participants in the July Placement and as such the giving of the financial benefit is on arm's length terms.

In regards to Resolution 11, the Directors (other than Patrick McManus who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the July Placement Shares will be issued to Patrick McManus (or his nominee) on the same terms as the July Placement Shares issued to non-related party participants in the July Placement and as such the giving of the financial benefit is on arm's length terms.

8.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has

nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 9, 10 and 11 seek Shareholder approval for Dr Reinout Koopmans, Dr Chris Gilchrist and Patrick McManus to participate in the July Placement under and for the purposes of Listing Rule 10.11.

If Resolutions 9, 10 and 11 are passed, the Company will be able to proceed with the issue of the Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and will raise additional funds which will be used in the manner set out in Section 1.1 above. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares in respect of the participation (because approval is being obtained under Listing Rule 10.11), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If Resolutions 9, 10 and 11 are not passed, the Company will not be able to proceed with the issue of the Shares under the participation and no further funds will be raised in respect of the July Placement.

8.4 Technical information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 9, 10 and 11:

- (a) the July Placement Shares will be issued to Dr Reinout Koopmans, Dr Chris Gilchrist and Patrick McManus (Directors) (or their respective nominees) as related parties of the Company by virtue of being Directors;
- (b) the maximum number of Shares to be issued is 875,000, to be issued to Dr Reinout Koopmans, Dr Chris Gilchrist and Patrick McManus (or their respective nominees) comprising of;

Director	Number of Shares
Reinout Koopmans	375,000
Chris Gilchrist	125,000
Patrick McManus	375,000

- (c) the July Placement Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);

- (d) the issue price will be \$0.04 per July Placement Shares, being the same as all other July Placement Shares issued under the July Placement;
- (e) the July Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the proceeds from the issue of the July Placement Shares will be applied towards developing the drilling programme for its attractive potash projects in Germany, including advisory services, investor relations and working capital while Davenport seeks to engage a strategic partner;
- (g) the Shares to be issued under the participation are not intended to remunerate or incentivise the Directors;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statements is included in Resolutions 9, 10 and 11 of the Notice.

9. RESOLUTION 12 – GRANT OF OPTIONS TO A RELATED PARTY – MR IAN FARMER

9.1 General

As announced on 7 September 2020, the Company has appointed Mr Ian Farmer as a director of the Company. As part of the remuneration package the negotiated with Mr Farmer, the Company has agreed, subject to obtaining Shareholder approval, to grant an aggregate of 7,000,000 Options (**Related Party Options**) to Ian Farmer (or his nominee) comprising of:

- (a) 3,500,000 Options that shall vest upon the expiry of 18 months from his appointment exercisable at \$0.08 and expiring upon the expiration of four (4) years from date of issue; and
- (b) 3,500,000 Options that shall vest upon the expiry of 18 months from his appointment exercisable at \$0.12 and expiring upon the expiration of four (4) years from date of issue.

The Key terms of Mr Farmers appointment are as follows:

- (a) **Term:** Mr Farmer is appointed as Non-Executive chairman of the Company (**Chairman**) and his appointment will continue until such as time as he not re-elected by Shareholders, or resigns as Chairman of the Company;
- (b) **Fees:** Mr Farmer receives a base fee of \$75,000 per annum; and
- (c) **Incentive:** Mr Farmer is granted 7,000,000 Options (on the terms and conditions set out in Schedule 1) as a retention package (being, the Related Party Options).

Mr Farmer's letter of appointment contains such other changes as are considered standard for an agreement of this nature.

This Resolution seeks Shareholder approval for the issue of the Related Party Options to Mr Farmer (or his nominee).

9.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a financial benefit and Mr Farmer is a related party of the Company by virtue of being a Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the agreement to grant the Related Party Options, reached as part of the remuneration package for Mr Farmer, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

9.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 8.3 above.

Mr Farmer falls within Listing Rule 10.11.1 as Mr Farmer is a Director and does not fall within any of the exceptions in Listing Rule 10.12. The grant of the Related Party Options to Mr Farmer therefore requires the approval of Shareholders under Listing Rule 10.11.

This Resolution seeks Shareholder approval for the grant of the Related Party Options under and for the purposes of Listing Rule 10.11.

9.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of the Related Party Options within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Related Party Options (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Options will not use up any of the Company's 15% annual placement capacity.

If this Resolution is not passed, the Company will not be able to issue the Related Party Options. This may result in the Company having to renegotiate the terms of the Mr Farmers appointment and or offer Mr Farmer additional cash remuneration which will deplete the Company's cash reserves.

9.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) the Related Party Options will be issued to Mr Farmer (or his nominee), who falls within the category set out in Listing Rule 10.11.1, as Mr Farmer is a related party of the Company by virtue of being a Director;

- (b) the maximum number of Related Party Options to be issued to Mr Farmer (or his nominee) is 7,000,000;
- (c) the Related Party Options issued will be issued on the terms and conditions set out in Schedule 1.
- (d) the exercise price of the Related Party Options comprise of:
 - (i) 3,500,000 Related Party Options exercisable at \$0.08 and on the terms and conditions set out in Schedule 1: and
 - (ii) 3,500,000 Related Party Options exercisable at \$0.12 and on the terms and conditions set out in Schedule 1.
- (e) the Related Party Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Shares will be issued on the same date;
- (f) the issue price for the Related Party Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options) for services provided by Mr Farmer as Non-Executive Chairman;
- (g) the purpose of the issue of Related Party Options is to provide an incentive component in the remuneration of Mr Farmer as Chairman of the Company;
- (h) the total remuneration package for Mr Famer is as follows:

Director	Remuneration ¹
Mr Ian Farmer	\$75,000 per annum

Notes:

- 1. Excluding superannuation.

If the Related Party Options are issued, the total remuneration package for Mr Farmer would increase by \$80,640, being the value of the Related Party Options (based on the Black Scholes methodology).

the Related Party Options are being issued under Mr Farmer appointment letter. A summary of the material terms of Mr Farmer's appointment letter is set out above in Section 9.1 above.

10. RESOLUTIONS 13 TO 14 – RATIFICATION OF PRIOR ISSUE OF SHARES TO MR JASON WILKINSON AND MR ROBERT VAN DER LAAN

10.1 General

On 30 July 2020 the Company issued 881,816 Shares to Jason Wilkinson and Robert Van Der Laan as part consideration for services provided to the Company (**Consultancy Shares**).

As summarised in Section above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

The issue of the Consultancy Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Consultancy Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Consultancy Shares.

Resolutions 13 to 14 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Consultancy Shares.

10.2 Technical information required by Listing Rule 14.1A

If Resolutions 13 to 14 are passed, the Consultancy Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consultancy Shares.

If Resolutions 13 to 14 are not passed, the Consultancy Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Consultancy Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

10.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is the Consultancy Shares were issued to Jason Wilkinson and Robert Van Der Laan comprising of:

	Number of Shares	Deemed Issue Price \$
Jason Wilkinson	570,352	\$0.042

	Number of Shares	Deemed Issue Price \$
Robert Van Der Laan	311,464	\$0.041

- (a) other than, Jason Wilkinson and Robert Van Der Laan, in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
- (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (b) 881,816 Consultancy Shares were issued and the Consultancy Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Consultancy Shares were issued on 30 July 2020;
- (d) the Consultancy Shares were issued at a nil issue price, in consideration for services provided by Jason Wilkinson and Robert Van Der Laan. The Company has not and will not receive any other consideration for the issue of the Consultancy Shares;
- (e) the Consultancy Share were issued as part consideration for accrued fees relating to Jason Wilkinson's services as chief operating officer and Robert Van Der Laan's services as chief financial officer services; and
- (f) the Consultancy Shares were not issued under an agreement.

GLOSSARY

In this Explanatory Statement, the following terms have the following meaning:

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 5.1.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 724 791) or the Australian Securities Exchange, as the context requires.

ASX Listing Rules or **Listing Rules** means the official Listing Rules of ASX.

Board means the board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Davenport Resources Limited (ABN 64 153 414 852).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Director mean a director of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement to this Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or

indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Meeting or **General Meeting** or **Annual General Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means the notice of meeting accompanying this Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 2020.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

1. Entitlement

Each Related Party Option entitles the holder to subscribe for one Share upon exercise of the Related Party Option.

2. Exercise Price

Subject to paragraph (d), the amount payable upon exercise of

(a) 3,500,000 Related Party Options will be \$0.08; and

(b) 3,500,000 Related Party Options will be \$0.12,

(together the **Exercise Price**)

3. Expiry Date

Each Related Party Option will expire at 5:00 pm (WST) on the date which is 4 years from the date of issue (**Expiry Date**). A Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Related Party Options are exercisable at any time on and from the date that which is eighteen (18) months from the date of issue of the Options until the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Related Party Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Related Party Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within five Business Days after the Exercise Date, the Company will:

(a) issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Related Party Options.

If a notice delivered under 7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

Shares issued on exercise of the Related Party Options rank equally with the then issued shares of the Company.

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Related Party Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Related Party Options without exercising the Related Party Options.

11. Change in exercise price

A Related Party Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Related Party Option can be exercised.

12. Transferability

The Related Party Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (WST) on Wednesday, 25 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

