



31 July 2014

Quarterly Activities Report

for the period ended 30 June 2014

Golden Deeps Limited ("Deeps" or "the Company"), continued to progress the Grootfontein Base Metals Project in Namibia during the reporting period. The key highlights for the quarter include:

Strategic Prospect Review

- A strategic geological prospectivity review was commenced over the Grootfontein Project leases.
- All available data is being utilised including regional mapping, soil geochemistry, land imagery, regional and company aeromagnetics to refine priority targets.
- Preliminary priority targets for short term exploration focus include;
 - Chistiana-Abenab mine Epigenetic Zn-Pb-V prospects
 - Nosib mine Sedimentary Cu-Pb-Zn-Ag prospects
 - Khusib Springs and Butterfly Epigenetic Cu-Zn-Pb prospects
 - Southridge East Epigenetic Zinc-Copper prospects
 - Deblin Epigenetic Copper-Silver prospects

EPL Renewals and New Applications

- The Namibian exploration team finalised renewal applications, annual technical reports and continued lobbying the Ministry of Mines for the granting of six applications.

Planned Activity for September Quarter

- **Deblin** - A resource is to be estimated for the Deblin Copper deposit on the Askeveld Trend following earlier 3D modelling and the intersection of wide zones of copper mineralisation, reported in 2013.
- **Christiana-Abenab** – An exploration update and plans for drilling will be completed during the quarter at the Zn-Pb-V prospect.
- **Nosib** - An exploration update and plans for drilling will be completed during the quarter at the Cu-Pb-Zn-Ag prospect.

Golden Deeps Limited (ABN 12 054 570 777)



1 GROOTFONTEIN BASE METAL PROJECT

Deeps holds an 80% interest in the highly prospective Grootfontein Base Metal Project. The project is located in the Otavi Mountain Land (OML), north east Namibia (Figure 1). The OML is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb mine, which produced 24.9Mt at 5.5% Cu, 11.8% Pb and 171 g/t Ag.

The Grootfontein Project landholding stands at 632km² with a further 331km² under application. There are four recognised base metal trends with extensive strike lengths located within the tenement package, namely the Askevold, Khusib, Pavian and Abenab Trends. These advanced projects are the main focus of the Company's exploration efforts.

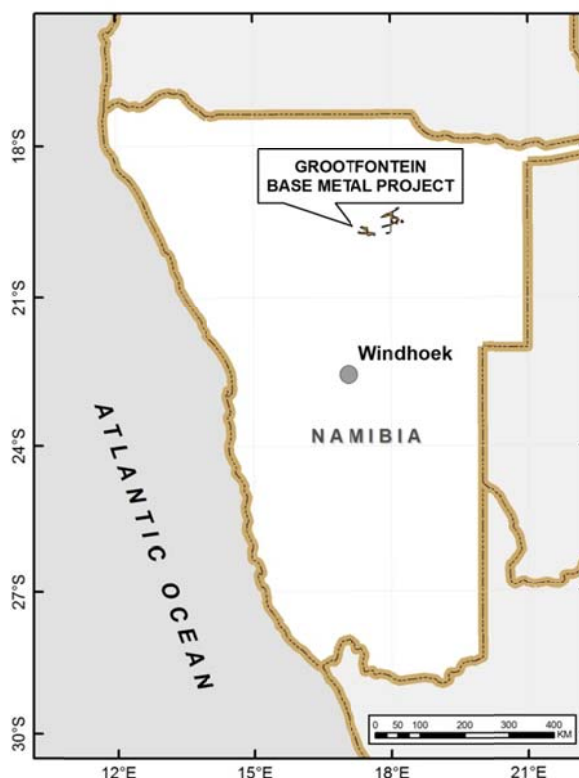


Figure 1 - Location of the Company's Namibian projects.

Strategic Review of Prospectivity

During the quarter the Company commenced a strategic review of the prospectivity of its holdings and applications in the Grootfontein Base Metal Project. All available data is being used to determine the highest priorities for exploration and opportunities for discovery and delineation of economic resources. Deeps holds tenure over a number of significant historical mining centres on the Khusib and Abenab trends.

Initial outcomes from the review indicate the preliminary priority targets for short term exploration focus include;

- Chistiana-Abenab mine Epigenetic Zn-Pb-V prospects
- Nosib mine Sedimentary Cu-Pb-Zn-Ag prospects
- Khusib Springs and Butterfly Epigenetic Cu-Zn-Pb prospects
- Southridge East Epigenetic Zinc-Copper prospects
- Deblin Epigenetic Copper-Silver prospects

Plans for the September Quarter

During the September quarter, the Company will complete its review of key prospects, and release a series of exploration updates based on the key findings. Outlines of associated aggressive exploration plans for the key prospects such as Christiana, Nosib and Khusib Springs will also be released.



1.1 Abenab-Nosib Trend

The Abenab-Nosib Trend is defined by a series of Zn-Pb-V occurrences located on or near the contact between the Auros Shale and Maieberg Dolomites. The Christiana (formerly Abenab West) and Okurundu lead zinc mines as well as the Nosib Block copper mine are located near this contact position. Approximately 40km strike extent of this highly prospective trend lies within the Company's EPL3543 (Figure 2).

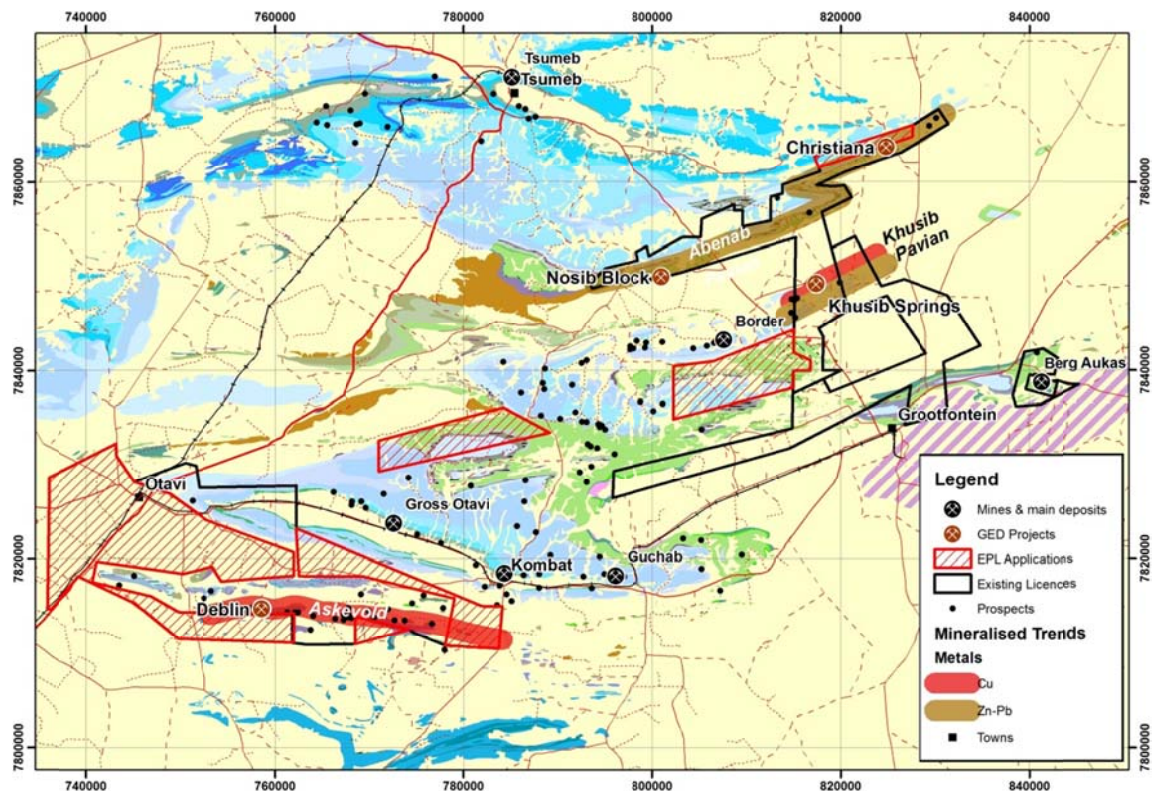


Figure 2 - The location of the key prospects at Christiana, Nosib Block and Khusib Springs in Golden Deeps Grootfontein Project, Otavi Mountainland, Namibia

1.1.1 Christiana Zn-Pb-V Mine

Christiana is the largest historic mine in the Grootfontein Base Metal Project and was formerly known as Abenab West (Figure 2). The Abenab area produced over 100,000t of Vanadium concentrates. Production figures from Christiana itself are not known, but the workings extend over 800m of strike and to a depth of at least 380m below surface. In the underground mine, extensive level development was undertaken, but only the very high grade vanadium and/or easily processed material was removed leaving broad zones of mineralisation remaining in situ and unmined at the Prospect

Three styles of mineralisation have been observed by Golden Deeps at Christiana:

- “Zinc Reef”, comprising high-grade willemite (zinc silicate) mineralisation,
- Descloizite (lead vanadate) mineralisation, and
- Disseminated primary sphalerite (zinc) and galena (lead) mineralisation.

Deeps has previously surveyed and sampled most accessible areas including surface channels sampling. Previous excellent zinc, lead and vanadium sampling results from



surface and underground at Christiana support its position as a high priority target for the Company.

1.1.2 Nosib Block Cu Mine

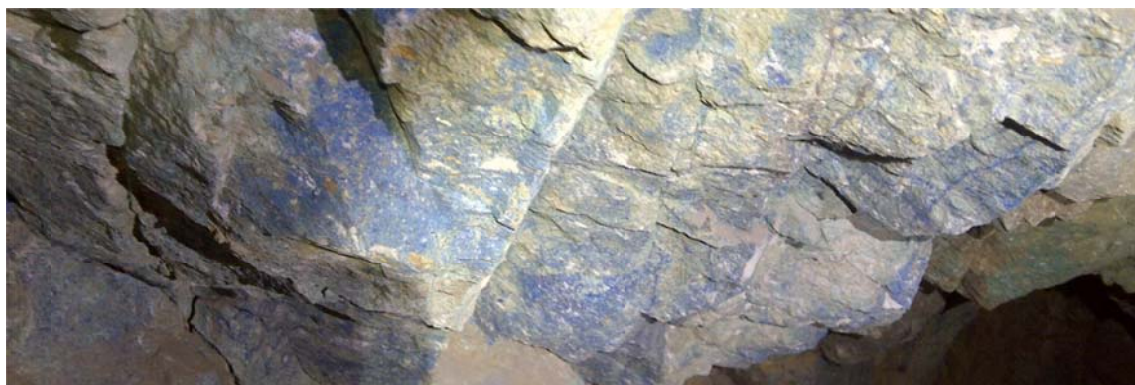


Figure 3 - Azurite mineralisation in underground exposure at Nosib Block Mine

The historic Nosib copper mine is located on the western end of the Abenab-Nosib Trend. Three levels of the historic Nosib Block copper/lead mine were accessed from the No2 Shaft during 2013 (Figure 4).

At Nosib, high grade copper, lead, vanadium and silver are hosted in a sequence of tillites, conglomerates and felspathic sandstones (mine sequence) in contact with massive dolomites to the north (hanging wall) and basement granites to the south (footwall). The mine sequence is dipping moderately to the north and the mineralisation appears to be plunging to the north east. The mineralisation, hosted in sandstones is of great importance in the region as it represents only one of a few potential sedimentary Cu-Pb-Zn occurrences in the OML (Zambian Copper Belt style), the other important example being the Tschudi Mine currently being commissioned by Weatherly International (50.1Mt@0.86%Cu, JORC, see Weatherly website) 40km Northwest of Nosib.

From the Company's sampling and mapping activities, most of the copper mineralisation remains in situ. Level 1, 20m below surface, Level 2, 40m below surface and Level 3, 60m below surface have been accessed, mapped and sampled. Broad zones of strong copper, lead, vanadium and silver have been encountered on all levels.

In excess of 1,600m of strike have been identified to date containing several high priority exploration targets, in particular the "Pinch Out" structure, 600m east of No 2 shaft and the No 3 shaft area, 400m west of No 2 shaft (Figure 4).

The No 2 shaft and associated underground workings were recently surveyed. 3D models of the underground workings were built. This allowed the accurate positioning of the channel samples within the drives. 3D grade shells of the mineralisation have been generated (Figure 5). The 3D modelling shows high grade continuity from surface to over 60m below surface. The mineralisation remains **open in all directions**.

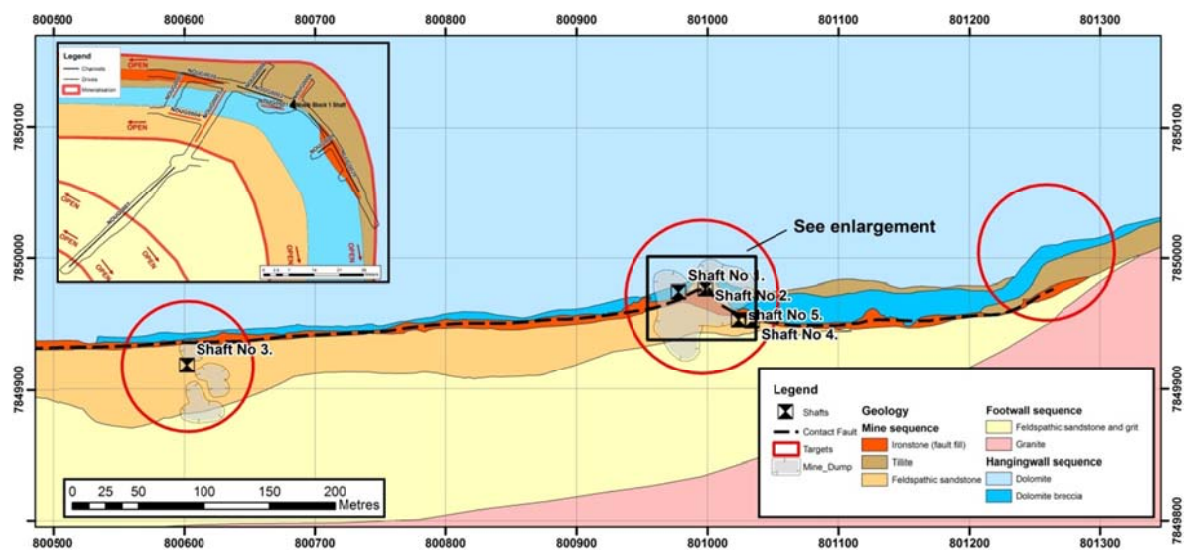


Figure 4 - Plan view of the Nosib Mine workings. To the east the pinch out position is shown and the potential sandstone host is shown extending to the west.

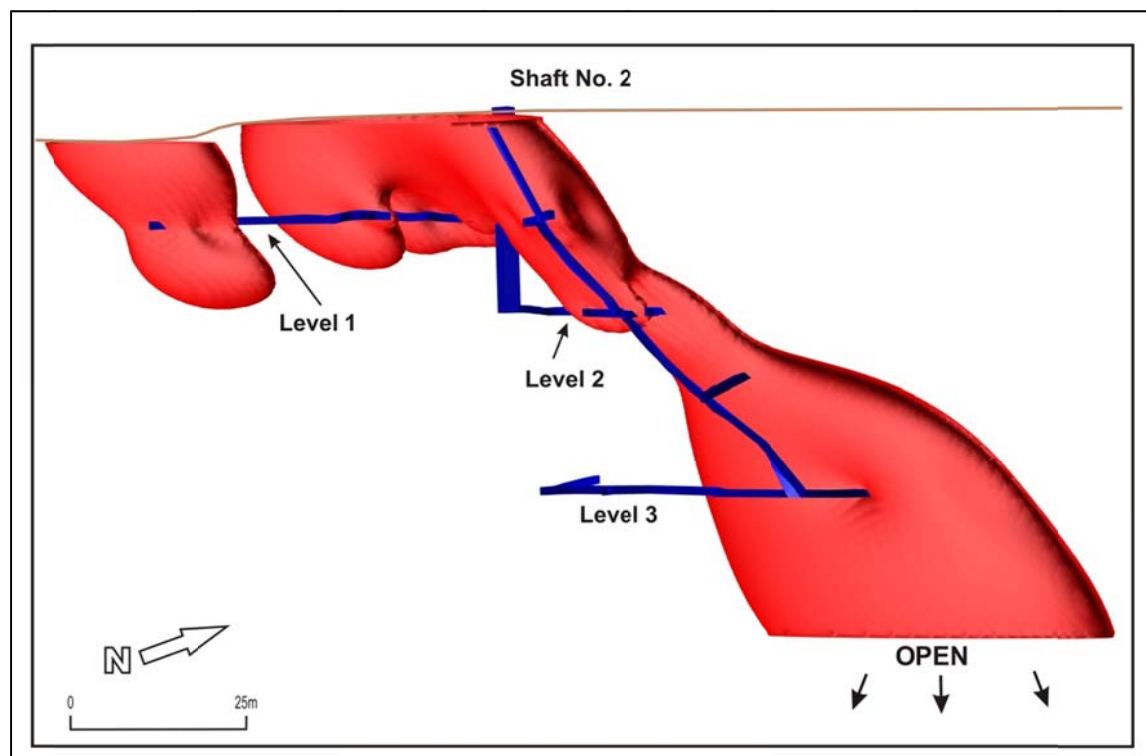


Figure 5 - Nosib Mine View looking WNW showing the underground workings in blue and 4% Cu Equivalent (CuEq)* 3D model in red.

*CuEq grade is calculated by combining the metals of interest based on their prices. In this case $\text{Cu}\% + (\text{Zn}\% \times 0.25) + (\text{Pb}\% \times 0.25) + (\text{Ag ppm} \times 0.00625) + (\text{V2O5}\% \times 1.695) + \text{CuEq}\%$. It is used as a visualisation tool only and is required Nosib Block due to the poly metallic and strongly zoned nature of the mineralisation. In this situation a CuEq grade provides a better picture of the overall geometry of the mineralisation than using copper grade on its own.



1.2 Khusib Trend

The Khusib Trend is an east-west trending zone of copper anomalies and prospects located around a contact zone between Maieberg dolomites and limestones. This is known as the T2/T3 contact position. Over six strike kilometres of the T2/T3 contact is located within the Company's licenses. The Khusib Trend is marked by the Pickaxe, Butterfly and Dogleg anomalies and trends northeast for over six kilometres, with the Khusib Springs copper mine located near the centre of the trend. The Khusib Trend is located in a similar structural and stratigraphic position to the lead zinc Pavian Trend to the south (Figure 2 and Figure 6).

1.2.1 Khusib Springs Copper Mine

The Khusib Springs mine is an advanced prospect on the Khusib Trend and is a high priority target. Khusib Springs was discovered and mined by Goldfields Namibia during the 1990s. Approximately 500,000t @ 10% Cu, 1.8% Pb and 584g/t Ag was mined from Khusib Springs before its closure in 1997.

Goldfields actively explored the area around Khusib Springs during the 1990s using predominantly electrical geophysics. Records show that many anomalies were generated from this work but few of the conductors were effectively drill tested.

Deeps regards the area around Khusib Springs as highly prospective for additional high grade Cu-Pb-Ag deposits similar to the mined out deposit. The area around the mine has a number of high-order anomalies generated from close spaced soil geochemistry, geophysics and airborne magnetics.

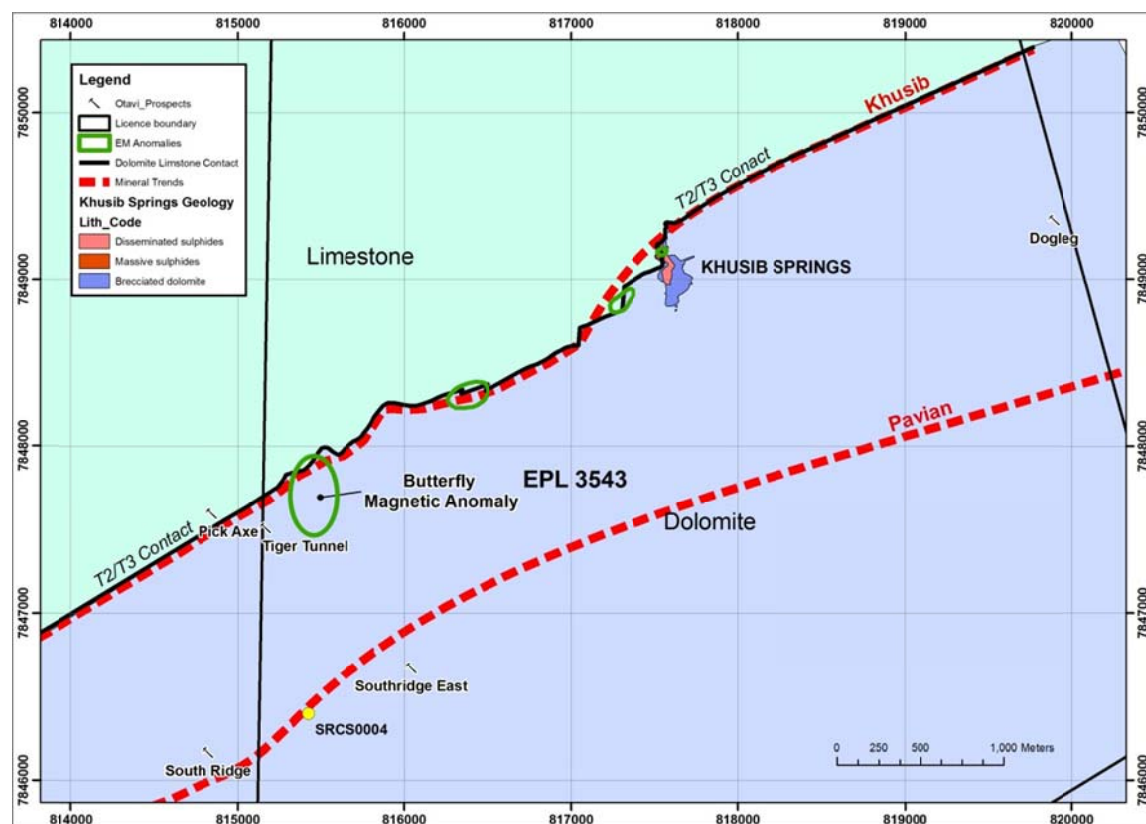


Figure 6 - Simplified geology of the Khusib Springs area



1.3 Pavian Trend

The Pavian Trend is marked by a high amplitude lead zinc geochemical anomaly located directly along strike to the east of Sabre Resources' Southridge prospect and Border deposit.

The most advanced prospect on the Golden Deeps part of the trend is Southridge East prospect (Figure 6). The area shows large and consistent soil geochemistry anomalism and a channel sample at the prospect returned a very encouraging intercept of:

- SRCS0004 18m @ 3.45% Pb+Zn (0.71% Zn, 2.74% Pb) and 13.97g/t Ag

1.4 Askeveld Trend

The Askeveld Trend is defined by a series of copper occurrences and geochemical anomalies associated with a sheared contact between the Askeveld Volcanics and the overlying Abenab Dolomites. A 30km strike length of this highly prospective contact position lies within the Company's EPL3743.

Historic data compilation, field mapping, soil geochemistry and surface EM surveying has resulted in six very high priority targets on the Askeveld Trend. They are the Deblin, Askeveld South, Hartbeespoort South, Redrob, Deblin South and Deblin West prospects. (Figure 7)

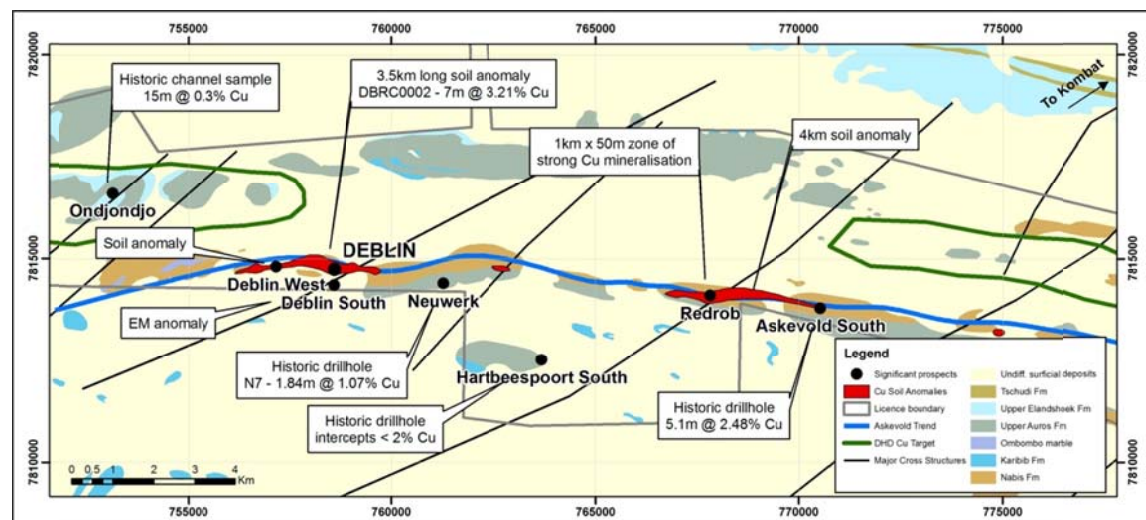


Figure 7 - The Askeveld Trend showing geochemical anomalies and prospect locations. Deblin, Deblin West, Deblin South, Askeveld South, Hartbeespoort South and Redrob are the highest priority prospects

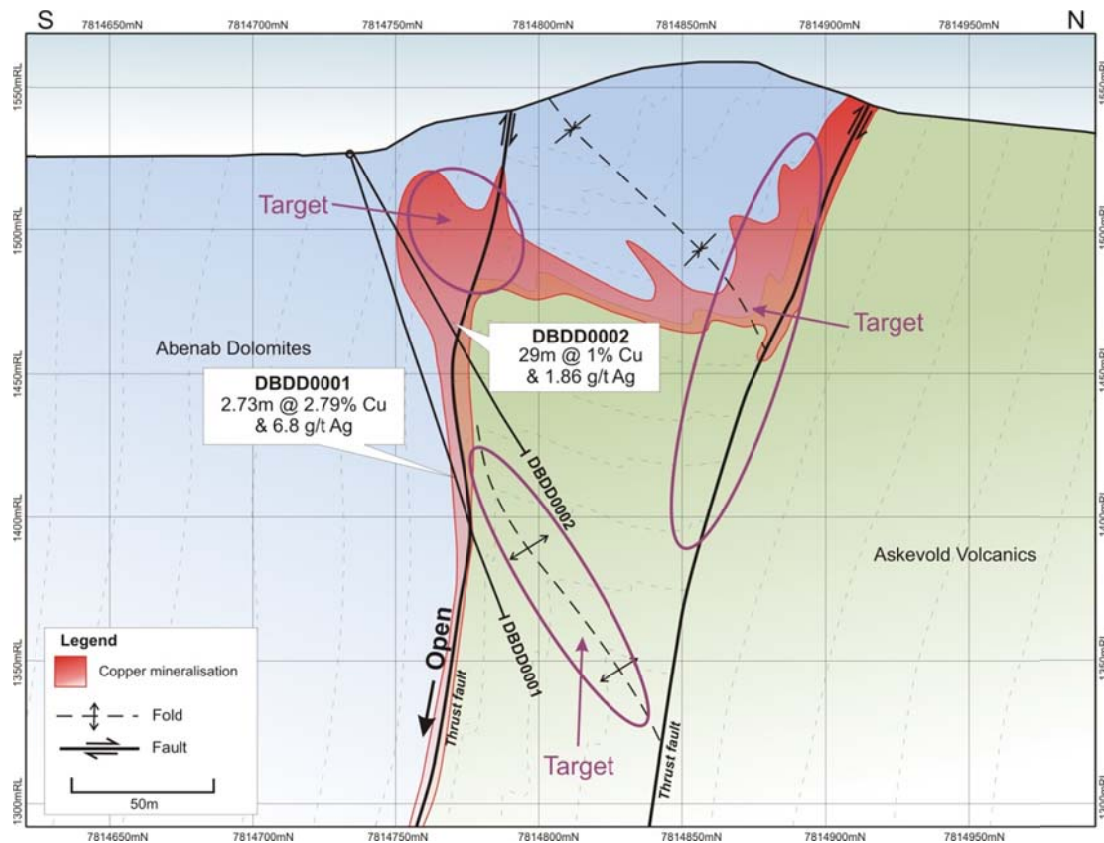


Figure 9 - Interpreted geological cross section at 758545mE, looking west, and showing drillholes DBDD0001 and DBDD0002, new drill targets and new structural interpretation



2 WESTERN AUSTRALIAN GOLD PROJECTS

2.1 Twin Hills (M 29/21), Western Australia

The Twin Hills Project is located 27 km north of Menzies Township in the Eastern Goldfields. The historic Twin Hills mine is located in a shear zone within a narrow greenstone belt located between two granitoids. Recorded production from the belt totalled 1,100t of ore at an average grade of 23.6 g/t Au.

Desktop studies were ongoing on Twin Hills data during the quarter.



Figure 10 - The location of the Twin Hills Project



3 EASTERN VICTORIAN GOLD PROJECTS

The Company currently holds three granted exploration licences and has an application pending for one further exploration licence in eastern Victoria (Figure 11). The granted exploration licences are Burwang (EL5235), Twist Creek (EL5239), and Mudlark (EL5272). The Grant-Dargo (EL5240) licence is still proceeding through the application process. These licences and the application are for low impact gold exploration over a number of historic gold mining areas that have received limited exploration using modern techniques.

Government records show that **over 730,000 oz of gold was historically produced from the Burwang project area (EL5235).**

The Rose, Thistle and Shamrock (RTS) gold mine and the nearby Landtax gold mine, located on EL 5325, is an area of significant potential. Government records show that **over 80,000 oz. of gold was produced at an average grade of 22.2 g/t.**

No significant work was conducted on these projects during the quarter. The Company is actively seeking partners to conduct gold exploration on its Victorian licences.

4 CORPORATE

As a result of the profit sharing agreement with gold producer Phoenix Gold Limited (ASX:PXG) in respect of the Blue Funnel project in the Eastern Goldfields in WA, Deeps received \$93,500 (inclusive of GST) In April 2014. Deeps currently holds 2,114,140 shares in Phoenix.

For further information please contact:
Vincent Algar or Luke Marshall

Or consult our website:

Phone (08) 9481 7833

www.goldendeeps.com

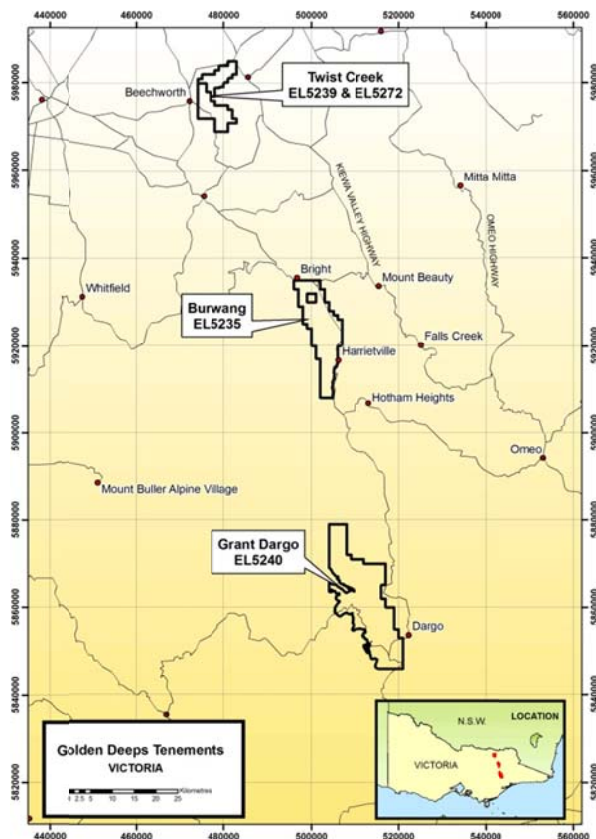


Figure 11 - Locations of the Company's three exploration areas (black outlines) in eastern Victoria. Major towns and cities of the region are shown.



Competent Person Declaration- Christiana, Southridge

The information in this report that relates to Exploration Results at the Christiana and Southridge prospects are based on information compiled by Luke Marshall, who is a full time employee of Golden Deeps Limited and a member of The Australasian Institute of Geoscientists. Mr Marshall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Marshall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person Declaration - Nosib, Deblin

The information in this report that relates to Exploration Results at the Nosib and Deblin prospects are based on information compiled by Luke Marshall, who is a full time employee of Golden Deeps Limited and a member of The Australasian Institute of Geoscientists. Mr Marshall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Marshall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Deeps Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Deeps Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

APPENDIX 1 – Schedule of Golden Deeps tenements

| Schedule of Mining and Exploration Tenements | | | | | | |
|--|--------------|--------------------------|-------------|----------|-------------|-------------|
| Country | State/Region | Project | Tenement ID | Area Km2 | Grant Date | Interest % |
| Namibia | Otjozondjupa | Grootfontein Base Metals | EPL 3543 | 181 | 12/09/2006 | 80 |
| | | | EPL 3744 | 18 | 28/08/2007 | 80 |
| | | | EPL 3745 | 193 | 28/08/2007 | 80 |
| | | | EPL 3743 | 240 | 28/08/2007 | 80 |
| | | | EPL 5232 | 260 | Application | Application |
| | | | EPL 5233 | 63 | Application | Application |
| | | | EPL 5234 | 8.4 | Application | Application |
| | | | EPL 5496 | 13 | Application | Application |
| | | | EPL 5509 | 56 | Application | Application |
| | | | EPL 5510 | 73 | Application | Application |
| Australia | WA | Twin Hills | M25/21 | 0.63 | 2/04/1985 | 100 |
| Australia | Vic | Victorian Gold | EL 5239 | 235 | 31/03/2010 | 100 |
| | | | EL 5272 | 360 | 31/03/2010 | 100 |
| | | | EL 5235 | 1463 | 31/03/2010 | 100 |