



## DEVEX EXPLORATION UPDATE

ASX Listed DevEx Resources Limited (“DevEx”, ASX: DEV) has today lodged an exploration update which includes, amongst other details, further information on the 50/50 Joint Venture on ASQ’s E70/3405 located along strike from the Chalice Gold Mines Ltd (ASX: CHN) nickel-copper-platinum group elements (Ni-Cu-PGE) Julimar discovery in WA. A full copy of the DevEx announcement is attached.

DevEx is earning into the non-bauxite rights of E70/3405 by an initial spend of \$3m to earn a 50% interest with a minimum spend of \$250,000. Following the initial spend, ASQ may elect to contribute to further exploration to maintain its 50% interest, or may have DevEx spend an additional \$3m to earn a further 20% interest with ASQ diluting.

4 DECEMBER 2020



**ASX Code: ASQ**  
**AUSTRALIAN SILICA QUARTZ GROUP LTD**

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This Announcement has been authorised by the board.

**For further information regarding Australian Silica Quartz Group Limited, please visit [www.asqg.com.au](http://www.asqg.com.au) or contact:**

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## About Australian Silica Quartz Group Limited

### *ASQ DEVEX 50/50 JV (non-dilutable at ASQ's election)*

ASQ has entered into a joint venture with DevEx Resources ("DevEx" ASX:DEV) on its 100% owned E70/3405 tenement located along strike from Chalice Gold Mines ("Chalice" ASX:CHN) nickel copper platinum group elements Julimar discovery in WA. The first \$3M expenditure on the JV area is to be fully funded by DevEx to earn 50%. ASQ has the option to jointly fund future expenditure to maintain 50% share or opt to allow DevEx to fund the next \$3M to earn a further 20% share in non-bauxite minerals. Initial geochemical and geophysical exploration work has returned positive results with the establishment of multiple drill targets. (refer full detail in the 1 June 2020 announcement *ASQ reaches agreement for funding of exploration on its tenement in Julimar Region, WA*, 8 October 2020 announcement *Update on Geophysics Targets at ASQ/DevEx JV in Julimar Region, WA*, and 19 August 2020 announcement *Update on ASQ/DevEx 50/50 JV in Julimar Region, WA*).

### **SILICA**

ASQ has established a range of silica sand and hardrock projects held via exploration licence applications 100% owned by ASQ's subsidiary Australian Silica Quartz Pty Ltd. These projects now consist of 12 granted exploration licences and 8 applications covering approximately 1,500 km<sup>2</sup> within Western Australia and Queensland.

High grade silica (99.5-99.9% SiO<sub>2</sub>) and high purity silica (>99.95% SiO<sub>2</sub>) currently have a wide range of applications. All indications suggest the high grade and high purity silica market is currently growing strongly due to greater demand from the PV Solar, TFT glass, Electronics, Flat Glass and Speciality Glass industries. This is reinforced by the level of enquiries received from qualified end user customers the Company has received primarily from China and South East Asia.

### **SILICA SAND**

ASQ's high grade silica sand projects are located in the regions of Albany, Gingin and Esperance in the south west of Western Australia.

In the shorter term these projects potentially present the opportunity for the Company to produce a washed DSO silica sand product with longer term potential to enter the higher value higher grade silica sand market with a niche processed product.

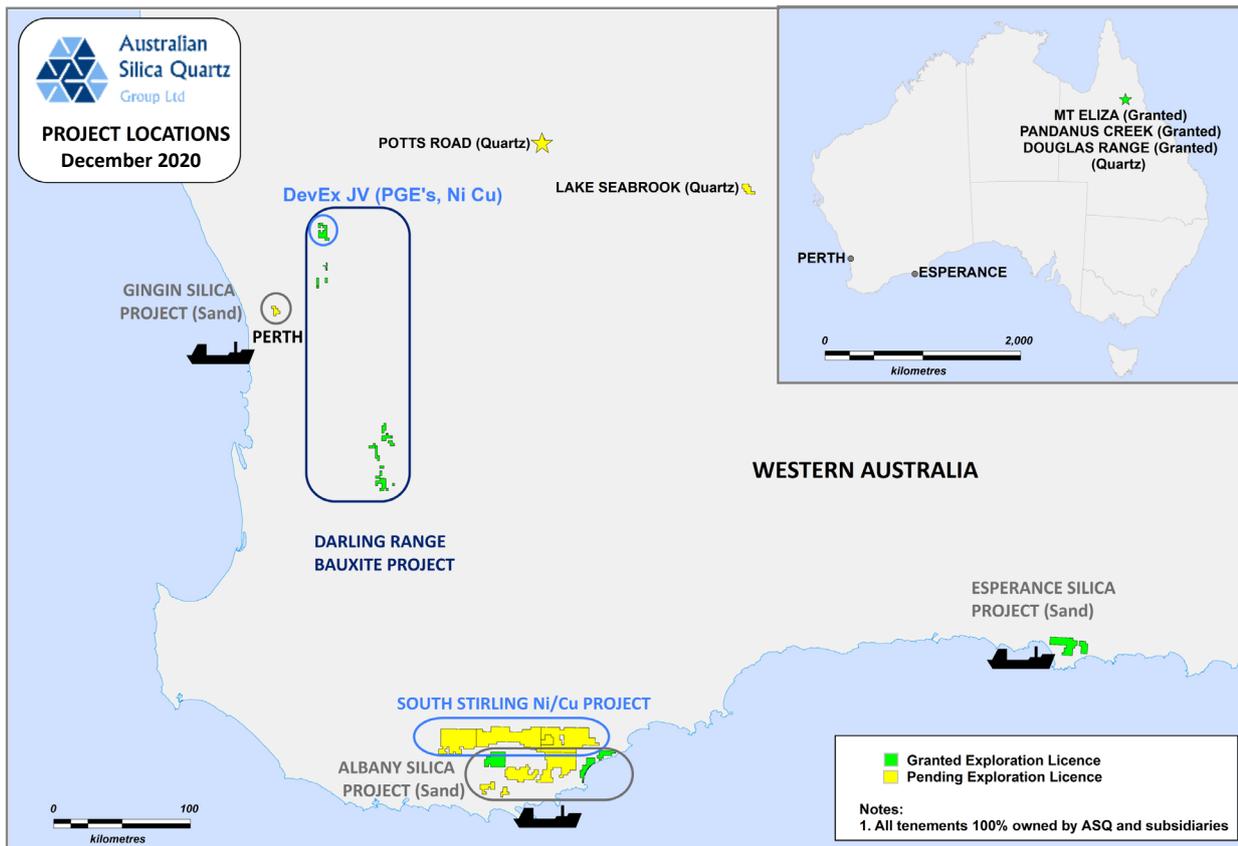
ASQ is currently working on an exploration program at the Albany White Sand Hill Project aimed at reporting a maiden silica sand resource early in 2021. The Albany White Sand Hill Project is located on farmland cleared of native vegetation 70 km east north east of the port of Albany.

In addition to its wholly owned silica exploration projects ASQ has reached an agreement with an existing local sand producer. In 2019 the Company executed a binding terms sheet with Urban Resources Pty Ltd (Urban) to jointly exploit Urban's Silica Sand deposit located in Bullsbrook, Western Australia. Urban has operated the mine for the last six years and produced over 1Mt from the deposit in last two years. The ASQ/Urban Resources agreement presents the Company with the opportunity to potentially fast track its entry into the DSO silica sand export market. ASQ have completed a JORC 2012 Inferred Mineral Resource on the raw sand at Urban's Maralla Road tenement M70/326 (refer full detail in the 7 May 2019 announcement *Update on Maralla Road Silica Sand Deposit Maiden Resource* and 29 January 2020 announcement *Spiral and Classifier Testwork Results for the M70/326 Silica Sand Products*).

### **HARDROCK QUARTZ R&D**

The Company is undertaking an R&D program aiming to develop a high purity, high value silica quartz product. To this end the Company has secured a number of hardrock quartz tenements and is progressing with a research and development project in this area. Assays from rock chip sampling of ASQ's hard rock tenements reported grades of up to 99.993% SiO<sub>2</sub> with processed hard rock samples demonstrating further grade improvement (refer full detail in the 14 December 2017 announcement *Silica Sand and Hardrock Quartz Project Updates*).





### **SOUTH STIRLING Ni/Cu PROJECT**

ASQ has established the South Stirling Ni/Cu Project by way of four exploration lease applications lodged covering 1,603 km<sup>2</sup> over the Albany Fraser Mobile Belt, South Western WA where the Company has identified a historic end of hole aircore drilling assay of 1.5m at 0.79% Ni, 934 ppm Cu, 832 ppm Co from 28.5m that was never followed up. ASQ considers the application area has potential for Nickel-Copper magmatic sulphide mineralisation associated with mafic-ultramafic intrusions emplaced into granulite facies country rocks. (refer full detail in the 23 September 2020 announcement *Exploration Update*.)

### **BAUXITE JV**

ASQ has a joint venture with HD Mining & Investments Pty Ltd (HDM). HDM is currently working towards obtaining a 40% interest in the bauxite rights of several tenements under the joint venture which are wholly owned by ASQ. Exploration activities are fully funded by HDM. Should HDM and ASQ make a subsequent decision to mine, then HDM will earn an additional 20% interest in bauxite rights on the tenements. ASQ maintains 100% interest in all other minerals. A ninety five million tonne Bauxite JORC resource has been identified under this JV. (refer Company Annual Financial Report for 2020 - Mineral Resources and Ore Reserves section)

### **BAUXITE ROYALTY**

Following the sale of the Bauxite Resources Joint Venture Bauxite Project to Yankuang Group a royalty on future bauxite sales from the project of 0.9% of FOB price payable to ASQ was negotiated. The Yankuang Group bauxite project contains in excess of 300 million tonnes in the world class bauxite region in the Darling Range, Western Australia. ASQ is entitled to a royalty of 0.9% of the FOB price on the first 100 million tonnes mined (under current prices of Bauxite this royalty would equate to approx. A\$0.50/tonne)(refer full detail in 30 November 2015 announcement *Final Agreements signed with Yankuang for sale of Joint Venture Interest and Buy Back of Shares*)

## Exploration Update – WA and NSW Projects

*Ground EM survey commenced and discussions underway with drilling contractors for the Sovereign Project, WA; Maiden drilling underway at Wilga Downs Project, Cobar Basin, NSW*

Following the completion of its recent \$8.4 million capital raising, DevEx Resources (ASX: DEV, “DevEx” or “the Company”) is pleased to provide a brief update on ongoing exploration activities across its key projects in Western Australia and New South Wales.

### Sovereign Project – Julimar Region, WA

The Sovereign Project is strategically located to the north of Chalice Gold Mines’ (ASX: CHN) Julimar Project and south of Caspin Resources’ (ASX: CPN) Yarrowindah Brook Project. The area is interpreted to be part of the regional Mafic Ultramafic rocks of the Julimar Complex, which hosts the recent discovery by Chalice.

A ground-based moving loop electromagnetic (MLEM) survey recently commenced to follow up on multiple *late-time* airborne EM (AEM) conductors associated with the 6 x 7km Sovereign Magnetic Complex ahead of a drilling program planned for January 2021.

The MLEM Survey has so far been completed over three of the seven priority AEM conductors (**K1**, **M2** and **M3**) where harvesting is now complete. The Company is awaiting access to targets **H1** and **K2**, which is expected once the harvesting season is complete for these two areas.

Target **H1** is considered to be a priority focus due to the multiple anomalous near surface platinum + palladium (Pt+Pd) and copper (Cu) values that surround the AEM late-time conductor.

The recent granting of DevEx’s 100%-owned adjacent Exploration Licence E70/5365, adding an additional 55km<sup>2</sup> of granted tenure to the area, which encompasses AEM targets **M1** and **K3**, provides the Company with broader access to explore the eastern half of the Sovereign Magnetic Complex – where little to no surface exploration has taken place. The Company has commenced the process of seeking land access agreements with local landowners over priority areas within E70/5365.

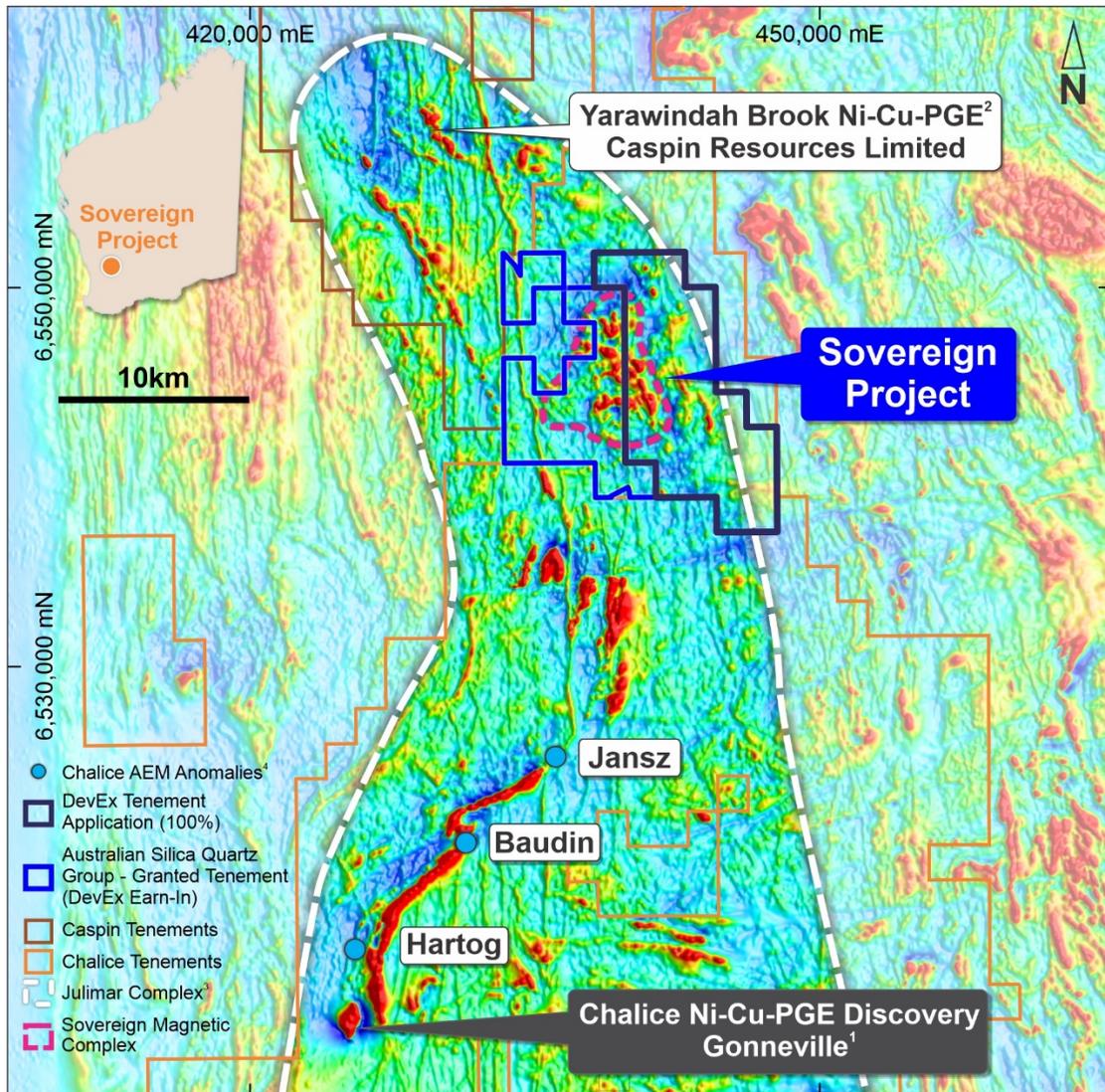
Preliminary data from the MLEM survey over the initial three conductors has not identified suitable massive sulphide drill targets at this stage, however recent work by adjacent explorers in the Julimar region (notably Chalice<sup>5</sup>) has shown that widespread zones of PGE mineralisation associated with disseminated sulphides occur within the mafic-ultramafic rocks at Julimar. Disseminated sulphides do not usually create good conductors and targeted drilling beneath near surface geochemical anomalies would be a more suitable method to identify these zones.

Accordingly, further work is required over these areas once the broader MLEM survey is completed.

MLEM surveying will re-commence across the balance of the priority EM targets as soon as access is available.

*Targeted Drilling*

DevEx is in advanced discussions with several drilling contractors to commence RC and air-core drilling early next year.



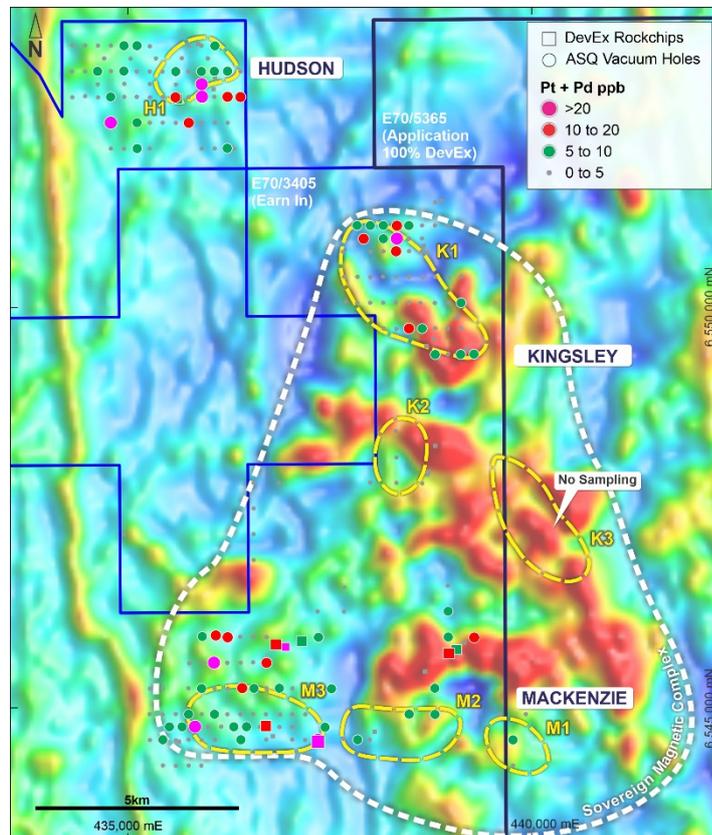
**Figure 1.** DevEx tenement application and the Australian Silica Quartz Group Ltd ('ASQ') Tenement overlying airborne magnetics (RTP) in relation to Chalice Gold Limited's recent high-grade palladium-nickel discovery (ASX: CHN) at the Julimar Project.

The Company is also planning to commence targeted air-core drilling over the main Sovereign Magnetic Complex focusing on areas where previous re-assaying of historical shallow bauxite (duricrust) drilling returned multiple areas of anomalous nickel, copper, chromium and PGE results (see ASX announcement on 19<sup>th</sup> August 2020).

As noted above, work by adjacent explorers in the region has demonstrated that not all nickel-copper-PGE mineralisation occurs as massive sulphides and broader areas of nickel-copper-PGE mineralisation associated with disseminated sulphides also occur within the Julimar Mafic Ultramafic

Complex. The multiple geochemical anomalies identified within the Sovereign Magnetic Complex represent a compelling series of near-surface targets.

Surface geochemistry and air-core drilling targeting the weathered basement rocks for shallow Ni-Cu-PGE mineralisation is considered to be an effective exploration approach.



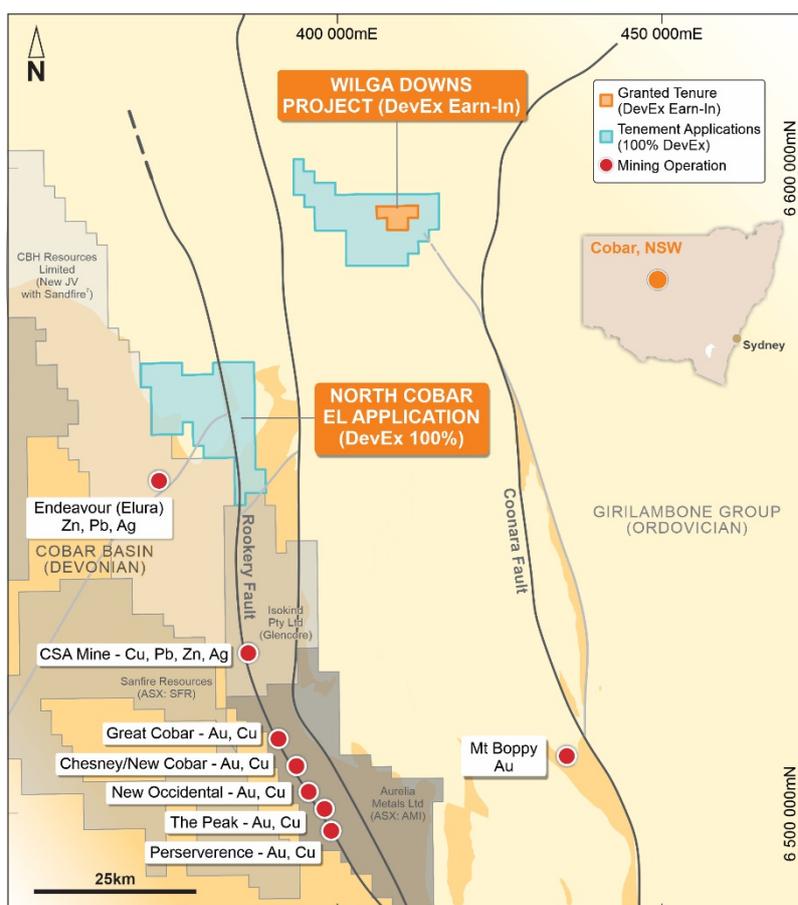
**Figure 2:** Sovereign Magnetic Complex, showing airborne magnetics (RTP) and location of airborne electromagnetic targets (yellow outlines) with **Pt+Pd** analysis of pulps from previous bauxite drilling and rockchips.

### Wilga Downs Project, Cobar, NSW

Diamond drilling has now commenced at the Wilga Downs Project, located within the well-endowed Cobar Basin of New South Wales (Figure 3).

Drilling will test a strong coincident magnetic and gravity high modelled beneath historical anomalous intercepts at the prospective fault contact between outcropping Cobar Supergroup (Devonian) and the Girilambone Group (Ordovician).

This priority target setting is similar to those associated with other gold-polymetallic deposits in the south of the region, including Glencore's CSA Copper Mine, the Peak Mine and Great Cobar Copper-Gold Mines.



**Figure 3:** Generalised Geology Map of the central Cobar Mining District after David (2006)<sup>6</sup> together with tenure outlines for other major Cobar miners in the region (not complete tenure), showing location of Wilga Downs Project and tenement applications.

In addition, DevEx has lodged Exploration Licences for tenements surrounding the Wilga Project and within the highly prospective North Cobar Mineral Allocation Area. At the time of reporting, preparations are underway for a Reverse Circulation/Diamond drill program to test this high priority target in the coming months.

This announcement has been authorised for release by the Board.



**Brendan Bradley**  
Managing Director

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## REFERENCES

- 1.Chalice Gold Mines Limited (ASX:CHN) ASX announcement “High-Grade Ni-Cu-Pd Sulphide Intersected at Julimar” on 23<sup>rd</sup> March 2020 and “High-grade Ni-Cu-PGEs confirmed in discovery zone at Julimar” on 25<sup>th</sup> May 2020.
- 2.Cassini Resources Limited (ASX:CZI) ASX announcement “Drilling Commencing at Yarrowindah Ni-Cu-PGE Project” on 28<sup>th</sup> May 2020.
- 3.Harrison P. H., 1984. The mineral potential of layered igneous complexes within the Western Gneiss Terrain. In: Professional papers for 1984 of the Geol Surv of W. A. 19. Gov Printing Office, Perth, pp 37–54.
4. Chalice Gold Mines Limited (ASX:CHN) ASX announcement “Major new 6.5km-long EM anomaly identified at Julimar” on 22<sup>nd</sup> September 2020.
5. Chalice Gold Mines Limited (ASX:CHN) ASX announcement “Significant high-grade PGE-Cu-Au extensions at Julimar” on 18<sup>th</sup> November 2020.
6. David, V. 2006, Cobar Superbasin System Metallogensis. Wine and Wines Conference.

## COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by DevEx Resources Limited and reviewed by Mr Brendan Bradley who is the Managing Director of the Company and a member of the Australian Institute of Geoscientists. Mr Bradley has sufficient experience that is relevant to the styles of mineralisation, the types of deposits under consideration and to the activities undertaken to qualify as a Competent person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Bradley consents to the inclusion in this report of the matters based on this information in the form and context in which it appears

The Information in this report that relates to previous exploration activities within the Julimar Complex is extracted from the ASX announcement titled “DevEx applies for exploration licences in new Julimar Nickel-Copper-PGE region, WA” released on 20<sup>th</sup> April 2020 and “DevEx expands position in Julimar Nickel-Copper-PGE region with strategic farm-in agreement” released on 1<sup>st</sup> June 2020, “New geochemistry results outline Ni-Cu-PGE targets at the Sovereign Project – Julimar region WA” released on 19<sup>th</sup> August 2020 and “Multiple late-time conductors, up to 1km long, identified at the Sovereign Nickel-Copper-PGE Project, WA” released on 8<sup>th</sup> October 2020 which are available on [www.devexresources.com.au](http://www.devexresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

## FORWARD LOOKING STATEMENT

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

## Appendix 2. Sovereign Prospect - JORC 2012 Table

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>Ground EM</p> <ul style="list-style-type: none"> <li>Undertaken by Wireline Services Group, an independent geophysical contractor.</li> <li>The Moving Loop EM (MLEM) survey employed the following equipment specification and data sampling techniques: <ul style="list-style-type: none"> <li>Configuration: In-loop (1 line) and slingram</li> <li>Loop size: 200m x 200m</li> <li>Station spacing: 50m</li> <li>Sensor offset: 200m east (E-W) lines, 200m north (N-S line)</li> <li>Receiver: Smartem24</li> <li>Sensor: EMIT Fluxgate – Bz (up), Bx (east), By (north)</li> <li>Effective current: ~100 A</li> <li>Frequency: 1 Hz</li> </ul> </li> </ul> <p>Airborne EM</p> <ul style="list-style-type: none"> <li>See Company's announcement on 8<sup>th</sup> October 2020 which discussed Sampling Techniques for the Airborne EM Survey.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous re-assay results from shallow bauxite vacuum drilling are discussed in Company's previous announcement on 19<sup>th</sup> August 2020.</li> </ul> <p>Surface Geochemistry</p> <ul style="list-style-type: none"> <li>Previous rock chip results from Company sampling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling results being reported.</li> <li>Previous re-assay results and Drilling Techniques from shallow bauxite vacuum drilling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling results being reported.</li> <li>Previous re-assay results and Drill sample recovery details from shallow bauxite vacuum drilling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling results being reported.</li> <li>Previous re-assay results and Logging details from shallow bauxite vacuum drilling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling results being reported.</li> <li>Previous re-assay results from shallow bauxite vacuum drilling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<p>MLEM</p> <ul style="list-style-type: none"> <li>Wireline Services Group was contracted to complete the MLEM survey.</li> <li>MLEM survey data was collected with 200mx200m loops and 50m station spacing using a Smartem24 system and fluxgate 3-component sensor in and in-loop and 200m offset slingram configuration. Z, X, and Y component data were collected at a base frequency of 1Hz.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous re-assay results and Quality of assay data and laboratory tests details from shallow bauxite vacuum drilling are discussed in Company's announcement on 19th August 2020.</li> </ul> <p>Surface Geochemistry</p> <ul style="list-style-type: none"> <li>Previous rock chip results, quality of assay data and laboratory tests from Company sampling are discussed in Company's announcement on 19th August 2020.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>None undertaken.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous re-assay results from shallow bauxite vacuum drilling are discussed in Company's announcement on 19th August 2020.</li> </ul> <p>Surface Geochemistry</p> <ul style="list-style-type: none"> <li>Previous rock chip results from Company sampling are discussed in Company's announcement on 19th August 2020.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The grid system used for the MLEM survey data points is GDA94 - MGA (Zone 50).</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Undertaken on E-W lines with one N-S with a station spacing of 50m.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>The MLEM lines were orientated E-W to be close to perpendicular to the interpreted strike of the bedrock geology.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>No samples taken.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>All digital data was subjected to review and vetting by the independent geophysical consultant Armada Exploration Services.</li> <li>An additional high-level review of ground and airborne geophysical data was also carried out by geophysical consultants RAMA Geoscience.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>Sovereign Project</p> <p>The Company has an Earn-In Agreement with Australian Silica Quartz Group Ltd (ASQ) for granted tenement E70/3405.</p> <ul style="list-style-type: none"> <li>Under the Earn-In Agreement with ASQ, DevEx has the right to earn a 50% interest in all mineral and metal rights, excluding bauxite, within the ASQ Tenement by spending up to \$3 million within 3 years from commencement of the Earn-In Agreement. This includes a minimum expenditure requirement of \$250,000 in the first 12 months.</li> <li>DevEx can earn an additional 20%, taking its interest to 70%, by spending an additional \$3 million within two years if ASQ elect to not contribute to exploration expenditure after DevEx earning the 50% interest.</li> <li>Within E70/3405, land access agreements with land owners are in place and cover the main magnetic targets that lie within this tenement.</li> <li>The Company's 100% owned tenement application E70/5365 is reported to be granted on the 1<sup>st</sup> December 2020. The Company is awaiting formal documentation of this grant. The Company has been advancing land access agreements with landowners within E70/5365.</li> </ul> <p>Wilga Downs</p> <p>The key terms of the Earn-In Agreement between DevEx and Thomson for the Wilga Downs granted tenement EL8136 (Wilga Downs Project) are as follows:</p> <ul style="list-style-type: none"> <li>DevEx will commit to spending \$90,000 on the Tenement in the first 12 months;</li> <li>DevEx has the right to earn 80% in the Wilga Downs Project by spending \$290,000 within four years (inclusive of the commitment); and</li> <li>Once DevEx has earned an 80% interest, Thomson's interest will be split between a 10% contributing and a 10% free-carry to completion of a Pre-Feasibility Study.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Apart from ASQ's bauxite exploration, no other material exploration has taken place at the Sovereign Project.</li> <li>A published paper by Harrison (1984) documents the mineral potential of layered igneous complexes within the Western Gneiss Terrain – The paper identified a sequence of magnetic features prospective for Ni-Cu-PGE deposits on the western side of its Figure which it terms the Julimar Complex – The Sovereign Project forms one of these magnetic features.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Sovereign Project and other Company Tenement Applications are located within the Western Gneiss Terrain of the Archaean Yilgarn Craton of southwest Australia.</li> <li>The prospective areas are described in Harrison (1984) as within the "Julimar Complex", a series north-trending magnetic anomalies in the western part of the Jimperding Metamorphic Belt that contains mineralised prospects. The Company has interpreted the outline shape of "Julimar Complex" based on this description. The Complex comprises layered basic/ultramafic intrusions prospective for nickel sulphide related mineralisation. The Chalice discovery within the Complex adds significant support for the overall prospectivity of the Complex.</li> <li>Within the Sovereign Project, local geology is masked by extensive laterite cover, predominately bauxite or lateritic duricrust.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:               <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling results being reported.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous re-assay results from shallow bauxite vacuum drilling are discussed in Company's announcement on 19<sup>th</sup> August 2020.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No intercepts are reported.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>No mineralisation widths or intercepts width are reported.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous re-assay results from shallow bauxite vacuum drilling are discussed in Company's previous announcement on 19th August 2020.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures in the body of text.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Results for current Exploration Results are discussed in the body of the text of this report with figures provided for context.</li> </ul> <p>Historical Drilling</p> <ul style="list-style-type: none"> <li>Previous reporting of anomalous re-assay results from shallow bauxite vacuum drilling are discussed and tabulated in Company's previous announcement on 19th August 2020.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>The information presented in this report displays regional open file magnetics RTP to provide context to various magnetic anomalies within the region.</li> <li>All other meaningful data reported and provided in figures for context.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has commenced Ground electromagnetic survey (Moving Loop EM) targeting 7 clusters of late time airborne EM anomalies which display exponential decays in the late time only. This ground EM survey is planned to commence once areas currently under crop are accessible.</li> <li>DevEx is in advanced discussions with several drilling contractors to commence RC and air-core drilling early next year. DevEx expects RC drilling to commence late January once the ground EM survey is completed, and the remaining AEM conductors have been clarified.</li> </ul> <ul style="list-style-type: none"> <li>The Company is planning to commence targeted air-core drilling over the main Sovereign Magnetic Complex focusing</li> </ul>

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		<p>on areas where previous re-assaying of historical shallow bauxite (duricrust) drilling returned multiple areas of anomalous nickel, copper, chromium and PGE results (see ASX announcement on 19th August 2020).</p>