DevEx RESOURCES

ASX ANNOUNCEMENT

ASX: DEV | ACN: 009 799 553

4th February 2021

Encouraging initial drill results at Wilga Downs Project

DHEM surveys commencing shortly to test potential for a "near-miss" situation in the first diamond hole, which intersected a narrow zone of massive sulphides with copper and gold mineralisation

HIGHLIGHTS

- **Encouraging assays received from the first diamond drill hole (20WD001) completed at the Wilga Downs Project, NSW, warranting further exploration of this significant massive copper-gold sulphide target.**
- **Initial analysis indicates the potential for an off-hole massive sulphide (pyrrhotite) source far larger in intensity than that encountered in the completed drill hole.**
- **The scale of the magnetic anomaly at Wilga Downs and the close association of gold and copper with the pyrrhotite mineralisation indicate the potential to discover a significant Cobar-style massive sulphide copper-gold deposit.**
- **Preparations are currently underway for a Down-hole Electromagnetic (DHEM) survey, designed to further investigate target and define follow-up drill targets.**

DevEx Resources Limited (ASX: DEV "DevEx" or "the Company") advises that it has received encouraging results from the first diamond drill hole (20WD001) completed at its Wilga Downs Project, located within the well-endowed Cobar Basin region of NSW.

The diamond hole, which was completed to a depth of 630m, tested a strong magnetic high which exhibited several similarities to other major, gold-polymetallic deposits in the Cobar Basin region. The target was modelled by DevEx to lie beneath anomalous base metal intercepts from historical drilling (1970s) and proximal to the prospective fault contact between the outcropping Cobar Supergroup (Devonian) and the Girilambone Group (Ordovician).

Drilling encountered a 13-metre zone of vein to disseminated pyrrhotite mineralisation (a magnetic iron sulphide) with minor copper sulphides (chalcopyrite), close to the centre of the modelled magnetic high (Figure 1). Of most interest was a narrow intercept of semi-massive pyrrhotite grading **1m @ 0.7% Cu** and **0.7g/t Au from 551.6m** (see Table 1 and Figures 1 and 2).

Importantly, down-hole magnetic susceptibility readings of the diamond core (20WD001), including of the copper- and gold-bearing pyrrhotite zone, are not considered to be extensive enough to explain the source of the modelled magnetic anomaly. This suggests that there is excellent potential for a body of magnetic, copper-bearing massive sulphide (pyrrhotite) mineralisation close by which may be significantly larger than that encountered in hole 20WD001.

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Considering the scale of the magnetic anomaly at the Wilga Downs Prospect (Figure 3) and the close association of gold and copper with the pyrrhotite mineralisation, the potential for the discovery of a significant Cobar-style massive sulphide copper gold deposit remains strong.

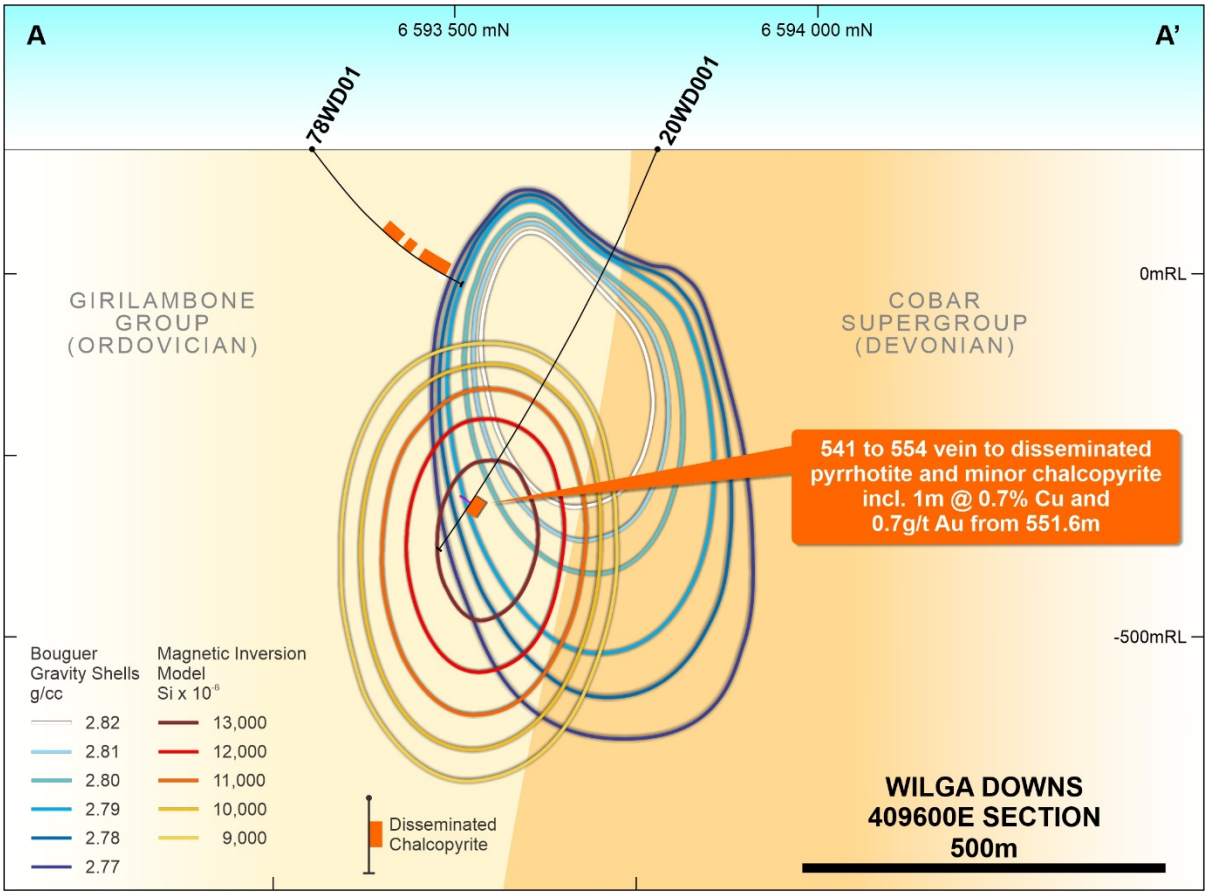


Figure 1: Section A showing the diamond hole 20WD001 test of the modelled magnetic target and gravity high – see Figure 3 for section location.

Figure 2: Diamond core from hole 20WD001 at 552.3m showing semi-massive pyrrhotite (bronze colour) and chalcopyrite (yellow) mineralisation.

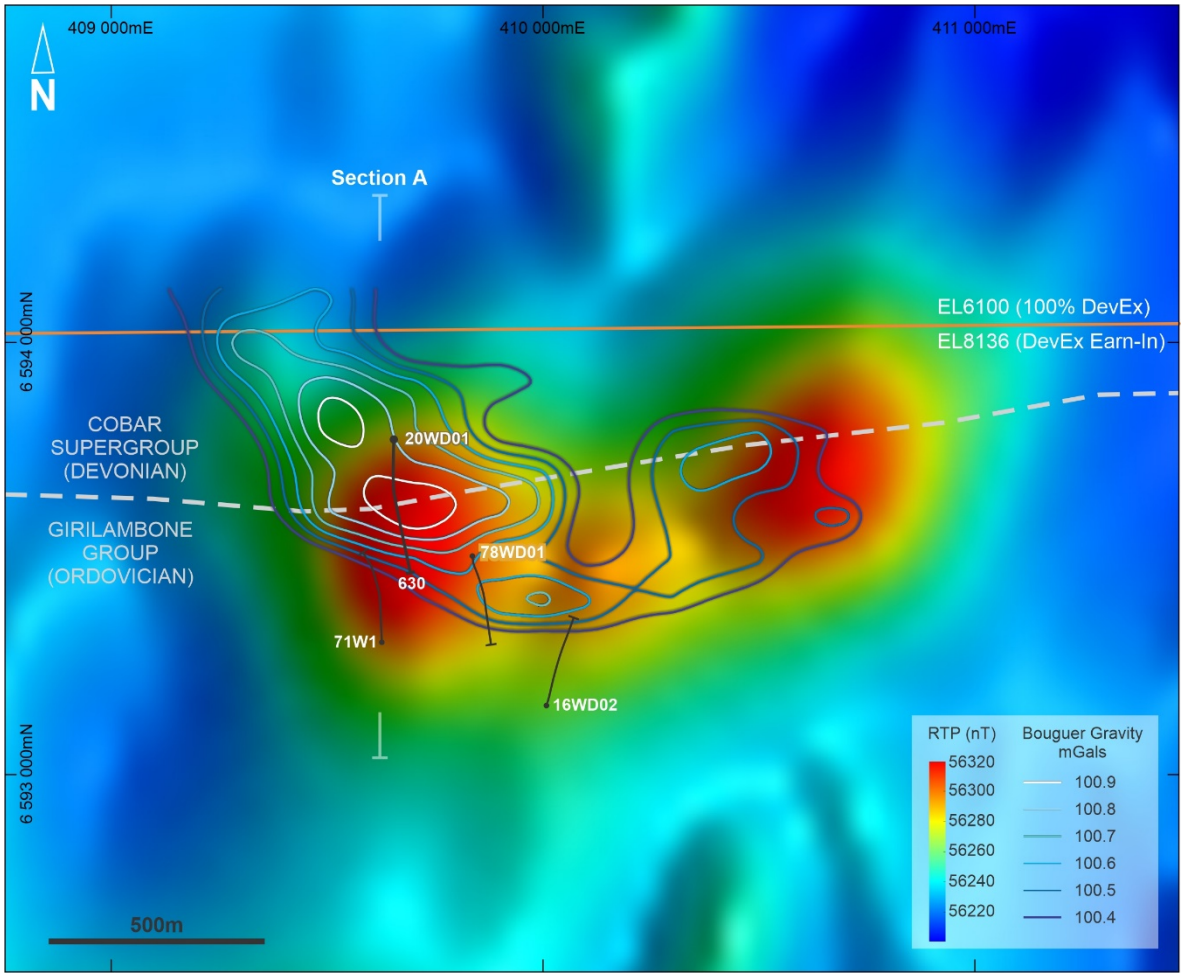


Figure 3: Location of diamond hole 20WD001, showing coincident RTP Airborne Magnetic image and Bouguer Gravity highs (blue contours) underlying historical drilling with anomalous copper and base metals. The coincident anomalies lie on a fault contact between the Cobar Supergroup and the older Girilambone Group.

This priority target is similar to those associated with other gold-polymetallic deposits in the south of the region, including Glencore's CSA Copper Mine and other nearby mines such as the Peak and Great Cobar Copper-Gold Mines (Figure 4). Many of these deposits form discrete magnetic highs which typically map pyrrhotite alteration either surrounding or directly associated with the mineralisation.

Diamond drilling of the Wilga Downs magnetic anomaly is partly funded by a New Frontiers Cooperative Drilling program grant awarded by the NSW Government to Thomson Resources Ltd (see Thomson Quarterly Report Announcement – 31st March 2020).

Next Steps

DevEx is now preparing for follow-up exploration with a Down-hole Electromagnetic (DHEM) survey of the drill hole ((20WD001), designed to further investigate the potential for a significant copper-gold massive sulphide target.

The DHEM survey is expected to be completed in the coming weeks, and will determine if any significant off-hole conductors, representing sulphide mineralisation, can be identified providing further targets for drill testing.

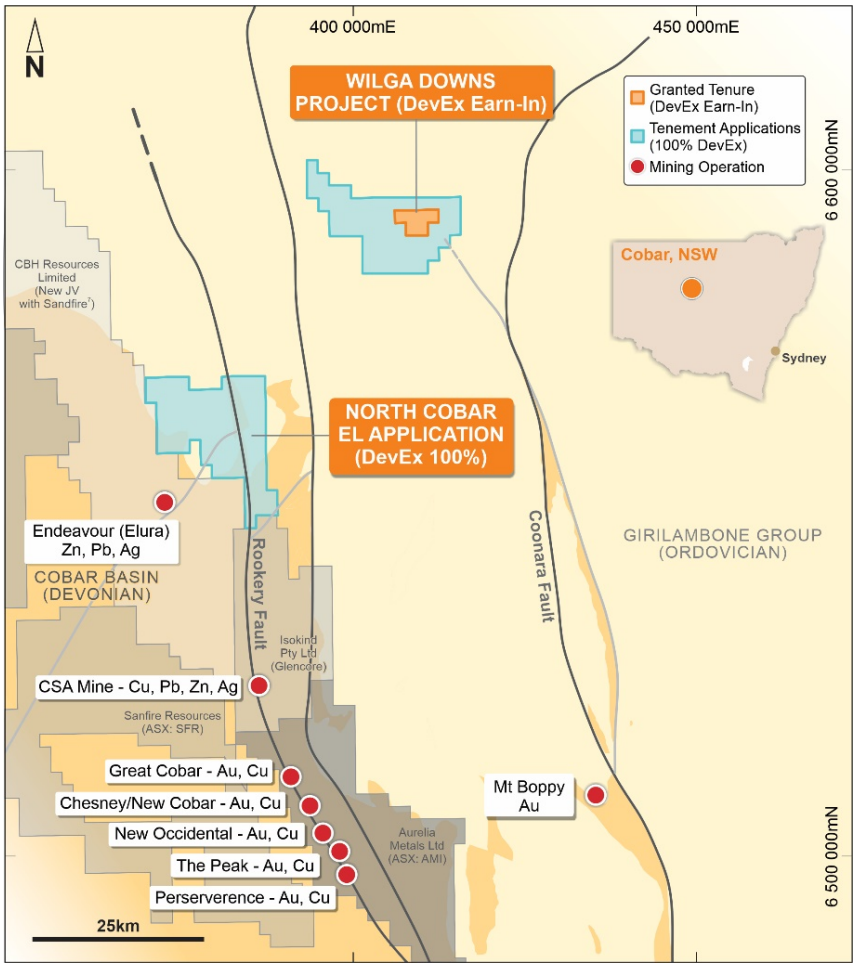


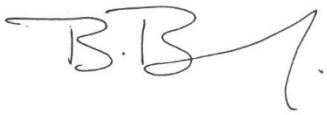
Figure 4: Generalised Geology Map of the central Cobar Mining District after David (2006)[1], showing location of Wilga Downs Project and the Company's recent tenement applications.

Earn-In Agreement

DevEx has entered an Earn-In Agreement with Thomson Resources Limited (ASX: TMZ) for the Wilga Downs granted tenement EL8136 (Wilga Downs Project), with key terms including:

- DevEx will commit to spend $90,000 on the Tenement in the first 12 months;
- DevEx has the right to earn 80% in Wilga Downs Project by spending $290,000 within four years (inclusive of the commitment); and
- 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.

This announcement has been authorised for release by the Board.



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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.

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.

REFERENCES

1. Source: David, V. 2006, Cobar Superbasin System Metallogenisis. Mines and Wines Conference

Appendix A

Table 1: Company Diamond Drilling for Wilga Downs Au Base Metal Project

Hole ID	Easting	Northing	Hole Type	Height (m)	Depth (m)	Azimuth	Dip	Significant Intercepts
20WD01	409651	6593780	DD	171	630	180	-65	1m @ 0.7% Cu and 0.7g/t Au from 551.6m

GDA 94 Zone 55, Numbers have been rounded to the nearest decimal place. Significant intercepts >0.5g/t Au and >0.5% Cu

Appendix B: JORC Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	Drilling • Diamond drill core samples are taken over selective intervals through zones of observed alteration typically on 1m intervals. Alteration styles considered to be of relevance include sulphide mineralisation, silicification, sericite, pyrite, potassium felspar and quartz veins. • Mineralisation was visual and recorded by the geologist who logged the hole. Where noticeable mineralisation intervals where observed the sample, selection was adjusted accordingly. Key mineralisation of note included pyrrhotite, chalcopyrite and other sulphide minerals. • Down hole magnetic susceptibility reading were also taken of the drill core throughout the hole. • Sample preparation comprises drying, jaw crushing and pulverising to -75 microns (85% passing) to produce sufficient sample for fire assay and multi-element analyses. • No relationship has been observed between sample recovery and grade. Sample bias is unlikely due to the good general recovery of sample. • All historical drill holes found within open file reports are presented in the figure and were previously reported in detailed (including historical assay results) – see Company announcement 16 September 2020
Drilling techniques	• *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).*	• Drilling type is by Diamond drilling technique. • Diamond core is HQ (63.5mm) size from surface and changes to standard NQ (47.6mm) size when the downhole geology shows competency. • All drill core was orientated (unless where broken ground was encountered) using a Boart Longyear core orientation tool and marks on core were then lined up for full core run with red line marker. • Downhole surveys for hole 20WD001 were carried out using an Axis Gyro tool. • All historical drill holes found within open file reports are presented in the figure and were previously reported in detailed (including historical assay results) – see Company announcement 16 September 2020.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Recovery of samples is recorded as a matter of routine. • Diamond holes are drilled in shorter lengths when in broken ground to maximise sample recovery. • No relationship has been observed between sample recovery and grade. Sample bias is unlikely due to the good general recovery of sample.
Logging	• *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*	• Detailed geotechnical, structural, and geological logs were compiled for all drill holes which are appropriate for Mineral Resource Estimation, mining studies and metallurgy.

Criteria	JORC Code explanation	Commentary
	metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	Downhole orientation measurements were taken on core and magnetic susceptibility was measured for all holes through the entire hole. • All holes are qualitatively logged and for particular observations such as vein and mineral content a quantitative recording is made. Wet and dry photos of diamond core are taken before cutting. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All core is cut with a diamond saw with half core submitted for analysis. • Sample preparation comprises an industry standard of drying, jaw crushing and pulverising to -75 microns (85% passing). • No field duplicates or second half core has been used yet for any of the diamond drill holes. Known value standards were inserted approximately every 40 samples. • The size of the sample is considered to have been appropriate to the grain size for all holes.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• ALS Global method Au-ICP21 is used for gold analysis. A 30g fire assay with ICP-AES finish. This method is considered to be near total. Analytical procedure ME-MS61, 48 element four acid ICP-MS was used for base metals and is considered to be near total. • A standard or a blank is inserted every ~40 samples for diamond. • The nature and quality of the QAQC and analytical methods are considered appropriate to style of mineralisation at this early stage of the project.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Verification has been undertaken by Company personnel. • The use of twinned holes is not appropriate at this early stage of assessment. • Data had been recorded in a drill hole database with QAQC analysis of samples undertaken to validate data prior to it being inserted into the database. • No adjustments made to assay data.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• No Mineral Resource is being considered in this report. • Collar positions determined using handheld GPS (+/- 5 metre accuracy) considered appropriate for early stage exploration. • The grid system is GDA94 Zone 55. • Topographic control used is Shuttle Radar Topography Mission (SRTM) data.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	Drilling • Analytical data points downhole are sufficient to characterise the nature of the rock and its mineralisation. The drill hole was designed to test a modelled magnetic anomaly relative to ease of access. All are appropriate for exploration results reporting. • No Mineral Resource is being calculated in this report. • No sample compositing has occurred. Geophysics • Aeromagnetic data was collected in 1995 on east-west lines at line spacing of 250m and 60m flight height. The 3D inversion modelling of the airborne magnetics data over the Wilga Downs area was completed using MGinv3D from Scientific Computing and Applications. The model cells were 50m x 50m in the XY direction and 25m thick to a depth of 1000m with increasing thickness bounding cells below 1000m. Topography was extracted from SRTM data (earthexplorer.usgs.gov) and was included in the model. The 3D inversion was unconstrained, so there was no controls on

Criteria	JORC Code explanation	Commentary
		the magnetic susceptibility that could be allocated by the inversion to each individual cell, except that the magnetic susceptibility must remain positive. • Down hole magnetic susceptibility readings for hole 20WD001 were reviewed by RAMA Geoscience geophysical consultants to compare to modelled magnetic anomaly. • Ground gravity data was collected in 2016 on north-south lines at 100m line spacing and 100m station spacing. The 3D inversion modelling of the Wilga Downs was completed using MGinv3D from Scientific Computing and Applications. The model cells were 25m x 25m in the XY direction and 20m thick to a depth of 1000m, with increasing thickness bounding cells below 1000m. Topography was extracted from SRTM data (earthexplorer.usgs.gov) and was included in the model. The 3D inversion was unconstrained, so there was no controls on the density that could be allocated by the inversion to each individual cell, except that the density must remain positive.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Drill hole orientation was based on interpretation of geological mapping and the modelled magnetic anomaly. • Diamond drilling results indicate a subvertical sulphide system. • Orientation of drilling and mineralisation intersected is not considered to have introduced a material sample bias.
Sample security	• *The measures taken to ensure sample security.*	• 20WD001 was cut, labelled and bagged and held in a company store facility until it was despatched to the laboratory via a freight forwarding company.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• The project lies within EL 8136, held by Thomson Resources and will be managed by DevEx Resources wholly owned subsidiary TRK Resources Pty Ltd as part of the Earn-In Agreement. Key terms of the Earn-In agreement are provided in the body of the text. • An access agreement is in place over the main target area. • Native Title does not apply. • The tenement is considered to be in good standing and no impediments to operate are known. • The Company have made two additional applications in the Cobar District. The two applications (ELA 6100 and ELA 6076) will be processed by the Resources Regulator in line with the usual application procedure. • ELA6076 lies within the North Cobar Mineral Allocation area, and following an Expression of Interest made by the Company, the Minister has granted the Company permission to make an application within this area. • Both ELA's will require the Company to enter into Land Access Agreements with the relevant stakeholders/land owners.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration drilling conducted in the past was carried out by AMAX, CRAE and Silver City Minerals. • The Company have reviewed previous geophysics including 1970's IP, and more recent Gravity, Magnetics, EM techniques and view the Gravity and Magnetics key to target definition.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• A strong, coincident magnetic and gravity high has been identified at Wilga Downs, and is consistent with other gold-polymetallic deposits in the south of the region including Glencore's CSA Copper Mine and Aurelia Metals' Peak and

Criteria	JORC Code explanation	Commentary
		Great Cobar Copper-Gold Mines. The prospectivity of this target is further supported by historical anomalous copper, lead and zinc intercepts from historical drilling in the 1970's at the prospective fault contact between outcropping Cobar Supergroup (Devonian) and the Girilambone Group (Ordovician). This is supported by the Government 1:100,000 Byrock Geology Map which map this contact is sufficient detail.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *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.*
		• Drill hole details for hole 20WD001 is included in Tables 1 and the figures of this report.
		• This report tabulates significant intercepts that are >0.5% Cu and >0.5g/t Au.
		• This report refers to historical open-file drilling drill holes by AMAX, and CRAE. Later drilling by Silver City targeted away from the main magnetic anomaly.
		• All historical drill holes found within open file reports are presented in the figure and were previously reported in detailed (including historical assay results) – see Company announcement 16 September 2020.

Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All assay results for diamond drill hole 20WD001 have been received. Significant intercepts for this hole is reported in Table 1. Intercepts represent grades for copper > 0.5% Cu and gold >0.5g/t Au. • No weight averaging has been reported. • No short lengths have been reported to be aggregated. • No metal equivalents have been reported. • Previously Lead and Zinc results are depicted on plans and sections to provide context with association with copper. However, lead and zinc results in hole 20WD001 are not significant.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• The relationship between mineralisation intercepts and intercept lengths is not reported and is considered to be unknown. • Only down hole lengths are reported, true widths are unknown.
Diagrams	• *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.*	• Refer to figures in the body of text.
Balanced reporting	• *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.*	• Significant intercepts from hole 20WD001 is reported in Table 1. • A broader zone of sulphide mineralisation (pyrrhotite and disseminated chalcopyrite) is noted in the cross section and the report. Although elevated in copper and gold, the results do not constitute a significant intercept to be tabulated. • The magnetic and gravity model is depicted on the plan and cross section figures to provide context to hole 20WD001.
Other substantive exploration data	• *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.*	• The information presented in this report combines in display using figures - previous explorers' geological observations, alteration and interpretations provided to the Company by Thomson Resources Ltd. • Company modelling of gravity and magnetics is also displayed in plan and sections to explain the exploration target in context to hole 20WD001 and historical drilling and geological interpretation which has been extrapolated from the Government 1:100,000 Byrock Geology Map.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The Company has cased off hole 20WD001 in preparation for down hole EM. Down hole EM is expected to take place in the coming weeks. • Any significant off hole conductors may provide priority targets for follow up drilling.