DevEx RESOURCES

ASX ANNOUNCEMENT

ASX: DEV | ACN: 009 799 553

9 May 2019

Exploration Update – West Arnhem Project, Northern Territory

Technical review recognises strong similarities between U40 prospect and the Coronation Hill U-Au-PGE deposit

Highlights

- **Technical review identifies potential for the discovery of a large, high-grade Coronation Hill "type" uranium-gold-PGE deposit at the U40 Prospect, located within the Company's West Arnhem-Nabarlek Project in the NT.**
- **DevEx interprets historical high-grade U-Cu-Au-PGE intercepts at U40 to be of similar mineralisation age, alteration, metal content and fault control geometry as that at Coronation Hill Deposit.**
- **Drilling at the West Arnhem-Nabarlek Project is planned to commence in June 2019, and the Company considers that the Coronation Hill deposit represents a credible exploration model for the Project.**

DevEx Resources Limited (ASX: DEV; "the Company") is pleased to advise that an ongoing technical review of its 100%-owned *West Arnhem-Nabarlek Project* in the Northern Territory, has identified strong similarities between the Company's U40 Prospect and the high-grade Coronation Hill Uranium-Gold-Platinum-Palladium deposit.

The Coronation Hill deposit, which is located in the Alligator Rivers Uranium Province approximately 200km to the south-west (Figure 1), demonstrates a significant fault control network of U-Au-PGE mineralisation extending to depths of over 470m below surface.

The Company interprets that the previously announced[1] isolated pod of high-grade U-Cu-Au-PGE at the U40 Prospect to also be part of a similar fault-controlled mineralising event of the same age as that at Coronation Hill. In light of this, the Company believes there is excellent potential to locate additional mineralisation at depth (see Figure 2).

The Company has contracted DDH1 to commence a Reverse Circulation / Diamond drilling program at the U40 Prospect next month, along with drilling at the nearby Nabarlek Prospect.

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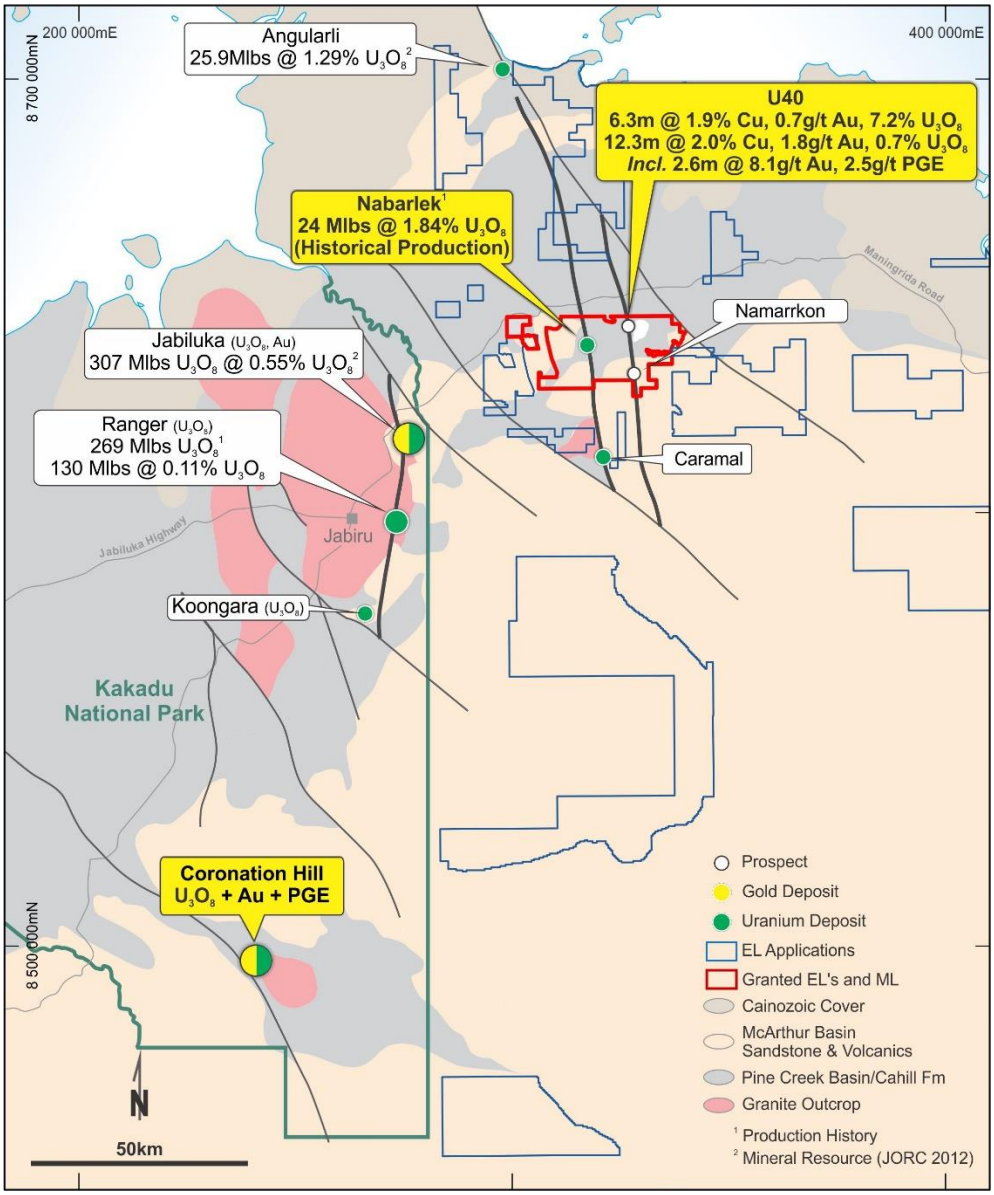


Figure 1: Alligator Rivers Uranium Province – West Arnhem Project Location.

Similarities between U40 Prospect and Coronation Hill

An IP survey completed by DevEx at the U40 Prospect in 2018 identified a clear chargeable anomaly located down-dip from an isolated pod of high-grade, uranium-copper-gold-platinum-palladium mineralisation[1] (see Figure 2 below). Previously announced[2] historical intercepts from this prospect included:

- **6.3m at 7.23% U_3O_8, 1.9% Cu and 0.66g/t Au** from 75.5m (NAD7492)
- **12.3m at 0.73% U_3O_8, 2.03% Cu and 1.77g/t Au** from 78.9m (NAD7493)
    - **Including <u>2.6m @ 8.1g/t Au, 1.0g/t Pt and 1.6g/t Pd</u>**

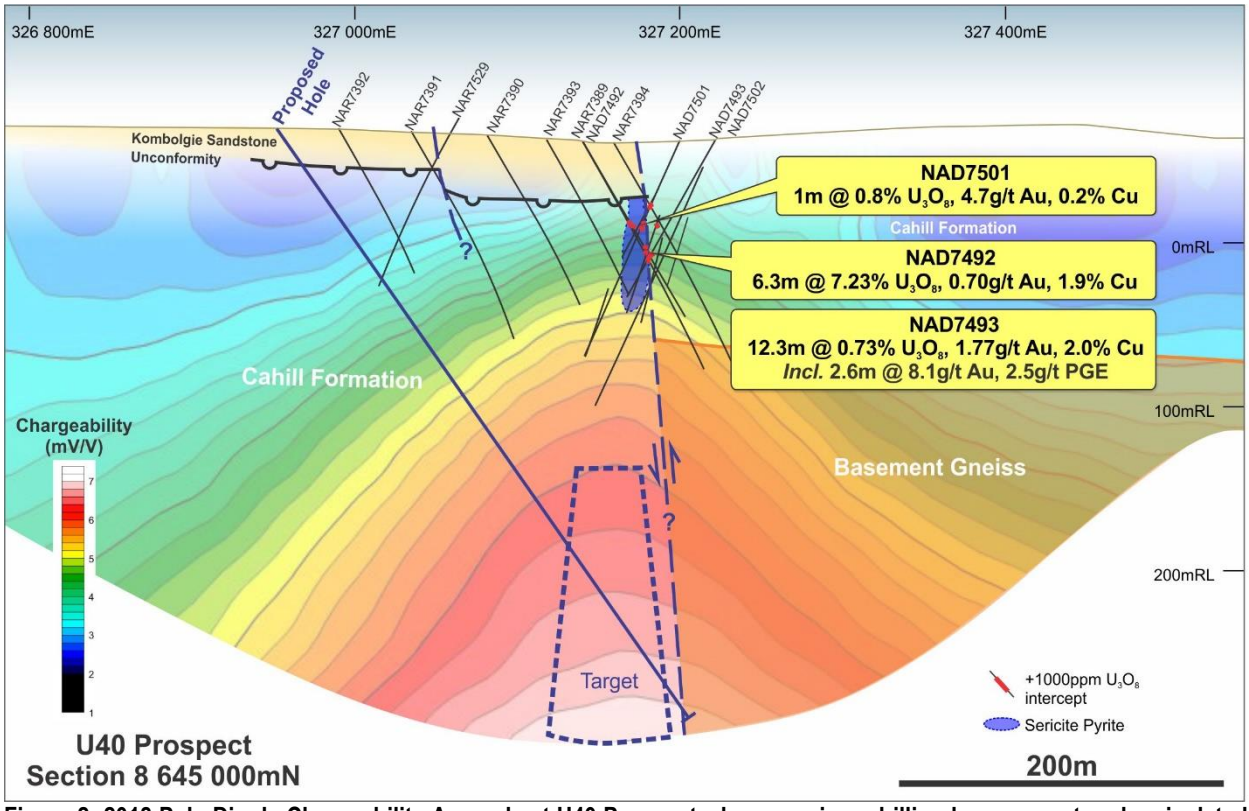


Figure 2: 2018 Pole-Dipole Chargeability Anomaly at U40 Prospect where previous drilling has encountered an isolated pod of high-grade uranium copper gold platinum and palladium mineralisation within a broad sericite-pyrite (internal chlorite) alteration zone.

The unique polymetallic association of the gold (Au), platinum (Pt) and palladium (Pd) – the platinum and palladium collectively referred to as PGE (or platinum-group elements) – with the high-grade uranium (U, U_3O_8) and copper (Cu) mineralisation at U40 displays similar structural control and metal associations to that seen at the high-grade Coronation Hill U-Au-PGE deposit.

The Coronation Hill U-Au-PGE deposit is considered to be part of the *unconformity-related* uranium deposit family, which includes nearby deposits such as Ranger, Jabiluka and Nabarlek.

Age dating[3] of the uranium mineralisation at Coronation Hill is consistent with ages recorded for uranium mineralisation at both Nabarlek and Jabiluka. Given U40's proximity to Nabarlek, the age relationship between U40 and Coronation Hill is interpreted by the Company as part of the same regional mineralising event.

Importantly, the fault-hosted Coronation Hill deposit demonstrates significant vertical depth extent with multiple stacked high-grade U-Au-PGE and Au-PGE lodes extending to depths of more than 470m below surface (see Figure 3 below).

Considering this age relationship, the polymetallic metal association, and close association with fault hosted uranium-gold-platinum-palladium +/- copper mineralisation, the Coronation Hill U-Au-PGE deposit represents a credible exploration model for U40 and also the nearby Nabarlek Prospect.

This exploration model lends support to the interpretation that the isolated high-grade pod of mineralisation at U40 has been dislocated by faulting, highlighting excellent potential to discover high-grade U, Cu, Au, PGE mineralisation at depth (Figure 3).

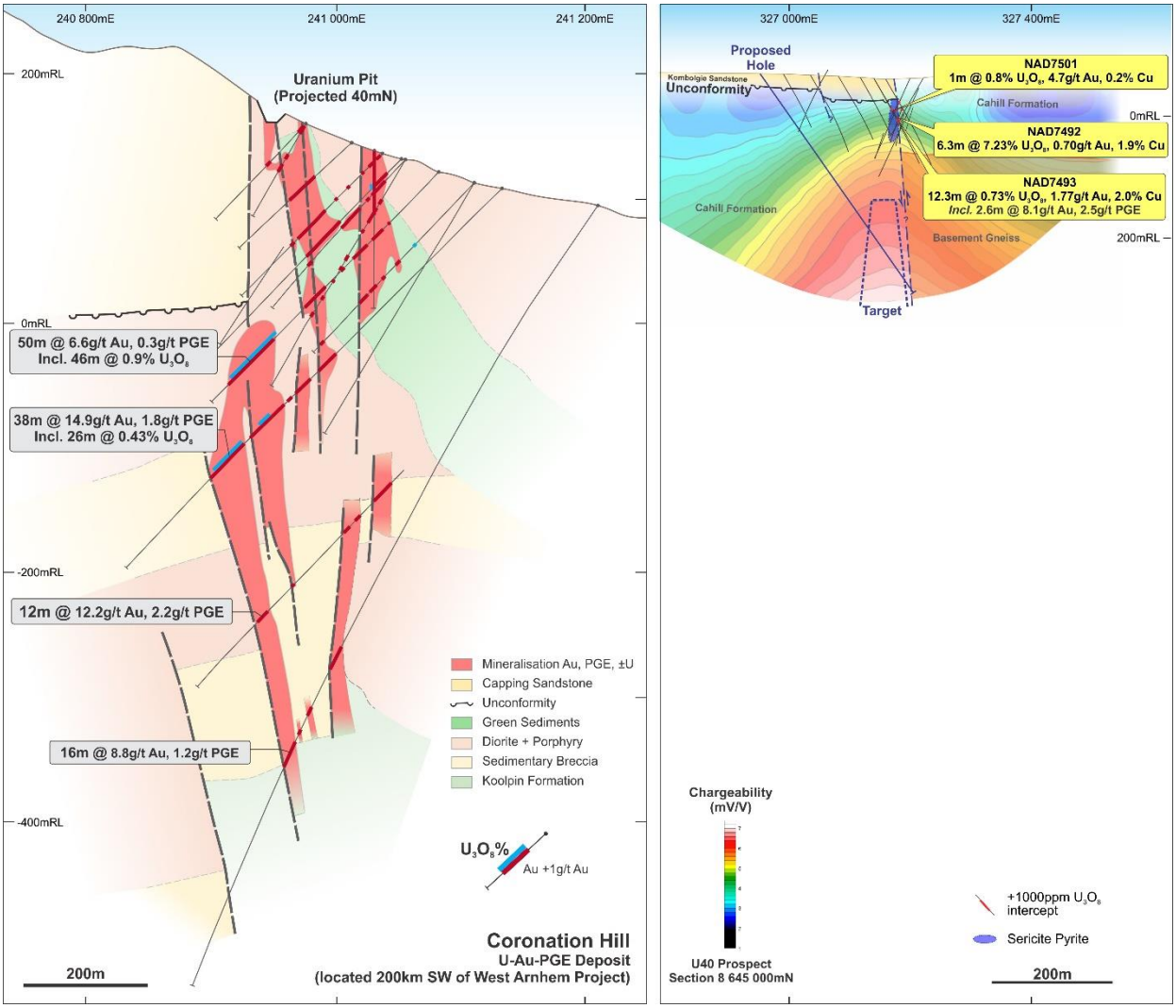


Figure 3: Side-by-side scale comparison of the U40 Prospect and the Coronation Hill U-Au-PGE deposit (after Orth[3],Carville[6],Eupene[7]) with highlight intercepts from West Lode (located 200km SW of U40). Demonstrates potential for U40 mineralisation to be part of a similar stacked network of fault hosted U-Au-PGE+/- Cu mineralisation at further depth.

Background – the Coronation Hill Uranium, Gold, Platinum, Palladium Deposit

Located approximately 200km to the south of the Company's West Arnhem-Nabarlek Project, and off the Company's tenements, the Coronation Hill deposit is reported in the Northern Territory Geological Survey Report 11[4] as a high-grade U-Au-PGE deposit. The deposit has not been mined as it was included into the Kakadu National Park in the 1980's.

Early exploration history at Coronation Hill commenced with the discovery in 1953 of uranium minerals at the Callanan's *Copper* Prospect at what is now Coronation Hill[5]. Uranium mineralisation was initially mined by a small open cut and, although gold was reported to be associated with the uranium ore, it wasn't until 1984 that then joint venture manager BHP Minerals

Limited commenced exploration for gold, drilling five diamond holes encountering significant gold and PGE mineralisation[6].

Subsequent exploration diamond drilling defined a series vertical fault-controlled uranium-gold-platinum-palladium mineralised zones extending to depths of over 470m below surface.

Although uranium mineralisation is present throughout the resource it has only been rarely reported, usually as composite grade, and in many instances many of the Gold+PGE intercepts where not assayed for uranium[5]. Several Gold+PGE lodes are reported to not contain uranium, while others do[7].

Next Steps

DevEx is scheduled to commence drilling at both U40 and Nabarlek Prospects in June 2019.

Approvals to drill are in place for the U40 Prospect, and annual applications for approval to drill within the Nabarlek Mineral Lease are progressing. DevEx has agreements in place with the Traditional Owners and the Northern Land Council including a set of agreed principles and commercial terms which would apply at the mining stage of any commercial deposits discovered within the Exploration Licences.

West Arnhem-Nabarlek Project Background

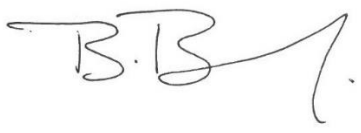
The Alligator Rivers Uranium Province in the Northern Territory is a world-class Proterozoic uranium province (Figure 1) hosting numerous large-scale uranium deposits.

The Company is focussed on exploring within its granted tenements (three Exploration Licences and one Mineral Lease) for:

(i) repetitions of the high-grade Nabarlek Uranium Deposit (mined out) along the Nabarlek Shear;

(ii) depth continuation of high-grade U-Cu-Au-PGE mineralisation encountered in previous drilling at the U40 prospect; and

(iii) polymetallic mineralisation associated with regional basement faults, subparallel to the Nabarlek Shear, such as along the Quarry Fault south of the U40 Prospect.



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REFERENCES

[1]*See Company ASX announcements on 12 September 2018;*

[2]*See Company ASX announcements on 4th October 2017 and 16th December 2010*

[3] *Orth K, Meffre S, Davidson G (2014) Age and paragensis of mineralisation at Coronation Hill uranium deposit, Northern Territory in Miner Deposita.*

[4] *Ahmad M, Wygralak AS, Ferenczi PA (2009) Gold Deposits of the Northern Territory (second edition update by Wygralak AS and Scrimgeour IR). Northern Territory Geological Survey Report 11), and Minmet, December 2007. [Minmet, December 2007, in Ahmad et al 2009).*

[5] *Eupene GS (2002) A Brief review of Resources Assement Data from Coronation Hill and South Alligator Valley Gold – Platinoid – Uranium Deposits and Recovery of Selected Core from El Sherana Sore Shed to NTGS Library, Winnellie September 2002, in Northern Territory Geological Survey Archive.*

[6] *Carville DP., Leckie J.F, Moorhead, CF, Rayner, JG and Durbin AA (1990) Coronation Hill Gold-Platinum-Palladium Deposit, in Geology of the Mineral Deposits of Australia and Papua New Guinea (ed FE Hughes) pp 759-762.*

[7] *Eupene GS (2003) Modelling of the Coronation Hill Drill Hole Database, Report for NT Geological Survey, in Northern Territory Geological Survey Archive including digital database.*

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 which relates to Drill Results for the U40 Prospect is extracted from the ASX announcement entitled "Uranium-copper-gold drill target defined at West Arnhem Project, NT" released on the 12th September 2018 and "UEQ Identifies High Grade Copper-Gold and Base Metal Potential at NT Uranium Projects" released on the 4th October 2017 and ASX announcement entitled "Higher Uranium Grades Returned from U40 Prospect – Nabarlek" on the 16th December 2010 and which are available on 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 announcement 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.