

Multiple Priority Drill Targets Identified at West Arnhem Copper-Gold-Uranium Project, NT

Successful geophysical program paves the way for planned drilling in early 2018

Highlights

- **IP Survey (Gradient Array) completed in November identifies clear chargeability anomalies closely associated with high-grade copper-gold-uranium mineralisation encountered previously at the U40 Prospect.**
- **New IP anomalies have also been revealed at U40 South Prospect which remain open to the south.**
- **In the lead-up to planned targeted drilling of these anomalies, DevEx plans to extend the Gradient IP Survey to the south as well as complete dipole-dipole IP traverses over existing anomalies to determine the depth to target.**

DevEx Resources Limited (ASX: DEV; “the Company”) is pleased to advise that it has identified multiple priority drill targets at its 100%-owned West Arnhem Copper-Gold-Uranium Project in the Northern Territory after receiving the results of a successful Gradient Array Induced Polarisation survey (IP Survey) completed at the U40 and U40 South Prospects in November.

The IP Survey has identified several clear chargeability anomalies that lie in close proximity to bedrock copper, gold and uranium mineralisation identified in historical drilling.

As previously announced (see ASX Announcement, 4th October 2017) this IP Survey was undertaken to test for the presence of disseminated chalcopyrite and pyrite mineralisation associated with high-grade copper-gold-uranium mineralisation. Previous drilling in 2010 encountered significant high-grade copper, gold and uranium intercepts at the U40 prospect including:

- **12.3m at 2.03% Cu, 1.77g/t Au and 0.73% U₃O₈ from 78.9m, including:
2.6m at 8.13g/t Au from 82.6m (NAD7493)**
- **6.3m at 1.9% Cu, 0.66g/t Au and 7.23% U₃O₈ from 75.5m**

At U40 South, broad-spaced (approximately 200mE x 100mN) pre-2010 Aircore drill holes were only assayed at the bottom of hole for multi-element geochemistry, and despite the limited sampling, the drilling intersected significant shallow copper mineralization well above normal background levels (see Figure 1). Bedrock assays are also noticeably elevated in sulphur and bismuth which suggests a possible sulphide and alteration association with the copper.

This Aircore drilling is considered to have only been partially effective due to the near surface Kombolgie Sandstone and flat lying dolerite sills hampering effective drill testing of the underlying, and more prospective, Cahill Formation. The IP Survey was designed to identify sulphide mineralisation beneath these shallow masking units.

IP Surveys are especially useful in exploration for disseminated sulphide mineralisation, such as copper sulphides (chalcopyrite) and pyrite mineralisation. Other minerals such as graphite and magnetite can also cause chargeability highs, however neither minerals have been noticed in the geology or airborne magnetics at concentrations which would explain the chargeable anomalies seen at U40 and U40 South Prospects.

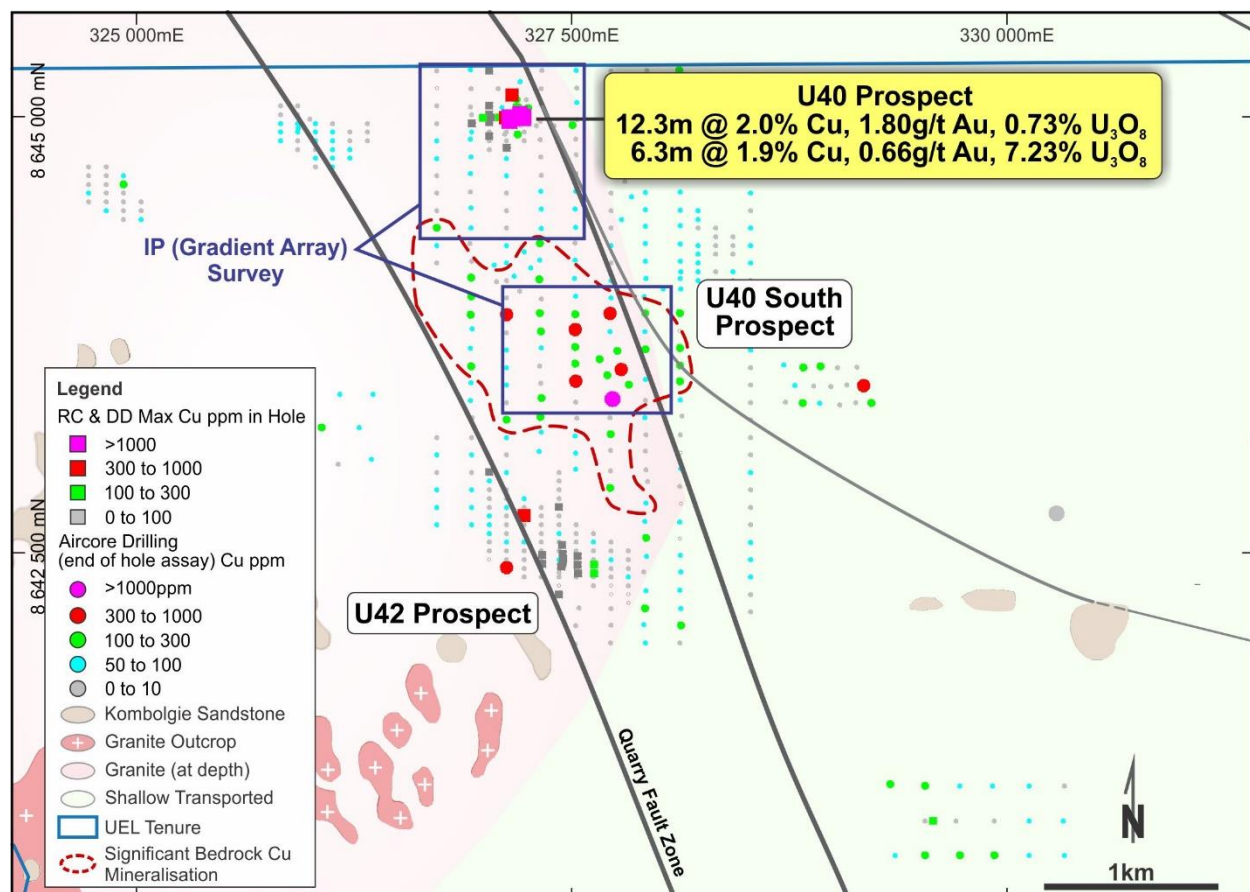


Figure 1: Outline of IP Survey at the U40 and U40 South Prospect. Broad spaced Aircore drilling at U40 South has identified significant bedrock copper mineralisation that warranted ground IP Geophysics (for more detail see ASX Announcement on 4th October 2017).

Results

Several clear chargeability anomalies have been identified lying in close proximity to previously noted bedrock copper, gold and uranium mineralisation (Figure 2). These anomalies show a preferred orientation consistent with the regionally prospective Quarry Fault Zone. At U40 South, the chargeable anomaly, up to 10mV/V, remains open to the south. Plans to continue the IP Survey were halted following the onset of the wet season.

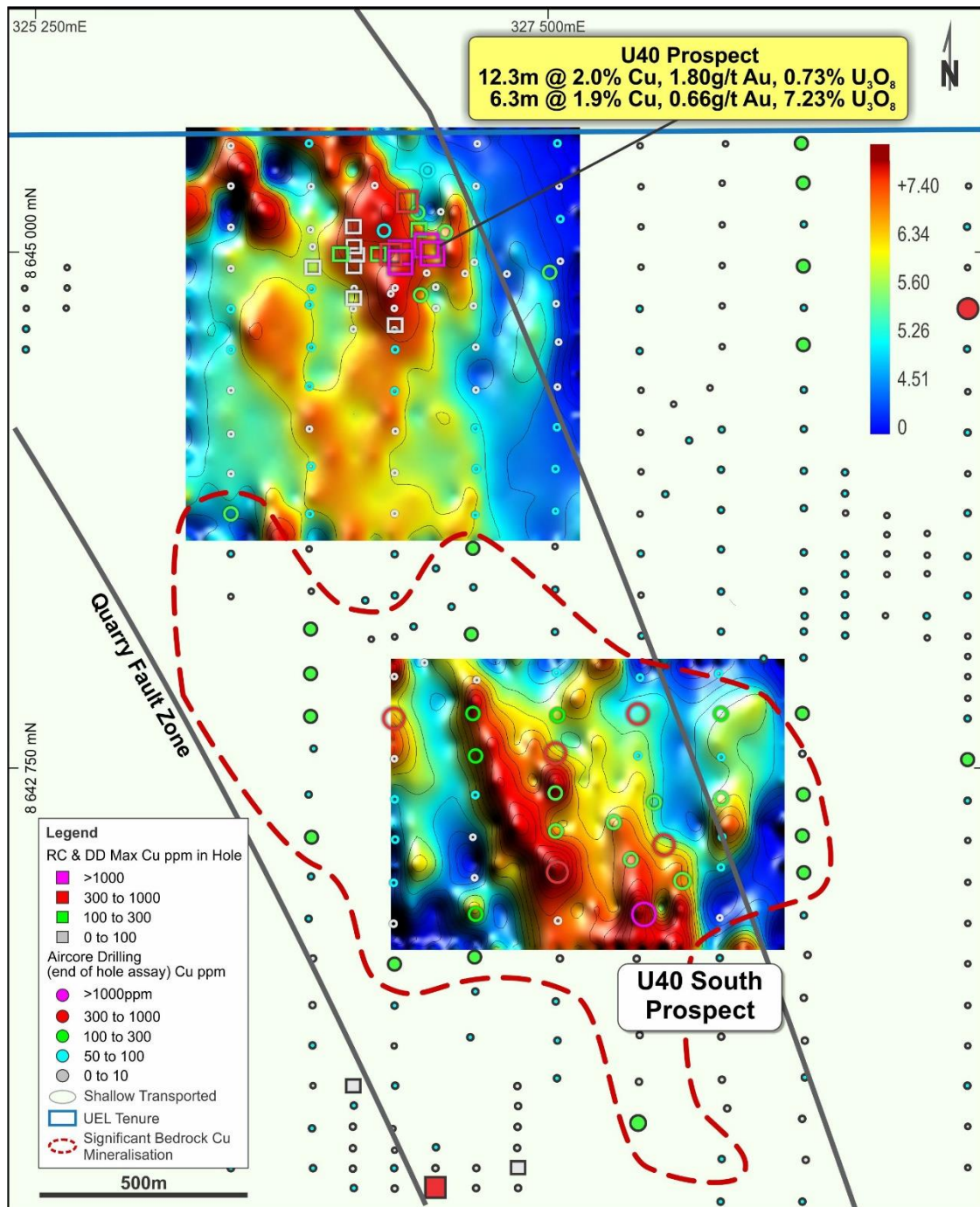


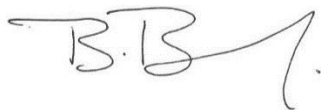
Figure 2: The November 2017 Gradient Array IP Survey and with chargeable anomalies (red) displayed beneath copper in bedrock mineralisation defined by drilling. The IP Survey shows continuation of a chargeable anomaly to the south

Next Steps – Upcoming Programs and Management Comment

Ground IP Geophysics and Drilling: The Company plans to re-mobilise a ground IP contractor to U40 South in 2018 once the wet season is over. Gradient Array provides a 2D plan view of underlying chargeable anomalies and additional Dipole-Dipole IP surveys are planned to clarify the depth of the anomalies in the lead-up to drilling. An extension of the gradient array IP Survey at U40 South is planned to expand the IP coverage to the south.

Surface Gold Geochemistry: Historical regional stream sediment and soil sampling for gold is rare to non-existent over the project area. Investigation into the gold potential from the ground up, using stream sediment geochemistry and follow-up soil sampling will commence along both the Quarry Fault Zone and the Nabarlek Shear Zone in the New Year.

DevEx's Managing Director, Mr Brendan Bradley, said *"The success of the IP survey represents a significant step forward in identifying the potential for copper sulphide mineralisation at West Arnhem. This will set us up to drill high-quality quality multi-metal targets within this well-endowed region in 2018."*



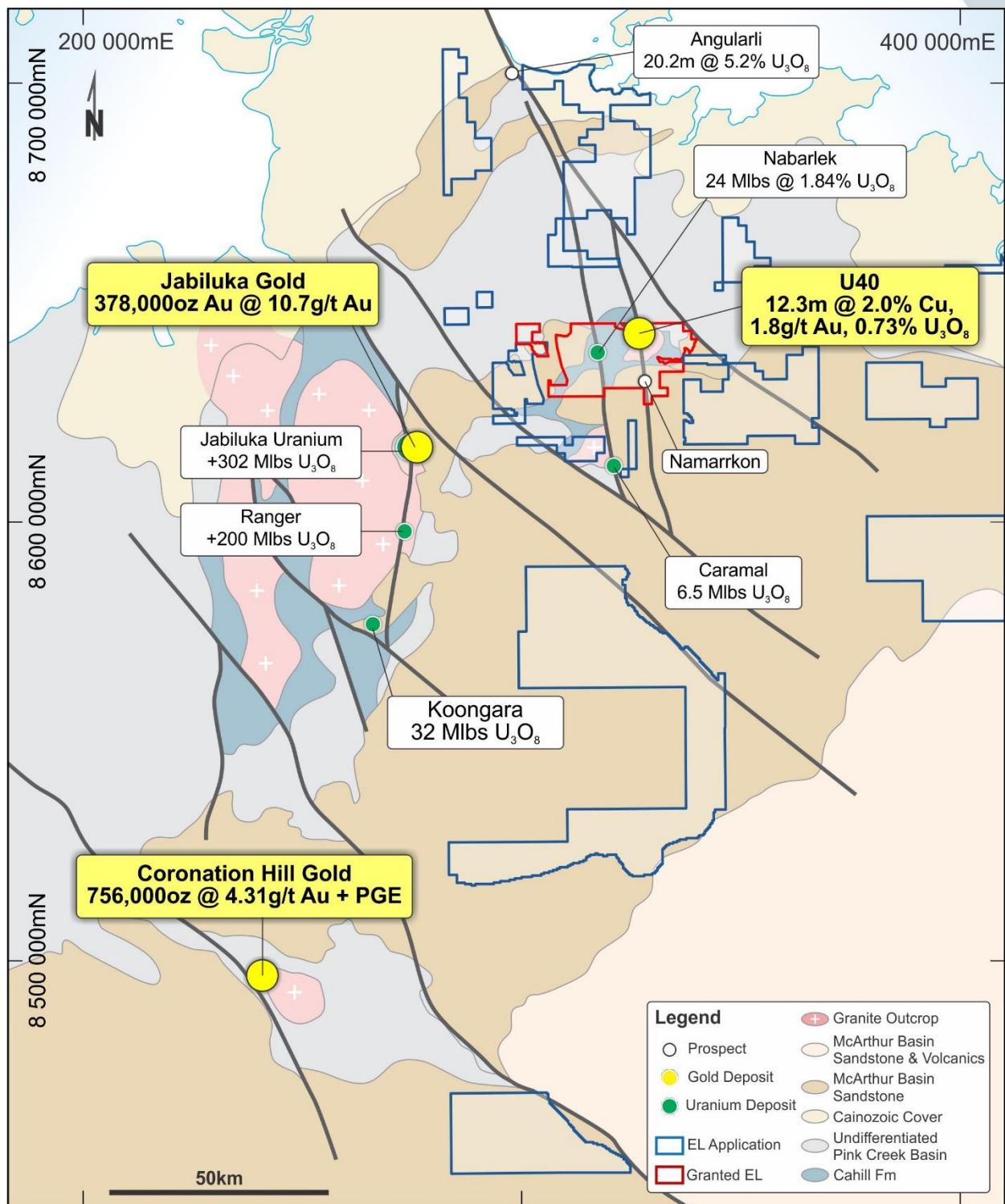
Brendan Bradley
Managing Director

For further information, please contact:

Brendan Bradley, Managing Director
DevEx Resources Limited
Telephone +61 8 9322 3990

For media inquiries, please contact:

Nicholas Read
Read Corporate
Telephone: +61 8 9388 1474



Attachment : Regional geology of the eastern Alligator River Uranium Field (ARUF) showing the Company's current tenement holdings. West Arnhem Project – Potential to discover Copper, Gold and Uranium Mineralisation

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 “UEQ Identifies High Grade Copper-Gold and Base Metal Potential at NT Uranium Projects” released on the 4th October 2017 and which is 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.

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 1. West Arnhem Project - JORC 2012 Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> In November 2017 the Company engaged Fender Geophysics P/L ('Fender') to carry out ground based Gradient Array Induced Polarisation (IP) and Resistivity surveys over two square kilometres of prospective stratigraphy at the U40 and U40 South Prospect. Two 1km by 1km blocks were designed by the company's geophysical consultant Southern Geoscience Consultants Pty Ltd ('SGC'), with 50 metre stations collected along 100m spaced lines. Surveys planned by SGC have taken into account known drilling in the area and their likely response (previously discussed in ASX Release on 4th October 2017). Quality assurance and quality control (QA/QC) of the IP and Resistivity data was independently verified by SGC.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> The survey parameters and geophysical equipment used by Fender for the IP Survey at U40 and U40 South Prospect includes:

Criteria	JORC Code explanation	Commentary
	<p><i>instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> <i>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.</i> 	<p>Array : Gradient Receiver Dipole Length: 50m Line Length: 1000m Line Separation: 100m Number of Lines Planned: 11 Depth of Penetration: n=8 to 10</p> <p>Equipment GDD 5kva TxII Transmitter Instrument GDD 16 Channel IP Receiver Porous Pots as Receiver Electrodes Receiver Cable : Cat 5 data cable Transmitter electrodes: Aluminium Plate GPS: Garmin GPS62 or equivalent to locate receiver points</p> <p>The IP system is fully calibrated and daily tests were carried out to ensure data quality.</p> <p>Data was overviewed by SGC on a near daily basis.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> All primary analytical data acquired by Fender during the survey were recorded digitally and sent in electronic format to SGC in Perth for independent quality control and evaluation.
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> The data points of Fender's IP Survey were located using standard GPS positioning. The expected accuracy is +/- 5m. The grid system used is Map Grid of Australia (MGA) GDA94 Zone 50.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> The line spacing for the gradient array IP Survey was 1000m long on 50m spaced intervals east west, with east west traverses 100 metres apart. Data spacing is considered sufficient to test for underlying chargeable and resistive features. However it is not applicable for the estimation of Mineral Resources and Ore Reserves. No sample compositing has occurred.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> Orientation of survey was on east west lines which are considered to be perpendicular to the regional Quarry Fault Zone. This report does not discuss new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017). Orientations of primary mineralisation is currently unknown.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Chain of custody of data surrounds daily data downloads directly to SGC. The chain of custody is managed by DevEx.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Experienced geophysicists at SGC in Perth independently reviewed all data acquired from the IP

Criteria	JORC Code explanation	Commentary
		<p>Survey at U40 and U40 South.</p> <ul style="list-style-type: none"> SGC processed raw data into images and provide interpretation on anomalous areas within the survey for DevEx.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The project forms part of three granted Exploration Licences (EL10176, EL24371 and EL23700). The IP Survey discussed within this report lies on EL10176. All three exploration licences form part of the West Arnhem JV in which the Company (DevEx Resources Limited) have been earning to 100% by expenditure of \$2 million. Cameco has a claw-back right for 51% of any deposit exceeding 50 million lbs of U3O8 within the West Arnhem JV see ASX Announcement on 11 September 2012. EL 10176 and EL24371 is subject to 1% royalties on gross proceeds from sale of uranium and other refined substances. An exploration agreement is in place with the Northern Land Council for the three Exploration Licences. The company is unaware of any impediments to the company to operate in the area. The company have notified the NT Government of its plans to carry out exploration activities in the area under its Mine Management Plan (MMP) and have approvals in place. The company have requested approval from the Traditional Owners through the NLC for works to be carried and have their approval for the IP Surveys. Permission is normally sought from the Traditional Owners. The company have previously sought and received permission to carry out drilling and ground geophysics in the same area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> All drilling referred to in this report was undertaken by Cameco Australia between 2009 and 2010 and is discussed in further detail in previous announcements (see announcement on 4th October 2017).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The mineralisation has an age analogy to other Proterozoic Copper Gold Uranium deposits in Australia. Mineralisation encountered thus far shows the presence of broader chalcopyrite with individual high grade gold, PGE, lead and uranium mineralisation. Previous exploration models used by explorers considered an unconformity type uranium model similar to that seen in the Proterozoic Athabasca Basin Uranium Province of North America. The Company consider that previous drilling, discussed within, support the concept that copper and gold is prospective within the Company's tenements.
Drill hole Information	<ul style="list-style-type: none"> 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"> 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 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).

Criteria	JORC Code explanation	Commentary
	<i>exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Refer to figures in the body of text.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report does not contain any new drill related results. Any drilling referenced in this report has previously been announced or referred to by the company (see announcement on 4th October 2017).
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report is focussed on the results from the IP Survey and anomalies identified. The report and figures discuss these. Geological and geochemical interpretations are presented within the figures provided and have previously been announced or referred to by the company (see announcement on 4th October 2017). Other information such as metallurgy, geotechnical and densities is currently immaterial.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Additional Ground IP surveys are planned to test the Quarry Fault Area including Dipole-Dipole surveys to determine the depth of the anomalies. Drilling is being planned to test these anomalies in the new year.