



## ASX ANNOUNCEMENT

29th January 2020

ASX: DEV | ACN: 009 799 553

### Activities Report for the Quarter Ended 31<sup>st</sup> December 2019

#### HIGHLIGHTS

##### Bogong Copper-Gold Project, NSW

- Maiden **diamond drill programme completed** in late December 2019, with a total of seven drill holes for 1,548m.
- Assay results received for the top half of diamond hole 1 (19BGDD001), which intersected an encouraging shallow zone of copper sulphides:
  - **12.6m @ 1.24% copper from 16.8m including 3.9m at 2.0% Cu** from 25.5m down-hole, hosted within a brecciated felsic porphyry.
- Drilling has identified a close association between the copper mineralisation and several structurally controlled breccias within and adjacent to the porphyry breccia with significant sodic and potassic alteration observed in the drill core.
- Remaining assays results and interpretation are expected shortly, following longer than usual laboratory turnaround time over the Christmas/New Year period.
- Regional mapping commenced in December 2019 to evaluate the broad circular magnetic feature underlying the historical copper-in-soil anomalies.

##### Junee Copper-Gold Project, NSW

- Subsequent to quarter-end, diamond drilling commenced to test for porphyry copper-gold mineralisation associated with a large buried anomaly, adjacent to historical copper mineralisation.
- A programme of targeted Induced Polarisation (IP) geophysics commenced in December 2019, designed to test several of the recently identified prospects and prioritise drill targets.

##### West Arnhem-Nabarlek Uranium Copper-Gold Project, NT

- The Company continues to review historical exploration data to refine targets for potential future drilling at the project.

##### Corporate

- Appointment of Ms Kym Verheyen to the position of Company Secretary in December 2019.
- Tranche 2 placement of \$3.0m (before costs) as part of a total \$4.6M capital raising, completed during the quarter.
- DevEx remains well funded to complete the impending drill programme at the Junee Copper-Gold Project, with \$3,562,965 in cash at quarter-end.

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### Quarter Overview

DevEx has had an active quarter, with the Company’s maiden drilling programme at the Bogong Copper-Gold Project completed in December, closely followed by the start of a new drill programme at the nearby Junee Porphyry Copper-Gold Project in January.

The bulk of assays for Bogong remain pending subsequent to quarter-end, however DevEx’s preliminary exploration, coupled with significant shallow copper identified in historical exploration, indicates the potential for structurally controlled porphyry-hosted copper-gold-silver mineralisation.

The Bogong Project, together with the nearby Junee Copper-Gold Project, collectively form part of DevEx’s larger porphyry copper-gold exploration strategy and will remain a major focus for the coming quarter.

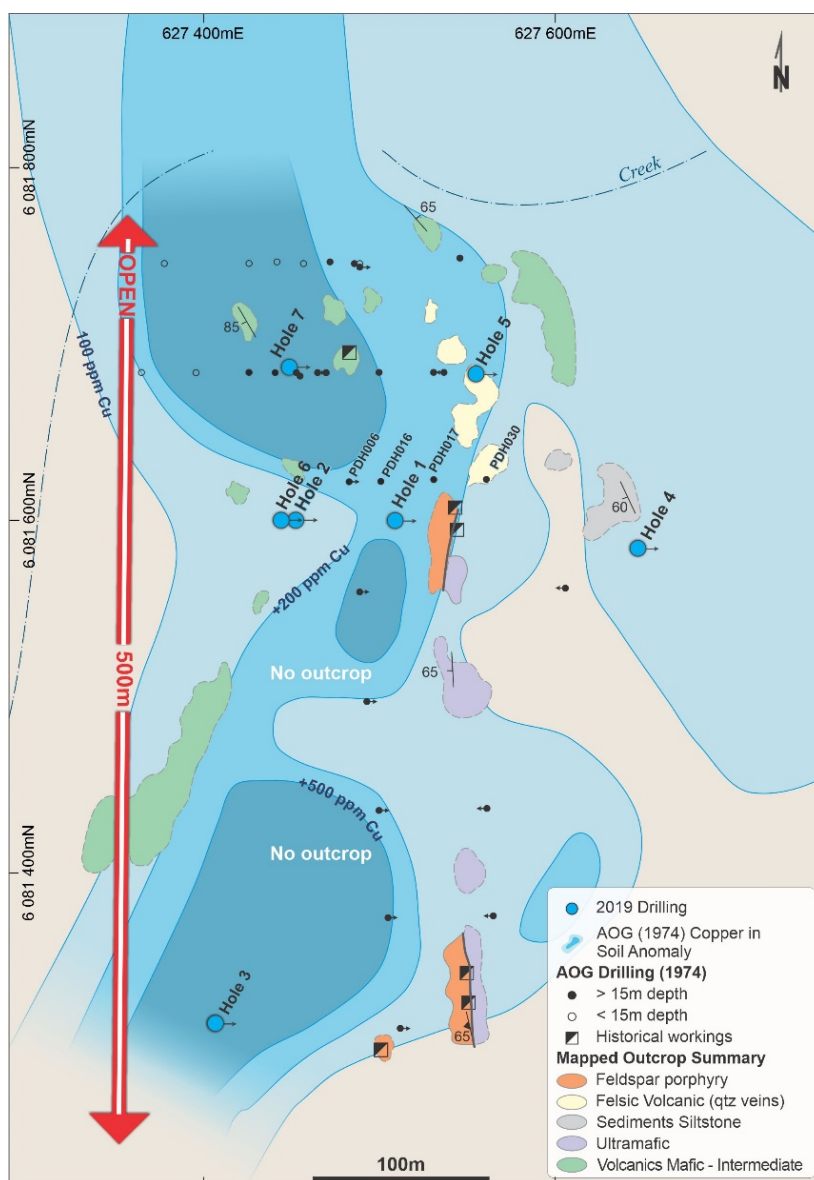


Figure 1: The Bogong Project and Junee Projects are strategically located within the Lachlan Fold Belt of New South Wales.

## 1. Bogong Copper-Gold Project, NSW (100%)

During the quarter, the Company completed a maiden diamond drilling programme designed to test beneath historical near-surface copper intercepts at the Bogong Copper-Gold Project (see Figure 2).

Drilling also targeted a newly identified Induced Polarisation (IP) anomaly located beneath and adjacent to these historical intercepts (see ASX Announcement on 23rd October 2019).



**Figure 2:** Plan View of the Company's drilling programme at the main Bogong Copper-Gold Prospect.

Initial drill results show that the drilling intersected a shallow zone of copper sulphide mineralisation (chalcopyrite and bornite) hosted within a brecciated felsic porphyry.

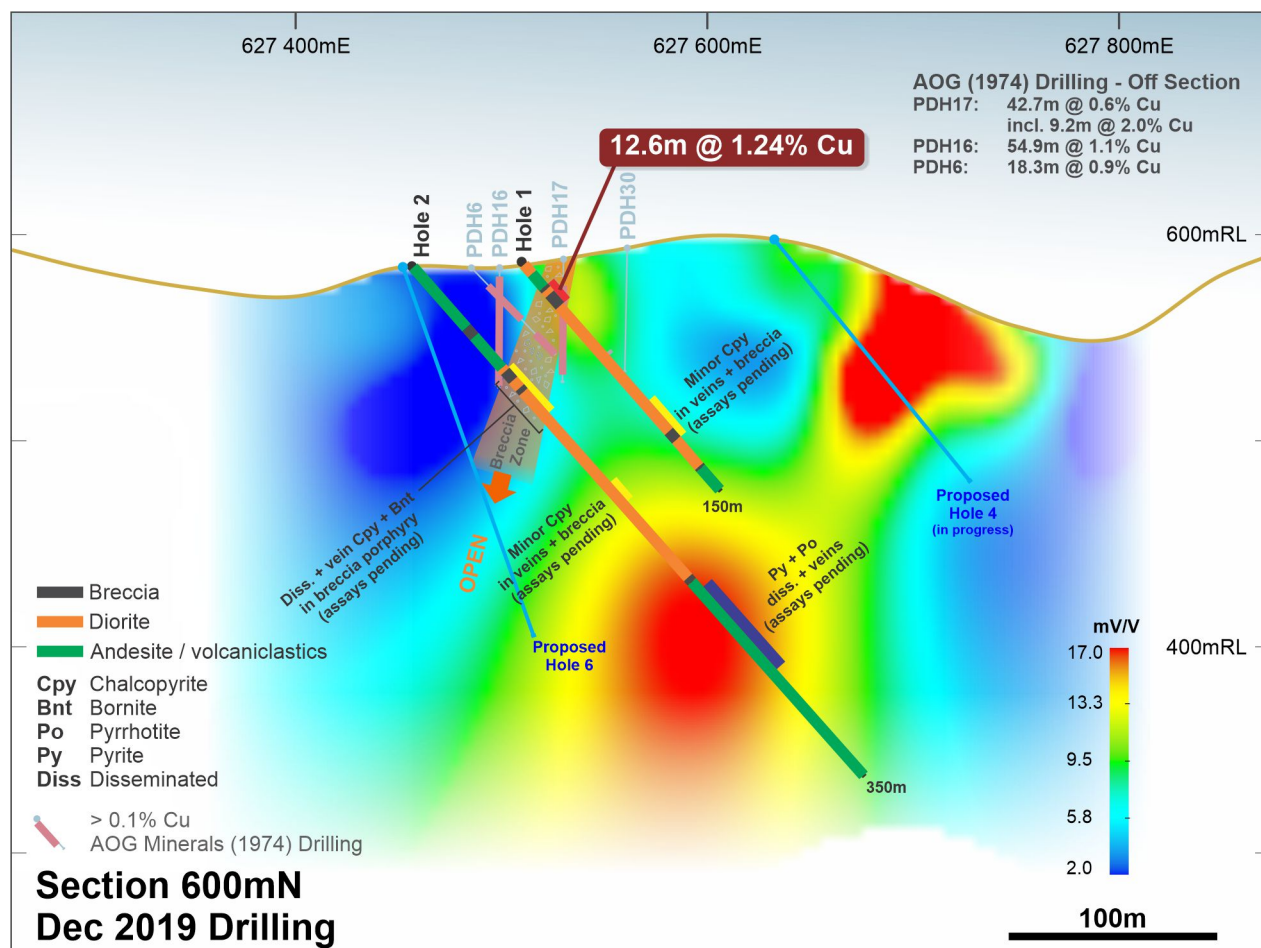
Assay results from the first half of hole 19BGDD001 returned an interval of **12.6m @ 1.24% copper** through the mineralised breccia interval from 16.8m to 29.4m down-hole, including a higher grade zone of **3.9m @ 2.0% copper** from 25.5m down-hole (see Table 1, Table 2 and Figure 3).

Hole ID	Short ID	East	North	RL	Depth	Az	Dip	Comments
19BGDD001	Hole 1	627509	6081600	583	150.2		90	-50
19BGDD002	Hole 2	627450	6081600	582	339.5		90	-50
19BGDD003	Hole 3	627407	6081314	588	225.5		100	-50
19BGDD004	Hole 4	627647	6081584	600	154.4		90	-60
19BGDD005	Hole 5	627555	6081683	585	155		90	-60
19BGDD006	Hole 6	627449	6081600	582	249.5		90	-70
19BGDD007	Hole 7	627449	6081687	579	273.5		90	-53

**Table 1:** Bogong Project, Collar Table and Drilling Status

Hole 1 (19BGDD001 on Line 6081600mN or “Section 600mN”) was designed to test the area close to historical copper workings, while Hole 2 (19BGDD002) was designed to cross the broader copper target at depth.

Within the mineralised interval in Hole 1, both chalcopyrite and bornite are readily observed in diamond core intersecting several styles within the felsic porphyry (diorite), and is indicative of multiple generations of copper enrichment within the brecciated porphyry.



**Figure 3:** Diamond Holes 19BGDD001 to 002 on line 6081600mN (Section 600mN) underlain by November’19 Induced Polarisation (IP) survey and historical (1974) AOG Minerals drilling (off-section). Assay results are reported as down-hole intercepts, as true widths are not known. Assay results have been received for top half of 19BGDD001 (0 to 82m).

Refer to ASX Announcement on 27<sup>th</sup> November 2019 for details of these drilling results.

## Next Steps

Additional assay results and interpretation for the remainder of Hole 1 through to Hole 7 are expected shortly. Eastern States laboratories have been experiencing a high volume of sample submissions over the past few months, resulting in longer than usual laboratory turnaround time.

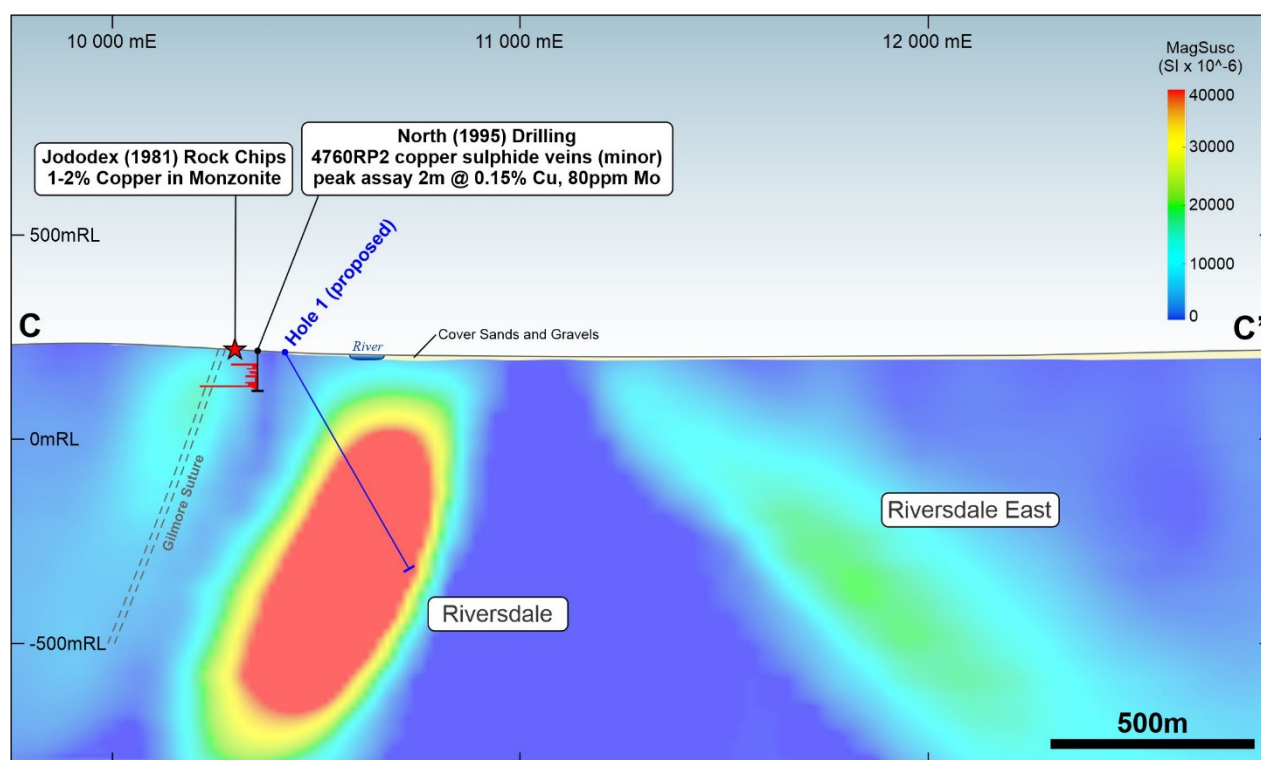
In addition, the Company commenced regional mapping in late December 2019 to evaluate the wider porphyry copper-gold system that may overlie the broad circular magnetic feature that underlies the historical copper-in-soil anomalies at Bogong.

## 2. Junee Copper-Gold Project, NSW (100%)

Subsequent to quarter-end, DevEx commenced diamond drilling at the Junee Copper-Gold Project.

Drilling will test for porphyry copper-gold mineralisation associated with a large buried magnetic anomaly within the Riversdale Prospect area. This anomaly lies beneath and adjacent to porphyry-hosted copper sulphide veins encountered in historical drilling conducted ~25 years ago.

DevEx plans to test the Riversdale magnetic anomaly with one diamond drill hole to a depth of approximately 600m (Figure 4). The magnetic anomaly combined with data from previous exploration is suggestive of a large-scale porphyry copper-gold system like that seen at Newcrest Mining Limited's (ASX: NCM) Cadia-Ridgeway Mine.



**Figure 4:** Riversdale Prospect – Magnetic Inversion Model Slice showing modelled depth to magnetic source. Including porphyry outcrop (with malachite) adjacent to hole RP2, all drill holes encountered monzonite. Magnetic Inversion modelling indicates drilling did not test the main source of the magnetic anomalies at Riversdale. See Figure 6 for location.



**Figure 5:** Diamond drill rig mobilised on site at the Junee Copper-Gold Project, NSW.

During the Quarter, the Company commenced a programme of broad-spaced IP geophysics over several recently identified copper-gold targets within the Junee tenure.

This geophysical exploration programme is designed to assist with the mapping of potential underlying sulphide targets on the prospective Riversdale North and Billabong Creek Prospects.

Recent exploration (2019) has identified several areas of surface copper, gold and base metal mineralisation interpreted to be associated with porphyry copper-gold alteration. Assays and mapping identified oxidised chalcopyrite associated with epidote veins and alteration, including a small gold + base metal gossan assaying 2.81g/t Au, 0.4% Cu and 1.3% Pb (see Company ASX announcement on 11th September 2019).

### **Next Steps**

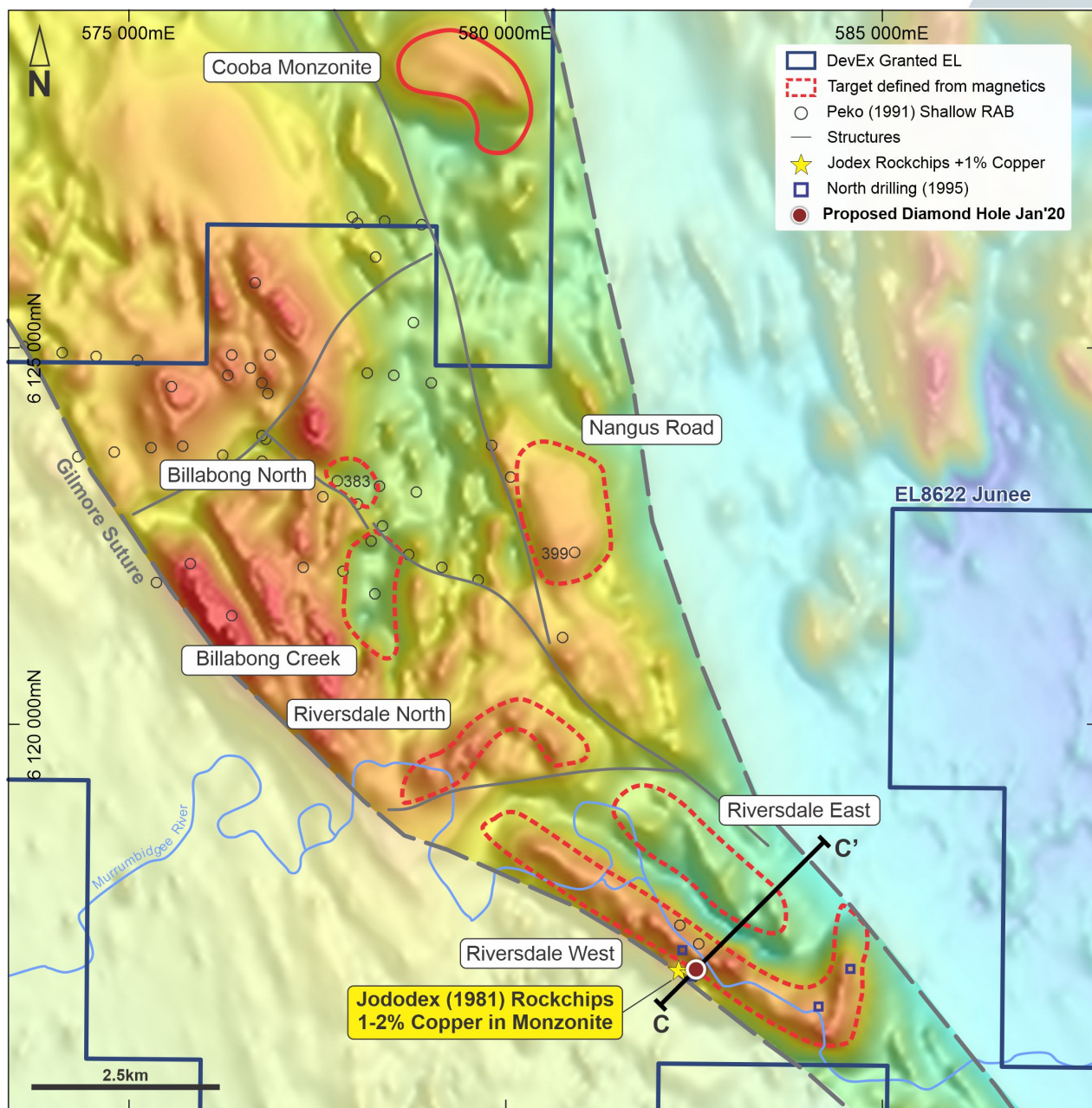
In addition to the Riversdale diamond drilling and Billabong Creek/Riversdale North IP geophysics, the Company is currently advancing several other prospects within the granted Junee Tenure, including:

#### *Nangus Road to Riversdale East Corridor*

The Nangus Road Prospect represents a broad buried magnetic anomaly of similar size and amplitude to the magnetic anomaly which maps the copper-gold bearing monzonite intrusion at Cooba (see Company ASX announcement on 5th March 2019). At Cooba, located off the Company's tenement, previous exploration identified surface copper and gold mineralisation within scattered monzonite float. Age dating and chemistry by the GSNSW in 2017 identified the quartz monzonite at Cooba as

high-potassium in nature and contemporaneous with the mineralised intrusions at Cadia-Ridgeway and Goonumbla (Northparkes).

The Company is currently preparing a plan for AC drilling to test the north-south fault corridor south of the Cooba Monzonite from Nangus Road to the Riversdale East Prospect, where shallow sands and deep soils mask the underlying prospective stratigraphy.



**Figure 6:** Junee Project, NSW, location of planned diamond drill hole and prospects, where several porphyry copper-gold targets have been identified based on mapping, historical exploration and interpretation of airborne magnetics (underlay) and gravity.

In conjunction with this planned activity, the Company continues to make progress with landowner engagement, with the purpose of entering into Rural Land Access Agreements (RLAAs) over these and other prospects.

### 3. West Arnhem-Nabarlek Project, NT (100%)

During the quarter, the Company progressed its review of exploration data from the Nabarlek area for signs of conductors beneath the dolerite, following the drilling campaign completed in Q3 2019. The aim is to refine targets for potential future drilling.

While the West Arnhem-Nabarlek Project remains a core asset for DevEx, the Company's current focus remains on its porphyry copper-gold exploration strategy in New South Wales, allowing the Company to advance the Junee and Bogong Projects at pace.

### 4. OTHER PROJECTS

No additional work was completed on the Dundas Lithium Project during the quarter.

### 5. PROJECT SUMMARY

This section is provided in compliance with Listing Rule 5.3.

#### Tenements

A full list of tenements held by the Company is enclosed in Appendix 1.

#### Changes in tenements held during the quarter:

Location	Project	Tenement No.	Registered Holder	Nature of Interests
Australia – NSW	Tumut	EL8930	TRK Resources Pty Ltd – 100%	Granted
Australia – NSW		ELA5877	TRK Resources Pty Ltd – 100%	Application
Australia – WA	Oakover	E45/5410	GE Resources Pty Ltd – 100%	Granted

#### Changes in farm-in or farm-out agreements during the quarter:

None

#### Expenditure

Exploration and evaluation expenditure by the Company during the quarter was \$906,805 (YTD: \$1,830,783). In addition, the Company has spent \$254,990 on administration costs including staff costs during the quarter (YTD: \$462,951).



## 6. CORPORATE

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The Group's cash balance at the end of the quarter was \$3,562,965 (refer Appendix 5B for further information).

A total of \$4.6m (before costs) was raised during the quarter by way of a two-tranche placement with an issue price of \$0.08.

On 4 October, the Company completed the first tranche, issuing 19,957,985 shares raising \$1.6 million (before costs).

The second tranche ("Tranche 2") of the placement was completed after shareholder approval was received at a general meeting of shareholders held on 15 November 2019. Tranche 2 resulted in the issue of 37,354,515 shares raising \$3.0 million (before costs).



This announcement has been authorised for release by the Board.



Brendan Bradley  
Managing Director

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Read Corporate  
Telephone: +61 8 9388 1474

## REFERENCES

*1East Riverina Mapping Project - Some Highlights and Implications, Eastlake and Trigg*

Hole ID	East	North	RL	Depth	Az	Dip	From	To	Interval	Cu %	Au g/t	Ag g/t
19BGDD001	6275009	6081600	583	150	90	-50	16.8	29.4	12.6m	1.2	0.06	8
						<i>including</i>	25.5	29.4	3.9m	2.0	0.07	15

**Table 2:** Bogong Project, Significant Intercept Table from Hole 19BGDD001 >0.3% Copper and allowing for up to 3 metres of internal dilution at grades < 0.3% copper.

## COMPETENT PERSON STATEMENT

The Information in this report that relates to Exploration Results for the Junee Copper-Gold Project is extracted from the ASX announcement titled “Project-scale drill program begins with maiden diamond hole at the Junee Porphyry Copper-Gold Project, NSW” released on 23<sup>rd</sup> January 2020; “New copper and gold mineralisation supports potential for large-scale porphyry system at Junee, NSW” released on 11<sup>th</sup> September 2019; “DevEx Further Expands Potential of Junee Copper-Gold Project, NSW with Identification of Additional Porphyry Targets” released on 5<sup>th</sup> March 2019 and; “Porphyry Copper-Gold Targets Identified at Junee Project, Lachlan Fold Belt, NSW” released on 24<sup>th</sup> January 2018. All of which are available on [www.devexresources.com.au](http://www.devexresources.com.au).

The Information in this report that relates to Exploration Results for the Bogong Copper-Gold Project is extracted from the ASX announcement titled “Shallow zone of copper sulphides intersected in first diamond hole at Bogong Porphyry Copper-Gold Project, NSW” released on 27<sup>th</sup> November 2019; “Diamond drill program successfully completed at Bogong Porphyry Copper-Gold Project, NSW” released on 19<sup>th</sup> December 2019, and; “Porphyry-hosted copper-gold targets identified in maiden exploration program at Bogong Project, Lachlan Fold Belt, NSW” released on 1<sup>st</sup> August 2019. All of 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 above original market announcements. 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 announcements.

## 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 1 – Tenement Schedule

State	Project	Tenement	Status	Current Equity	
<b>NT</b>	Nabarlek	MLN962	Granted	100%	
		West Arnhem	EL10176	Granted	100%
			EL24371	Granted	100%
			EL23700	Granted	100%
			ELA24878	Application	100% -Transfers pending
			ELA31519	Application	100%
			ELA31520	Application	100%
			ELA31521	Application	100%
			ELA31522	Application	100%
			ELA31523	Application	100%
			ELA31557	Application	100%
		Arnhem Minerals	ELA25384	Application	100%
			ELA25385	Application	100%
			ELA25386	Application	100%
			ELA25389	Application	100%
		Headwaters	ELA27513	Application	100%
			ELA27514	Application	100%
			ELA27515	Application	100%
		Woodside	ELA29947	Application	100%
		Browse	ELA29945	Application	100%
	Cadel North	ELA28316	Application	100%	
	Aurari Bay	ELA29897	Application	100%	
	Pluto	ELA30073	Application	100%	
<b>NSW</b>	Junee	EL8622	Granted	100%	
	Bogong	EL8717	Granted	100%	
	Cooba North	EL8767	Granted	100%	
	Bangus	EL8835	Granted	100%	
	Redbank	EL8851	Granted	100%	
	Tumut	EL8930	Granted	100%	
	Basin Creek	ELA5840	Application	100%	
		ELA5877	Application	100%	
	<b>WA</b>	Dundas	E63/1860	Granted	100%
E63/1869			Granted	100%	
E63/1871			Granted	100%	
E63/1872			Application	100%	
Oscar		E04/2533	Application	100%	
Mt Hann		E80/5235	Application	100%	
Oakover		E45/5410	Granted	100%	

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

DevEx Resources Limited

### ABN

74 009 799 553

### Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A	Year to date (6 months) \$A
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(906,805)	(1,830,783)
(b) development	-	-
(c) production	-	-
(d) staff costs	(59,041)	(75,161)
(e) administration and corporate costs	(195,949)	(387,790)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8,886	14,037
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other - Business Development Costs	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,152,909)</b>	<b>(2,279,697)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3,047)	(3,047)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A</b>	<b>Year to date (6 months) \$A</b>
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(3,047)</b>	<b>(3,047)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	4,545,021	4,585,000
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(251,970)	(251,970)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – Security Bond	(43,698)	355,515
<b>3.10 Net cash from / (used in) financing activities</b>	<b>4,249,353</b>	<b>4,688,545</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	469,568	1,157,164
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,152,909)	(2,279,697)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3,047)	(3,047)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,249,353	4,688,545
4.5 Effect of movement in exchange rates on cash held	-	-
<b>4.6 Cash and cash equivalents at end of period</b>	<b>3,562,965</b>	<b>3,562,965</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1 Bank balances	3,562,965	469,568
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,562,965</b>	<b>469,568</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A
6.1 Aggregate amount of payments to these parties included in item 1.2	85,083
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Item 6.1 consists of the salary and superannuation paid to the Managing Director (\$60,225) for the current quarter, net non-executive directors fees outstanding from May 2019 to September 2019 (\$15,164), PAYG and superannuation for non-executive directors for the current quarter (\$9,694).

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A
7.1 Aggregate amount of payments to these parties included in item 1.2	39,000
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Item 7.1 represents service charges paid to Chalice Gold Mines Ltd (a director related entity) for the provision of corporate services and office rent for the quarter.

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A</b>	<b>Amount drawn at quarter end \$A</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A</b>
9.1 Exploration and evaluation	(988,000)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(42,000)
9.5 Administration and corporate costs	(104,000)
9.6 Other (issued capital costs)	-
<b>9.7 Total estimated cash outflows</b>	<b>(1,134,000)</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	<b>NSW</b> ELA5877 EL8930	Application Granted	0% 0%	0% 100%
	<b>WA</b> <b>Oakover</b> E45/5410	Granted	0%	100%



**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Company secretary)

Date: 29 January 2020

Print name: Kym Verheyen

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.