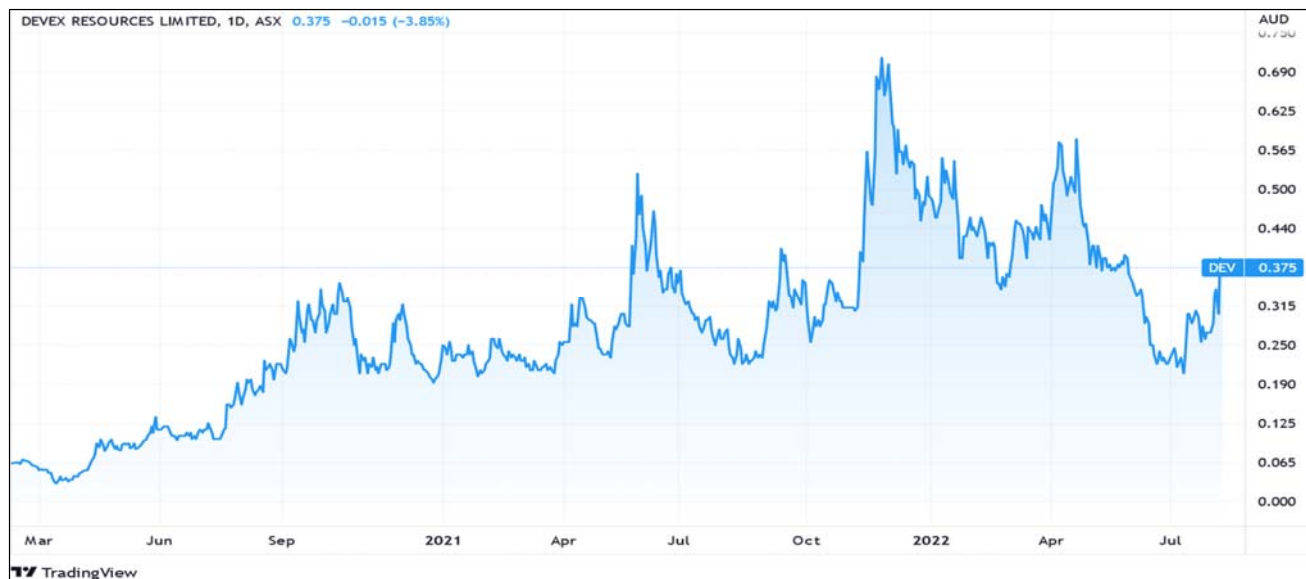


Wednesday August 10th, 2022

Portfolio Stock Developments

DevEx Resources - (ASX: DEV, Share Price: \$0.375, Market Cap: \$118m, coverage initiated @ \$0.099 in April 2020 – *current gain of 279%*)



Key Catalyst

2022 drilling campaign at the Nabarlek Uranium Project in the Northern Territory is off to a strong start, with strong uranium-equivalent intercepts at Nabarlek South and North Buffalo Prospects.

We introduced DEV to our coverage Portfolio during April 2020 based on its diverse exploration interests within Western Australia, NSW and the Northern Territory. DEV has secured a strategic acreage position within the Julimar Complex in WA, one of Australia's most exciting exploration regions. It is engaged in exploration at its Sovereign Project, where drilling has so far confirmed a close association between Pd+Pt, Cu anomalies and a differentiated mafic-ultramafic intrusion that forms part of the Julimar Complex, host to Chalice Mining's (ASX: CHN) outstanding Gonville Ni-Cu-PGE discovery. DEV is also exploring for major porphyry copper-gold discoveries within the Lachlan Fold Belt of NSW, where it has built a sizeable 600 sq km ground holding across three 100%-owned projects. In addition, the company has uranium interests, with a strategic review identifying targets within its Nabarlek Project in the NT.

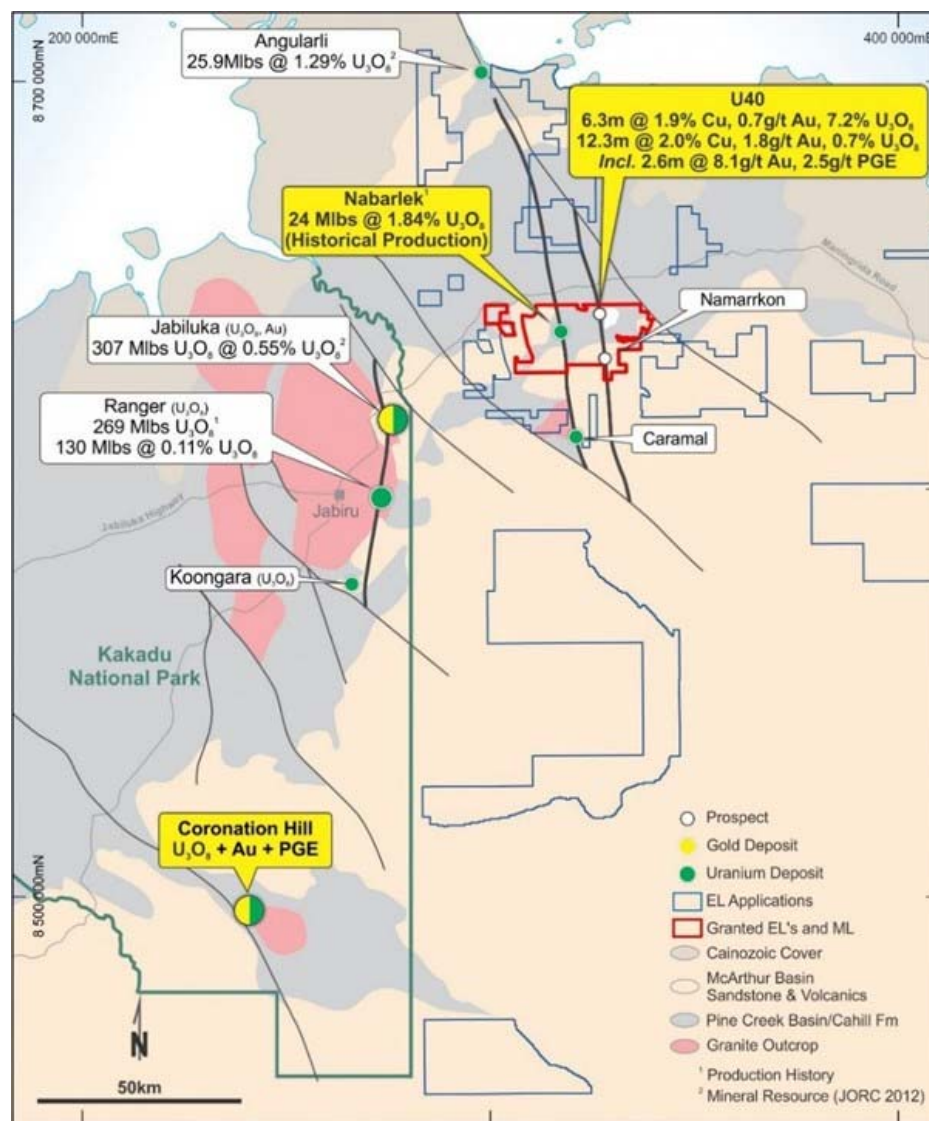
Latest Activity

Northern Territory Exploration Update

DEV has provided an update with respect to exploration activity at its Nabarlek Uranium Project in the Northern Territory, with the company's 2022 drilling campaign underway.

Overview

DEV has released the results of initial diamond drilling at its 100%-owned Nabarlek Uranium Project, which have intersected high-grade uranium mineralisation. The project is located within the heart of the world-class Alligator Rivers Uranium Province (ARUP) in the Northern Territory.



Diamond drilling at both the Nabarlek South and North Buffalo Prospects has intersected significant zones of uranium mineralisation adjacent to historical intercepts, highlighting the endowment and exploration upside of the brownfields Nabarlek Project.

Targeting the Nabarlek South uranium shoot, Hole 2 (22NBDD02) intersected 10.7m @ 1.2% eU_3O_8 from 123.4m, including 3.2m @ 3.1% eU_3O_8 – which has extended the known high-grade uranium mineralisation 25 metres down-plunge from historical uranium intercepts in fresh rock.

Figure 1: Regional geology of the eastern Alligator River Uranium Province showing pre-mining endowment of uranium and gold deposits, and DevEx's tenement holdings.

The drilling program will be expanded at Nabarlek South and North Buffalo following these early results, with a second Reverse Circulation/diamond drill rig expected to arrive later this month.

DEV maintains an extensive tenement package within the Alligator Rivers Uranium Province (ARUP), which is centred on, and includes, the former Nabarlek Uranium Mine, considered Australia's highest-grade uranium mine with past production of 24Mlbs @ 1.84% eU₃O₈.

Details

Visual logging of the mineralised diamond core, supported by spot pXRF analysis, has identified uranium mineralisation within a fault zone of fractures and veins within the dolerite over the reported intercept length. These uranium-bearing fractures range in thickness from numerous microfractures through to narrow veins up to 4cm in thickness of massive uranium mineralisation. This uranium mineralisation lies within a broader chlorite-haematite-leucoxene alteration zone.

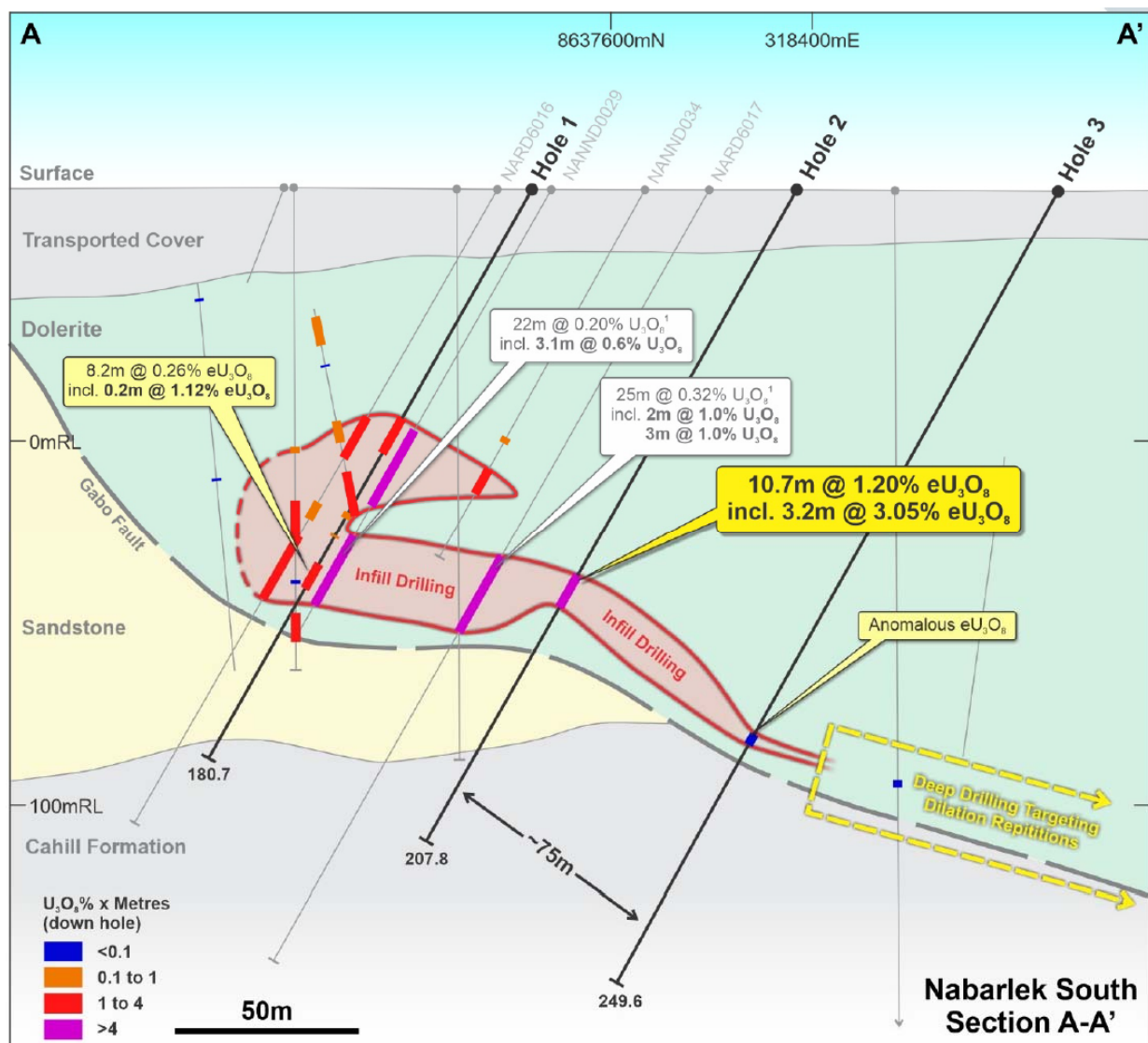


Figure 2: Nabarlek South Prospect, Oblique Cross-Section (looking to the north-west).

To date, three diamond holes have tested the Nabarlek South Prospect and further drilling is planned to in-fill the plunge position adjacent to Hole 2, as well as up- and down-dip along the fault. Deeper drilling is also planned further down-dip as the fault zone has the potential to kink and swell multiple times, similar to other major uranium deposits in the region (e.g. Ranger 3 Deeps).

Hole 1 (22NBDD01) confirmed the up-plunge position of the uranium mineralisation defined in historical drilling. Hole 3 (22NBDD03), which was designed to step-out broadly down-plunge (approximately 100m) from the historic hole NARD6017, also encountered anomalous uranium, giving confidence in the continuity of the uranium-bearing fault zone, albeit off-plunge to the main shoot of mineralisation.

At North Buffalo, Hole 4 (22NBDD04) intersected 9.1m @ 0.15% eU_3O_8 from 50.5m, including 0.4m @ 0.80% U_3O_8 - with a similar result in Hole 6 (22NBDD06).

These shallow intercepts lie within the Nabarlek Mining Lease and remain open along strike for hundreds of metres to the east and west. DEV plans to continue drilling along strike of these intercepts as part of the current program.

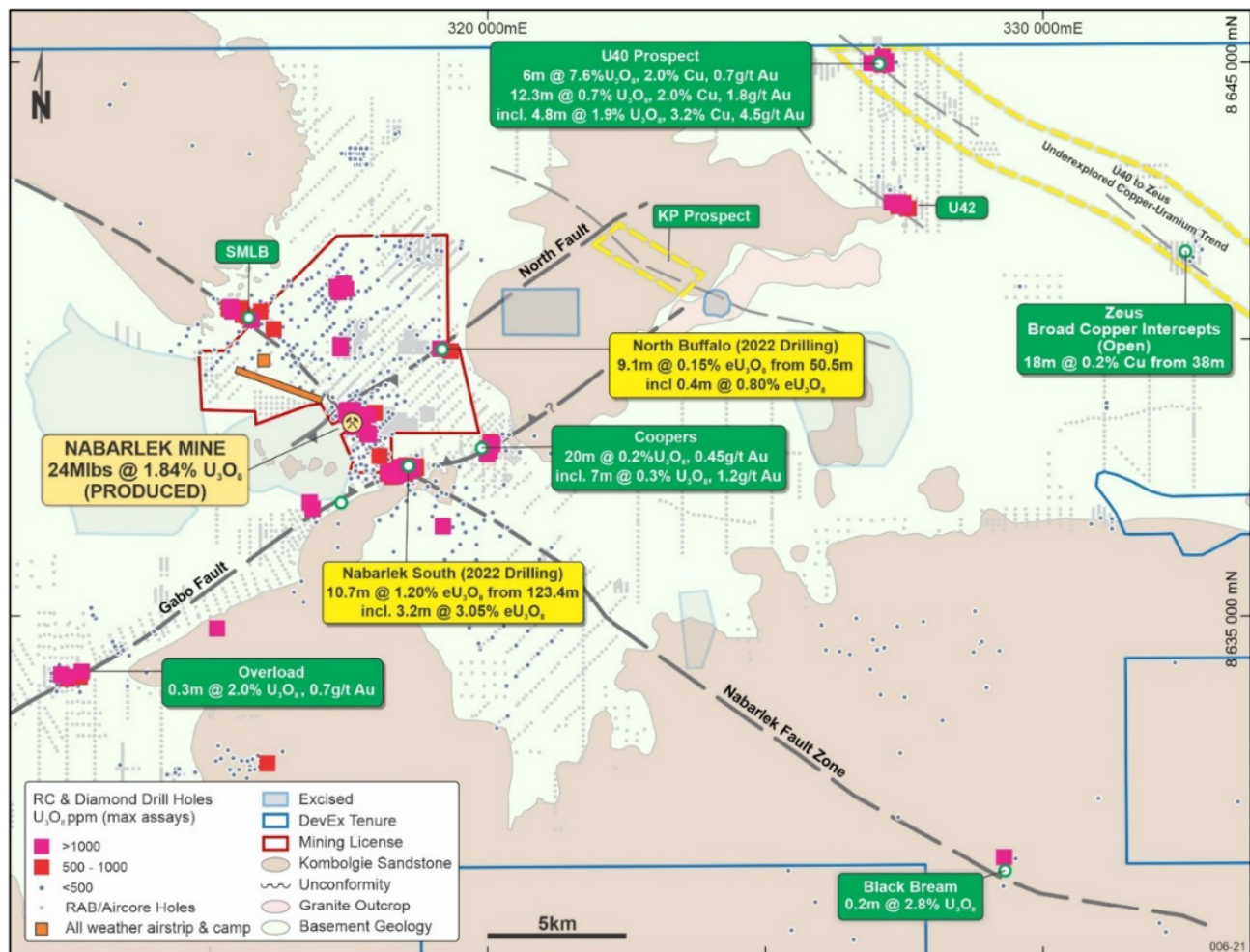


Figure 3: Nabarlek Project – Uranium Prospects including the historic Nabarlek Uranium Mine.

Technical Significance

DEV's 2022 Nabarlek drilling campaign has commenced strongly, with early success at Nabarlek South and North Buffalo outlining the scale and quality of the opportunity within this well-endowed and historic uranium field. Evidence from the historic Nabarlek uranium mine has shown that these high-grade deposits can exist within a lens of between 30m and 75m in length.

Nabarlek-type uranium deposits are known for their small, but high-grade, uranium footprint. At the former Nabarlek Uranium Mine, the majority of the 24Mlbs @ 1.84% eU₃O₈ produced came from two high-grade lenses that were between 30m and 75m in length. The mineralisation identified at both Nabarlek South and North Buffalo has significant potential to grow as drilling intensifies.

Drilling is currently focusing on targets located adjacent to previous uranium intercepts, including Nabarlek South, North Buffalo, Nabarlek and the U40 and U42 Prospects, with uranium corridors from U40-to-Zeus also to be tested with drilling later this year.

These early results from Nabarlek South and North Buffalo will see DEV embark on an expanded drill program, in addition to the other targets already planned for 2022. A second Reverse Circulation/diamond drill rig is expected to arrive later this month to expand drill coverage and productivity.

History of the Nabarlek Mine

Queensland Mines was a uranium exploration company that discovered Nabarlek during May 1970. Nabarlek comprised a small, high-grade deposit just inside Arnhem Land and within the East Alligator River region of the Northern Territory. Agreement was reached with the Northern Land Council and other Aboriginal groups to enable development of the deposit.

Queensland Mines opened the Nabarlek mine in 1979, with the orebody mined out in just over four months of the dry season, with 600,000 tonnes of average 2% grade ore stockpiled for treatment from 1980. About 2.3 million tonnes of waste was also mined. A total of 10,858 tonnes of uranium oxide (U₃O₈) was produced at 1,500 tonnes per year and sold to Japan, Finland and France, from 1981-88.

Nabarlek then remained one of the three uranium mines approved under the ALP 'three mines policy' applied by the previous federal Labor government. Accordingly, it had considerable value if further ore reserves were found on its leases, or even nearby.

Uranium Equities Ltd, which changed its name to Devex Resources, then acquired the Nabarlek lease and the area around it. Back in 2018, DEV announced a geophysical "drill target" below the old open-pit as part of its West Arnhem Project.

Uranium Market Overview

As is typical in August, the uranium market slowed to a crawl last week as northern hemisphere summer vacations dominated. Industry consultant TradeTech reports that only two spot market transactions concluded, totalling 250,000lbs eU₃O₈. Having shot up by US\$3.00/lb the week before, TradeTech's weekly spot price indicator eased by -US\$1.00 to US\$47.75/lb.

In term markets, attention was focused on the August 1 deadline for responses to the US Department of Energy's requests for proposal to supply its planned strategic uranium reserve. TradeTech's term market indicators remain at US\$51.50/lb (mid) and US\$53.00/lb (long).

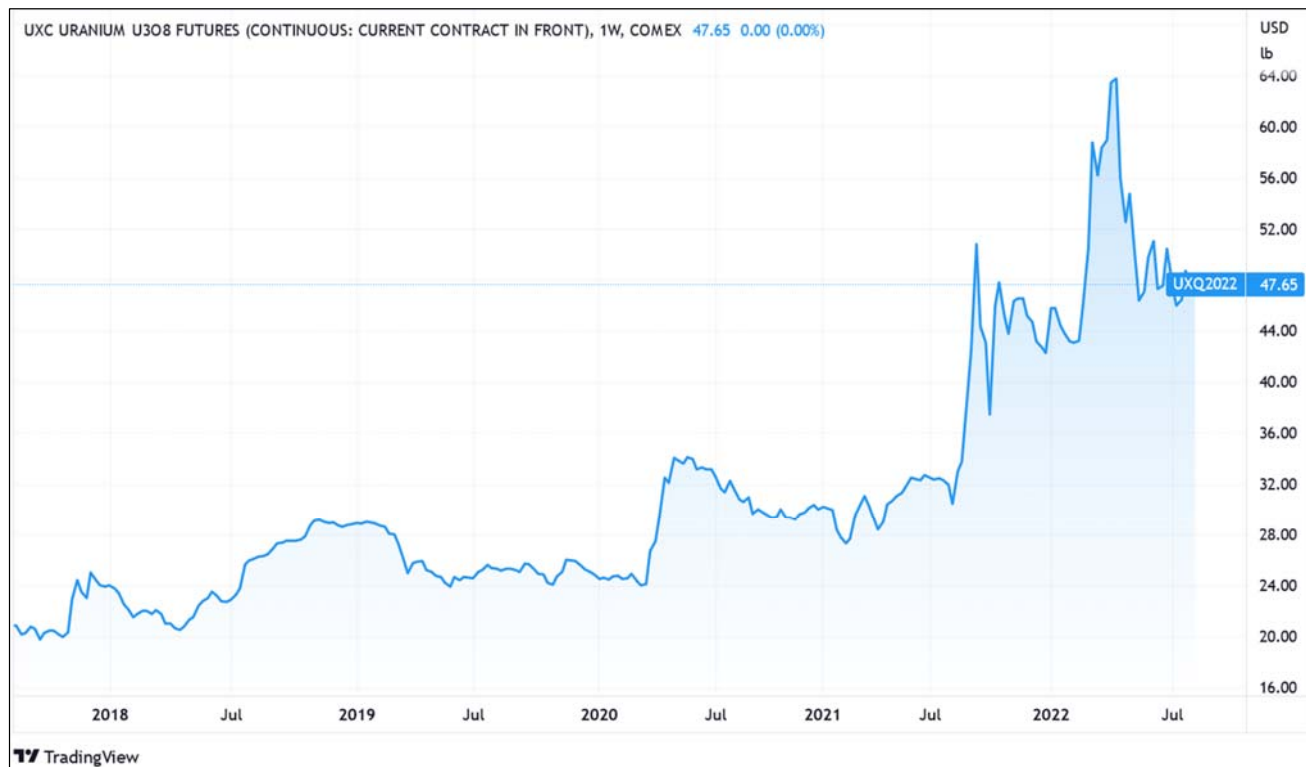


Figure 4: Five-Year Uranium Futures Chart.

The spot price rose last week on news Democrat Senate leader Chuck Schumer and Senator Joe Manchin had reached an agreement on the make-up of the Inflation Reduction Act. With Manchin on board, the only stumbling block would be Senator Kyrsten Sinema who, like Manchin, has a track record of dissent. But after tweaking a couple of elements Sinema, too, came on board. The Senate vote on the weekend was thus 50/50, with the vice president using her casting vote. The legislation must now pass the House, but given a Democrat majority that should not be an issue.

The Inflation Reduction Act is viewed as a significant achievement for the US nuclear industry. The measure would invest US\$369bn into energy and climate change programs, with the goal of reducing carbon emissions by -40% by 2030.

Internationally, following the Fukushima disaster, the then German government started the clock on a phase-out of nuclear power in the country. Three plants remain in operation. Last week, German Chancellor Olaf Scholz said it might “make sense” to extend the life of those plants, despite the fact they only account for only a small proportion of German electricity generation.

Europe’s energy security situation, heading into winter, is dire. Ukraine has had to disconnect its Zaporizhzhia nuclear power plant – the largest in Europe – from the grid due to Russian bombing nearby. One missile hit electricity infrastructure. Of course, disconnecting the plant does nothing to alleviate the risk implicit in a direct hit.

But it’s not just Putin causing problems for European power. Last week, France, which derives 70% of its power from nuclear and is generally a power exporter, was challenged by record summer heat which led to higher river water temperatures. This places nuclear power facilities that use river water for cooling at risk of closure.

Summary

In today’s note we have only reviewed the company’s Nabarlek uranium project interests, but DEV maintains extremely high-quality exploration activity underway on three fronts - Western Australia, NSW and the Northern Territory.

DEV’s 2022 Nabarlek drilling campaign has commenced strongly, with early success at Nabarlek South and North Buffalo outlining the scale and quality of the opportunity within this well-endowed and historic uranium field. Nabarlek-type uranium deposits are known for their small, but high-grade, uranium footprint.

We await further results with great interest and DEV remains firmly within our coverage Portfolio.

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