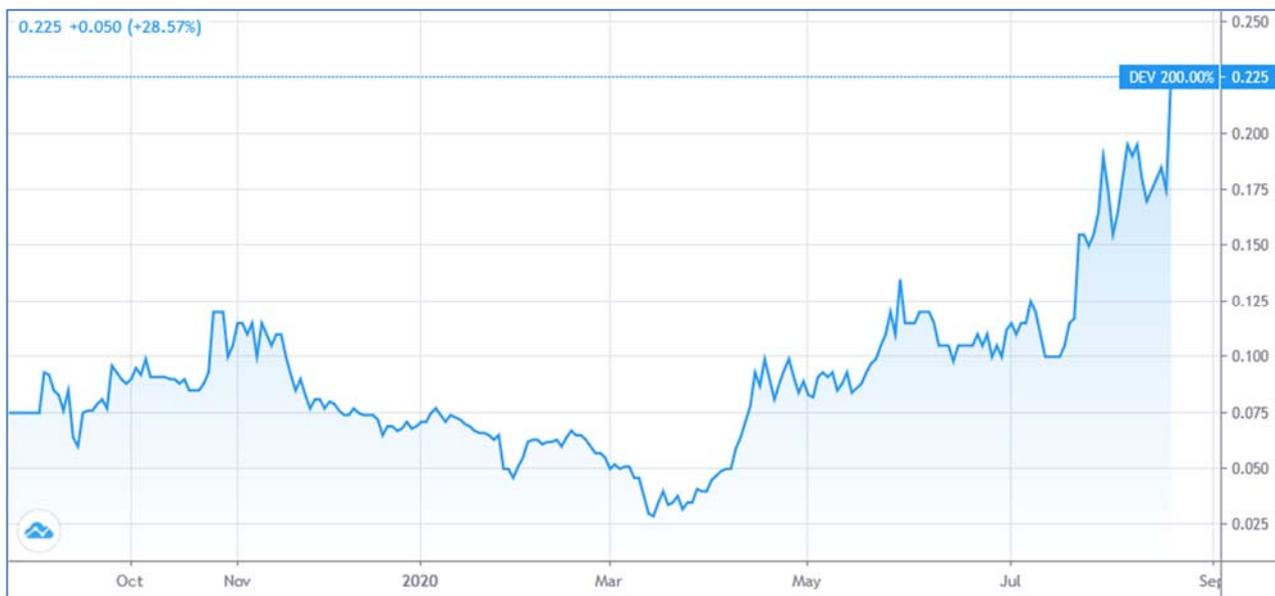


Wednesday 19th August, 2020

Portfolio Stock Developments

DevEx Resources - (ASX: DEV, Share Price: \$0.225, Market Cap: \$54m, coverage initiated @ \$0.099 in April 2020 – *current gain of 127%*)



Key Catalyst

New geochemistry results outline elevated nickel, copper and chromium values at the Sovereign Project in WA, generated additional targets within the Julimar Nickel-Copper-PGE Complex.

We recently introduced DEV to our coverage Portfolio as a result of its dual exploration focus in NSW and Western Australia. DEV's key focus is exploration for major porphyry copper-gold discoveries within the Lachlan Fold Belt region of NSW, where it has built a sizeable 600 sq. km ground holding across three, 100%-owned projects - the Junee and Bogong copper-gold projects, along with the Basin Creek gold project. The district is host to several of Australia's largest copper-gold mines. Initial exploration work at the Basin Creek Copper-Gold project has identified gold mineralisation over a strike length of 4km, which remains open in both directions, and points to an epithermal or high-level porphyry gold system. DEV has also secured a strategic position within the Julimar Complex in Western Australia, one of Australia's most exciting new exploration hot-spots, where it has applied for several Exploration Licences.

Latest Activity

Sovereign Project Update

DEV has provided a further update with respect to its exploration activities within the Julimar region of Western Australia, today report encouraging new geochemistry results from its Sovereign Project. The results have reinforced the prospectivity of the Julimar Complex and generated fresh exploration targets.

DEV's shares CHN's shares had risen by 29% at the close of today's trade to a seven-year high of \$0.225.

Overview

The re-assaying of historical drill samples, together with rock chip sampling conducted by DEV, has identified coincident and elevated nickel, copper and chromium values at the Sovereign Project. These positive results are indicative of the presence of mafic-ultramafic rocks that are similar to the rocks of the Julimar Complex, which host the recent high-grade Ni-Cu-PGE discovery by Chalice Gold Mines (ASX:CHN). For further information please refer to our coverage two days ago on Monday 17th August – CHN has firmed from \$0.16 at the time of our coverage in March 2019 to a closing price today of \$1.54.

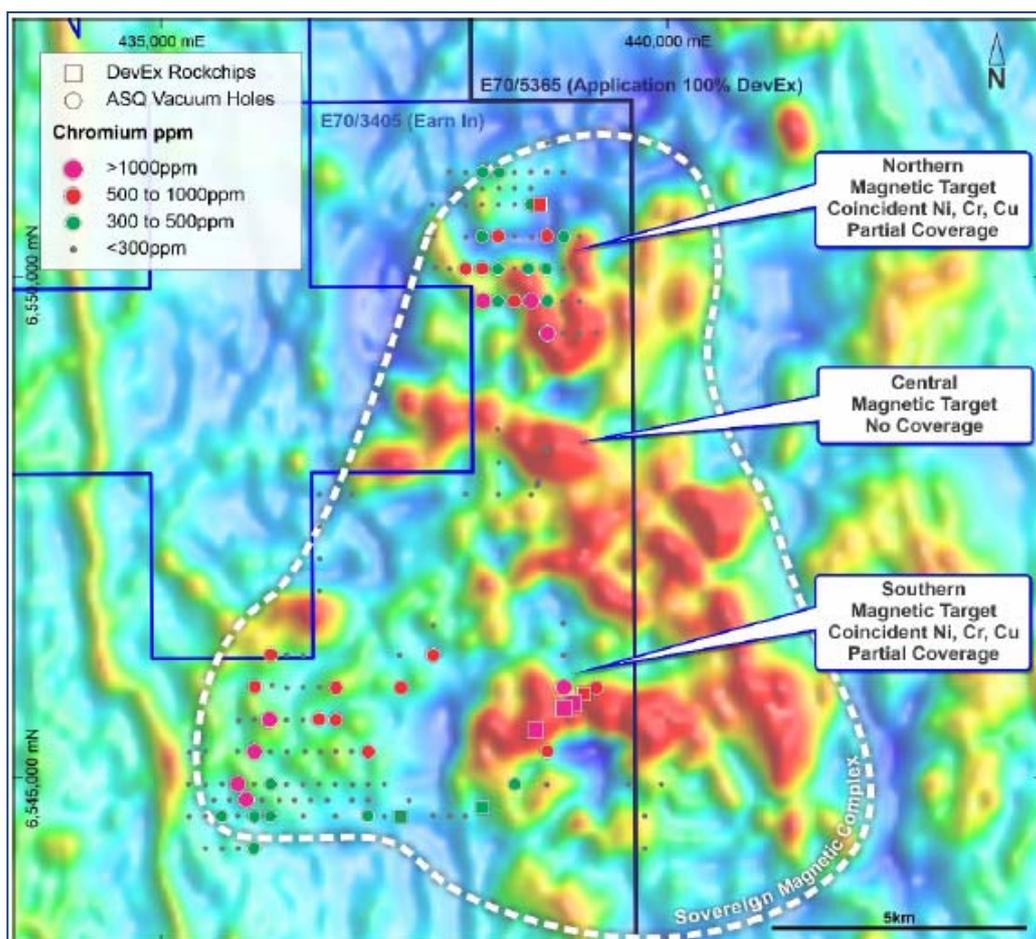


Figure 1: Chromium (Cr) analysis of pulps from ASQ Bauxite drilling and DEV rock chip sampling. High chromium is often used in deeply weathered terrain to help differentiate underlying ultramafic rocks.

Results

The recent re-assaying of historical bauxite drill-hole samples, together with recent surface rock chip (duricrust) sampling conducted by DEV, has returned assay results of up to 1,210ppm nickel (Ni), 395ppm copper (Cu), 6,830ppm chromium (Cr) and 83ppb palladium + platinum (Pd+Pt).

These results are centred around the large 6km x 7km Sovereign magnetic complex, supporting the interpretation that the airborne magnetics are mapping mafic-ultramafic intrusive rocks of the Julimar Complex, similar to the rocks at CHN's recent high-grade Ni-Cu-PGE discovery.

Technical Significance

These initial results are encouraging, as the Sovereign Project lies strategically to the north of CHN's Julimar Project and south of Cassini Resources' (ASX: CZI) Yarrawindah Brook Project.

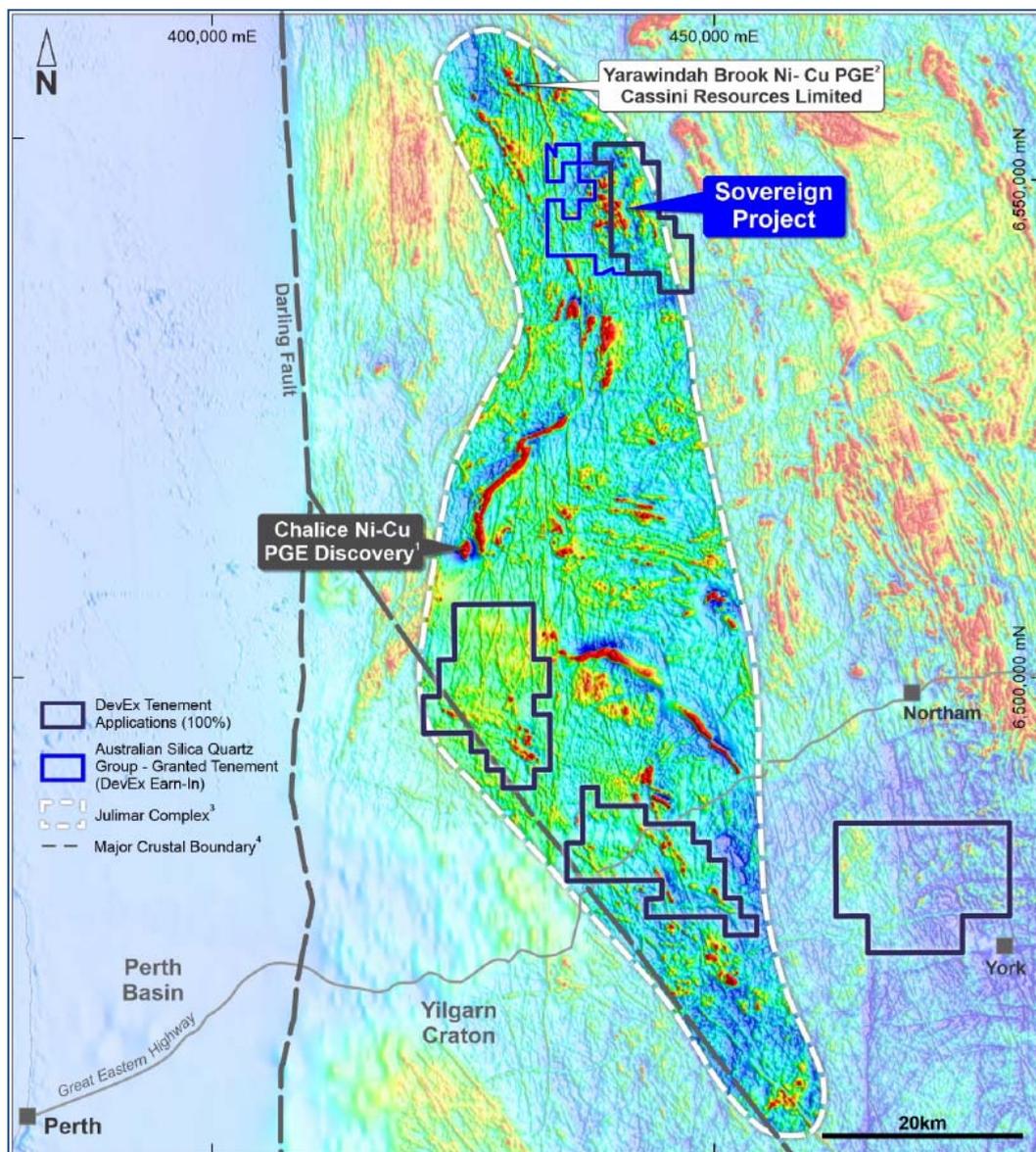


Figure 2: DEV tenement applications with the Australian Silica Quartz Group Tenement overlying airborne magnetics (RTP) in relation to Chalice Gold Limited's recent high- grade palladium-nickel discovery (ASX: CHN) at the Julimar Project. The outline of the Julimar Complex was interpreted from information in Harrison (1984).

Previous exploration by Australian Silica Quartz Group (ASX: ASQ) had focused on evaluating the region for surface bauxite deposits, meaning that until now there has been little to no exploration for nickel-copper and platinum group elements.

Within the Sovereign Project, the main magnetic anomalies underly areas of extensive lateritic duricrust development (including bauxite), which masks the underlying basement rocks - thus hampering exploration. Duricrust development in the region can be both transported and in-situ, representing the most extreme weathered portion of the basement rocks.

This horizon has been the focus of previous shallow bauxite drilling by ASQ, with holes solely testing the bauxite horizon and stopping well short of the less weathered basement rocks. This drilling partially overlies some of the magnetic highs of interest to DEV, which had prompted DEV to re-assay the archive drill sample pulps to gain an insight into underlying basement rocks and mineralisation ahead of drilling and geophysics.

Next Steps

DEV is planning an Airborne Electromagnetic (AEM) Survey during early-September to detect possible massive sulphide zones beneath the weathered bedrock over the entire 100 sq km extent of the Sovereign Project area. Electromagnetic techniques have proven to be effective elsewhere in the region for defining massive sulphide bodies.

In addition to the AEM Survey, DEV is planning to RAB/air-core drill priority areas over the coming months. The timing of this program is expected to coincide with results from the AEM Survey and assist with a maiden RC/diamond drilling program later in the year.

Project Overview

DEV recently acquired the Sovereign Project after entering into an Earn-In-Agreement with Australian Silica Quartz Group Ltd (ASX: ASQ), allowing DEV to fast-track exploration within the region (refer to our DEV coverage on 1 June 2020, share price then \$0.115).

Under the Earn-In Agreement, DEV has secured the western side of the Sovereign Magnetic Complex, with the agreement covering a large, highly prospective magnetic anomaly.

DEV has the right to earn a 50% interest in all mineral and metal rights, excluding bauxite, within the ASQ Tenement by spending up to \$3 million within 3 years from commencement of the Earn-In Agreement. This includes a minimum expenditure requirement of \$250,000 in the first 12 months. DEV can earn an additional 20%, taking its interest to 70%, by spending an additional \$3 million within two years if ASQ elects to not contribute to exploration expenditure after DEV has earned its 50% interest.

The latest Agreement increases DEV's combined footprint in the district to 620 sq km, with three of the company's tenements containing magnetic anomalies within the Julimar Complex.

Summary

The emerging Julimar Complex is enormously prospective and DEV is one of the key players based on its tenement position. The work being conducted by CHN is providing an invaluable insight into the geology of the province, which will ultimately prove beneficial to companies like DEV, with exploration campaigns still very much in their infancy.

DEV also remains focused on its more advanced projects within the Lachlan Fold Belt region of NSW. DEV has built a sizeable 600 sq km ground holding across three, 100%-owned projects, and the district is host to several of Australia's largest copper-gold mines.

With high-quality exploration activity underway on two important fronts, DEV is an important component of our coverage Portfolio.

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