

16 April 2019

Dear Shareholder

Notice to Ineligible Shareholders of Non-Renounceable Entitlement Offer

We write to you as the registered holder of fully paid ordinary shares (**Shares**) in DevEx Resources Limited (ASX: DEV) (**Company**) as at today's date. As advised in the Company's announcement dated 4 April 2019, the Company is undertaking a non-renounceable pro-rata entitlement offer to eligible shareholders at an issue price of \$0.04 per Share, on the basis of 1 new Share (**New Share**) for every 4 Shares held as at 5pm (WST) on 18 April 2019 (**Record Date**), (**Entitlement Offer**).

The Entitlement Offer is available to all Company shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia and New Zealand (**Eligible Shareholders**). The Entitlement Offer is not being extended to any Shareholders with addresses outside these jurisdictions.

On the basis that no Shares are issued, or options exercised prior to the Record Date, the Company will issue up to 26,410,038 New Shares under the Entitlement Offer to raise approximately \$1.05 million (before costs).

Use of Funds

Subject to the satisfactory completion of the Entitlement Offer, funds raised pursuant to the Entitlement Offer are intended to be used towards drilling at the West Arnhem-Nabarlek Uranium-Copper-Gold Project, ongoing exploration at the Junee Copper-Gold Project and Bogong Copper-Gold Project, project generation and assessment and to cover the costs of the Entitlement Offer.

Shortfall Offer

The Company reserves the right, subject to any restrictions imposed by the Corporations Act and the Listing Rules, to issue Shares not subscribed for under the Entitlement Offer (**Shortfall Shares**) in accordance with the following allocation policy:

- (a) the maximum amount of Shortfall Shares that Eligible Shareholders may be issued is the greater of the following:
 - (i) three times that Eligible Shareholders' Entitlement; or
 - (ii) \$10,000 worth of Shortfall Shares;
- (b) if there is insufficient Shortfall to satisfy the applications made in accordance with paragraph (a) above, the applications will be scaled back on a pro rata basis;

- (c) if any Shortfall is remaining after the applications made in accordance with paragraph (a) above are satisfied, the Directors reserve the discretion to place any such remaining Shortfall Shares within three months after the close of the Entitlement Offer in consultation with the Lead Manager;
- (d) Directors and related parties will not be issued with any Shortfall Shares; and
- (e) no Shares will be issued under the Shortfall Offer if their issue would contravene the takeover prohibition in section 606 of the Corporations Act.

Effect on Capital Structure

The table below sets out the impact of the Entitlement Offer and the Shortfall Offer under the Prospectus on the capital structure of the Company (assuming the Offers are fully subscribed and no further securities are issued):

	Shares	Options
Balance at the date of the Prospectus	105,640,151 ¹	6,833,336 ²
Maximum number of New Shares to be issued under the Entitlement Offer ³	26,410,038	Nil
TOTAL	132,050,189	6,833,336

Note:

1. Includes the issue of 13,700,000 Shares at an issue price of \$0.04 to raise \$548,000 under the placement on 10 April 2019.
2. Comprising of:
 - a. 1,650,002 unquoted Options exercisable at \$0.30 each on or before 30 November 2021;
 - b. 166,667 unquoted Options exercisable at \$0.30 each on or before 9 September 2021; and
 - c. 5,016,667 unquoted Options exercisable at \$0.10 each on or before 30 November 2021.
3. This assumes that all Shares offered under the Offer will be issued. The actual number of Shares to be issued will vary based on the Shares subscribed for and issued pursuant to the Offer. This number is also subject to rounding.

Ineligible shareholders

A Shareholder who has a registered address outside Australia or New Zealand will not be eligible to participate in the Entitlement Offer (**Ineligible Shareholder**).

As you are not eligible to participate in the Entitlement Offer you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares and Options to which they would otherwise be entitled.

A copy of the Prospectus is available on the ASX and Company websites; www.asx.com.au and www.devexresources.com.au respectively.

Subject to the receipt of ASIC approval, the Company will appoint a nominee to which the Company will transfer the New Shares that would otherwise have been issued to Ineligible Shareholders, had they participated in the Entitlement Offer. The nominee will then sell those

New Shares as soon as reasonably practicable and distribute to each of the Ineligible Shareholders their proportion of the proceeds of the sale, net of all expenses (including brokerage and any applicable taxes and charges). If any such net proceeds are less than the reasonable costs that would be incurred for distributing those proceeds, such proceeds may be retained by the Company. Ineligible Shareholders may receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the nominee will be able to sell the relevant New Shares and Ineligible Shareholders may receive no proceeds. Both the Company and the nominee take no responsibility for the outcome of the sale of such New Shares or the failure to sell such New Shares.

For all enquiries relating to the Entitlement Offer, please contact the Company Secretary by telephone on +61 8 9322 3990 and for enquiries concerning an Application Form or your Entitlement, please contact Computershare Investor Services Pty Ltd on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

Yours sincerely

A handwritten signature in black ink, appearing to read 'B. Bradley', with a stylized flourish at the end.

Brendan Bradley
Managing Director