



**ASQ REACHES AGREEMENT FOR EXPLORATION FUNDING OF ITS TENEMENT
IN JULIMAR REGION, WA**

- The Company has reached Agreement with ASX Listed DevEx Resources Limited ("DevEx", ASX: DEV) to earn-in to ASQ's E70/3405 located along strike from the Chalice Gold Mines Ltd (ASX: CHN) nickel-copper-platinum group elements (Ni-Cu-PGE) Julimar discovery in WA (see Figure 1)
- Preliminary assessment by ASQ has identified potential for Ni-Cu-PGE exploration targets to be developed based on regional aeromagnetic data and Geological Survey of Western Australia mapped mafic-ultramafic igneous complexes of the Julimar Intrusive Complex (see Figure 2)
- ASQ was approached by DevEx, and has subsequently reached agreement for DevEx to earn-in to the non-bauxite rights of the tenement by an initial spend of \$3m to earn a 50% interest with a minimum spend of \$250,000
- Once DevEx has earned its initial 50% interest, ASQ may elect to contribute to further exploration to maintain its 50% interest, or may have DevEx spend an additional \$3m to earn a further 20% interest with ASQ diluting
- DevEx has a very professional, experienced and technical team with a long history of exploring for and discovering layered mafic to ultramafic Ni-Cu-PGE intrusions, and are led by well known mining identity Tim Goyder as Chairman
- E70/3405 is granted and ASQ have established land access agreements covering the majority of the area of interest. DevEx plan on commencing exploration on the tenement immediately
- ASQ has completed broad scale historic bauxite vacuum drill holes with depths up to 13.5m within the magnetic targets which will be evaluated by DevEx for potential to be immediately assayed
- The Project is located on predominantly cleared, broad scale agricultural land 95 km from Perth in the Shire of Victoria Plains
- See attached Appendix 1 announcement from DevEx with additional technical detail

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ASX Code: ASQ
AUSTRALIAN SILICA QUARTZ
GROUP LTD

ABN: 72 119 699 982

DIRECTORS:

Robert Nash
Non Executive Chairman
Luke Atkins
Non Executive Director
Neil Lithgow
Non Executive Director
Zhaozhong Wang
Non Executive Director

**CHIEF EXECUTIVE OFFICER AND
COMPANY SECRETARY:**

Sam Middlemas

Head Office:

Suite 10, 295 Rokeby Road
Subiaco WA 6008

Mail:

Suite 10, 295 Rokeby Road
Subiaco WA 6008
T: +61 8 9200 8200
F: +61 9 9200 8299
E: admin@asqg.com.au
W: www.asqg.com.au

Share Registry:

Automic Group
GPO Box 5193
Sydney NSW 2001
T: 1300 288 664 (within Australia)
T: +61 2 9698 5414 (international)
www.automicgroup.com.au

ASQ's CEO, Sam Middlemas, commented as follows *"This is a great opportunity for ASQ to have a highly competent and experienced team undertake exploration in the exciting new emerging nickel-copper PGE province of Julimar in WA. It is clear that the exploration results that Chalice has been achieving in close proximity to ASQ's tenement are truly world class and likely to result in a new mining province for WA. We are confident that the exploration team at DevEx, led by the well known mining identity Tim Goyder as Chairman, will do a great job and are an excellent partner for ASQ."*

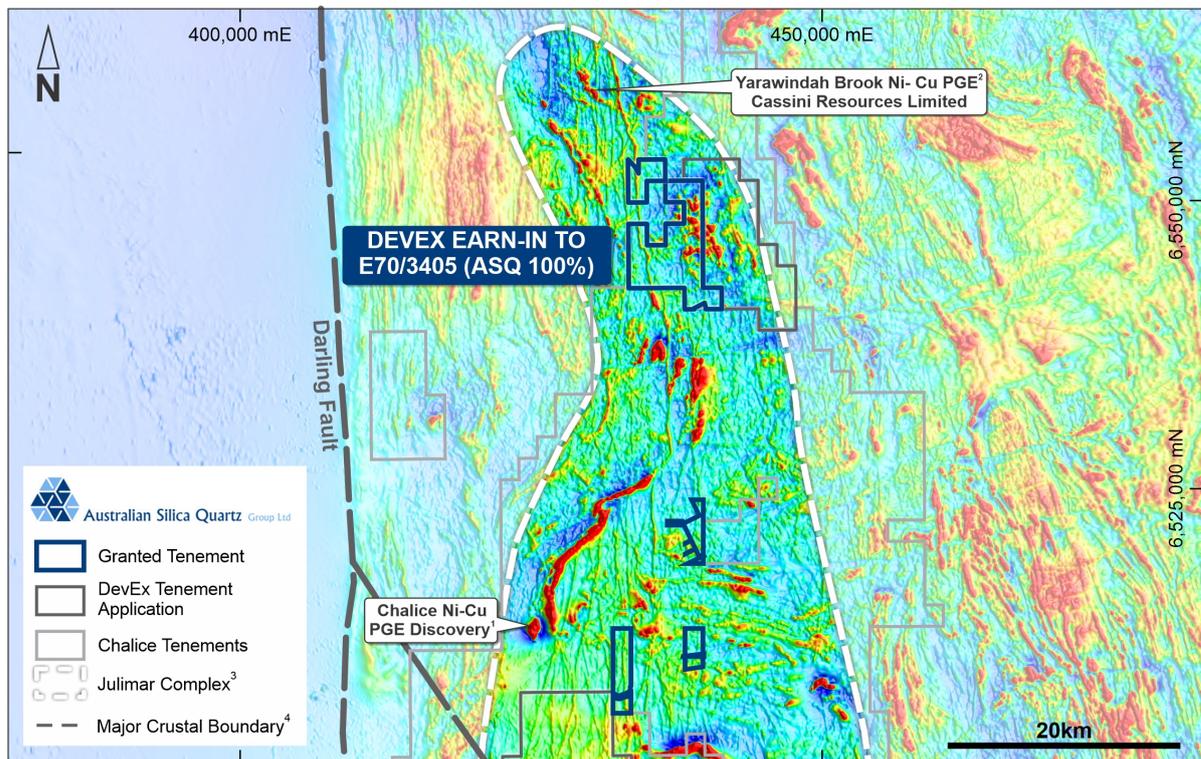


Figure 1: Location of Julimar North Project with existing Ni-Cu-PGE discoveries on Aeromagnetic RTP image

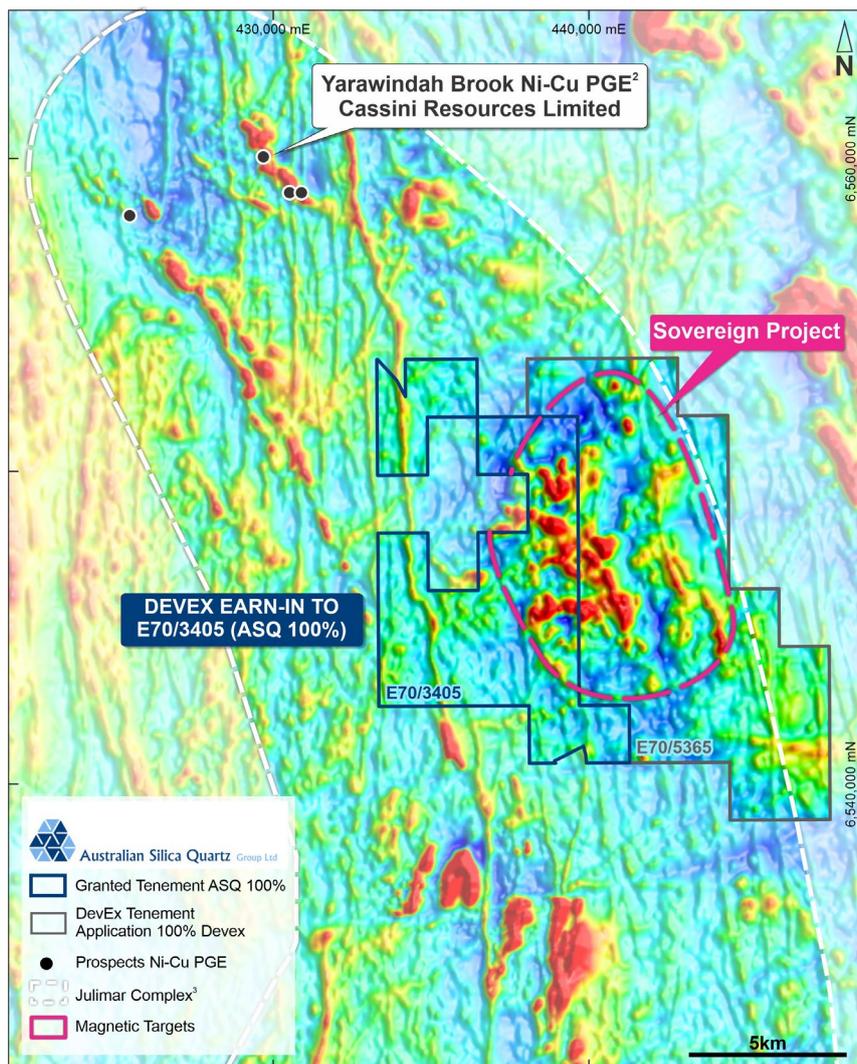


Figure 2: The Julimar North Project and Aeromagnetic (RTP) targets

This Announcement has been authorised by the board.

For further information regarding Australian Silica Quartz Group Limited, please visit www.asqg.com.au or contact:

Australian Silica Quartz Group:

Sam Middlemas
Chief Executive Officer
Tel +61 8 9200 8200

REFERENCES

1. Chalice Gold Mines Limited (ASX:CHN) ASX announcement “High-Grade Ni-Cu-Pd Sulphide Intersected at Julimar” on 23 March 2020 and “High-grade Ni-Cu-PGEs confirmed in discovery zone at Julimar” on 25 May 2020.
2. Cassini Resources Limited (ASX:CZI) ASX announcement “Drilling Commencing at Yarrawindah Ni-Cu-PGE Project” on 28 May 2020.
3. The outline of the Julimar Complex was interpreted by DevEx from information in Harrison (1984): The mineral potential of layered igneous complexes within the Western Gneiss Terrain. In: Professional papers for 1984 of the Geol Surv of W. A. 19. Gov Printing Office, Perth, pp 37–54.
4. Korsch, R.J., Doublier, M.P., 2015. Major Crustal Boundaries of Australia [Digital Dataset]. Geoscience Australia, Commonwealth of Australia, Canberra.
5. 1:500,000 State interpreted bedrock geology of Western Australia, 2016 - based on material obtained from the Department of Mines, Industry Regulation and Safety - <https://catalogue.data.wa.gov.au/dataset/1-500-000-state-interpreted-bedrock-geology-dmirs-016> and is subject to the Creative Commons Attribution Non-Commercial 4.0 International Public License.

Competent persons statement

The information in this document that relates to Exploration Targets is based information compiled by Mr Nick Algie, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Algie is a full-time employee of the company in his capacity as Exploration Manager for Australian Silica Quartz Group Limited. Mr Algie has sufficient experience that is relevant to the type of deposit and style of mineralisation under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Algie consents to the inclusion of the data in the form and context in which it appears.

Forward Looking Statements

This report may include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, or other similar words and may include, without limitation, statements regarding plans, strategies, and objectives of management. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from anticipated results, performance or achievements. Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

DevEx expands position in Julimar Nickel-Copper-PGE region with strategic farm-in agreement

Earn-in agreement gives DevEx access to large Sovereign magnetic anomaly

HIGHLIGHTS

- **DevEx and Australian Silica Quartz Group (ASQ) enter into a new Earn-In-Agreement in the highly prospective Julimar region of Western Australia.**
- **The Agreement secures access to the Sovereign magnetic anomaly, which extends over both the ASQ Tenement and DevEx's existing Exploration Licence Application for the neighbouring tenement.**
- **The ASQ Tenement is fully granted with existing land access and exploration agreements, allowing DevEx to commence immediate exploration.**
- **DevEx has the right to earn 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.**
- **The potential of the Julimar Complex has recently been highlighted by Chalice Gold Mines Limited's new Ni-Cu-PGE discovery.**

DevEx Resources Limited (ASX: DEV "DevEx" or "the Company") is pleased to advise that it has further expanded its strategic footprint in the Julimar Nickel-Copper-PGE province of WA with a farm-in agreement over a granted tenement with existing land access adjacent to its existing tenure.

Under the Earn-In Agreement with Australian Silica Quartz Group Ltd (ASX: ASQ or "ASQ"), DevEx has secured the western side of the Sovereign Magnetic Complex, with the agreement covering a large, highly prospective magnetic anomaly.

The agreement further advances the Company's exploration strategy to target potential magmatic nickel-copper-platinum group elements (Ni-Cu-PGE) in this exciting new province.

The ASQ tenement (E70/3405) is a granted tenement with existing land access and exploration agreements covering the majority of the western half of the Sovereign magnetic anomaly. In April 2020, DevEx announced that it had applied for four tenements within the region, including the neighbouring tenement (E70/5365) (see Company's ASX announcement on 20th April 2020).

Collectively, the area now covers the highly prospective Sovereign anomaly (Figure 2) and allows DevEx early access to commence exploration.

The region is located ~70km north-east of Perth and has seen an exploration resurgence following the recent discovery of extensive high-grade palladium and nickel mineralisation by Chalice Gold Mines Limited (ASX: CHN “Chalice”) at its Julimar Project (see Chalice’s ASX Announcements – 23 March and 25 May 2020).

The Agreement increases DevEx’s combined footprint in the district to 620km² (Figure 1), with three of the Company’s tenements containing magnetic anomalies within the Julimar Complex.

Julimar Complex – Overview

Under the Earn-In Agreement with ASQ, DevEx 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.

DevEx can earn an additional 20%, taking its interest to 70%, by spending an additional \$3 million within two years if ASQ elect to not contribute to exploration expenditure after DevEx earning the 50% interest.

At the Sovereign Project, both DevEx’s tenement application (E70/5365) and the ASQ Tenement overlie a favourable area of magnetic complexity interpreted to be part of a mafic to ultramafic intrusive complex, similar to rocks hosting the recent high-grade palladium and nickel mineralisation discovered by Chalice to the south.

This view is supported by the earlier interpretation by the State of Western Australia (Department of Mines and Petroleum), which suggests the presence of a metagabbro and metaperidotite (mafic-ultramafic) igneous complex associated with the Sovereign magnetic anomaly⁵.

Previous exploration within the Sovereign Project tenements has focused on evaluating the region for surface bauxite deposits, and little to no exploration for nickel-copper and platinum group elements has taken place.

Importantly, E70/3405 is a granted tenement with existing land access and exploration agreements covering the majority of the western half of the Sovereign magnetic anomaly. This provides DevEx with early access to commence exploring the highly prospective Julimar Complex.

Next Steps

The Julimar Complex comprises a series of layered basic/ultramafic intrusions prospective for nickel sulphide related mineralisation and was recognised following work conducted by Harrison (1984)³.

The recent Chalice discovery adds significant support for the overall prospectivity of the Julimar Complex.

DevEx plans to immediately commence field mapping, surface geochemistry and additional geophysics during the coming months aimed at defining drill targets.

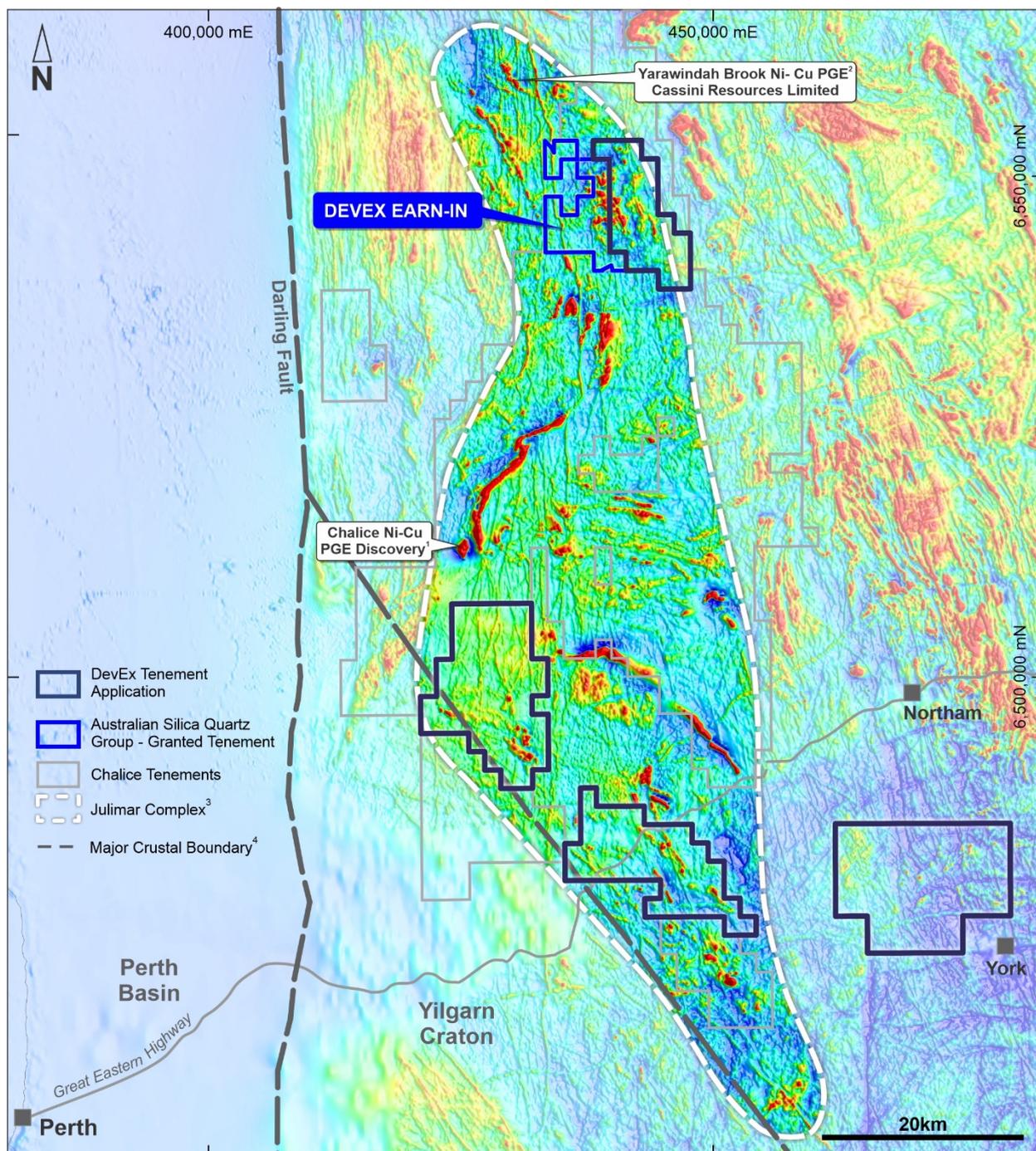


Figure 1. DevEx tenement applications with the ASQ Tenement overlying airborne magnetics (RTP) in relation to Chalice Gold Limited’s recent high- grade palladium-nickel discovery (ASX: CHN) at the Julimar Project. The outline of the Julimar Complex was interpreted by the Company from information in Harrison (1984)³. DevEx is currently reviewing the prospectivity of multiple magnetic anomalies that lie within the Company’s applications. Tenure held by Chalice is shown for context, other companies are not shown.

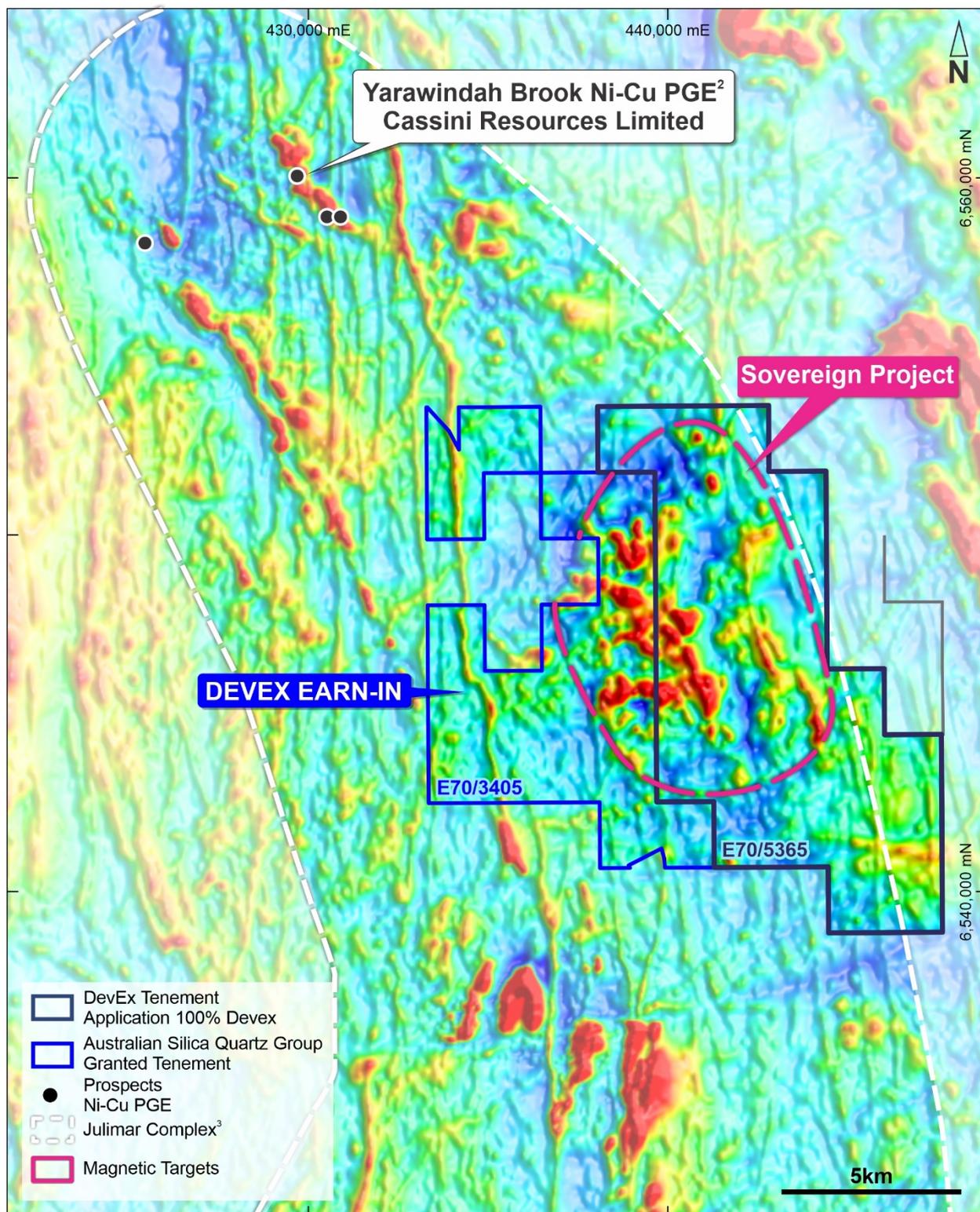


Figure 2. Sovereign Project and underlying airborne magnetics (RTP) showing the DevEx tenement application (E70/5365) and ASQ’s granted tenement (E70/3405) which both cover the Sovereign magnetic anomaly. DevEx now have an Earn-In Agreement for the non-bauxite rights within the ASQ tenement.

Key Terms of the Earn-in Agreement

The key terms of the Earn-In Agreement between DEV and ASQ for the ASQ Tenement are as follows:

- DevEx has the right to earn 50% interest in all non-bauxite rights within the ASQ Tenement by spending up to \$3 million within 3 years from commencement of the agreement. This includes a minimum expenditure requirement of \$250,000 in the first 12 months.
- ASQ retains the bauxite rights for the ASQ Tenement with its existing joint venture partner, HD Mining & Investment Pty Ltd ("HD Mining") ("Bauxite JV").
- DevEx can earn an additional 20% in all non-bauxite rights in the ASQ Tenement by spending an additional \$3 million within 2 years if ASQ elect to not contribute to exploration expenditure following DEV earning the 50% interest.
- Upon DevEx earning its interest in the non-bauxite rights, a joint venture will be formed ("Non-Bauxite JV") and the parties must contribute funds based on their respective interest. Standard dilution clauses will apply to the parties' interests. Should a party's interest dilute to below 10% it shall automatically convert to a 1% net smelter royalty in respect of non-bauxite minerals.
- DevEx will manage exploration for the non-bauxite rights during the earn-in period and any subsequent Non-Bauxite JV.
- The parties may seek to execute a Split Commodities Agreement in the event of inconsistency between the activities of the bauxite rights and the Non-Bauxite JV.

This announcement has been authorised for release by the Board.



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

REFERENCES

- 1.Chalice Gold Mines Limited (ASX:CHN) ASX announcement “High-Grade Ni-Cu-Pd Sulphide Intersected at Julimar” on 23 March 2020 and “High-grade Ni-Cu-PGEs confirmed in discovery zone at Julimar” on 25th May 2020.
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- 4.Korsch, R.J., Doublier, M.P., 2015. Major Crustal Boundaries of Australia [Digital Dataset]. Geoscience Australia, Commonwealth of Australia, Canberra.
- 5.1:500,000 State interpreted bedrock geology of Western Australia, 2016 - based on material obtained from the Department of Mines, Industry Regulation and Safety - <https://catalogue.data.wa.gov.au/dataset/1-500-000-state-interpreted-bedrock-geology-dmirs-016> and is subject to the Creative Commons Attribution Non-Commercial 4.0 International Public License."

COMPETENT PERSON STATEMENT

The Information in this report that relates to previous exploration activities within the Julimar Complex is extracted from the ASX announcement titled “DevEx applies for exploration licences in new Julimar Nickel-Copper-PGE region, WA” and 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.

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.