



ASX ANNOUNCEMENT

ASX: DEV | ACN: 009 799 553

4 April 2019

DevEx announces \$1.6m capital raising to drill high-potential uranium-copper-gold targets in NT

Proceeds of placement and rights issue to underpin drilling at West Arnhem-Nabarlek Project commencing in June and to progress NSW porphyry projects

HIGHLIGHTS

- DevEx to raise up to \$1.6m (before costs) at an issue price of \$0.04 per share by way of:
 - A placement to professional investors to raise \$0.55m; and
 - A 1-for-4 non-renounceable pro-rata rights issue to raise \$1.05m.
- Eligible shareholders will have the ability to apply for additional shares in excess of their entitlement.
- Proceeds will be used to advance the Company's key high-grade uranium and copper-gold projects in the Northern Territory and New South Wales, including:
 - Drilling the U40 and Nabarlek high-grade uranium-copper-gold prospects within the Company's West Arnhem-Nabarlek Project in the Northern Territory; and
 - Progressing several large-scale porphyry copper-gold targets at the Junee and Bogong Projects in New South Wales.
- Eligible shareholders who participate in the Capital Raising will receive a tax offset or franking credit for the 2019 financial year on a pro-rata basis of up to \$646,250 under the Junior Minerals Exploration Incentive.

DevEx Resources Limited (ASX: DEV or "the Company") is pleased to announce a capital raising of up to \$1.6 million to underpin upcoming drilling and exploration programs at its high-potential uranium-copper-gold projects in the Northern Territory and porphyry copper-gold projects in New South Wales.

The Capital Raising comprises a share placement to professional investors ("**Placement**") and a 1-for-4 non-renounceable rights issue ("**Rights Issue**") to raise up to \$1,604,402 before costs.

The Capital Raising will be undertaken at an issue price of \$0.04 per share.

The Company has received firm commitments in relation to the Placement.

The Company's Chairman, Mr Tim Goyder, who has a relevant interest in the Company shares of 26.84%, has confirmed his intention to take up his entitlement in the Rights Issue for the amount of \$237,403. All other Directors have confirmed that they will take up all or part of their entitlements in the Rights Issue.

The issue price of \$0.04 represents a 13% discount to the closing price of DEV shares on 1 April 2019, being \$0.046.

Details of the Placement

13,700,000 new ordinary shares in the Company ("**Placement Shares**") will be issued to eligible professional investors at a price of \$0.04 per share to raise \$548,000. These Placement Shares will be eligible to participate in the Rights Issue.

The Placement has been arranged by Bell Potter Securities as lead manager and will be issued pursuant to the Company's 15% placement capacity in accordance with ASX Listing Rule 7.1.

Details of the Rights Issue

The Rights Issue will be available to shareholders with registered addresses in Australia and New Zealand on the Record Date ("**Eligible Shareholders**"). Shareholders with a registered address outside Australia and New Zealand will not be eligible to participate in the Rights Issue. As the Rights Issue is non-renounceable, Eligible Shareholders will not be able to sell or otherwise transfer their entitlements.

Eligible Shareholders (other than Directors and related parties) may, in addition to taking up their entitlements in full, apply for additional shares in excess of their entitlements ("**Shortfall Shares**"). Shortfall Shares will only be available when there is a shortfall between applications received from Shareholders, and the number of new Shares proposed to be issued under the Rights Issue. The maximum amount of Shortfall Shares that a shareholder may be issued is the greater of three times that Shareholders entitlement; or \$10,000 worth of Shortfall Shares. Shortfall Shares will also be issued at the issue price of \$0.04 each. The shortfall allocation policy will be detailed in the Company's Prospectus, which is anticipated to be issued shortly.

Capital Structure

Current shares on issue	91,940,151
Placement	13,700,000
Non-renounceable Rights Issue	26,410,038
Shares on issue following completion of the Capital Raising	132,050,189

The Opportunity

The proceeds of the Offer will be used to fund:

1. Drilling at the **West Arnhem-Nabarlek Uranium-Copper-Gold Project**, located in the world-class Alligator Rivers Uranium Province (“**ARUP**”) of the Northern Territory. On the 9th October and 12th September 2017, the Company outlined several key drill targets, as defined below:
 - a. The historical high-grade Nabarlek Uranium Mine (Historical Production of 24Mlbs of U_3O_8 at a grade of 1.84% U_3O_8); and
 - b. An isolated pod of high-grade uranium-copper-gold mineralisation previously encountered in drilling at the U40 Prospect.

The Company has booked a multi-purpose Reverse Circulation and diamond drill rig to commence drilling these high-grade uranium-copper-gold targets in June 2019. Approvals to drill are in place for the U40 Prospect, and annual applications for approval to drill within the Nabarlek Mineral Lease are progressing.

In addition, the Company remains committed to advancing the uranium potential of its >5,000km² ground position in the ARUP, which surrounds the Nabarlek mine. Several other uranium-focused exploration prospects lie within close proximity (10 kilometres) of the Company’s Nabarlek Mineral Lease (previously Australia’s highest-grade uranium mine, which produced approximately 24Mlbs of U_3O_8 at a grade of 1.84% U_3O_8), and the Company remains focused on exploring for other “Nabarlek-type” deposits within its granted tenements.

2. Ongoing exploration at the **June Copper-Gold Project**, located in the world-class Macquarie Arc Volcanics of New South Wales. On the 5th March 2019, the Company outlined several prospects within its granted tenements which are considered prospective for Cadia-Ridgway and Northparkes-type porphyry copper-gold deposits. The Company is planning to undertake expanded field mapping and surface geochemical programmes to assist with this target identification and drill-hole prioritisation.
3. Ongoing exploration at the **Bogong Copper-Gold Project**, located 60km south-east of the June Copper-Gold Project, in New South Wales. On 22nd May 2018, the Company outlined an exciting occurrence of shallow copper sulphide mineralisation as defined by historical percussion drilling. Mineralisation appears to be poorly tested at depth and to the north of this drilling. The Company is progressing landowner engagements to secure land access agreements, after which the Company can commence field exploration activities, such as mapping and rock chip sampling.
4. **Project Generation**: The Company is actively assessing advanced mineral exploration and resource development acquisition opportunities, primarily in Australia.

Key Dates

DevEx is currently in the process of preparing the Rights Issue Prospectus, which it expects to lodge in the coming week. An indicative timetable will be announced to the market in conjunction with the lodgement of the Prospectus.

Junior Mineral Exploration Incentive

In order for shareholders to receive the tax benefit, the Eligible Shareholders must be Australian resident shareholders who apply for and are issued shares pursuant to this Capital Raising. Junior Mineral Exploration Incentive (JMEI) credits will be distributed to all eligible investors on a pro-rata basis of up to the approved total allocation of \$646,250.

Australian resident shareholders that are issued with JMEI credits will be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies). Receiving a JMEI credit could have tax consequences and shareholders should obtain independent tax advice specific to their personal circumstances.

These JMEI credits will apply to the 2018/2019 tax year and will be issued by DevEx after lodgement of its 30 June 2019 tax return. Eligible shareholders are expected to be notified by the Company of their JMEI credit entitlement in the approved form by 30 September 2019, and the JMEI credits will apply to their income tax assessment for the year ended 30 June 2019.

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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.