



ASX ANNOUNCEMENT – DISCOVEX RESOURCES LIMITED

3 JULY 2020

STRONGLY SUPPORTED PLACEMENT RAISES \$1.5M

Funds to allow RC and DD drilling at Edjudina and Newington

- **\$1.5M raised at 0.65 cents per share – strongly supported by existing and new sophisticated and professional investors.**
- **The proceeds raised will be used to advance exploration at the Company's flagship Edjudina Gold Project and assist with further evaluation of the Newington Gold Project.**
- **Exploration at Edjudina will include RC, diamond and aircore drill testing of the high-quality targets at the Hornet Prospect and further target definition regionally, utilising surface sampling and geophysical methods in the first instance with drilling to follow.**
- **RC and diamond drilling at Edjudina (assisted by EIS WA Government co-funding) to commence once compliance approvals have been received.**
- **Exploration at Newington to consist of RC and aircore drilling at the priority targets identified by DCX¹. Drilling to commence once compliance approvals have been received.**
- **Results from the recently completed phase 2 aircore drilling at Hornet due mid-July.**

Putting the Explore back into Modern Exploration

DiscovEx Resources Limited (ASX:DCX) is pleased to advise that it has successfully completed a capital raising of approximately \$1.5M (before costs) to assist with its ongoing exploration at both the Edjudina and Newington Gold Projects in Western Australia. The placement was very strongly supported by existing and new sophisticated and professional investors.

The funds raised will allow the DiscovEx team to complete a comprehensive RC and diamond drilling programme as well as a regional target generation exercise at the Company's flagship Edjudina Gold Project in the Laverton District in Western Australia. RC and aircore drill testing of priority targets at the Newington Gold Project in the Southern cross region of Western Australia will also be undertaken.

"Gold is flying at the moment and is acting as it does as a stabiliser for the world economy in times of uncertainty, such as those being experienced by us all right now. The support being shown by the investment community will allow us to get the ground work done and lay a platform for the future for DCX. Our targets, our strategy and our passion for regional scale gold exploration sets us apart from the pack!" said Managing Director, Bradley Drabsch.

1 – Refer DCX ASX Announcement 7 April 2020

DETAILS OF SHARE PLACEMENT

The Placement, undertaken in a single tranche, comprises 231,879,874 fully-paid ordinary shares issued at \$0.0065 per share to sophisticated and professional clients of JP Equity Partners, the lead manager for the Placement and some existing major shareholders of the Company utilising the Company's available placement capacity under Listing Rules 7.1 (136,186,748 shares) and 7.1A (95,693,126 shares) to raise \$1,507,219 (**Placement**). The shares are expected to be issued on 9 July 2020. The issue of these shares does not require shareholder approval.

In conjunction with the placement, DCX will issue 20,000,000 options to JP Equity Partners with an exercise price of \$0.013 and expiry date 24 months from the date of issue. The issue of these options will be subject to shareholder approval to be sought at a General Meeting expected to be held in August.

USE OF PROCEEDS

The funds raised via the placement will be used to fund the following activities:

- To complete RC drill testing of high priority targets (including Hornet West) defined by the current and previous AC and surface sampling programs at both the Edjudina and Newington Gold Projects;
- Diamond drilling at the Hornet West Prospect (Edjudina Project) to be co-funded by EIS WA Government drilling grant;
- Complete a regional surface sampling programme designed to add additional targets within the broader Edjudina Project;
- To assist with the evaluation and potential acquisition of new project areas; and
- For general working capital requirements and the expenses of the Placement.

TRADING HALT

This Announcement ends the Company's trading halt requested on Wednesday 1 July 2020.

Authorised for release by the Board of DiscovEx Resources Limited.

Investor enquiries to:

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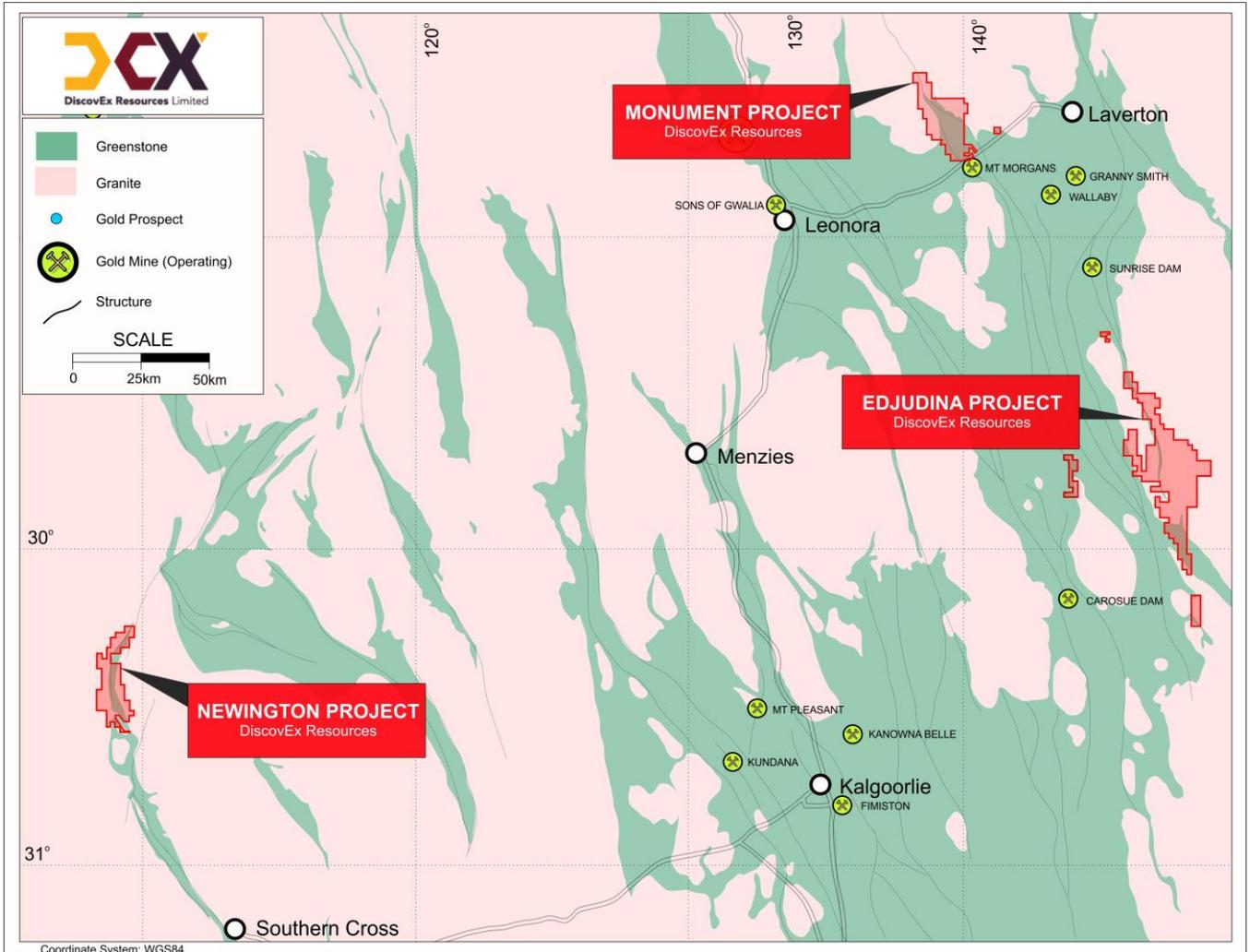


Figure 1: DiscovEx Resources Project Portfolio

Competent Person's Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Toby Wellman who is a Member of The Australasian Institute of Mining and Metallurgy (MAAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Wellman is the Executive Technical Director and Exploration Manager of DiscovEx Resources Limited and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.