



## ASX ANNOUNCEMENT – DISCOVEX RESOURCES LIMITED

05 AUGUST 2020

### **HIGH GRADE GOLD ROCK CHIPS - NEWINGTON**

*Historic rock chips confirm high-grade potential, highlighted by historic and recent soil sampling – RC Drilling to follow*

- **Data review completed in conjunction with mapping identifies high-grade rock chips from the Hawthorn Prospect (previously Anomaly B).**
- **Historic rock chip results include:**
  - **9.7g/t Au (HAW171103)**
  - **8.6g/t Au (HAW180602)**
  - **4.0g/t Au (HAW171209)**
- **Co-incident structural, geological and geochemical anomalism**
- **RC drilling to be completed following completion of RC drilling currently underway at the Edjudina Project**
- **Reconnaissance mapping within Newington Project completed**
- **All eight targets identified from the recently completed soil sampling survey ground checked and further work planned**

### **Putting the Explore back into Modern Exploration**

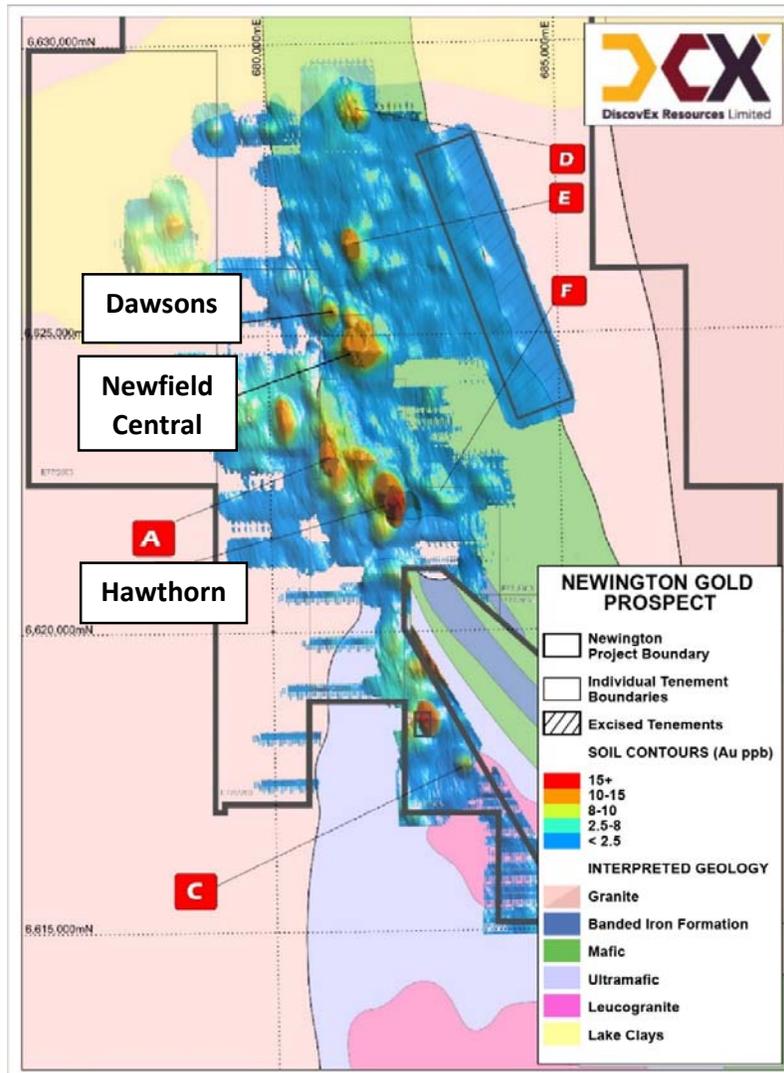
DiscovEx Resources Limited (ASX:DCX) is pleased to present the results from the latest work program completed at the Newington Gold Project, located at the northern end of the Southern Cross greenstone belt. Following the successful identification of eight high-priority gold (Au) anomalies (Figure 1) from the soil sampling program completed in March, a field reconnaissance and data investigation exercise was undertaken to prioritise each soil anomaly.

Ground mapping of all anomalies was completed with the most significant, both in terms of gold tenor and dimensions, being the Hawthorn Prospect (previously referred to as Anomaly B, refer ASX announcement 7 April 2020). On-ground mapping has identified a series of banded iron/chert units, that have been structurally disrupted and rotated, indicating an area of structural complexity and potential increased mineralised fluid flow.

In conjunction with the mapping exercise, a review of in-house and open file data sources identified multiple >1g/t Au rock chip results from the Prospect area with best results including **9.7g/t Au** (HAW171103), **8.6g/t Au** (HAW180602), **4.0g/t Au** (HAW171209), **1.9g/t Au** (HAW171001) and **1.0g/t Au** (HAW180601)(refer Table 1).

DiscovEx Resources Managing Director, Brad Drabsch was excited by the work being completed across the entire DCX tenement portfolio.

*“Boots on the ground is how discoveries are made and the DCX approach to this has yielded some very high quality targets. Genuinely prospective gold projects are hard to come by and with DCX’s pipeline of high-value targets and a professional, systematic approach to exploration, we hope to unlock the next major discovery for WA.”* he said.



**Figure 1: Newington Project contoured geochemical sampling data with identified targets**

## HAWTHORN PROSPECT (PREVIOUSLY REFERRED TO AS ANOMALY B)

The Hawthorn Prospect is located approximately 2.6km south of the Newington/Carterton Mining Centre which produced 33koz @ 22.7g/t Au between 2001-2005<sup>1</sup>. The target was first identified in the mid 1990's following a regional soil sampling survey, after which, a 200 x 50m spaced RAB program was initiated. The RAB drilling repeated the surficial soil anomaly, however, did not penetrate to sufficient depths to adequately test for the source mineralisation and was therefore ineffective. Due to the lack of drill penetration (5-15m depths), a three-hole RC program was completed at the time, targeting the BIF unit and returned a best intersection of 8m@0.36g/t Au (NFAR016, refer Table 2 and Figure 3) from a BIF/mafic contact. No further work was completed on the target until auger and rock chip sampling was conducted in February 2019, reaffirming its prospectivity. Numerous >1g/t gold results were returned within a broader (approximately 500m x 200m) >30ppb gold anomalous area.

Of particular interest are rock chips with gold values such as **9.7g/t Au** and **8.6g/t Au** from ferruginous, brecciated quartz veins (similar to that pictured below in Figure 2) striking at 345° and dipping steeply to the east. Exposure of the quartz vein is obscured both north and south by surficial cover, however the strike projection to the north correlates well with the elevated surface gold response defined by the soil sampling. The presence of significant gold mineralisation in rock chips coupled with the structural and geological complexity (fold hinge proximal to an internal granite) presents a robust target for further exploration. The historic shallow drilling north and south of the outcropping quartz vein is considered by DCX to be ineffective and has not tested the projected position of the quartz vein down dip.



Figure 2: Ferruginous quartz vein in subcrop.

1. The 2001-2005 production records were sourced from the Newfield Resources Limited Prospectus lodged with ASX on 27 April 2012 and Newfield Central Pty Ltd records (refer SMD ASX announcement 11 April 2019).
2. Auger sampling completed by Fleet Street Holdings Pty Ltd with results returned on the 20/12/2017. Original assay file validated for accuracy.

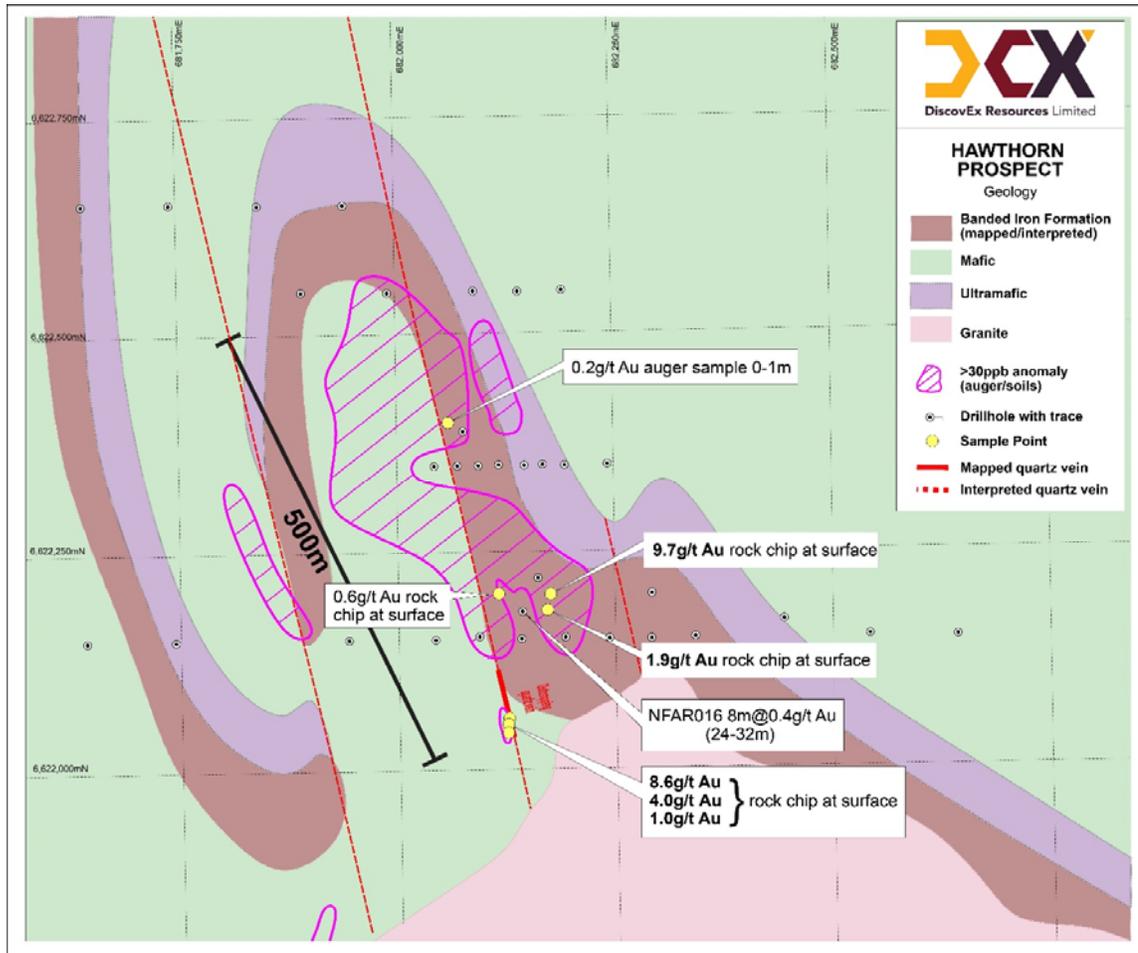


Figure 3: Hawthorn Prospect interpreted and mapped geology

## FUTURE ACTIVITIES

Upon completion of drilling activities currently underway at the Company's Edjudina Project, attention will move to the completion of RC drilling at both the Hawthorn and Newfield Central Prospects. Drilling is planned to test beneath the highly mineralised quartz veining and folded repetitions of the banded iron formation at Hawthorn and a down-plunge interpreted thickening at Newfield Central.

The remaining soil survey target areas identified from the recent survey have been ground checked and varied from being completely under shallow transported cover (Targets A, C and D) to sub-cropping BIF/chert (Targets F and E). Further infill sampling is required at many of these targets.

Sample_ID	Easting	Northing	Au (g/t)	Ag (g/t)
HAW171001	682172	6622185	1.94	0.26
HAW171103	682174	6622198	9.71	0.26
HAW171105	682114	6622202	0.61	0.20
HAW171209	682117	6622052	4.03	1.58
HAW180601	682118	6622053	1.01	0.63
HAW180602	682120	6622054	8.61	4.67
KWN18358	682060	6622400	0.19	bd

**Table 1: Historic Rock Chip Results**

Sample_ID	Easting	Northing	Max Depth (m)	From (m)	To (m)	Au (g/t)	Ag (g/t)	Dip	Azi (MGA)
NFAR016	682000	6622030	45	24	28	0.59	-	-60	270
			and	28	32	0.17	-		

**Table 2: Historic Drillhole Result**

#### **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 (MAusIMM) 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.

Authorised for release by and investor enquiries to:

Mr Bradley Drabsch  
 Managing Director  
 T: 08 9380 9440

JORC CODE 2012 EDITION TABLE 1

Criteria	JORC Code explanation	
Section 1 - Sampling Techniques and Data		
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Soil sampling – samples were collected from a depth between 5-30cm below surface and sieved in the field to -2mm, achieving a sample weight between 100g - 200g.  Auger sampling – the reported historic samples were collected between 5cm and 1m below surface via a purpose-built auger rig.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Recent sampling was completed by a single experienced field crew contracted through Omni Geox Pty Ltd. Crews are familiar with industry standard sampling as detailed in their standard operating procedures.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.  In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	Multi-element analysis for soil sampling including gold was completed using 10g aqua regia with either an MS or OES finish, completed by MinAnalytical  Multi-element analysis for auger sampling including gold was completed using 25g aqua regia with either an MS finish completed by Genalysis.  Due to the historic nature of the drilling, this aspect is indeterminable.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Historic drilling was RAB an RC drilling
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Due to the historic nature of the drilling, this aspect is indeterminable.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Due to the historic nature of the drilling, this aspect is indeterminable, however this is unlikely.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Due to the historic nature of the drilling, this aspect is indeterminable, however it is likely to have been qualitative.

	<i>The total length and percentage of the relevant intersections logged.</i>	N/A
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Soil samples were sieved to -2mm in the field and sent to the laboratory for further sieving down to -80mesh.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were sieved to -2mm in the field and sent to the laboratory for further sieving down to -80mesh. No further sample preparation was completed.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No standards or blanks were completed by DiscovEx with all QAQC samples submitted by MinAnalytical including Standards inserted every 25 <sup>th</sup> sample and blanks inserted every 50 <sup>th</sup> sample.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	No field duplicates were taken however lab duplicates were completed every ~25-30 samples.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are appropriate for the first pass nature of the exploration.  Due to the historic nature of the drilling, this aspect is indeterminable.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Soil samples were submitted to MinAnalytical (Perth). Multi-element analysis including gold was completed using 10g aqua regia with either an MS or OES finish.  Aqua regia is considered a partial digest.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc.</i>	No geophysical tools were used to determine any element concentrations used in the reported results.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	No standards, blanks or duplicates were completed by DiscovEx with all QAQC samples submitted by MinAnalytical including Standards inserted every 25 <sup>th</sup> sample and blanks inserted every 50 <sup>th</sup> sample
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Field checking of anomalies has not been able to be achieved due to the travel restriction currently in place related to Covid-19.
	<i>The use of twinned holes.</i>	N/A

	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data is recorded digitally at the project within standard industry software with assay results received digitally also.  All data is stored within a suitable database.  Due to the historic nature of the drilling, this aspect is indeterminable.
	<i>Discuss any adjustment to assay data.</i>	No adjustments completed.
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Sample locations recorded with a handheld Garmin GPS (+/- 3m).
	<i>Specification of the grid system used.</i>	MGA94 zone 50.  Historic drilling collected as AMG 50 and converted to MGA Zone 50 by DCX.
	<i>Quality and adequacy of topographic control.</i>	No information is available on the quality or adequacy of topographic control.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Samples were collected on various spacings (100 x 50m to 400 x 100m)
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Sample spacing is insufficient to establish geological or grade continuity.
	<i>Whether sample compositing has been applied.</i>	No compositing was completed.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Sampling was orientated perpendicular to the interpreted strike of the mineralised structure.  The nature of soil sampling will potentially create a bias to north-south striking mineralised trends due to the cross-strike increase in sample spacing, however is deemed appropriate for the nature of early exploration techniques.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The nature of soil sampling will potentially create a bias to north-south striking mineralised trends due to the cross-strike increase in sample spacing, however is deemed appropriate for the nature of early exploration techniques.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Sample paper packets were stored in boxes of 50 and delivered by sample crews directly to the lab following the conclusion of the program.  Due to the historic nature of the drilling, this aspect is indeterminable.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits or reviews have been completed.

<b>Section 2 – Reporting of Exploration Results</b>		
<b>Mineral tenement and land tenure status</b>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The Newfield Project comprises 11 Tenements with various ownership scenarios. These are detailed as follows: DiscovEx Resources Limited holds a 100% interest in tenements E77/2602, 2604 and 2605.

		<p>The current registered holder of tenements M77/422 and M77/846 is Newfield Resources Ltd. The current registered holder of tenement E77/2309 is Omni Projects Pty Ltd a fully owned subsidiary of Gateway Mining Ltd. This tenement is currently subject to the Farm-In and Option Agreements signed with DiscovEx Resources Limited.</p> <p>The current registered holders of tenements E77/2200, P77/4397, E77/2326, E77/2558 and E77/2263 are Fleet Street Pty Ltd and Bildex Holdings Pty Ltd. These tenements are currently subject to a Farm-In Agreement signed with DiscovEx Resources Limited.</p> <p>DiscovEx Resources Limited has the right to earn up to 80% in the Project, following which one or more of the Vendors can elect to contribute to development costs or convert their interest into a gold royalty up to 1.5% (dependant on total holding) and a non-gold commodity royalty up to 2% (dependant on total holding).</p> <p>On M77/422 and M77/846:</p> <ul style="list-style-type: none"> <li>• a \$10/oz royalty is payable to Carterton Holdings Pty Ltd, and</li> <li>• a 2% royalty on gross revenue is payable to the Clippo Syndicate.</li> </ul> <p>The project is located on unallocated crown land.</p> <p>No native title exists over M77/422, M77/846 or E77/2309.</p>
	<p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>The tenements are in good standing and no known impediments exist.</p>
<p><b>Exploration done by other parties</b></p>	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>Previous work was carried out by a number of exploration companies including Miralga Mining N.L. (1987-1990), Kia Pacific Ltd (1987-1991), Anglo-Australian Resources N.L. (1988-1989), Frederickson Syndicate (1989-1990), Burmine Operations Pty Ltd (1990), Sons of Gwalia (1993-1999), Gemini Pty Ltd (1994-1995), Mining Tributors (Cassidy and E. Dunmill), H Tew (mid-1980's-2001), Newfield Central Pty Ltd (2001 - 2018), Fleet Street Holdings (2003-2013) and Western Areas NL (2009-2013)</p>
<p><b>Geology</b></p>	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<p>Known deposits are within steeply dipping N-S or E-W striking quartz vein hosted deposits within amphibolite altered mafic rocks. Mineralisation varies from approximately 1m to 5m true thickness within an alteration zone generally considered to be typical of vein style gold mineralisation.</p>
<p><b>Drill hole Information</b></p>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <p><i>Easting and northing of the drill hole collar</i></p>	<p>No drilling was completed as part of this work program.</p> <p>No drilling was completed as part of this work program.</p>

	<i>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i>	Elevation data for drilling is likely to be relative and not absolute.
	<i>Dip and azimuth of the hole</i>	Both vertical and angled holes are discussed. Table 2 in the document shows the hole details for the hole with results specifically mentioned.
	<i>Down hole length and interception depth</i>	See Table 2
	<i>Hole length.</i>	No drilling was completed as part of this work program.
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	DCX considers that the drilling completed by previous workers at the Hawthorn prospect is ineffective.
<b>Data aggregation methods</b>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	No weighting or averaging of results has occurred. In the event a sample has a laboratory repeat completed, the first assay result (Au1) is used.
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No aggregation has occurred.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used for reporting exploration results.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	No metal equivalent values are used for reporting exploration results.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	N/A
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i>	N/A
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Refer to figures 1 - 2 within this Announcement.
<b>Balanced reporting</b>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All results (both high and/or low) have been used when included within this announcement.  Do to the historic nature of the drilling results and the fact that DCX considers all historic drilling in this instance to be ineffective, all results have not specifically been discussed.
<b>Other substantive exploration data</b>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other exploration other than that mentioned above has been used.
<b>Further work</b>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Exploration drilling is planned to take place in 2020.



**DiscovEx Resources Limited**

	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to figures 1 - 3 within this Announcement.
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