



31 January 2018

Quarterly Activities Report

for the Period Ended 31 December 2017

HIGHLIGHTS

- Golden Deeps entered into a binding agreement to acquire the Waldman and the Professor high-grade cobalt-silver projects, both located in the Cobalt Mining Camp in Ontario, Canada
- The Cobalt Mining Camp is historically the most prolific silver-cobalt mining camp in Canada, with some 50 million pounds of cobalt and 600 million ounces of silver mined over a 60-year period with peak production from 1919 to 1931
- **Professor Cobalt Project** operated in the early 1960's
 - Historic 280-metre-long adit (with 588 metres of lateral workings), still accessible
 - Adit exposed 4 vein systems containing disseminated to semi-massive cobalt mineralisation
 - 3 other shafts, several pits and trenching recorded on claims
 - To the east of the Professor Adit property less than 3 km away are the former silver producers: Cobalt Lode, Christopher, Brady Lake and Beaver-Temiskaming mines. To the northeast, less than 3 km are the former silver producers: Conisil, Lawson, Kerr, Hargraves and Drummond mines
- **Waldman Cobalt Project** operated over the period from 1910 to 1930
 - A total of 58 tons of ore was produced from the Waldman Mine, from which a total of 33,525 ounces of Silver and 2,066 pounds of cobalt was produced mostly from the #1 shaft; roughly equivalent to 52.6 t @ 1.78% Co and 637 oz/t Ag.
 - Grab samples assayed at the Waldman Mine in 2004 returned values as high as 1.9% Co, 2.2% Ni, 1.4% Pb and 3.1% Zn
 - The Waldman Mine lies just 400 metres to the west of the Silverfields Mine (Teck Corp), a large silver producer which over the period 1964-1982 produced 17,795,000 oz Ag (*R.S. Nichols, 1988, CIM Bulletin V.81, No. 910, p.43*)
- Completed a capital raising \$824,000 via the issue of 20,000,000 fully paid ordinary shares at an issue price of \$0.0412 per share – Asenna Wealth Solutions Pty Ltd acted as Lead Manager to the Placement

ONTARIO COBALT-SILVER PROJECTS

During the quarter, Golden Deeps Limited (ASX: **GED**) entered into a binding agreement to acquire a 100% interest in each of the Professor and Waldman Cobalt-Silver Projects located in Ontario, Canada (see ASX announcement dated 7th December 2017).

Golden Deeps Limited (ABN 12 054 570 777)



The Board of Golden Deep Resources considers that the high-grade cobalt acquisitions complement Golden Deep Resources' strategy to position itself to become a developer of key commodities for the growing lithium-ion battery and energy storage markets. The price of cobalt has undergone an exponential increase in recent times due to concerns over security of supply and a desire to source cobalt outside of the high-risk DRC.

The recent activity of numerous end user groups taking early strategic positions in cobalt exploration companies as a means of securing a long-term supply of cobalt is evidence that cobalt pricing will continue to increase as shortages become more pronounced. The opportunity to acquire these high-grade cobalt projects in a safe operating jurisdiction is a significant step in the right direction for Golden Deep Resources. The Company has successfully secured exposure to this highly sought-after sector and is now focused on delivering enhanced shareholder returns through detailed exploration. Cobalt will play an important role in the way we use and store energy going forward.

Project Location

The Professor Cobalt-Silver Project and the Waldman Cobalt-Silver Project are both located in the historic Cobalt Mining Camp approximately 400 km north of Toronto (Figure 1) and 5 km south-southeast of the town of Cobalt, Ontario (Figure 2). The Projects exhibit similar geology to other past operating and producing mines in the region, such as the University Mine, Silverfields Mine and Cleopatra Mine.



Figure 1 - Professor and Waldman Cobalt-Silver Projects Location Map

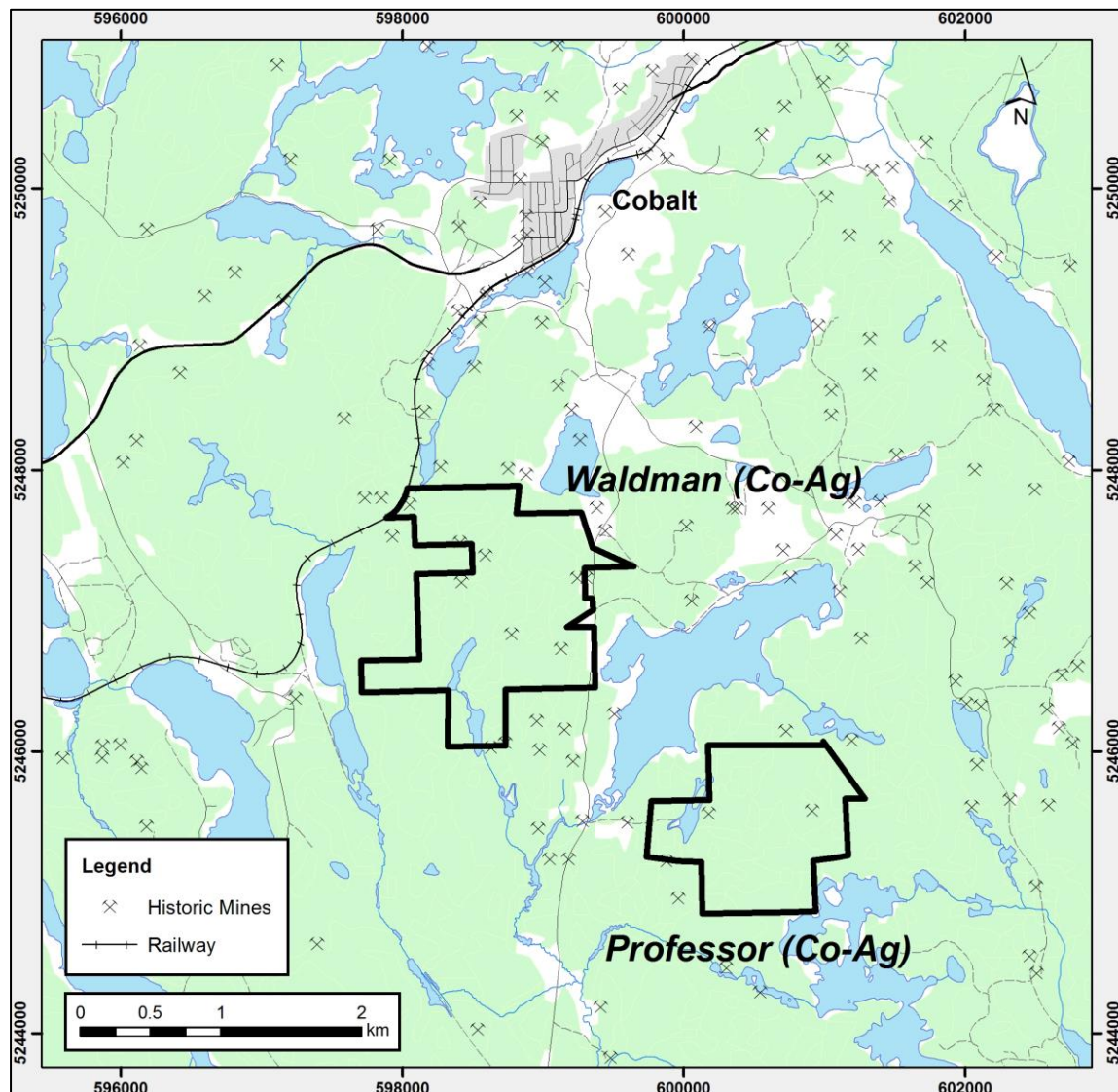


Figure 2 - Professor and Waldman Cobalt-Silver Projects Location Map

Professor Cobalt-Silver Project

The Professor Co-Ag Project is located in the north-eastern portion of Gillies Limit Township, approximately 5 km southeast of the town of Cobalt (Figure 2). The Professor Project consists of a contiguous landholding of 16 patent and leasehold claims for a total of 129.7 hectares and includes historical working known as the Professor Adit, 3 Oxford Shafts and the Cummins Pits (Figure 3).

Access to the Professor project is easily facilitated through a dedicated road to the location of the entrance of the Professor Adit, whilst a separate trail also exists from the adit to the Cummins Pits. The service roads are in good operating condition and can provide year-round access to the project to facilitate exploration.

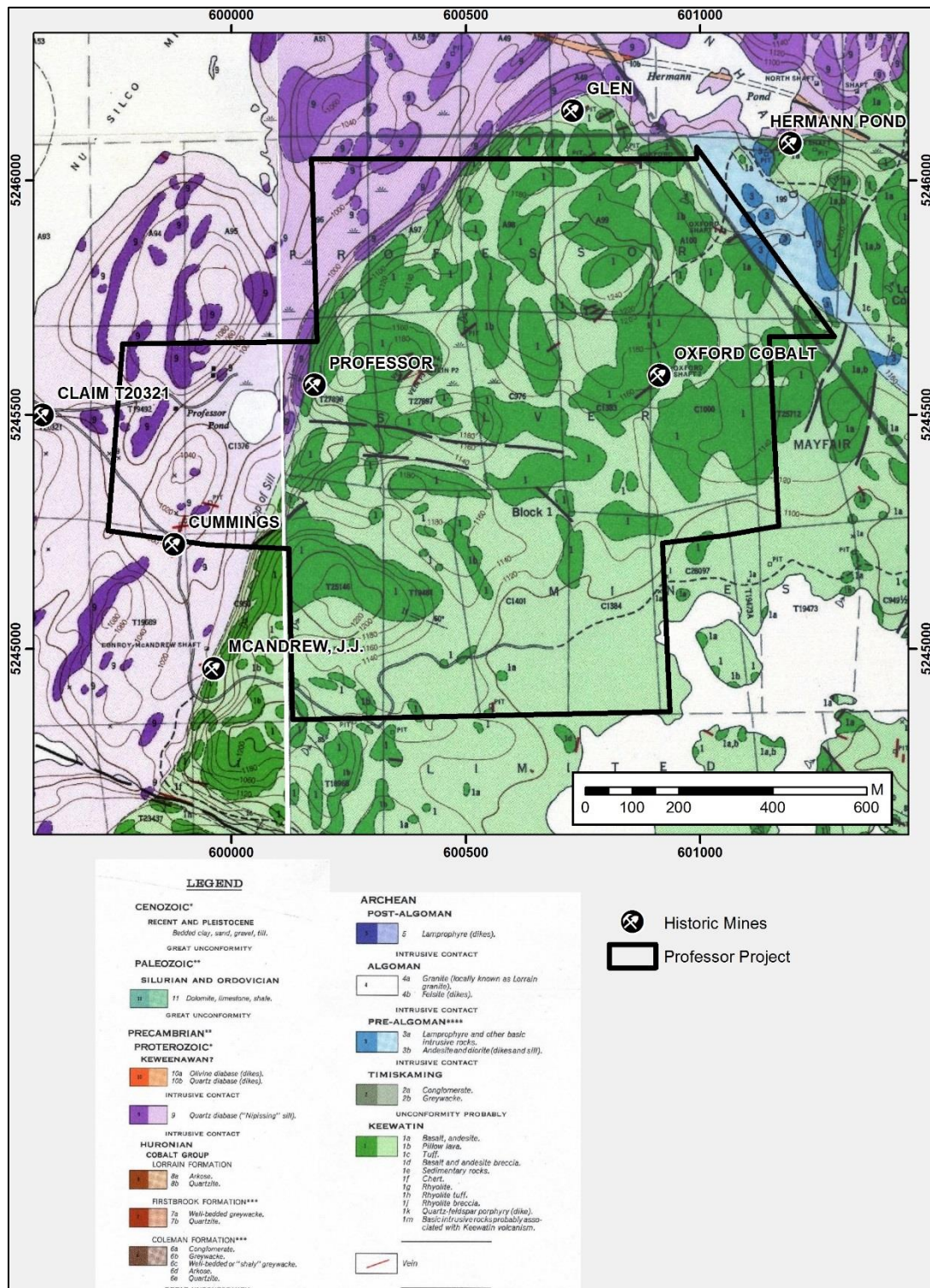


Figure 3 – Geological map of the Professor Cobalt-Silver Project claim block showing locations of important historical workings

The historic 280 metre-long Professor Adit, with approximately 590 metres of lateral workings, was mined on the property in the early 1960's. The adit, which is still accessible, exposed four vein systems containing disseminated to semi-massive cobalt-silver mineralisation.



A detailed underground mine plan exists for the Professor Adit, as illustrated below:

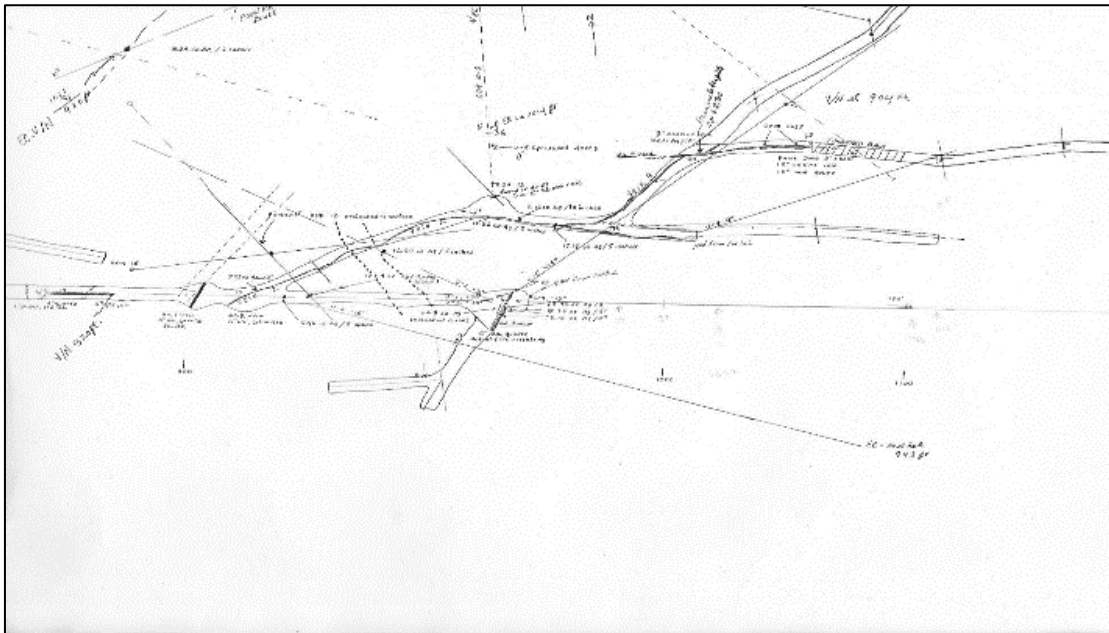


Figure 4 - Professor Adit historical underground workings and mine plan (partial)

To the east of the Professor claims, approximately 0.5 to 1.5 miles (0.8 to 2.5 km) in distance are several former silver producing mines, including the Cobalt Lode, Christopher, Brady Lake and Beaver-Temiskaming mines. To the northeast, about 0.5 to 1.5 miles (0.8 to 2.5 km) away from the claims are the historical Conisil, Lawson, Kerr, Hargraves and Drummond mines.

A photograph of the entry point of the Professor Adit and the principal #3 Ag-Co vein within the Professor Adit is illustrated below:



Image 1: Professor Adit Portal Entry



Image 2: Professor Adit #3 Ag-Co Ore Vein

Very little work and limited drilling has been completed on the project area since the mid-1960's and it is considered to be under explored.



Waldman Cobalt Project

The Waldman Ag-Co project is located about 3 km south of Cobalt (Figure 2) and consists of a contiguous landholding of 11 Crown Claims, for a total of 188.8 hectares. The claim block includes the past producing Waldman Mine which can be easily gained through a dedicated road which runs off a main road running north-south at the east boundary of the Waldman Mine project (Figure 5).

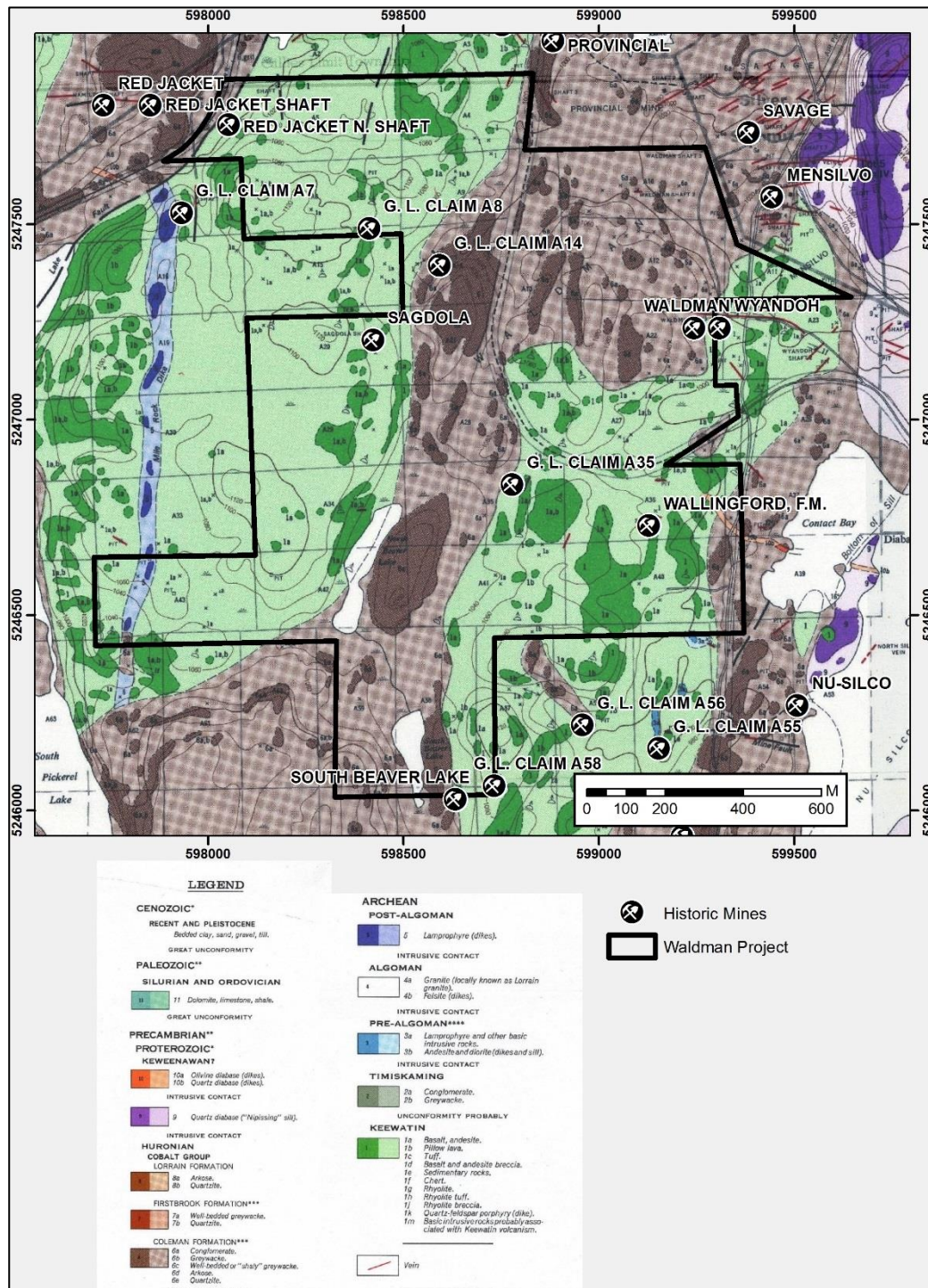




Figure 5 - Waldman Cobalt-Silver Project claim block showing locations of important historical workings

The main road on the east side of the claim block is provincially maintained, whilst the mine road remains in good operating condition, and can provide year-round access to the project to facilitate exploration.

The Waldman Mine, located on the eastern side of the claim block (Figure 5), operated periodically from 1910 to 1930. Shaft #1 was sunk 85 feet (26 metres) with drifting, cross cuts and stoping (Figure 6). Two more shafts were put down approximately 375 - 400 metres to the north of shaft #1.

A total of 58 tons (52.6 metric tonnes) of ore was taken from Waldman Mine, from which a total of 33,525 ounces of silver and 2,066 pounds of cobalt was produced mostly from the #1 shaft (*Sergiades, A.O. 1968. Silver Cobalt Calcite Vein Deposits of Ontario; Ontario Department of Mines, Mineral Resources Circular No. 10, 498p*). This is approximately equivalent to production of 52.6 t @ 1.78% Co and 637 oz/t Ag. An unrecorded amount of silver and cobalt was later recovered from the waste dump by “hand cobbling”. Whilst this is considered to be a small tonnage as a result of the use of selective mining practices, the grades of mineralisation are very high for both cobalt and silver.

Grab samples assayed in the vicinity of the Waldman Mine in 2004 returned values as high as 1.9% Co, 2.2% Ni, 1.4% Pb and 3.1% Zn (*S. Sears, July 2004 Report on a Stripping Program In Gillies Limit North Area, Waldman, Cummins Pit and Oxford Areas*).

The Waldman mine is located less than 400 metres to the west of the Silverfields mine (Teck Corp), a large silver producer which over the period 1964-1982 produced 17,795,000 oz Ag (*R.S. Nichols, 1988, CIM Bulletin V.81, No. 910, p.43*). The available geological information indicates that the mineralised vein structures exploited in the Waldman Mine workings potentially extend further to the west.

A site visit completed as part of the technical due diligence process identified that the decline into the Waldman Mine remains open and can potentially be refurbished to provide access to the mineralised veins which were being developed. The old head-frame remains in place at the entry to the #1 shaft and infrastructure around the Waldman Mine remains in good condition.



Image 3 – Waldman Mine shaft entry and historic head-frame

A detailed underground mine plan exists for the Waldman Mine, as illustrated below:

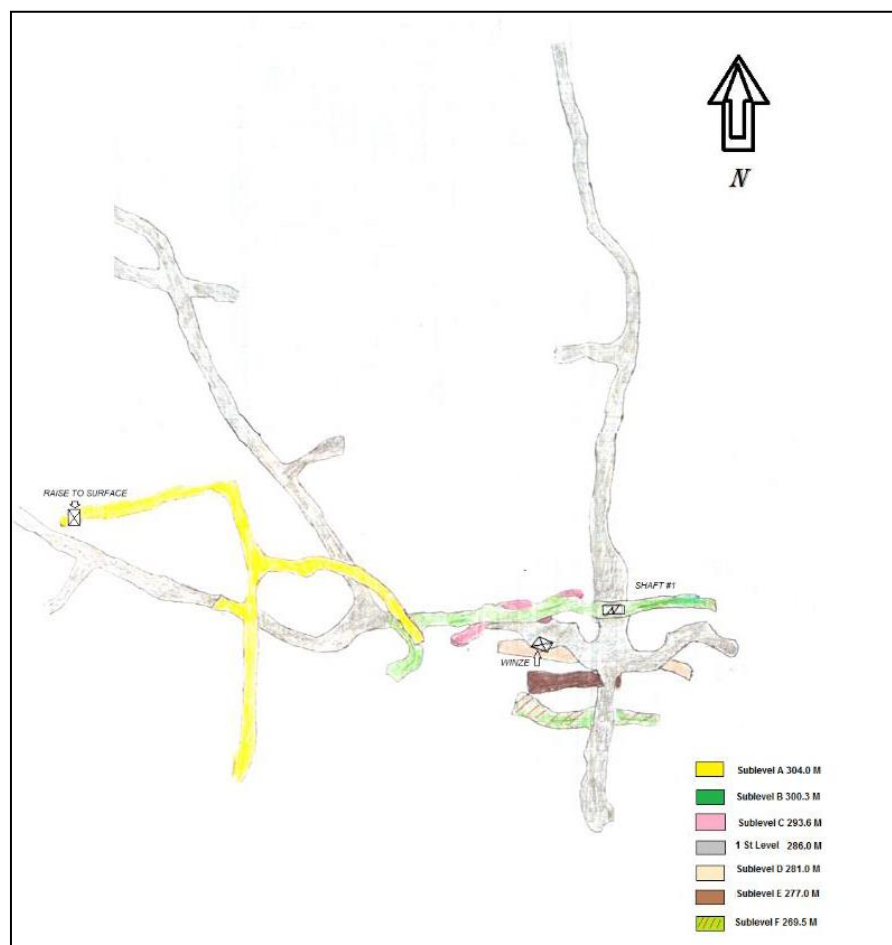


Figure 6: Waldman Mine historical underground workings and mine plan



Geological Setting and Exploration Potential

The Cobalt area is an established Tier-1 mining district, with extensive road, rail and port infrastructure, able to target future production to key North American and export markets. The district is a proven mining camp with over 600 Moz Ag and 50 MLbs of Co production from previous operating mines. Much of this silver was extracted in early 1900's, with minimal focus on Co or on high grade Co regions which were typically left behind or used as a tracer to track silver occurrences.

The Cobalt Mining Camp lies within the Cobalt Embayment, an approximately 145 km wide basinal structure comprising Early Proterozoic sedimentary rocks of the Huronian Supergroup that unconformably overlie Archean basement rocks consisting for the most part of metavolcanic rocks (Figure 7).

Both rock groups have been extensively intruded by 2.22 Ga mafic sills and dykes referred to as the Nipissing Diabase. The Cobalt Embayment is also crosscut by regional scale fault systems, of which the northwest trending faults of the Lake Timiskaming Structural Zone are the most prominent.

Ore mined historically in the mining camp consisted of native silver and silver minerals along with a variety of cobalt nickel-iron arsenides and sulpharsenides. Lesser amounts of antimonides, bismuthinides and base metal sulphides were also present. The mineralization occurred in steeply dipping to vertical epigenetic carbonate veins that crosscut the three main lithologies of the Cobalt Camp.

Historical sampling from some of these veins shows exceptionally high grades of cobalt (3-15%) (*source: Northern Ontario Ministry of Development and Mines "MNDM"*). Although best known for the economically important Ag-Co veins of the Cobalt mining camp, the Cobalt Embayment also hosts numerous other regionally-distributed, polymetallic (Fe, Cu, Ni, Co, As, Au, Ag, Bi ± U) calcite-quartz vein systems.

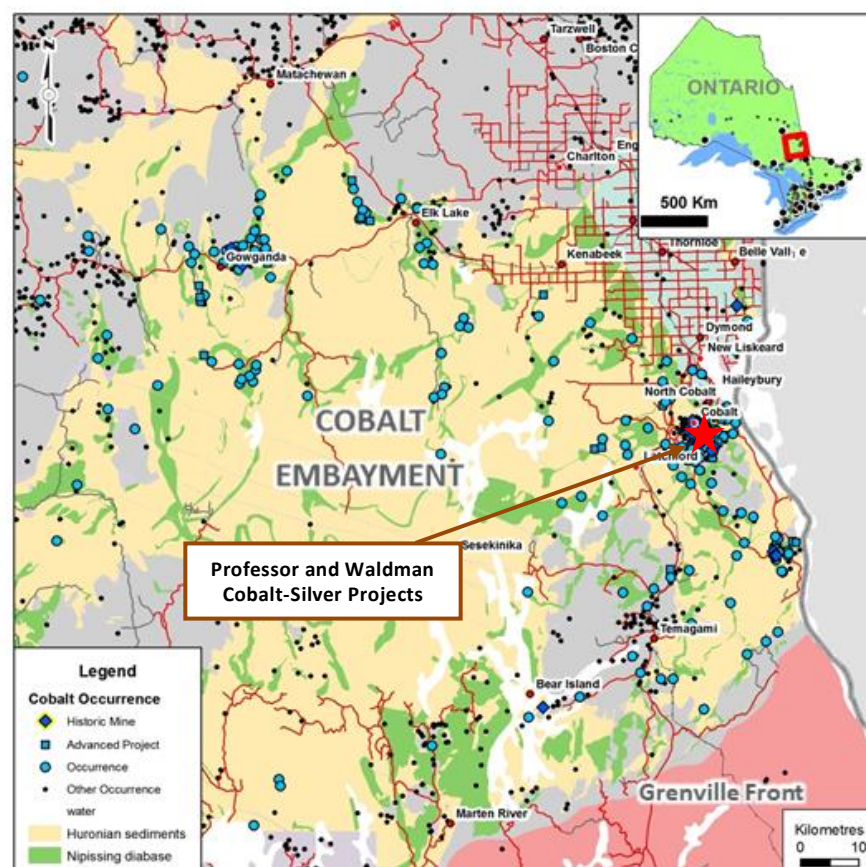




Figure 7 - Geological map of the Cobalt Embayment

The Professor and Waldman Projects are located in the southern part of the Cobalt Mining Camp. Three major rock formations occur in the area including; the Huronian aged conglomerates (Coleman Group) of the Gowganda Formation, Archean mafic volcanic rocks such as the Keewatin Andesites and the Nipissing Diabase sill.

The area is considered prospective for cobalt-silver mineralisation along the extensive strike contacts between the Nipissing Diabase and the other lithologies.

The projects cover extensive strike length of highly prospective ground along these contacts. Exploration targets are narrow, high-grade mineralised veins (such as those historically exploited underground) and for broader zones of vein or disseminated mineralisation that may be potentially amenable to open-pit or larger-scale underground mining operations.

Minimal early stage exploration work has been conducted outside the four main silver-cobalt mining areas of the Cobalt Mining Camp. This has meant that new “mini-camps” and new Ag-Co deposits still remain untested. The majority of the former producing mines simply followed the silver-cobalt-calcite veins as a part of the overall methodology for exploration that included drifting / tunnelling and raising. Very few mines used underground diamond drilling as part of its exploration program largely due to the inability to fund the expenditure required.

The project claims are adjacent to former operating mines with historic silver and cobalt production. Miners in the early 1900’s generally targeted easy to access outcrops due to the lack of geophysical exploration technology that exists today. There has been minimal modern exploration carried out to date.

The Professor and Waldman cobalt projects include significant exploration upside and further growth opportunities due to minimal exploration techniques applied, structures are relatively shallow and amendable to geophysical surveys and low-cost, shallow drilling. Former mines provide a significant database for the Company on production assets and for exploration programs to target along strike.

Proposed Exploration

Modern geophysical exploration techniques such as induced polarisation (IP), magnetics and gravity have not historically been utilised in the Cobalt District. Nor has systematic structural analysis been applied to the mineralised veins in order to discover non-outcropping “blind” mineralisation. This presents a significant opportunity for an accelerated exploration program to discover further deposits.

The Company intends to implement an exploration program at the Professor and the Waldman Projects comprising historical data compilation, along with surface sampling and trenching. Airborne and ground geophysics surveys will be undertaken to assist with the interpretation of the project geology and assist with identification of potential drilling targets.

Where possible, the historical workings will be re-mapped and sampled to evaluate the potential for extensions of the known mineralisation. Fieldwork is scheduled to commence in early 2018 with a maiden drilling program planned to be completed during the northern summer.

Activities During the Quarter



The Company is presently conducting a technical and legal due diligence review on the Professor and Waldman Cobalt-Silver Projects and will provide updates on once it has concluded its investigations.

During the due diligence process, the Company has obtained detailed reports and geological maps of the project area. These maps are currently being digitised and compiled in order to assist with further exploration. The Company is also compiling an extensive database of historical exploration results, including drilling completed on the Professor and Waldman claim blocks, to assist with further targeting.

An exploration program for the Professor and Waldman Projects is being prepared for implementation during the 2018 field season in Ontario.



GROOTFONTEIN BASE METAL PROJECT

The Company holds an 80% interest in the Grootfontein Base Metal Project (GBP). The Project is located in the Otavi Mountain Land (OML), north east Namibia (Figure 8). The OML is a globally significant base metal province with production coming from several mines, including the now closed Tsumeb, Kombat, Abenab, and Berg Aukas.

The Company's landholding stands at 351 km², with a further 331 km² under application. There are four recognised base metal trends with extensive strike lengths located within the tenement package, namely the Askevold, Khusib, Pavian and Abenab Trends. These advanced projects have been the main focus of the Company's exploration efforts.

On its tenements and applications, Deeps holds two of the five historically important mines of the Otavi Mountain Land – Abenab and Christiana (formerly Abenab West). Both mines have only been tested over short strike lengths, with significant exploration upside available to Deeps.

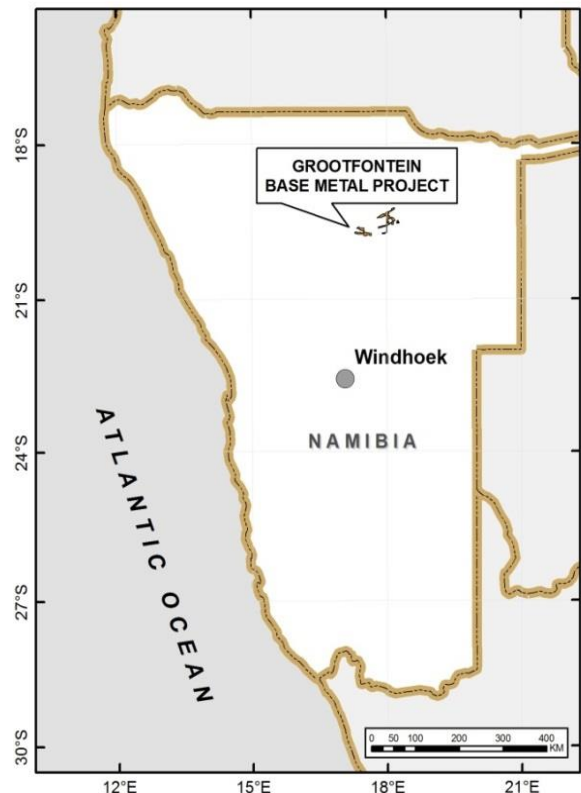


Figure 8 - Location of the Company's Namibian projects

Activities during the Quarter

The Company has two key Exclusive Prospecting Licenses (EPL's) in Namibia, EPL3543 and EPL3743, which are considered to be highly prospective for copper, lead, zinc and vanadium mineralisation (Figure 9). These tenements are both currently undergoing the process of renewal and the Company is confident that these renewals will be granted early in 2018.

Due to ongoing delays by the Namibian Ministry of Mines and Energy (MME) in granting licence applications and renewals, no fieldwork was completed on the GBP during the quarter.

The Company is evaluating exploration programs for the granted EPL's and will undertake environmental clearance studies that are a statutory requirement prior to field exploration work.

A presentation was made to the MME during November in order to support the renewal application for EPL 3543.

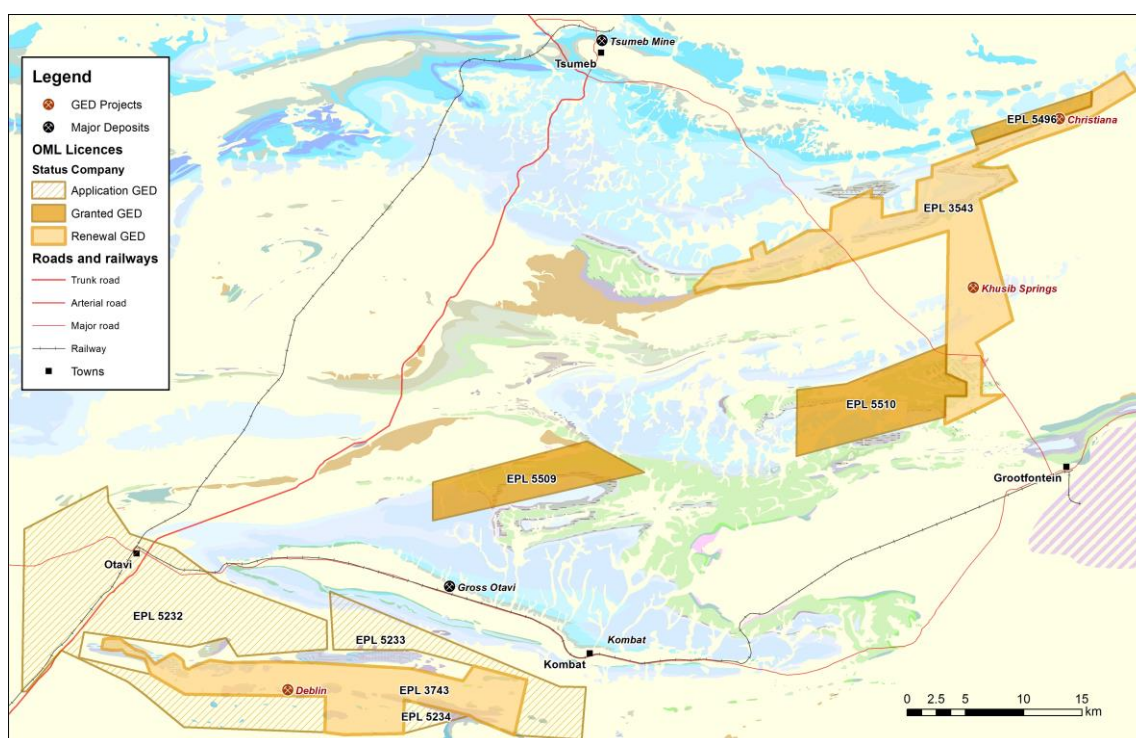


Figure 9 - Location and tenement status map of the Grootfontein Base Metal Project, Namibia

CORPORATE

Completion of Share Placement

In conjunction with the project acquisitions in Ontario, Golden Deepes Limited appointed Asenna Wealth Solutions (**Asenna**) as Lead Manager for a share placement (the **Placement**) to professional and sophisticated investors to raise capital for the acquisition of the cobalt-silver projects and to fund ongoing exploration.

A total of 20,000,000 new shares, at a price of \$0.0412/share were allocated to investors in order to raise approximately \$824,000 gross proceeds.

Funds raised under the Placement will be used as follows:

- i. Acquisition of the Professor and Waldman properties;
- ii. Commencement of geophysical surveys at the Professor and Waldman claim blocks;
- iii. Surface sampling and trenching program at the Professor and Waldman claim blocks;
- iv. General working capital; and
- v. Advancing exploration on the Company's other projects.

Asenna received a capital raising fee of 6% (+GST) of funds raised under the Placement, which was settled via the issue of 1,200,000 fully paid ordinary shares at a deemed issue price of \$0.0412 per share. Asenna will also receive 20,000,000 unlisted options with an exercise price of \$0.08 and an expiry date of 30 November 2018.

ENDS



For further information please contact:

Lachlan Reynolds
Exploration Manager
lreynolds@goldendeeps.com.au

Paul Fromson
Company Secretary
pfromson@kmm.com.au

Phone (08) 9481 7833

Or consult our website:

www.goldendeeps.com

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled by Lachlan Reynolds, who is a consultant to Golden Deeps Limited and a member of The Australasian Institute of Mining and Metallurgy. Mr Reynolds has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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 Resource and Ore Reserves". Mr Reynolds consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Deeps Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Deeps Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.



APPENDIX I – Schedule of Tenements Namibia

Country	State/Region	Project	Tenement ID	Area km2	Grant Date	Expiry Date	Interest
Namibia	Otjozondjupa	Grootfontein Base Metals	EPL 3543	89	12/09/2006	11/09/2015*	80%
			EPL 3743	120	28/08/2007	27/08/2015*	80%
			EPL 5232	260	Application	-	NA
			EPL 5233	63	Application	-	NA
			EPL 5234	8.4	Application	-	NA
			EPL 5496	13	07/04/2016	06/04/2019	100%
			EPL 5509	56	07/04/2016	06/04/2019	100%
			EPL 5510	73	07/04/2016	06/04/2019	100%

* EPL's currently under renewal

APPENDIX II – Schedule of Tenements Canada

Country	State/Region	Project	Claim No.	Claim Type	Area ha	Expiry Date	Interest*
Canada	Ontario	Professor Co-Ag	A100	Patent	5.96	-	-
			A96	Patent	7.71	-	-
			C1000	Patent	8.48	-	-
			C1376	Patent	6.78	-	-
			C1383	Patent	8.28	-	-
			C1384	Patent	6.61	-	-
			C976	Patent	7.29	-	-
			T18798	Lease	10.84	31/01/2019	-
			T19086	Patent	7.90	-	-
			T19481	Patent	7.29	-	-
			T19492	Patent	8.77	-	-
			T25837	Lease	7.83	31/07/2022	-
			T25838	Lease	8.03	31/07/2022	-
			T27896	Lease	8.26	31/08/2022	-
			T27897	Lease	7.06	31/08/2022	-
			T43067	Lease	10.23	30/04/2023	-
		Waldman Co-Ag	3007689	Mining Claim	2.85	22/06/2018	-
			4275151	Mining Claim	7.98	19/01/2018	-
			4275174	Mining Claim	70.13	30/10/2018	-
			4276127	Mining Claim	9.33	19/01/2018	-
			4278605	Mining Claim	5.56	24/02/2019	-
			4278606	Mining Claim	8.35	24/02/2019	-
			4278616	Mining Claim	21.15	8/12/2018	-
			4278619	Mining Claim	31.49	4/05/2019	-
			4282360	Mining Claim	10.27	10/05/2018	-
			4283637	Mining Claim	10.16	15/12/2017	-
			4283638	Mining Claim	11.37	15/12/2017	-

* Option to acquire 100% subject to terms of binding agreement