31 January 2019

Quarterly Activities Report

for the Quarter Ended 31 December 2018

HIGHLIGHTS

- **Comprehensive geological study completed at Abenab and Abenab West Vanadium Projects**
- **New updated Mineral Resource of 2.8Mt 0.66% vanadium pentoxide, 2.35% lead and 0.94% zinc at a cut-off grade of 0.2%**
- **Resource delivers 150% increase in total tonnes and major increase in contained metal – new Resource contains 18.5kt vanadium pentoxide, 65.8kt lead, 26.3kt zinc**
- **~3,000m drilling program to commence Q1 to expand Abenab mineralised footprint and seven new priority exploration targets generated**
- **Metallurgical, process and engineering consultants engaged to develop a mineral processing flowsheet for Abenab vanadium-lead-zinc ore and willemite zinc ore**
- **GED on target to achieve development timetable for the Abenab project set out in its Corporate Presentation of November 2018**
- **GED engaged in advanced, ongoing discussions with vanadium end users and refiners in relation to a strategic partnership**

ABENAB VANADIUM PROJECT

Golden Deeps Limited (ASX: **GED** or the Company) holds an 80% interest in the Abenab Vanadium Project (the Project). The Project is located in the Otavi Mountain Land, north-east Namibia (Figure 1) approximately 400km north of the capital Windhoek. The Project, formerly known as the Groonfontein Vanadium and Base Metal Project, contains the historic Abenab Vanadium Mine and the historic Abenab West Mine, formerly known as the Christiana Mine.

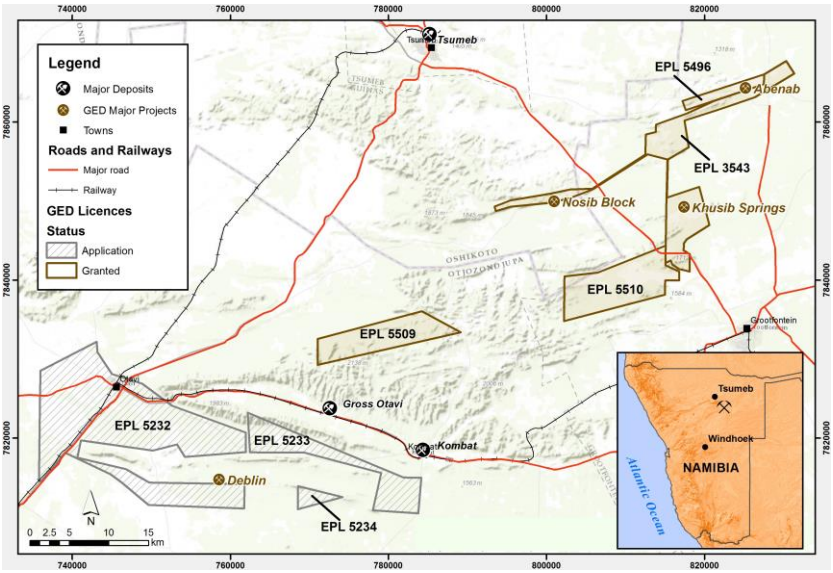

Figure 1: Abenab Vanadium Project location plan

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Activities during the Quarter

During the quarter the Company made substantial progress on its development plans for its core asset, the Abenab Vanadium project. The aim is to rapidly progress the project towards a feasibility study and project development in line with the previously announced timetable.

Geological and Target Generation Study

In November 2018, GED engaged highly experienced and recognised geological consultancy Shango Solutions (Shango) to conduct a comprehensive geological review and drill targeting study on the Abenab project. The study included new data acquired from the previous project owner AVZ Limited (formerly Avonlea Minerals Limited). The scope of work included data capture and collation, extensive data validation, geological interpretation, 3D modelling and target generation. The main deliverable was the ranking and prioritisation of targets in the Abenab mine area and the design of a drilling program to be implemented in early 2019. Key outcomes for the study include:

- New data has been located and captured adding to the knowledge of the deposit.
- Validation of historic data has been completed and errors corrected.
- Abenab Mine designated the priority target for vanadium mineralisation.
- Abenab West is primarily a target for lead-zinc mineralisation with secondary potential for vanadium.
- Target generation indicates potential to extend the Abenab resource down dip and along strike.
- The new geological model provides support for an increase to the Abenab resource.

Abenab Mineral Resource Update

Shango generated an updated Mineral Resource for Abenab using the new geological model and a revised cut-off grade.

The new, upgraded JORC 2012 Inferred Mineral Resource was; **2.8Mt @ 0.66% V_2O_5, 2.35% Pb, 0.94% Zn** at a 0.2% V_2O_5 cut-off (equates to 18.5kt vanadium pentoxide, 65.8kt lead and 26.3kt zinc).

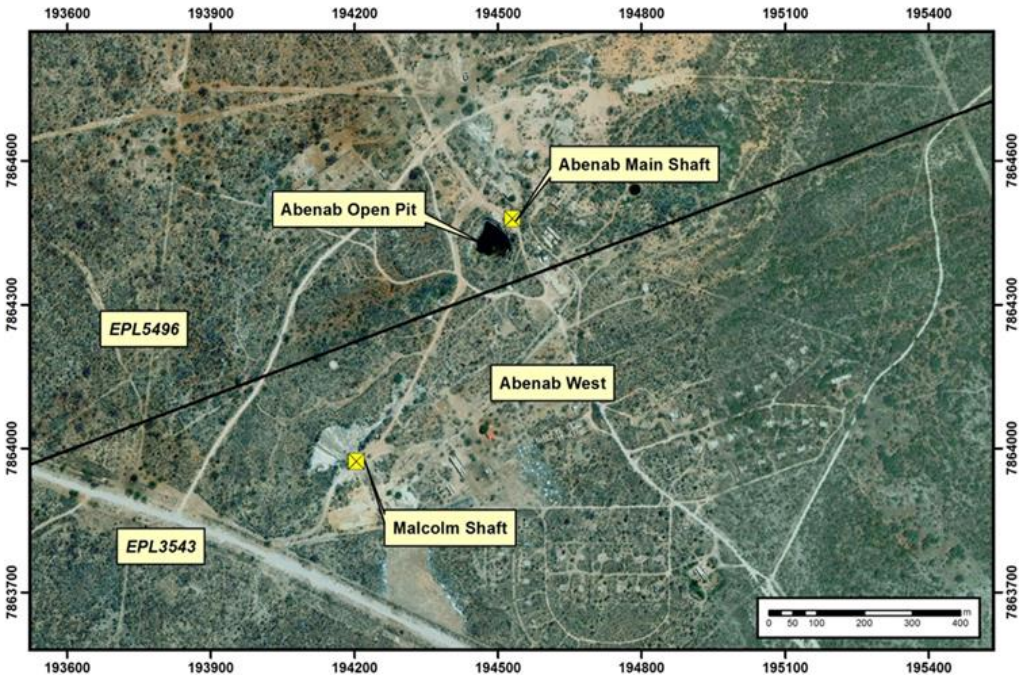

Figure 2: Abenab Project showing location of the open pit, tailings and broken ore stockpile

SRK Consulting previously calculated an Inferred JORC Mineral Resource for Abenab of 1.12Mt at 1.28% V_2O_5 (vanadium pentoxide), 3.05% Pb (lead), 1.25% Zn (zinc) using a cut-off of 0.5% V_2O_5. The 0.5% V_2O_5 cut-off was selected by SRK because it was considered to be similar to the potential economic criteria for a typical magnetite-style vanadium project on the basis that the majority of vanadium projects comprise vanadium minerals hosted by magnetite in layered igneous intrusions.

At Abenab the vanadium mineralisation is primarily contained in a lead-zinc-vanadium mineral (descloizite ($Pb,Zn(VO_4)(OH)$)) and is hosted by a brecciated carbonate rock. The processing required for ore from Abenab will be significantly less, and accordingly cheaper, than the processing required for a magnetite-style vanadium deposit. As a result, Shango has adopted a cut-off grade of 0.2% V_2O_5 for Abenab. By lowering the cut-off grade Shango has increased the tonnages by 4.1kt vanadium pentoxide, 31.6kt lead and 12.3kt Zinc.

Nine drill holes were utilised to define grade shells based on interpolated grades between drill holes using Leapfrog Geo. The orientation and dimensions of the grade shells were based on the interpretation of geology and mineralisation using the newly modelled breccia host as a guide (Figures 3-4). Various combinations of search parameters yielded robust mineralisation trends supported by down dip and horizontal grade continuity. A comparison between Shango Solutions 0.2% V_2O_5 grade halo (green) compared to SRK's 0.5% V_2O_5 grade halo (yellow) is shown in Figure 5.

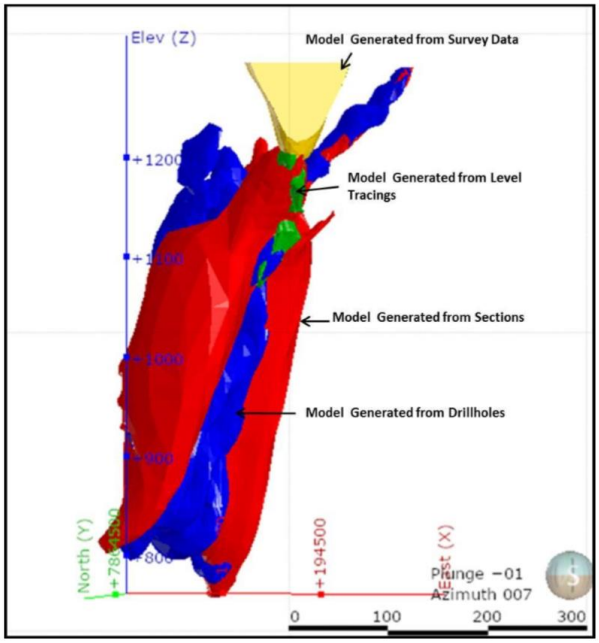

Figure 3: Sources of data used to generate final geological models

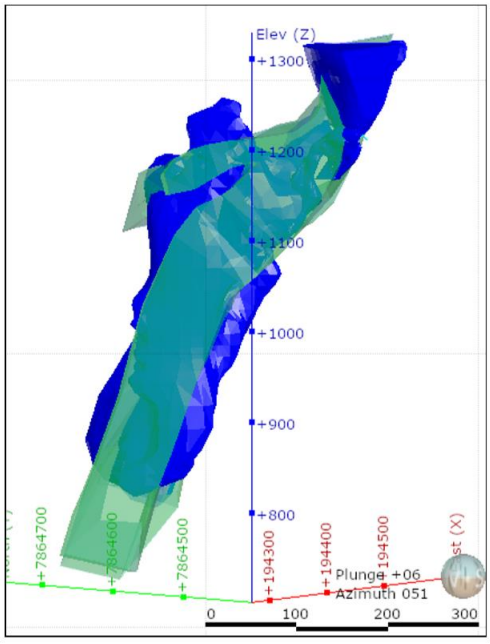

Figure 4: Comparison between SRK (green) and Shango (blue) models for the breccia host at Abenab

Planned Drilling Program

A ~3,000m diamond drilling program has been planned at Abenab and Abenab West (Figure 2). At Abenab drilling will have the dual aim on in-filling existing drilling within the resource outline and testing for extensions on the margins of the resource. The majority of previous drilling has tested the resource at depth with little or no drilling adjacent to the open pit and the underground workings below the pit. Geological mapping has identified vanadium bearing breccias on the margins of the open pit parallel to the northeast trending fault that hosts the Abenab deposit. In addition, only minor drilling has been conducted to locate ore remnants and the mineralised halo around the underground workings.

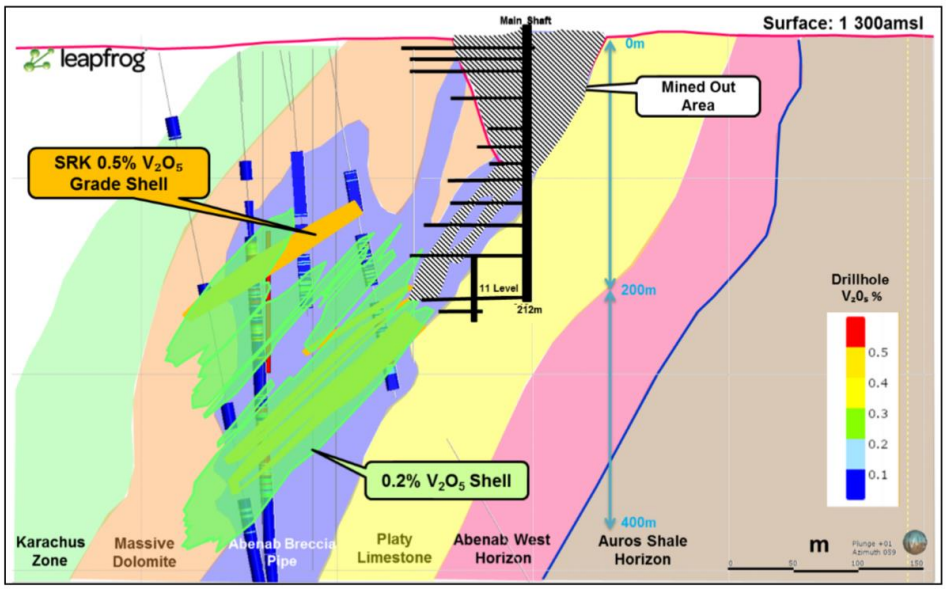

Figure 5: Shango 0.2% V_2O_5 grade halo (green) compared to SRK's 0.5% V_2O_5 grade halo

Following completion of the geological and target generation study, Shango's scope of work has been broadened. From the start of January, Shango will be involved in the resource extension drilling at Abenab. A critical component of the extended scope is a reinterpretation of the geological model using new diamond core from the extension drilling. It is hoped that the reinterpretation will support the inclusion of additional vanadium mineralisation adjacent to historic workings which should have the effect of increasing the size of the resource.

Sampling and Surveying Tailings and Broken Ore Stockpile

In August 2018, GED completed sampling of the historical Abenab Mine tailings and broken ore stockpiles. The stockpiles and tailings were also surveyed to provide estimates of volume.

Sampling of the broken ore stockpile was conducted by taken a 2-3kg surface samples of rock on a nominal 10m x 10m grid. 90 samples and 3 QAQC samples (GD00343-435) were submitted to the laboratory for multi-element analysis. Results will be announced in Q1 2019.

The Abenab tailings impoundment was sampled using an auger drill with samples taken on a nominal 10m x 10m grid. A total of 172 auger holes were drilled and 328 samples and 6 QAQC samples submitted to the laboratory for multi-element analysis. Results will be announced in Q1 2019.

Abenab broken ore stock pile.

Dark vanadium bearing crust on a carbonate clast from the Abenab broken ore stockpile

Mineral Processing

Mintek in Johannesburg has been engaged by the GED to develop a mineral processing flowsheet for the dolomite hosted vanadium ore type at Abenab. Mintek is South Africa's national mineral research organisation and is one of the world's leading technology organisations specialising in mineral processing and extractive metallurgy.

Previous metallurgical test work on samples of Abenab diamond drill core by Avonlea Resources Limited *(*AVZ ASX announcement dated 19th July 2012) reported positive results from simple gravity separation that produced a concentrate of up to 21% V_2O_5.

Mintek will produce a sample of ore concentrate using a pilot scale plant by processing an 8-tonne sample of ore from the existing ROM stockpile. The concentrate will then be used to test downstream processing options with potential off-take partners and assist in the development of future refining options for the recovery of vanadium, lead and zinc post concentration.

The vanadium ore from the Abenab Mine is unusual because vanadium is contained in the oxide mineral descloisite (Pb,Zn)VO_4)(OH)) rather than in magnetite. The processing of descloisite ores to produce a concentrate is much simpler than the processing required for ferromagnesium silicates. The descloisite bearing carbonate ore from Abenab will be crushed to 1-2mm and then concentrated using standard gravity separation techniques to produce a high-grade concentrate for shipping.

ONTARIO COBALT-SILVER PROJECTS

The Projects are located within the Cobalt Mining Camp which 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.

The Company is awaiting the necessary permits to commence exploration.

ENDS

For further information please consult our website: www.goldendeeps.com or:

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Competent Person Declaration

The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves is based on information compiled by Martin Bennett, who is an employee of Golden Deeps Limited and a member of The Australasian Institute of Geoscientists. Mr Bennett 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 Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements referenced in this report. 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 announcements.

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	11/09/2019	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	80%
			EPL 5509	56	07/04/2016	06/04/2019	80%
			EPL 5510	73	07/04/2016	06/04/2019	80%

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	-	70%
			A96	Patent	7.71	-	70%
			C1000	Patent	8.48	-	70%
			C1376	Patent	6.78	-	70%
			C1383	Patent	8.28	-	70%
			C1384	Patent	6.61	-	70%
			C976	Patent	7.29	-	70%
			T18798	Lease	10.84	31/01/2019	70%
			T19086	Patent	7.90	-	70%
			T19481	Patent	7.29	-	70%
			T19492	Patent	8.77	-	70%
			T25837	Lease	7.83	31/07/2022	70%
			T25838	Lease	8.03	31/07/2022	70%
			T27896	Lease	8.26	31/08/2022	70%
			T27897	Lease	7.06	31/08/2022	70%
			T43067	Lease	10.23	30/04/2023	70%
		Waldman Co-Ag	322446	Mining Claim	22	8/09/2019	70%
			189411	Mining Claim	22	8/09/2019	70%
			236092	Mining Claim	22	30/10/2019	70%
			167029	Mining Claim	22	8/9/2020	70%
			117980	Mining Claim	22	8/9/2020	70%
			296687	Mining Claim	22	24/02/2020	70%
			343032	Mining Claim	22	8/09/2019	70%
			203057	Mining Claim	22	22/6/2020	70%
			256057	Mining Claim	22	8/09/2019	70%
			285204	Mining Claim	22	8/09/2019	70%
			239325	Mining Claim	22	8/09/2019	70%
			123450	Mining Claim	22	30/10/2019	70%
			155118	Mining Claim	22	30/10/2019	70%

			236093	Mining Claim	22	30/10/2019	70%
			306085	Mining Claim	22	10/05/2020	70%
			153797	Mining Claim	22	8/09/2020	70%
			218338	Mining Claim	22	8/09/2019	70%
			182442	Mining Claim	22	8/09/2020	70%
			322445	Mining Claim	22	8/09/2019	70%
			122494	Mining Claim	22	8/09/2020	70%
			174898	Mining Claim	22	4/05/2020	70%
			199634	Mining Claim	22	30/10/2019	70%
			200977	Mining Claim	22	8/09/2019	70%
			189303	Mining Claim	22	15/12/2019	70%
			182443	Mining Claim	22	8/09/2019	70%
			290776	Mining Claim	22	30/10/2019	70%
			227355	Mining Claim	22	10/05/2020	70%
			136813	Mining Claim	22	8/09/2020	70%
			343033	Mining Claim	22	8/09/2019	70%
			203776	Mining Claim	22	4/05/2020	70%
			283242	Mining Claim	22	30/10/2019	70%
			320124	Mining Claim	22	30/10/2019	70%
			321848	Mining Claim	22	15/12/2019	70%
			324858	Mining Claim	22	30/10/2019	70%
			156804	Mining Claim	22	4/05/2020	70%
			275742	Mining Claim	22	22/06/2020	70%

*Subject to transfer of title to Cobalt Resources Inc., a 100% owned subsidiary of Golden Deeps Ltd. Option to acquire 100% subject to terms of binding agreement