

ASX ANNOUNCEMENT

ASX code: GED

20 January 2020

Quarterly Activities Report For the Quarter Ended 31 December 2019

Highlights:

- Trial operations (Stage 2) continued under the Joint Venture Agreement with Generous Metals Company Limited (GMC). A 40 tonne sample of vanadium, lead, zinc mineralised rock, tailings and willemite has arrived in China for concentrating and downstream refining.
 - Discussions have been held with Chinese vanadium refiners with expressions of interest being sought in refining concentrate to recover the vanadium, lead and zinc.
 - Mintek's metallurgical study on the tailings material is complete and shows visible signs of good separation and concentration after de-sliming was completed.
 - Shallow pitting and auger sampling extends the surface mineralised material at Abenab.
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Golden Deeps Limited ("Golden Deeps" and "Company") made positive progress during the quarter on the development of the Abenab vanadium project.

Abenab Project Development

Golden Deeps – GMC Joint Venture

The 40 tonne sample for the trial operation (Stage 2) under the Joint Venture Agreement with GMC has arrived in China for a testwork program. Under this test work program, the bulk sample of vanadium, lead and zinc mineralised rock, tailings and willemite has arrived in China for concentrating and downstream refining. GMC have advised that the testwork will take 60 days from commencement.

Vanadium Refining

The bulk concentrate sample from the recent test program on the above ground rock stockpile has been produced to the targeted grade of 6% V₂O₅. This concentrate has been received by us for our direct use and distribution to prospective downstream refiners.

Discussions have been held with a number of vanadium refineries in relation to third party refining of the high-grade concentrate. Among these is Dalian Bolong New Materials Co. Limited, a recognised leader in the manufacture of electrolyte for Vanadium Redox batteries and high performance vanadium alloy metals. A sample of the bulk sample concentrate has been sent to the Company for refining testwork. The Company continues to express its confidence in refining the Abenab concentrate to recover vanadium and also extracting value from available lead and zinc credits which add further value to the project outcomes.

Metallurgical Testing

Mintek, of South Africa, completed the metallurgical test program on the surface constrained tailings sample. This material was identified as containing a high percent of slimes material which was successfully removed

through a multi-stage hydro cyclone process. The tailings material was then separated using similar gravity separation methods as previous tests and showed visible signs of good concentration.

Chemical assay results are awaited before a final decision on the suitability of gravity separation as the preferred concentration method can be determined.

Minerology assessment on the tailings streams from the recent test work program for the above ground stockpile material has also commenced. This will help further identify whether alternative processing technologies or comminution strategies should be considered to recover additional vanadium from the tailings streams.

Engineering Study

A combination of factors has resulted in the deferral of work on a Definitive Feasibility Study. These factors include that GMC may take responsibility for the Study and that alternative processing technologies to that which has been under consideration to date may have the potential to improve recoveries of the above ground material. Testwork is underway to assess the alternative processing technologies.

Resource Definition and Exploration Programs

During the December quarter, the Company continued mapping and sampling programs to evaluate the surface mineralised materials at the historic Abenab mine. This material included stockpiled mineralised rock around the open pit and tailings.

Surface Mineralised Material

A backhoe was used to take samples of the widespread and uniform layer of coarse surface material around the open pit. 71 pits (ABWM series) were dug and sampled at a nominal 25m x 25m grid generating 113 samples (blue sample points in Figure 1). The pits were dug to a depth of 1-2m but in the majority of cases, did not penetrate to the base of the material which is up to 4m in some locations. Samples were taken at 1m depth intervals and comprised of coarse rock fragments (<0.5m) and fine-grained tails.

- Sample pits have an average grade of 0.41% V₂O₅, 0.91% Pb and 1.33% Zn¹.
- Highest grade results are 1.20% V₂O₅, 4.33% Pb and 3.15% Zn.

Additional auger drilling was also conducted to extend sampling of the unconstrained tails around the historic workings and in a low lying area extending to the northeast. 74 holes (ABTS219-292) were drilled with a powered auger. The tails comprise of laminated fine grained material that varies in thickness from over 1m to less than 0.3m at the margins. Phase 1 and 2 auger holes are shown as green sample points in Figure 1.

- The tails have an average grade of 0.42% V₂O₅, 1.53% Pb and 1.2% Zn.
- Highest grade results are 1.81% V₂O₅, 5.44% Pb and 9.67% Zn.

¹ GED ASX announcement dated 17 January 2020 'Surface Mineralised Material Extended at Abenab Mine'. The Company is not aware of any new information or data that materially affects the information included in this announcement.

An estimate of the volume of the surface mineralised material will be generated incorporating new auger and pitting data. The volume calculated will be a preliminary estimate only due to the depth of the material not being adequately determined and the inaccuracy of the current digital terrain model (DTM).

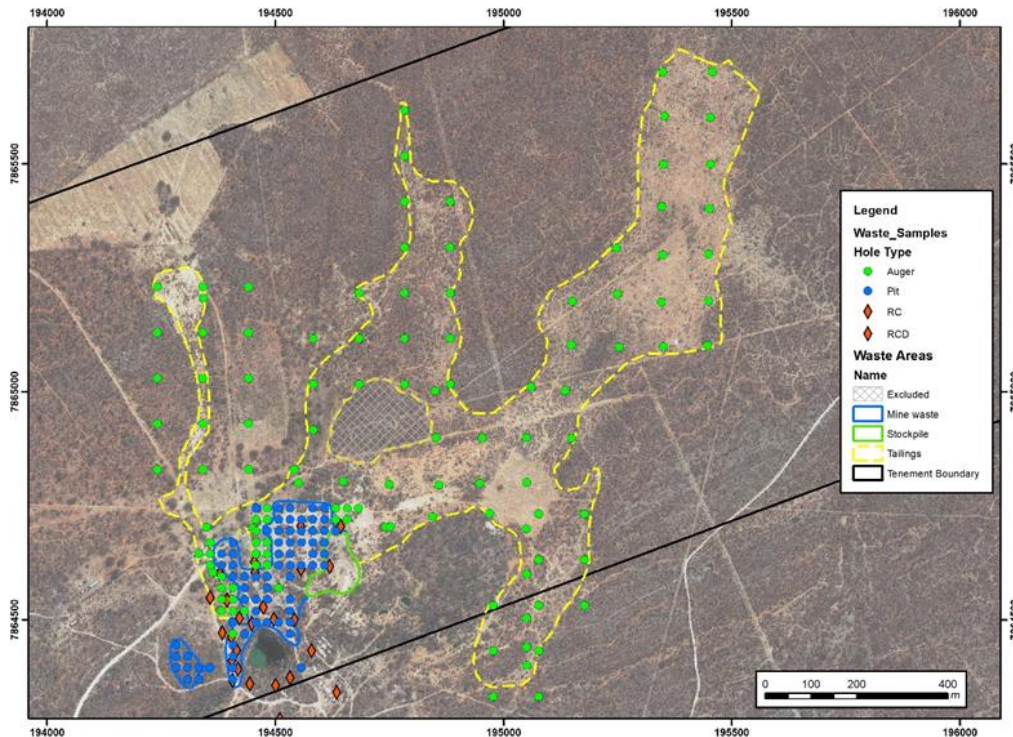


Figure 1: Plan showing all sampling of surface mineralised material completed at Abenab: pits (blue), auger holes (green) and reverse circulation holes (red).

A detailed review of the data is in progress in conjunction with the Company’s geological consultant to generate the most accurate volume/tonnage estimate possible with the data available. Pending the result, Odex drilling of the coarse mineralised stockpiles will be conducted to generate a JORC compliant resource. Odex is a casing advance percussion drilling technique specifically designed to drill test loose material without contamination. A Lidar survey is also planned to generate a more accurate and detailed DTM of the surface.

Mine Development Evaluation Program

A RC drilling program completed in 2019 intersected vanadium mineralisation in the south wall of the Abenab open pit. Reverse circulation hole ABRC020 intersected multiple zones of vanadium mineralisation including 3m @ 0.92% V₂O₅ from the end of hole² (Figure 2). Channel sampling along benches in the pit confirmed the existence of vanadium bearing breccias and fractures zones. Follow up drilling was planned to determine the extent of the mineralisation but poor access within and on the margins of the Abenab open pit prevented effective drilling of the target areas. After assessing various options, it was decided to conduct drilling from the old underground workings. A safety assessment of the underground workings is planned prior to a tender for the underground drill contract.

² GED ASX announcement dated 9 September 2019 ‘Drilling Intersects Previously Unidentified Extension’. The Company is not aware of any new information or data that materially affects the information included in this announcement.

A detailed survey (Lidar) of the open pit is planned to provide an accurate 3D model of the open pit. The survey is required to constrain the resource estimate of the South Wall mineralisation once underground drilling is completed.

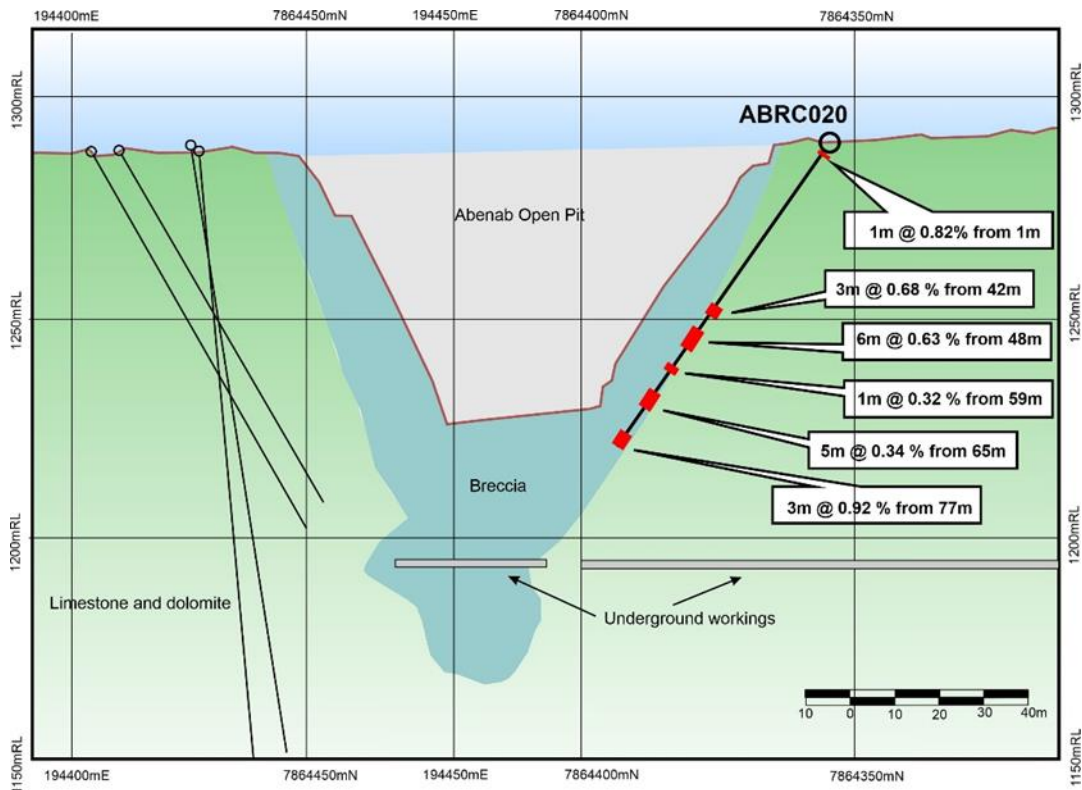


Figure 2: Mine development evaluation. Cross section showing vanadium mineralisation in RC hole ABRC020.

Tenement Status

A renewal application has been lodged with the Namibian Ministry of Mines and Energy for EPL 5496 that expired on 6 April 2019. A renewal application has also been lodged for EPL 3543 which expired on 11 September 2019. Following a high level of activity and expenditure at the Abenab and Abenab West mines, both renewals are currently pending and are expected to be granted soon.

Applications for EPL 5232, EPL 5233 and EPL 5234 were granted by the Namibian Ministry of Mines and Energy on 8 August 2019 for a period of three years. A consultant was engaged to conduct the Environmental Clearances required before exploration can commence. The environmental assessment is in progress and will be completed shortly. Initial exploration planned comprises auger soil sampling and reconnaissance geological mapping and rock chip sampling.

Golden Deeps holds a 70% interest in the Professor and Waldman cobalt-silver projects in Ontario, Canada. Eleven Mining Claims within the Waldman project expired during the period and applications for renewal were lodged. Expenditure commitments were met by a trial ground magnetic and electromagnetic survey conducted over the main target area that was cut short because of poor weather conditions.

Corporate

The Company held its Annual General Meeting on 29 November 2019, where all resolutions were passed unanimously. This included receiving shareholder approval for Golden Deeps' Chairman Michael Minosora to acquire \$75,000 worth of shares at \$0.026 per share, being the same price as the placement completed on 2 October 2019. Mr Minosora's shares were issued on 17 December 2019.

For further information, please refer to the Company's website or contact:

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Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Golden Deeps Ltd. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the Company's beliefs, opinions and estimates of Golden Deeps Ltd as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Martin Bennett. Mr Bennett is a consultant to Golden Deeps Limited and is a member of the Australian 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 being undertaken 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'. Mr Bennett consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX I – Schedule of Tenements Namibia

Country	State/Region	Project	Tenement ID	Area km ²	Grant Date	Expiry Date	Interest
Namibia	Otjozondjupa	Grootfontein Base Metals	EPL 3543	89	12/09/2006	11/09/2019*	80%
			EPL 5496	13	07/04/2016	06/04/2019*	80%
			EPL 5232	260	08/08/2019	07/08/2022	80%
			EPL 5233	63	08/08/2019	07/08/2022	80%
			EPL 5234	8.4	08/08/2019	07/08/2022	80%

*Renewal applications have been lodged and are currently pending.

APPENDIX II – Schedule of Tenements Canada

Country	State/Region	Project	Claim No.	Claim Type	Area ha	Expiry Date	Interest*
Canada	Ontario	Professor	T25837	Lease	7.89	31-Jul-22	70%
			T25838	Lease	7.89	31-Jul-22	70%
			T27896	Lease	6.92	31-Aug-22	70%
			T27897	Lease	7.33	31-Aug-22	70%
			T43067	Lease	11.03	30-Apr-23	70%
			A100	Patent	6.83	-	70%
			A96	Patent	7.89	-	70%
			A99	Patent	7.85	-	70%
			C1376	Patent	9.38	-	70%
			C1383	Patent	8.41	-	70%
			C1384	Patent	7.68	-	70%
			C976	Patent	7.56	-	70%
			T19481	Patent	8.03	-	70%
T19492	Patent	8.86	-	70%			

Country	State/Region	Project	Claim No.	Claim Type	Expiry Date	Interest*
Canada	Ontario	Waldman	123450	Boundary Cell Mining Claim	30-Oct-19**	70%
			155118	Single Cell Mining Claim	30-Oct-19**	70%
			199634	Single Cell Mining Claim	30-Oct-19**	70%
			236092	Boundary Cell Mining Claim	30-Oct-19**	70%
			236093	Single Cell Mining Claim	30-Oct-19**	70%
			283242	Single Cell Mining Claim	30-Oct-19**	70%
			290776	Boundary Cell Mining Claim	30-Oct-19**	70%
			320124	Single Cell Mining Claim	30-Oct-19**	70%
			324858	Single Cell Mining Claim	30-Oct-19**	70%
			189303	Boundary Cell Mining Claim	15-Dec-19**	70%
			321848	Boundary Cell Mining Claim	15-Dec-19**	70%
			296687	Boundary Cell Mining Claim	24-Feb-20	70%
			156804	Single Cell Mining Claim	4-May-20	70%
			174898	Boundary Cell Mining Claim	4-May-20	70%
			203776	Single Cell Mining Claim	4-May-20	70%
			227355	Boundary Cell Mining Claim	10-May-20	70%
			306085	Single Cell Mining Claim	10-May-20	70%
203057	Single Cell Mining Claim	22-Jun-20	70%			
275742	Single Cell Mining Claim	22-Jun-20	70%			

*Subject to transfer of title to Cobalt Resources Inc., a 100% owned subsidiary of Golden Deeps Ltd.

**Renewal applications have been lodged and are currently pending.