



ASX Announcement

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## Progress Update - Pilbara Gold Project

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide the following update on the work programs currently in progress at the Pilbara Gold Project ("Project") located near Port Hedland in WA.

### Scoping Study

Since securing the Indee Gold option, De Grey has focussed its efforts on assessing the economic viability of the combined Pilbara Gold Project (Turner River and Indee Gold Projects) as a single stand-alone gold mining project with ore sourced from open pits on both project areas.

The Company has significantly advanced the **Pilbara Gold Project Scoping Study** based on a simple open pit mining and centralised processing plant strategy. De Grey management has reviewed the encouraging preliminary results from engineering consultants, Mintrex and Cube Consulting, are finalising the study and will announce results shortly.

Management has also resolved to progress metallurgical studies and undertake new resource estimates immediately upon receipt of the final assay results from the various drilling programs.

Cube Consulting has also been engaged to consider the underground potential at both the Withnell and Wingina deposits.

## Drilling Programs

A series of drilling programs have recently been completed over several priority resource targets with a large proportion of assay results pending:

### ➤ **Mallina**

The now completed Mallina RC drilling program comprised 7,588m from two stages:

- **Stage 1** – 74 RC holes for 6,100m with 4m composite assay results reported<sup>1</sup> and 1m re-split results pending.
- **Stage 2** – 16 RC holes for 1,488m with 4m composite assay results pending.

The program was targeting a 3.2km long structural corridor which has been subject to previous drilling.

The recently announced 4m composite results from Stage 1 successfully confirmed the presence of a large gold system at Mallina, with wide zones of shallow gold mineralisation intersected in a series of subparallel lodes providing strong support for the open pit resource potential of Mallina.

### ➤ **Withnell- Dromedary Trend**

The 3,800m RC drilling program testing new targets between the existing deposits and along parallel structures has been completed with all 4m composite samples submitted for analysis.

### ➤ **Heap Leach Stockpile**

The 366m RC drilling program comprising 49 holes over the former heap leach pad was recently completed with assay results received and resource modelling currently in progress.

### ➤ **Current Diamond Drill Program**

A 600m diamond drilling program for the collection of representative metallurgical samples is currently in progress. Metallurgical test work on existing drill core is underway.

The Company looks forward updating shareholders on its progress in coming weeks.

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<sup>1</sup> refer ASX release dated 6 July 2017