ASX: DEG

ASX ANNOUNCEMENT

1 September 2021

Diucon – depth, width and strike extensions

High grades intersected within the larger mineralised system

- New intersections comprise extensional and infill results including higher grade intervals:
  - **17m @ 7.5g/t Au** from 175m in HERC897 **at the end of the hole**, infill
  - **19m @ 4.1g/t Au** from 115m in HERC761, 80m southern (width) extension
  - **21m @ 3.2g/t Au** from 196m in HERC762, 160m southern (width) extension
  - **10m @ 3.0g/t Au** from 74m and **55m @ 1.5g/t Au** from 91m in HERC896, infill

  all on Section 28960E

  - **70.9m @ 2.0g/t Au** from 358m in HERC951DW1, 80m down dip extension to previously reported 27m @ 1.0g/t Au in HERC479

  all on Section 28640E

  - **12m @ 2.3g/t Au** from 52m and **9m @ 5.3g/t Au** from 84m in HERC893, 40m extensions to the south (width) and down dip of previously reported of 14m @ 21g/t Au in HERC477
  - **44m @ 2.1g/t Au** from 109m and **24m @ 3g/t Au** from 202m in HERC891, infill

  all on Section 28800E
- These results continue to demonstrate the potential to rapidly and cost effectively add to the gold endowment at Hemi.
- The results show clear potential to grow and upgrade the current Inferred Mineral Resource Estimate for the combined Diucon/Eagle deposits of 48.52Mt @ 0.9g/t Au for 1.45Moz.
- Extensional drilling at depth, to the south and to the west towards Antwerp continues.

De Grey General Manager Exploration, Phil Tornatora, commented:

"Recent drilling at Diucon has increased the scale of the mineralised intrusion to approximately 300m wide, 400m deep and 1,000m in strike. The system remains open in all directions.

Zones of higher grade gold have also been intersected within the overall mineralised intrusion including 17m @ 7.5g/t Au in HERC897.

We continue to extend mineralisation in width to the south, along strike to the west and at depth.

Drilling is also being conducted to increase the resource confidence from Inferred to Indicated classification"

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De Grey Mining Limited (ASX: DEG, "De Grey" or the "Company") is pleased to report these latest exploration results from Diucon at Hemi. The gold mineralisation at Diucon shows similar alteration and sulphide development as seen at the adjacent deposits of Aquila, Brolga, Crow, Falcon and Eagle. However, like Eagle, Diucon also shows overprinting quartz veins which can carry high gold grades.

The mineralised intrusion at Diucon has now been intersected to 300m in width, 400m depth and 1,000m along strike and remains open in all directions. Ongoing drilling at both Diucon and Eagle demonstrate potential to significantly increase resources at both prospects. Recent drilling has highlighted the potential for additional lodes to the south of current resources.

Both extension and infill drilling are currently underway at Diucon. RC and diamond holes stepping to the south are targeting depth extensions and are also defining additional lodes. Drilling is also targeting down plunge extensions to the SW towards Antwerp, where previously reported shallow drilling has intersected encouraging drill results, e.g. 4m @ 21.7g/t Au and 6m @ 10.7g/t Au.

Resource drilling is progressively infilling Diucon to 80m x 40mto be followed by 40m x 40m drilling to upgrade Inferred to Indicated resources.

New drill intercepts (>2gm*m) are provided in Table 1 and Table 2.

Significant Drill Results

New results on three sections 160m apart are reported here:

Section 28640E (Figure 2)

- **70.9m @ 2g/t Au** from 358m in HERC951DW1,

Section 28800E (Figure 3)

- **44m @ 2.1g/t Au** from 109m in HERC891 (incl **12m @ 4.5g/t Au** from 111m)
- **24m @ 3.0g/t Au** from 202m in HERC891 (incl **2m @ 11.2g/t Au** from 214m)
- **12m @ 2.3g/t Au** from 52m in HERC893 (incl **3m @ 5.7g/t Au** from 57m)
- **9m @ 5.3g/t Au** from 84m in HERC893 (incl **2m @ 20.4g/t Au** from 90m)
- **8.3m @ 3.6g/t Au** from 412.7m in HERC850DW1
- **30.5m @ 1.1g/t Au** from 357.5m in HERC866D

Section 28960E (Figure 4)

- **10m @ 3g/t Au** from 74m in HERC896 (incl **2m @ 10.2g/t Au** from 74m)
- **55m @ 1.5g/t Au** from 91m in HERC896 (incl **3m @ 10g/t Au** from 107m)
- **20m @ 1.7g/t Au** from 90m in HERC897 (incl **3m @ 8.3g/t Au** from 90m)
- **17m @ 7.5g/t Au** from 175m in HERC897 (to EoH) (incl **2m @ 52.4g/t Au** from 179m)
- **23m @ 1.1g/t Au** from 57m in HERC763
- **19m @ 4.1g/t Au** from 115m in HERC761 (incl **4m @ 13.3g/t Au** from 128m)
- **21m @ 3.2g/t Au** from 196m in HERC762 (incl **6m @ 8.5g/t Au** from 203m)

Figure 1 Plan of Diucon

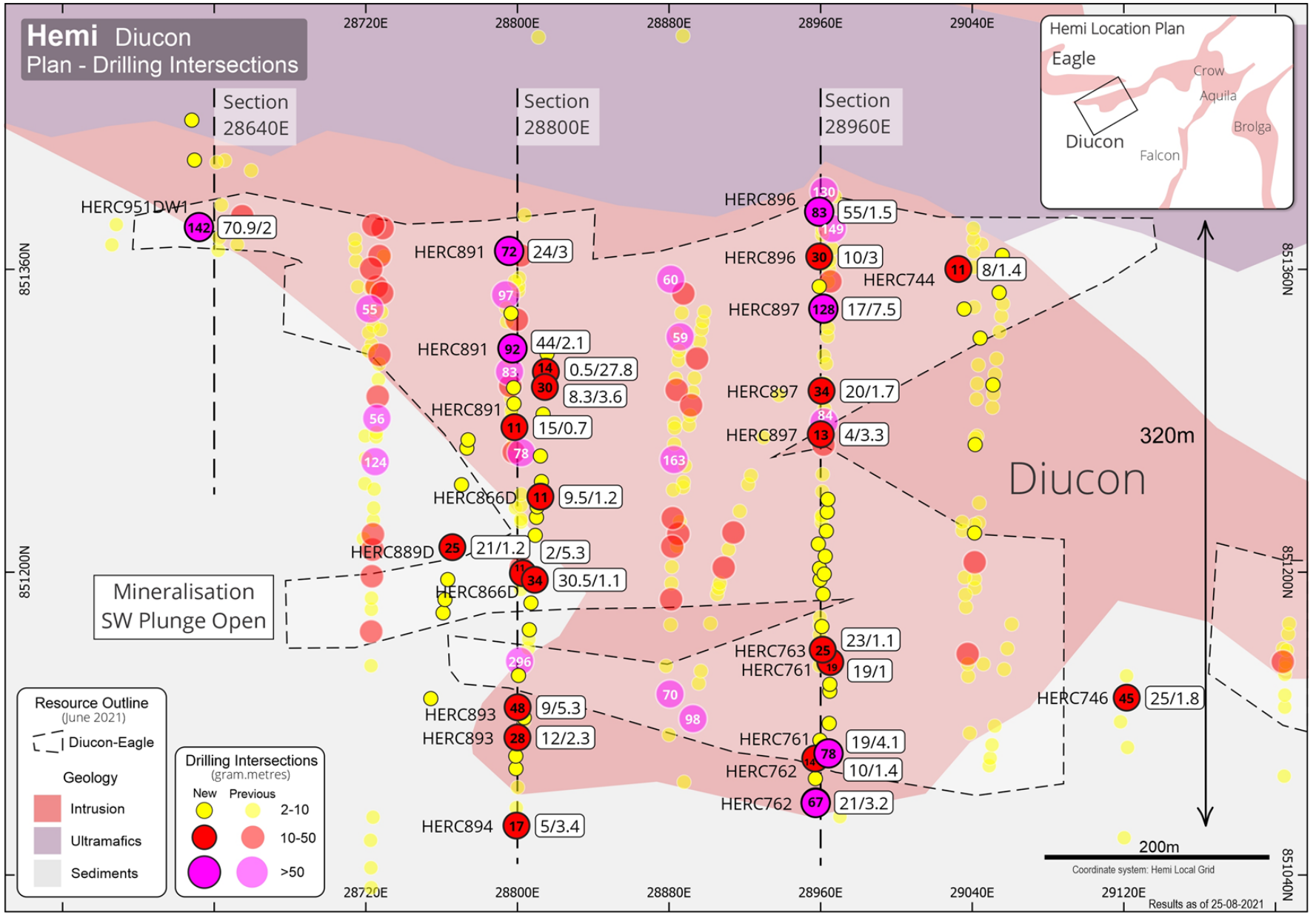


Figure 2 Diucon Section 28640E – 40m section window interpretation

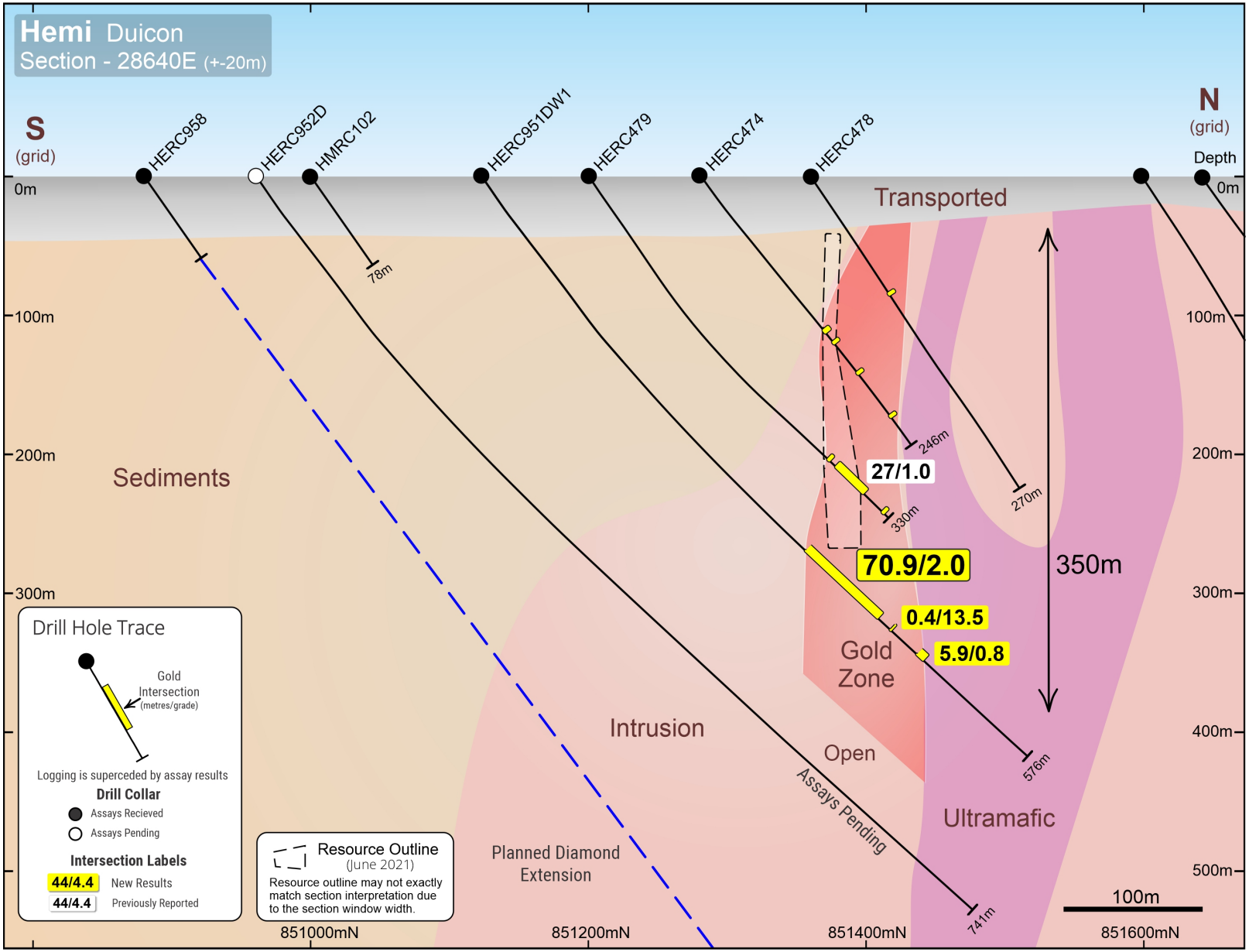


Figure 3 Diucon Section 28800E – 100m section window interpretation

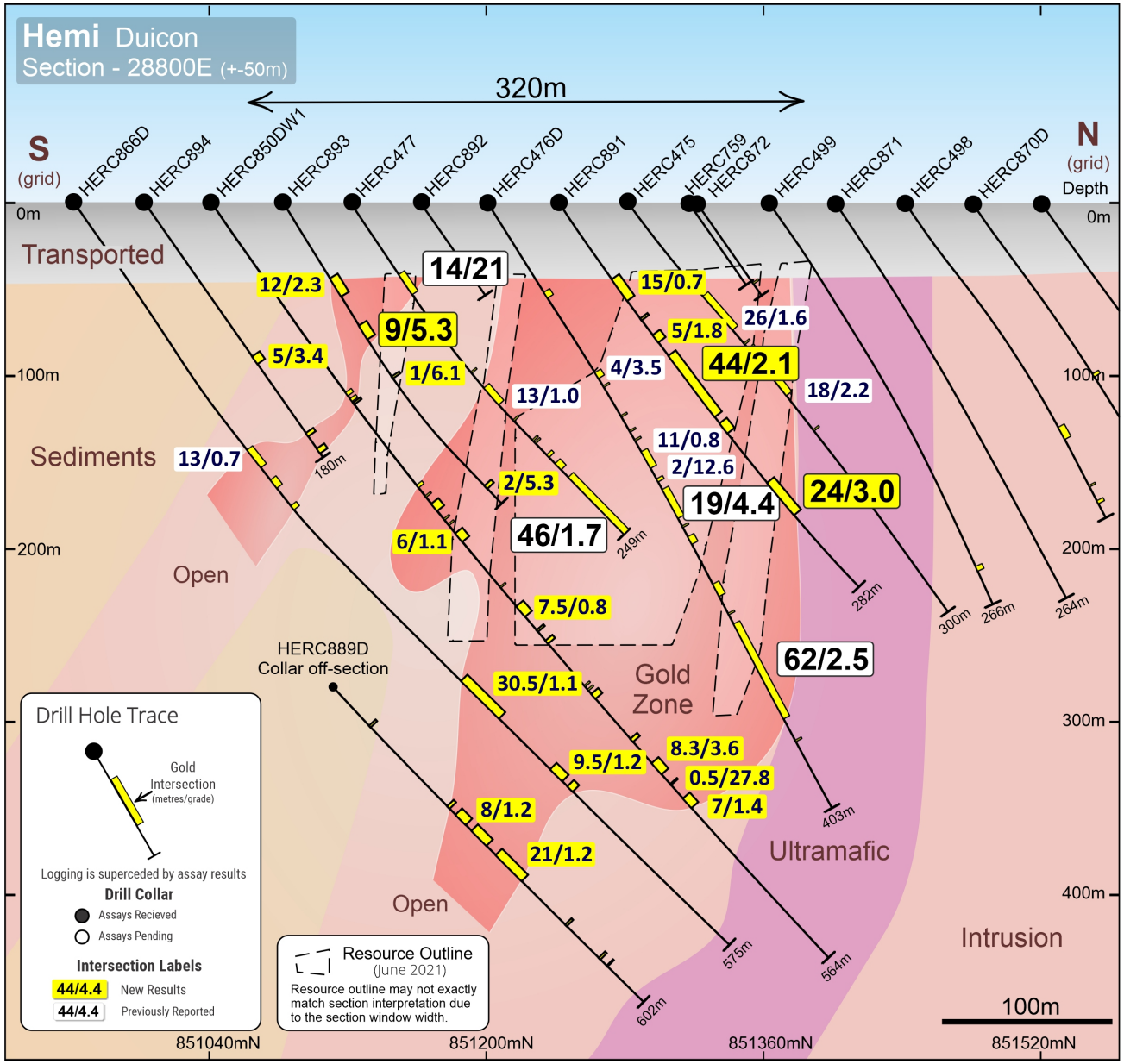
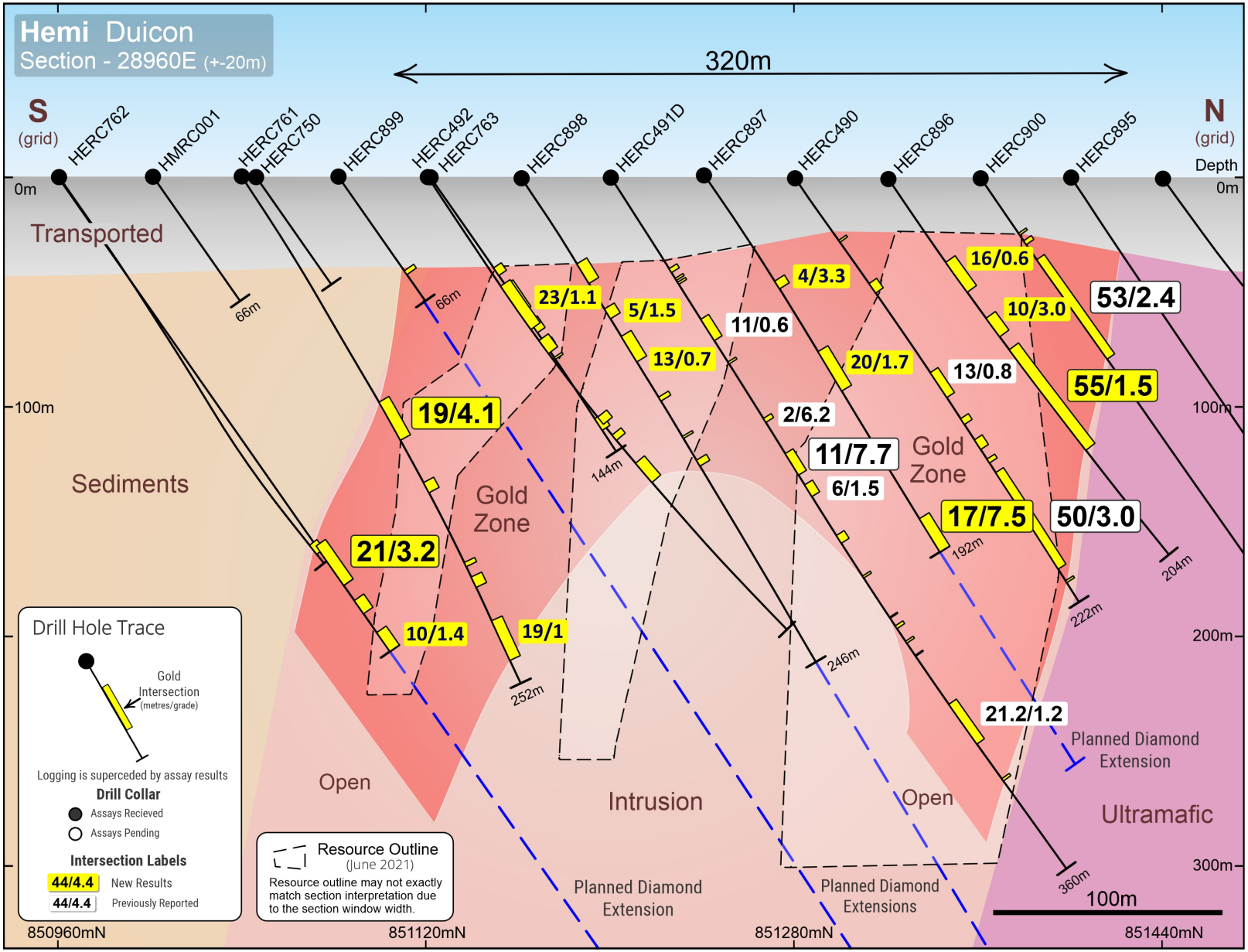


Figure 4 Diucon Section 28960E – 40m section window interpretation



This announcement has been authorised for release by the De Grey Board.

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Competent Person's Statement

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr. Phil Tornatora, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Tornatora is an employee of De Grey Mining Limited. Mr. Tornatora 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 Resource and Ore Reserves". Mr. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Previously released ASX Material References *that relates to Hemi Prospect includes:*

Resources:

- *2020 Mallina Gold Project Resource update, 2 April 2020*
- *6.8Moz Hemi Maiden Mineral Resource drives Mallina Gold Project, 23 June 2021*

Exploration results at Hemi, announced during calendar year 2021:

- *Consistent extensive gold endowment at Falcon, 13 January 2021*
- *Diucon and Eagle: Two new intrusion hosted gold discoveries at Hemi, 29 January 2021*
- *Further metallurgical testwork confirms high gold recoveries, 16 February 2021*
- *Major depth extensions and new footwall lodes emerge at Falcon, 23 February 2021*
- *Crow – Aquila gold system continue to expand, 4 March 2021*
- *Rapid growth at Diucon and Eagle, 9 March 2021*
- *Extensional results show Brolga plunge potential, 16 March 2021*
- *Depth and strike extensions at Falcon, 8 April 2021*
- *Impressive resource definition drilling at Brolga, 13 April 2021*
- *Strong extension to Diucon and Eagle, 15 April 2021*
- *Strong mineralisation intersected at Crow and Aquila, 23 April 2021*
- *Large mineralised system confirmed at Diucon – Eagle, 4 May 2021*
- *High gold recoveries achieved at Aquila, 10 May 2021*
- *Significant extensional and impressive resource definition results at Falcon, 27 May 2021*
- *Encouraging results continue at Diucon-Eagle, 1 June 2021*
- *Diucon - compelling new results, 22 July 2021*
- *New results substantially extend Eagle, 9 August 2021*

Table 1: Significant new results (>2 gram x m Au) - Intercepts - 0.5g/t Au lower cut, 4m maximum internal waste, >2gm

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
HERC435DW1	Diucon	104.5	107.1	2.7	0.8	647390	7692357	68	-56	330	403	DD
HERC435DW1	Diucon	180.7	187.0	6.3	0.7	647390	7692357	68	-56	330	403	DD
HERC435DW1	Diucon	270.1	276.0	5.9	0.6	647390	7692357	68	-56	330	403	DD
HERC489DW1	Diucon	100.7	105.4	4.7	1.6	647356	7692431	68	-58	330	264	DD
HERC489DW1	Diucon	183.0	185.0	2.0	1.8	647356	7692431	68	-58	330	264	DD
HERC489DW1	Diucon	215.0	217.0	2.0	2.8	647356	7692431	68	-58	330	264	DD
HERC744	Diucon	96.0	100.0	4.0	0.9	647327	7692463	67	-55	329	222	RC
HERC744	Diucon	132.0	140.0	8.0	1.4	647327	7692463	67	-55	329	222	RC
incl	Diucon	138.0	139.0	1.0	7.1	647327	7692463	67	-55	329	222	RC
HERC746	Diucon	77.0	102.0	25.0	1.8	647498	7692330	68	-55	330	258	RC
incl	Diucon	81.0	83.0	2.0	5.2	647498	7692330	68	-55	330	258	RC
incl	Diucon	92.0	95.0	3.0	4.5	647498	7692330	68	-55	330	258	RC
HERC761	Diucon	115.0	134.0	19.0	4.1	647384	7692215	68	-57	329	252	DD
incl	Diucon	128.0	132.0	4.0	13.3	647384	7692215	68	-57	329	252	DD
HERC761	Diucon	155.0	160.0	5.0	0.8	647384	7692215	68	-57	329	252	DD
HERC761	Diucon	194.0	196.0	2.0	1.6	647384	7692215	68	-57	329	252	DD
HERC761	Diucon	201.0	206.0	5.0	0.5	647384	7692215	68	-57	329	252	DD
HERC761	Diucon	222.0	241.0	19.0	1.0	647384	7692215	68	-57	329	252	DD
incl	Diucon	235.0	236.0	1.0	5.7	647384	7692215	68	-57	329	252	DD
HERC762	Diucon	196.0	217.0	21.0	3.2	647418	7692143	68	-55	329	252	DD
incl		203.0	209.0	6.0	8.5	647418	7692143	68	-55	329	252	DD
HERC762	Diucon	225.0	232.0	7.0	0.6	647418	7692143	68	-55	329	252	DD
HERC762	Diucon	242.0	252.0	10.0	1.4	647418	7692143	68	-55	329	252	DD
HERC763	Diucon	57.0	80.0	23.0	1.1	647340	7692284	68	-57	329	252	DD
HERC763	Diucon	86.0	93.0	7.0	0.8	647340	7692284	68	-57	329	252	DD
HERC763	Diucon	128.0	132.0	4.0	0.8	647340	7692284	68	-57	329	252	DD
HERC763	Diucon	138.0	141.0	3.0	2.0	647340	7692284	68	-57	329	252	DD
HERC763	Diucon	154.0	165.0	11.0	0.6	647340	7692284	68	-57	329	252	DD
HERC850DW1	Diucon	142.1	143.0	0.9	2.3	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	216.0	221.0	5.0	0.6	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	238.0	244.0	6.0	1.1	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	293.0	300.5	7.5	0.8	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	311.0	311.9	0.9	2.2	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	319.0	321.0	2.0	2.2	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	359.6	363.0	3.4	0.7	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	394.0	396.0	2.0	1.9	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	412.7	421.0	8.3	3.6	647241	7692134	68	-54	330	565	DD
incl	Diucon	412.7	413.6	0.9	13.7	647241	7692134	68	-54	330	565	DD
incl	Diucon	416.0	417.0	1.0	14.7	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	428.8	429.3	0.5	27.8	647241	7692134	68	-54	330	565	DD
HERC850DW1	Diucon	440.0	447.0	7.0	1.4	647241	7692134	68	-54	330	565	DD
HERC866D	Diucon	357.5	388.0	30.5	1.1	647279	7692064	68	-56	327	575	DD

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
incl	Diucon	361.3	362.2	0.9	8.1	647279	7692064	68	-56	327	575	DD
HERC866D	Diucon	430.0	439.5	9.5	1.2	647279	7692064	68	-56	327	575	DD
HERC866D	Diucon	444.1	448.0	3.9	1.6	647279	7692064	68	-56	327	575	DD
HERC889D	Diucon	376.0	377.0	1.0	2.2	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	441.1	442.8	1.7	1.9	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	448.0	456.0	8.0	1.2	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	461.1	473.0	11.9	0.5	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	481.0	502.0	21.0	1.2	647245	7691990	68	-57	328	602	DD
incl	Diucon	499.0	500.0	1.0	8.9	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	538.0	539.0	1.0	3.0	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	565.4	566.5	1.1	2.3	647245	7691990	68	-57	328	602	DD
HERC889D	Diucon	571.9	572.3	0.4	6.4	647245	7691990	68	-57	328	602	DD
HERC891	Diucon	54.0	69.0	15.0	0.7	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	82.0	83.0	1.0	5.6	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	94.0	99.0	5.0	1.8	647139	7692307	68	-58	330	282	RC
incl	Diucon	95.0	96.0	1.0	5.4	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	109.0	153.0	44.0	2.1	647139	7692307	68	-58	330	282	RC
incl	Diucon	111.0	123.0	12.0	4.5	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	158.0	165.0	7.0	0.9	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	202.0	226.0	24.0	3.0	647139	7692307	68	-58	330	282	RC
incl	Diucon	202.0	203.0	1.0	19.6	647139	7692307	68	-58	330	282	RC
incl	Diucon	214.0	216.0	2.0	11.2	647139	7692307	68	-58	330	282	RC
HERC893	Diucon	52.0	64.0	12.0	2.3	647219	7692169	68	-58	331	216	RC
incl	Diucon	57.0	60.0	3.0	5.7	647219	7692169	68	-58	331	216	RC
HERC893	Diucon	84.0	93.0	9.0	5.3	647219	7692169	68	-58	331	216	RC
incl	Diucon	90.0	92.0	2.0	20.4	647219	7692169	68	-58	331	216	RC
HERC893	Diucon	119.0	120.0	1.0	6.1	647219	7692169	68	-58	331	216	RC
HERC893	Diucon	202.0	204.0	2.0	5.3	647219	7692169	68	-58	331	216	RC
HERC894	Diucon	109.0	114.0	5.0	3.4	647260	7692100	68	-55	329	180	RC
HERC894	Diucon	163.0	165.0	2.0	1.4	647260	7692100	68	-55	329	180	RC
HERC894	Diucon	174.0	177.0	3.0	2.0	647260	7692100	68	-55	329	180	RC
HERC895	Diucon	199.0	203.0	4.0	1.5	647198	7692525	68	-55	334	234	RC
HERC895	Diucon	212.0	219.0	7.0	0.7	647198	7692525	68	-55	334	234	RC
HERC896	Diucon	44.0	60.0	16.0	0.6	647238	7692456	67	-56	330	204	RC
HERC896	Diucon	74.0	84.0	10.0	3.0	647238	7692456	67	-56	330	204	RC
incl	Diucon	74.0	76.0	2.0	10.2	647238	7692456	67	-56	330	204	RC
HERC896	Diucon	91.0	146.0	55.0	1.5	647238	7692456	67	-56	330	204	RC
incl	Diucon	107.0	110.0	3.0	10.0	647238	7692456	67	-56	330	204	RC
HERC897	Diucon	54.0	58.0	4.0	3.3	647278	7692388	68	-55	329	192	RC
HERC897	Diucon	90.0	110.0	20.0	1.7	647278	7692388	68	-55	329	192	RC
incl	Diucon	90.0	93.0	3.0	8.3	647278	7692388	68	-55	329	192	RC
HERC897	Diucon	175.0	192.0	17.0	7.5	647278	7692388	68	-55	329	192	RC
incl	Diucon	179.0	181.0	2.0	52.4	647278	7692388	68	-55	329	192	RC

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
HERC898	Diucon	44.0	54.0	10.0	0.8	647318	7692318	67	-57	334	246	RC
HERC898	Diucon	67.0	72.0	5.0	1.5	647318	7692318	67	-57	334	246	RC
HERC898	Diucon	81.0	94.0	13.0	0.7	647318	7692318	67	-57	334	246	RC
HERC898	Diucon	112.0	114.0	2.0	1.5	647318	7692318	67	-57	334	246	RC
HERC898	Diucon	132.0	133.0	1.0	4.6	647318	7692318	67	-57	334	246	RC
HERC898	Diucon	144.0	147.0	3.0	1.0	647318	7692318	67	-57	334	246	RC
HERC899	Diucon	50.0	52.0	2.0	1.3	647358	7692249	68	-55	329	66	RC
HERC951DW1	Diucon	358.0	428.9	70.9	2.0	647061	7692125	68	-55	331	576	DD
incl	Diucon	381.0	382.0	1.0	19.8	647061	7692125	68	-55	331	576	DD
incl	Diucon	398.3	398.7	0.4	45.4	647061	7692125	68	-55	331	576	DD
HERC951DW1	Diucon	441.6	442.0	0.4	13.5	647061	7692125	68	-55	331	576	DD
HERC951DW1	Diucon	467.7	473.6	5.9	0.8	647061	7692125	68	-55	331	576	DD

Table 2: Selected Intercepts - 0.3g/t Au lower cut, 10m maximum internal waste, >20gm

Selected Intercepts - 0.3g/t Au lower cut, 10m maximum internal waste, >20gm

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
HERC746	Diucon	77.0	117.0	40.0	1.2	647498	7692330	68	-55	330	258	RC
HERC761	Diucon	108.0	138.0	30.0	2.7	647384	7692215	68	-57	329	252	DD
HERC761	Diucon	176.0	252.0	76.0	0.5	647384	7692215	68	-57	329	252	DD
HERC762	Diucon	196.0	252.0	56.0	1.6	647418	7692143	68	-55	329	252	DD
HERC763	Diucon	56.0	93.0	37.0	0.9	647340	7692284	68	-57	329	252	DD
HERC763	Diucon	104.0	166.0	62.0	0.4	647340	7692284	68	-57	329	252	DD
HERC850DW1	Diucon	411.0	429.3	18.3	2.4	647241	7692134	68	-54	330	565	DD
HERC866D	Diucon	356.7	404.0	47.4	0.8	647279	7692064	68	-56	327	575	DD
HERC866D	Diucon	423.0	463.6	40.6	0.6	647279	7692064	68	-56	327	575	DD
HERC889D	Diucon	441.1	510.0	68.9	0.7	647245	7691990	68	-57	328	602	DD
HERC891	Diucon	82.0	179.0	97.0	1.3	647139	7692307	68	-58	330	282	RC
HERC891	Diucon	195.0	226.0	31.0	2.4	647139	7692307	68	-58	330	282	RC
HERC893	Diucon	52.0	97.0	45.0	1.8	647219	7692169	68	-58	331	216	RC
HERC896	Diucon	32.0	146.0	114.0	1.2	647238	7692456	67	-56	330	204	RC
HERC897	Diucon	51.0	110.0	59.0	0.9	647278	7692388	68	-55	329	192	RC
HERC897	Diucon	160.0	192.0	32.0	4.1	647278	7692388	68	-55	329	192	RC
HERC898	Diucon	44.0	94.0	50.0	0.6	647318	7692318	67	-57	334	246	RC
HERC951DW1	Diucon	358.0	428.9	70.9	2.0	647061	7692125	68	-55	331	576	DD

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Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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 (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• All drilling and sampling was undertaken in an industry standard manner • Core samples were collected with a diamond rig drilling mainly NQ2 diameter core. • After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. HQ and PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. • Sample weights ranged from 2-4kg • RC holes were sampled on a 1m basis with samples collected from a cone splitter mounted on the drill rig cyclone. 1m sample ranges from a typical 2.5-3.5kg • Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles. Sample weights ranges from around 1-3kg. • The independent laboratory pulverises the entire sample for analysis as described below. • Industry prepared independent standards are inserted approximately 1 in 20 samples. • The independent laboratory then takes the samples which are dried, split, crushed and pulverized prior to analysis as described below. • Sample sizes are considered appropriate for the material sampled. • The samples are considered representative and appropriate for this type of drilling. Diamond core and RC samples are appropriate for use in a resource estimate.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• Diamond core diameters are - NQ2 (51mm), HQ3 (61mm), PQ (85mm). • Reverse Circulation (RC) holes were drilled with a 5 1/2-inch bit and face sampling hammer. • Aircore holes were drilled with an 83mm diameter blade bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Core recovery is measured for each drilling run by the driller and then checked by the Company geological team during the mark up and logging process. • RC and aircore samples were visually assessed for recovery. • Samples are considered representative with generally good recovery. Deeper RC and

Criteria	JORC Code explanation	Commentary
		aircore holes encountered water, with some intervals having less than optimal recovery and possible contamination. • No sample bias is observed.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• The entire hole has been geologically logged and core was photographed by Company geologists, with systematic sampling undertaken based on rock type and alteration observed • RC and diamond sample results are appropriate for use in a resource estimation, except where sample recovery is poor. • The aircore results provide a good indication of mineralisation but are not used in resource estimation.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core samples were collected with a diamond drill rig drilling NQ2, HQ3 or PQ diameter core. After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. HQ and PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. • RC sampling was carried out by a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m basis in bedrock and 4m composite basis in cover. • Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles. • Industry prepared independent standards are inserted approximately 1 in 20 samples. • Each sample was dried, split, crushed and pulverised. • Sample sizes are considered appropriate for the material sampled. • The samples are considered representative and appropriate for this type of drilling • Core and RC samples are appropriate for use in a resource estimate. • Aircore samples are generally of good quality and appropriate for delineation of geochemical trends but are not generally used in resource estimates.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The samples were submitted to a commercial independent laboratory in Perth, Australia. • For diamond core and RC samples Au was analysed by a 50g charge Fire assay fusion technique with an AAS finish and multi-elements by ICPAES and ICPMS • Aircore samples were analysed for Au using 25g aqua regia extraction with ICPMS finish and multi-elements by ICPAES and ICPMS using aqua regia digestion • The techniques are considered quantitative in nature. • As discussed previously certified reference standards were inserted by the Company and the laboratory also carries out internal standards in individual batches • The standards and duplicates were considered satisfactory
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Sample results have been merged by the company's database consultants. • Results have been uploaded into the company database, checked and verified. • No adjustments have been made to the assay data. • Results are reported on a length weighted basis.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Diamond and RC drill hole collar locations are located by DGPS to an accuracy of +/-10cm. • Aircore hole collar locations are located by DGPS to an accuracy of +/-10cm., or by handheld GPS to an accuracy of 3m. • Locations are given in GDA94 zone 50 projection • Diagrams and location table are provided in the report • Topographic control is by detailed airphoto and Differential GPS data.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill spacing varies from 80m x 40m to 320m x 80m. • All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation. • It has not yet been determined if data spacing and distribution of RC and diamond drilling is sufficient to provide support for the results to be used in a resource estimate. • Sample compositing has not been applied except in reporting of drill intercepts, as described in this Table
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The drilling is believed to be approximately perpendicular to the strike of mineralisation where known and therefore the sampling is considered representative of the mineralised zone. • In some cases, drilling is not at right angles to the dip of mineralised structures and as such true widths are less than downhole widths.

Criteria	JORC Code explanation	Commentary
		This is allowed for when geological interpretations are completed.
Sample security	• *The measures taken to ensure sample security.*	• Samples were collected by company personnel and delivered direct to the laboratory via a transport contractor.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been completed. Review of QAQC data has been carried out by database consultants and company geologists.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• Drilling occurs on various tenements held by De Grey Mining Ltd or its 100% owned subsidiaries. • The Hemi Prospect is approximately 60km SSW of Port Hedland.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenements have had various levels of previous surface geochemical sampling and wide spaced aircore and RAB drilling by De Grey Mining. Limited previous RC drilling was carried out at the Scooby Prospect. Airborne aeromagnetics/radiometrics has been flown previously.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation style is not well understood to date but is thought to be hydrothermally emplaced gold mineralisation within structures and intrusions. Host rocks comprise igneous rocks intruding Mallina Basin metasediments. Style is similar to some other Western Australian gold deposits.
Drill hole Information	• *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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *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.*	• Drill hole location and directional information provide in the report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of*	• Results are reported to a minimum cutoff grade of 0.5g/t gold with an internal dilution of 4m maximum. • Higher grade intervals included in the above intercepts are reported at a 3g/t Au lower cut

Criteria	JORC Code explanation	Commentary
	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. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	with an internal dilution of 2m maximum. • Wider intervals are aggregated using a 0.3g/t Au lower cut with an internal dilution of 10m maximum. Selected results over 20 gram x metres are reported using this method. • Intercepts are length weighted averaged. • No maximum cuts have been made.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• The drill holes are interpreted to be approximately perpendicular to the strike of mineralisation. • Drilling is not always perpendicular to the dip of mineralisation and true widths are less than downhole widths. Estimates of true widths will only be possible when all results are received, and final geological interpretations have been completed.
Diagrams	• *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.*	• Plans and sections are provided in the report.
Balanced reporting	• *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.*	• All drill collar locations are shown in figures and all significant results are provided in this report. • The report is considered balanced and provided in context.
Other substantive exploration data	• *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.*	• Drilling is currently widely spaced and further details will be reported in future releases when data is available.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Follow up aircore drilling will be undertaken to test for strike extensions to mineralisation. • Programs of follow up RC and diamond drilling aimed at extending resources at depth and laterally are underway.