

ASX Announcement 08 June 2017

Progress Update Pilbara Gold Project

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide the following update on progress at its Pilbara Gold Project (Figure 1) in Western Australia.

Mallina Prospect RC Program

Drilling is progressing well with approximately 5,500m of the initial 6,000m program completed (Figure 2). Samples are progressively being submitted to the laboratory with the majority of the 4m composite assay results expected to be received during June.

Scoping Study

The open pit scoping study is close to completion with final reporting from the independent consultants in progress.

Details of the scoping study will be announced once the final report is received and management reviews are completed.

Work Program for June-July Period

Resource Drilling

The RC drill rig will soon move to the Withnell Trend where a program of approximately 4,000m is designed to test a range of targets. These include:

- confirmation drilling to validate the existing resource models;
- resource extension drilling of other walk-up targets associated with previous significant drill hole intersections including those noted below:

7*m* at 1.59g/t Au, 17*m* at 2.07g/t Au, 38*m* at 1.07g/t Au, 6*m* at 5.32g/t Au and 16*m* at 2.01g/t Au (refer De Grey Mining Limited ASX release 3 April 2017)

Diamond Drilling for metallurgical purposes

Wide diameter diamond drilling is scheduled to commence as soon as practical to obtain representative samples of oxide, transitional and fresh mineralisation for detailed metallurgical testwork.

ASX Code DEG

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Pilbara Gold Project – Unlocking Shareholder Value





Figure 1 Pilbara Gold Project, showing prospect locations.

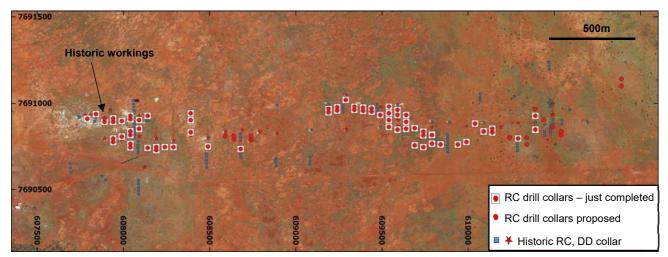


Figure 2 Mallina RC collars.

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The information in this report that relates to Exploration Results for the Turner River Project and Indee Gold Project is based on, and fairly represents information and supporting documentation compiled by Mr Philip Tornatora, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Tornatora is a consultant to 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.