

**ASX Announcement**  
30 August 2017

ASX Code DEG  
FRA Code WKN 633879

ABN 65 094 206 292

**DIRECTORS**

Simon Lill

**Executive Chairman**

Davide Bosio

**Non-executive Director**

Steve Morris

**Non-executive Director**

**MANAGEMENT**

Craig Nelmes

**Company Secretary/CFO**

Andy Beckwith

**Operations Manager**

Phil Tornatora

**Exploration Manager**

**CONTACT DETAILS**

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## Over-subscribed Share Placement

### Highlights

- Firm commitments received for A\$2.9M (before costs) in an oversubscribed share placement to sophisticated and professional investors
- A\$2.6M to be raised via the issue of 52.2M shares at \$0.05 per share (incl. a free 1 for 2 DEGO option) with a further tranche of \$0.3M to be raised subject to shareholder approval to Directors and Key Management (on the same terms)
- The issue has been managed through DJ Carmichael Pty Limited (DJC)
- Corporate Resource Consultants (CRC) to be appointed as corporate advisors
- The funds are to be utilized to further enhance De Grey's Pilbara Gold Project, through:
  - Exploration of Conglomerate Hosted Gold Targets
  - Drilling of additional Gold Targets
  - Drilling of Lithium Pegmatite Targets
  - Pre -Feasibility work

De Grey Executive Chairman, Mr. Simon Lill, said that: *“We are pleased to see further recognition of the De Grey teams’ efforts in taking the Pilbara Gold Project to its current status of over 1M ounces of resources. We have achieved a lot since the option to acquire the Indee gold project was finalised and this is proven via the strong support for this raising and the introduction of key investors who understand the potential of the project. This is an extremely satisfying outcome for the Board and we look forward to working with CRC into the future as we continue to update the market in relation to our exciting exploration initiatives.”*

De Grey Mining Limited (ASX: “DEG”) (“De Grey” “Company”) wishes to announce that it has received firm commitments for a heavily oversubscribed placement to sophisticated and professional investors to raise \$2.9M, as follows:

52.2 M shares at an issue price of \$0.05 per share for total consideration of \$2.6M. This placement will be completed pursuant to the Company’s issuing capacity under Listing Rules 7.1 (31,333,735 available) and 7.1A (20,889,156 available) at the upcoming allotment date.

- Additionally, the De Grey Board and Key Management have agreed to subscribe for an additional \$0.31M (6.2 Million shares) subject to approval by shareholders at a forthcoming General Meeting.
- All shares will be issued with a 1 for 2 free attaching listed option (ASX: DEGO), exercisable at \$0.10 in November 2018. These options are also subject to approval by shareholders at a forthcoming General Meeting.

The funds are to be utilized to further enhance De Grey’s Pilbara Gold Project, through:

- **Exploration on Conglomerate Hosted Gold Targets** – mapping and sampling of the 12km long prospective Witwatersrand style gold target along the base of the Mount Roe Basalt work around recent Novo applications.
- **Drilling of additional Gold Targets** – RC and diamond drilling programs will include resource infill and extensions at advanced gold prospects including Mt Berghaus, Amanda, Mallina and Toweranna. Additional aircore drilling is currently being planned to test priority gold targets along the Mallina Shear, Tabba Tabba Thrust and targets within the new joint venture area.
- **Drilling of Lithium Pegmatite Targets** - RC drilling planned to initially test the 2km long lithium in soil anomaly at the King Col pegmatite target. Additional soil sampling and follow-up drilling to target the remaining untested 5km of this pegmatite subject to positive results.
- **Metallurgical Testwork** – detailed metallurgical testwork to advance understanding of gold recovery at each deposit with a particular focus on fresh bedrock recoveries related to the sulphide mineralisation.
- **Pre-Feasibility work** – detailed evaluation of the proposed processing plant flowsheet, design and costings. Additional work to include pit optimization work on any new resources, mine planning and design aspects, mining lease applications and advancement of other feasibility related studies including power, environmental and hydrology.
- **General Working Capital** – the funds will also be used as general working capital to advance the overall exploration and development of the Pilbara Gold Project, company administration and corporate requirements.

Corporate Resource Consultants (“CRC”) in Mt Hawthorn, Western Australia are to be appointed as corporate advisers for the company to assist with independent advice as to development options, future funding and strategies. This advisory will continue through until the end of the current financial year, 30 June 2018. CRC will be issued 12M unlisted options exercisable at \$0.10 per option in 3 years from issue date ~ October 2020, subject to approval by shareholders at a forthcoming General Meeting.

**For further information:**

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or Andy Beckwith (Geology Manager)**

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