

ASX Announcement
2 November 2017

ASX Code DEG
FRA Code WKN 633879

ABN 65 094 206 292

DIRECTORS/MANAGEMENT

Simon Lill

Executive Chairman

Andy Beckwith

**Technical Director &
Operations Manager**

Steve Morris

Non-executive Director

Brett Lambert

Non-executive Director

Craig Nelmes

Company Secretary/CFO

Phil Tornatora

Exploration Manager

CONTACT DETAILS

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Investor Presentation – November 2017

De Grey Mining Limited (“De Grey”) is pleased to release its Updated Investor Presentation titled “*Australia’s Pilbara Goldrush - De Grey underpinned by 1.2Moz Au*”.

De Grey Technical Director Mr Andy Beckwith will be making a number of presentations and undertaking marketing activities through Europe over the next two weeks, and most specifically at the 2017 Precious Metals Summit in Zurich on 7 and 8 of November 2017.

Further, Executive Chairman Simon Lill will also be presenting at the Precious Metals Investment Symposium in Melbourne on 9 and 10 of November 2017.

For further information:

Simon Lill (Executive Chairman) or Andy Beckwith (Technical Director)

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DE GREY
MINING LTD

***“Australia’s Pilbara Goldrush”
De Grey underpinned by 1.2Moz Au***

ASX Code : DEG

November 2017

Andy Beckwith

FRA Code : WKN 633879



De Grey backed by 1.2Moz Au



Pilbara Gold Project, Australia

- ✓ **Low risk Australian gold asset +1.2Moz Au and growing**
- ✓ **Near term development opportunity**
 - **Positive economics** –Open Pit Scoping Study 1Mtpa @ ~60kozpa for 5yr
 - **Strategy to improve economics** -Target 1.5Mtpa @ ~100,000ozpa for 7yr
 - **Increasing resources** through organic exploration and corporate activity
- ✓ **Advanced High Grade Gold targets**
 - **3 x Conglomerate Gold Targets** – Loudens, Jarret and Steel Well
 - **High Grade Basement Targets** – Blue Moon, Toweranna, Farno JV
 - **Aggressive drill programs**
- ✓ **Upside from new lithium pegmatite drilling and zinc resources**
- ✓ **\$5M investment by Kirkland Lake Gold** (subject to shareholder approval AGM Nov 2017)

Corporate Summary



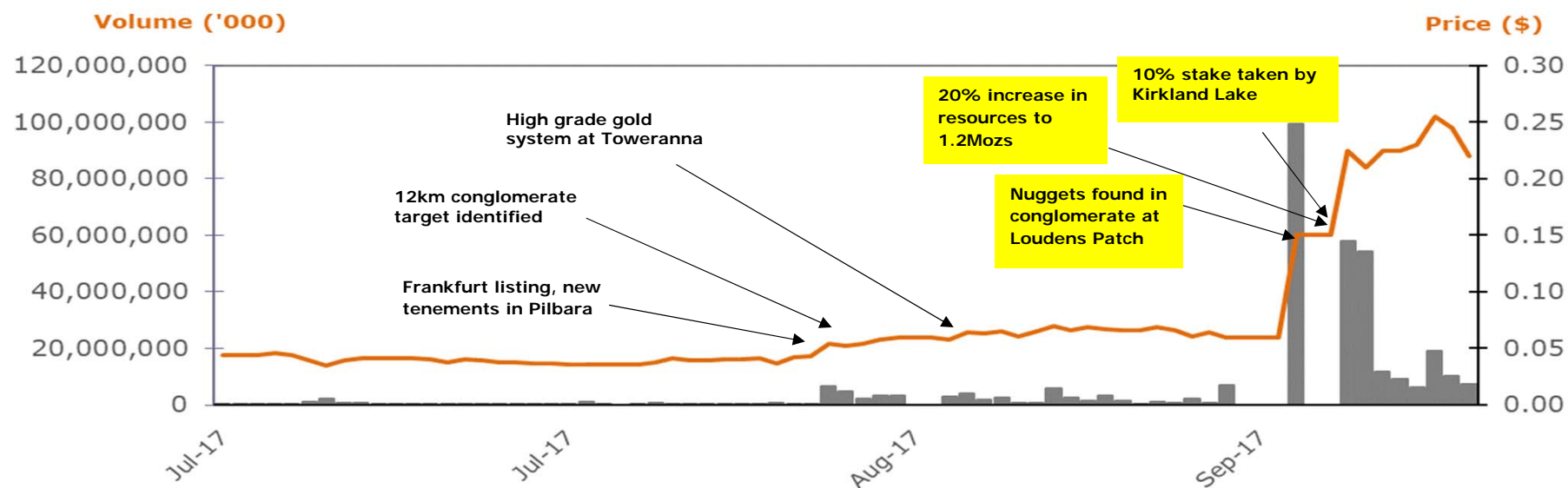
Board & Management	Capital Structure (30 Oct 2017)	
Simon Lill - Exec Chairman	Ordinary Shares	273.8M
Andy Beckwith - Exec Technical (Geologist)	Listed Options (\$0.10, 30/11/18)	23.6M
Steve Morris - NED	Unlisted Options (Various)	28.8M
Brett Lambert - NED (Mining Engineer)	Market Cap (\$0.22)	\$60.0M
	Share Price	\$0.22
Craig Nelmes – Company Secretary/CFO	Cash	~2.5M
Phil Tornatora - Exploration Manager	Enterprise Value	\$57.5M

\$5M Kirkland Lake Gold Placement*

announced 2 October 2017
 (*subject to DEG shareholder approval at November 2017 AGM)

33,333,333 Shares @ \$0.15 for \$5.0M
 33,333,333 Options @ \$0.20 for \$6.7M

Expect cash reserves ~\$8M in early DEC

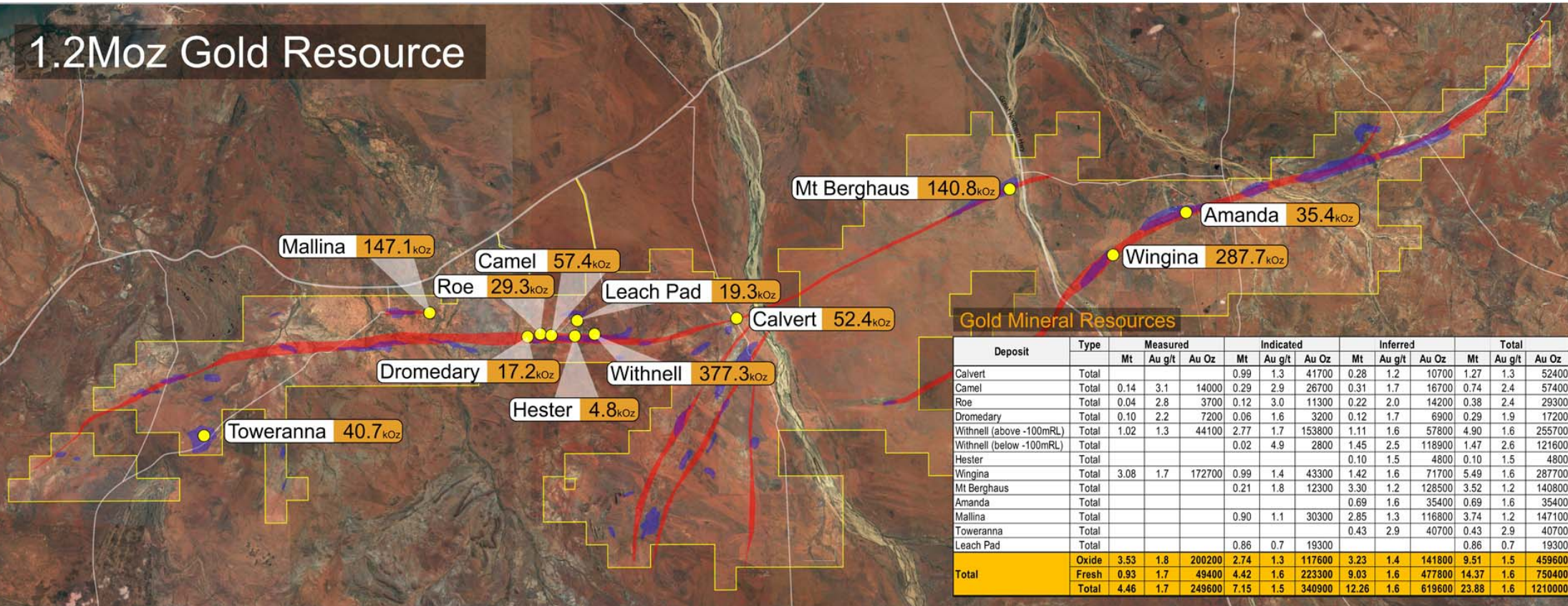


Pilbara Gold Project – Resources and Growth



1.2Moz Gold Resource underpins current valuation with excellent exploration upside

1.2Moz Gold Resource



Resources = 1.2Moz @ \$34/oz* = \$41.1M for Explorers and Developers

@ \$78/oz* = \$94.4M for Miner

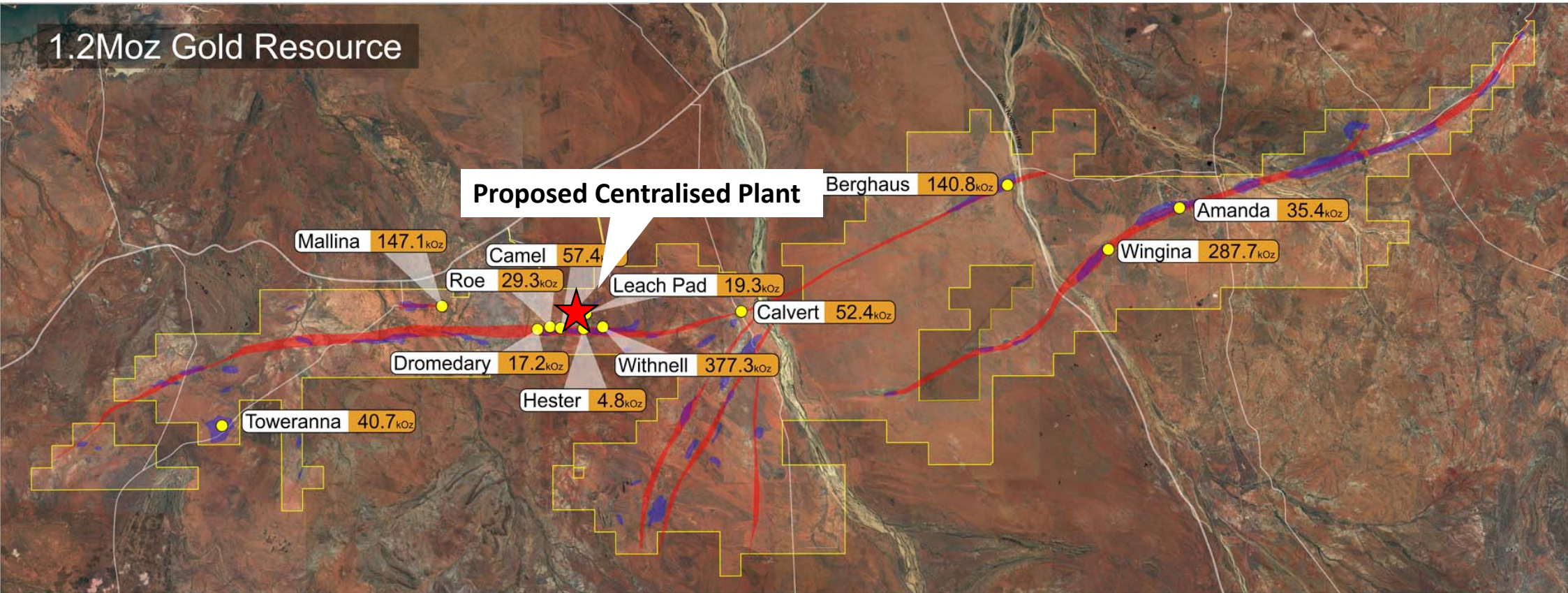
Reserve @ \$284/oz

* Average valuation for industry gold resources from PCF Capital "Resources Thermometer, October 2017"

Pilbara Gold Project – Economics



Positive economics - Open Pit Scoping Study 1Mtpa @ ~60kozpa for 5yr (based on 1.0Moz resource)



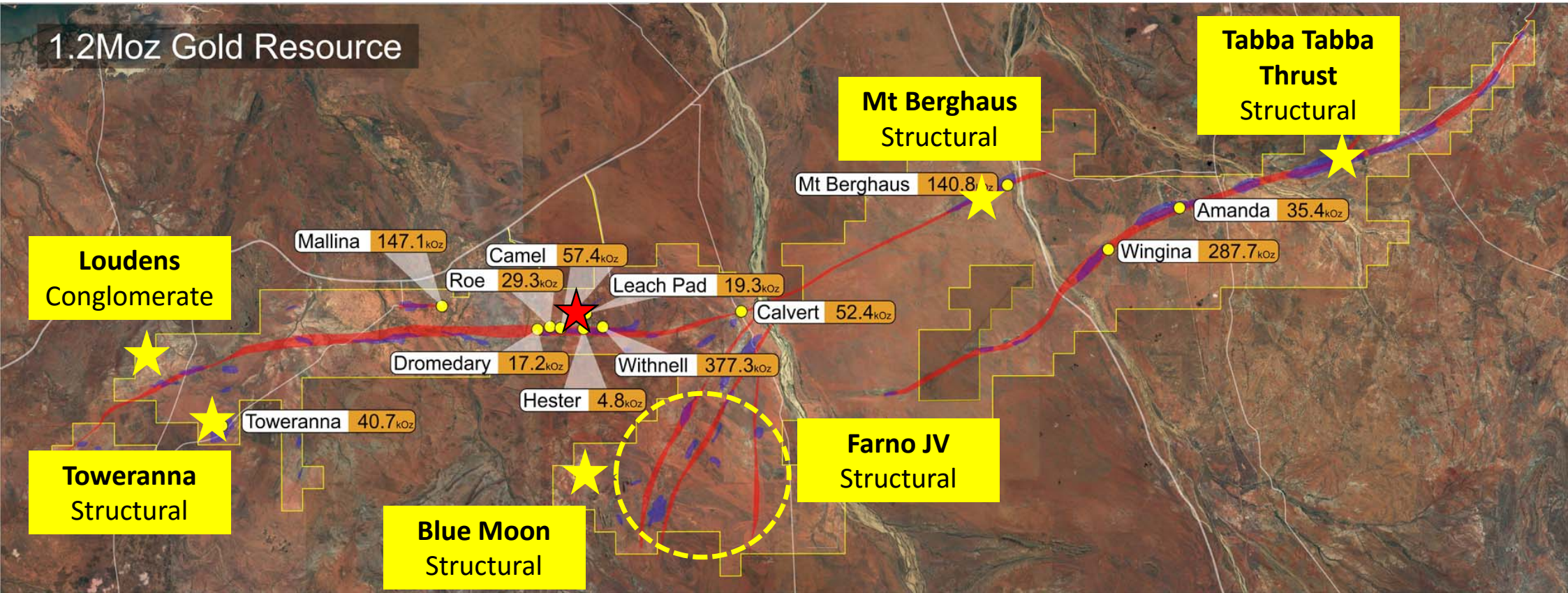
How do we improve economics?

Additional resources, higher grade resources, larger throughput and lower unit costs, increased mine life

Pilbara Gold Project – Resource Targets



Near term resource targets include Conglomerate Gold and High Grade Structural Targets



Conglomerate Gold – Pilbara Goldrush



Potential for multi-million ounce and high grade deposits

De Grey's Loudens Patch gold nuggets



De Grey confirms three gold targets with nuggets shedding from conglomerate within last 5 weeks

Watermelon seed shaped nuggets

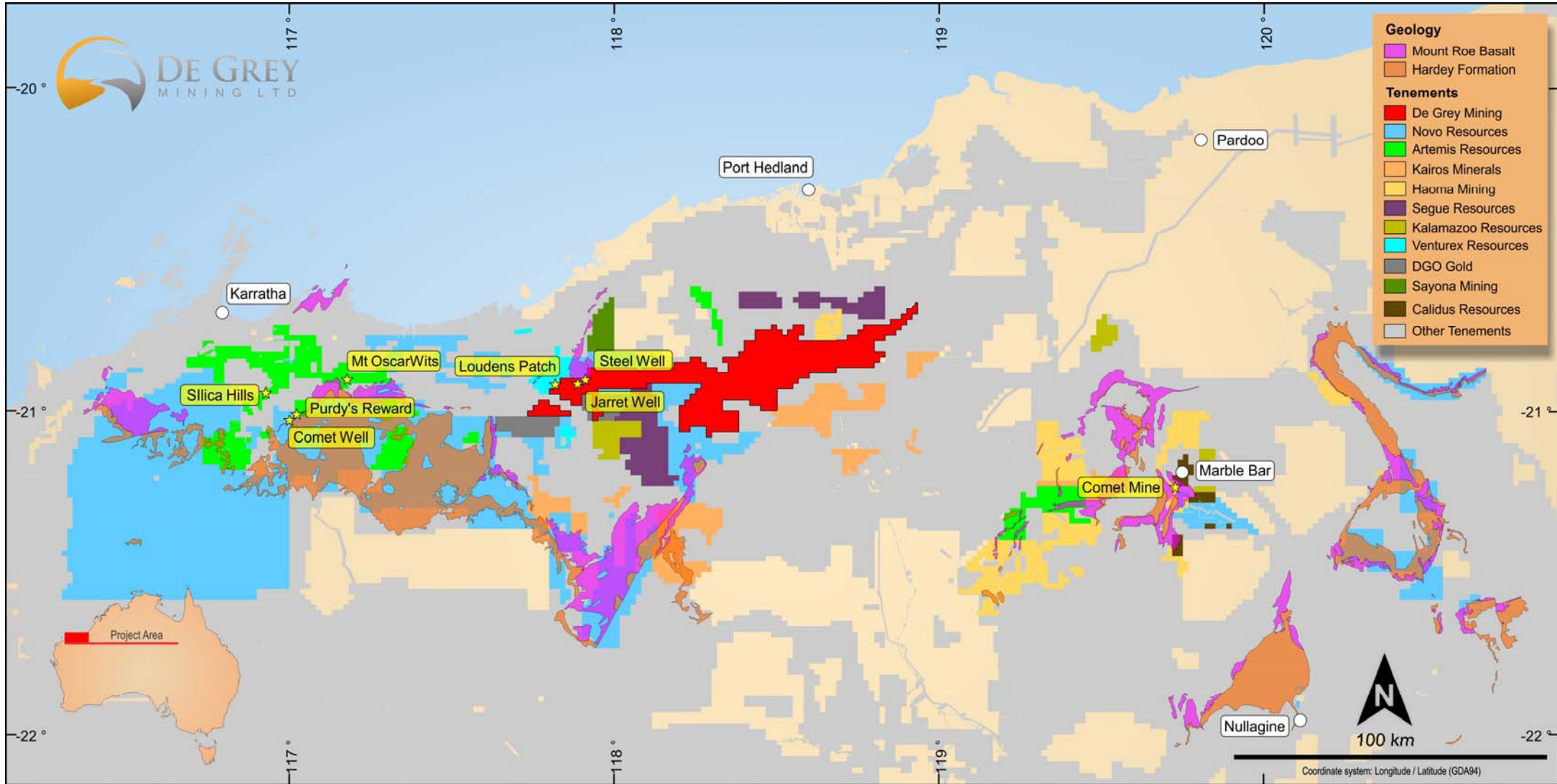


Goldrush started with prospectors metal detecting
Novo/Artemis discovery at Purdy's Reward

- ✓ Numerous waterworn and "watermelon seed" shaped gold nuggets discovered in conglomerate
- ✓ **Comparison to Witwatersrand deposits** – large, high grade, same geological age, conglomerate hosted
- ✓ Novo massive land grab
- ✓ Bulk test sampling **indicative grade >60g/t**
- ✓ Novo drilling now
- ✓ **Novo Market Cap > \$1Billion**
- ✓ **Potential for multi-million ounce deposits**

Other companies now scrambling to acquire landholdings

Conglomerate Gold – Pilbara Goldrush

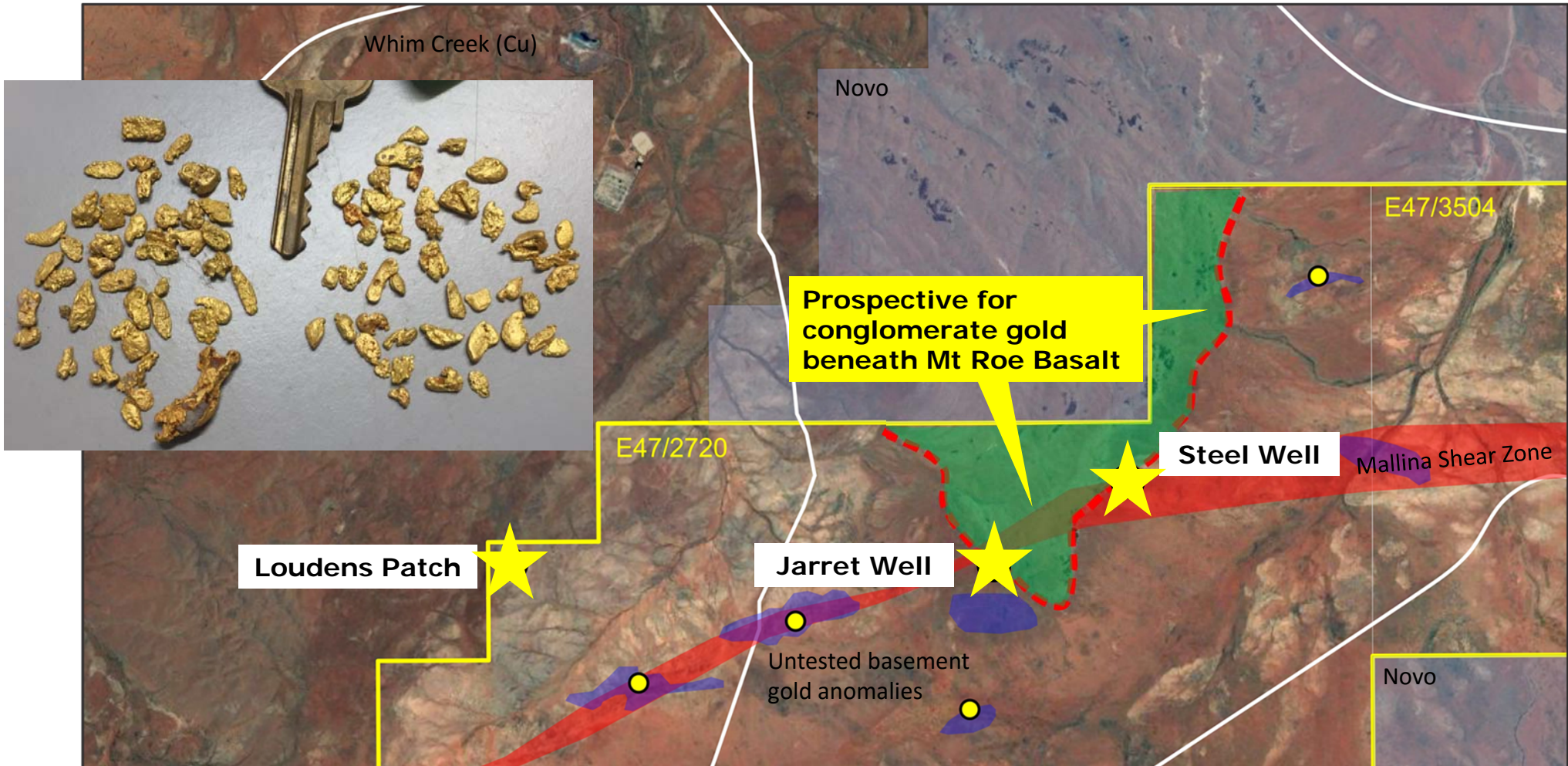


3 Conglomerate Gold Targets Confirmed



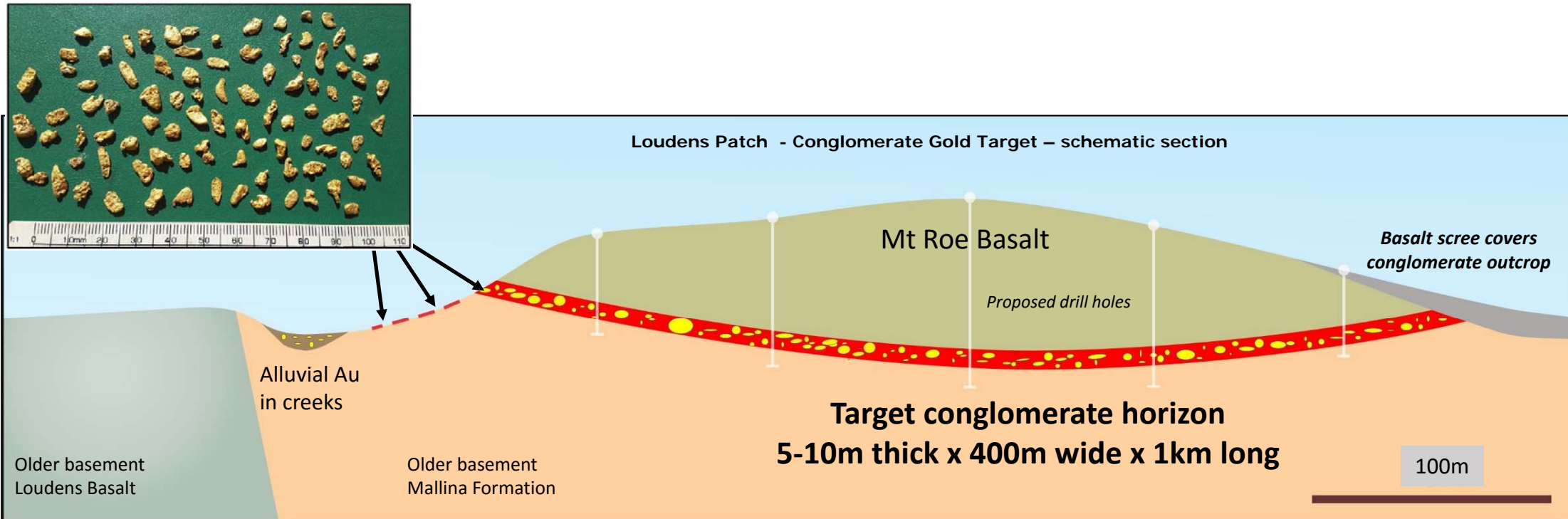
Water melon seed shaped gold nuggets shedding from conglomerate outcrops

Similar to Purdy's Reward (Novo/Artemis), 130km to west near Karratha

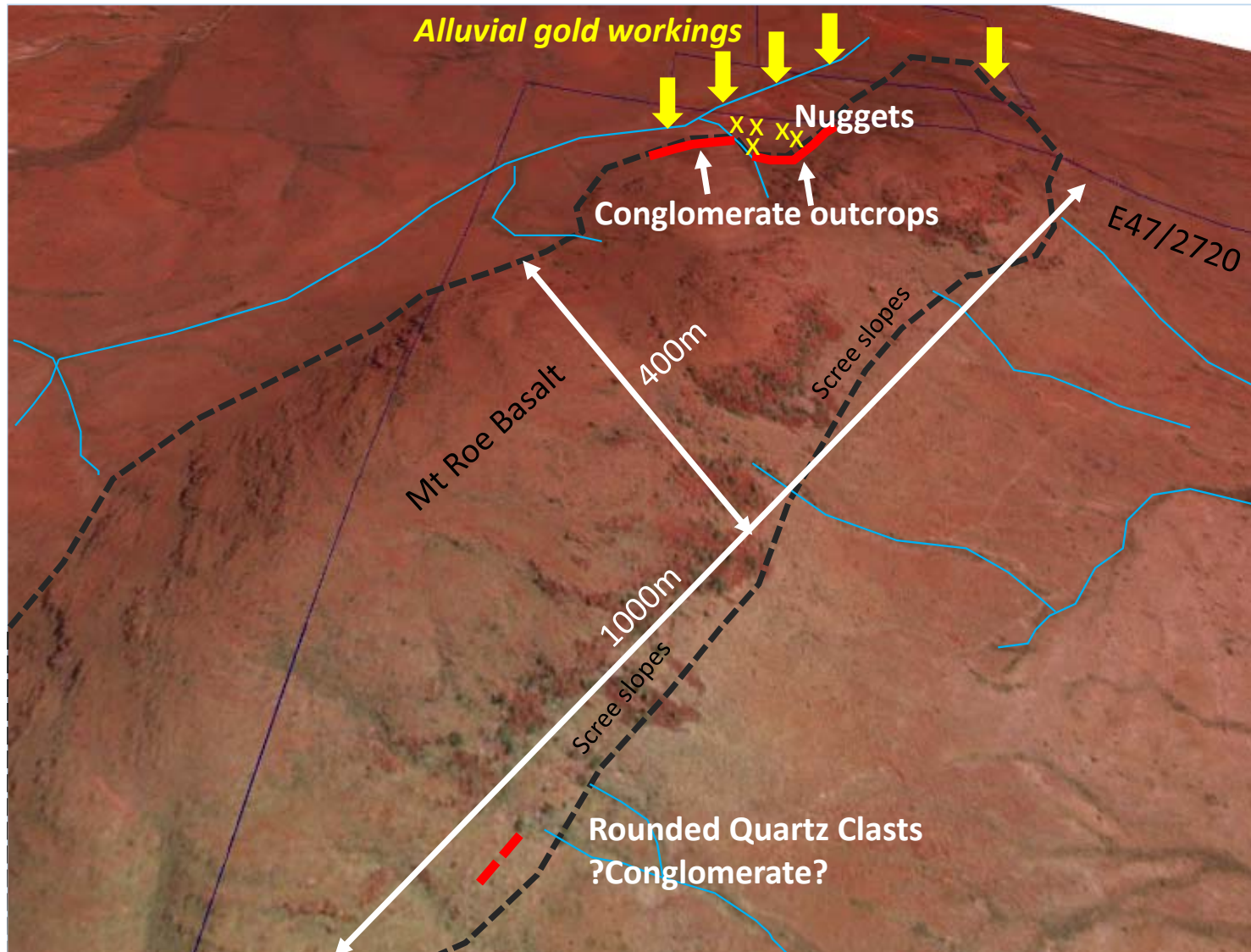


Loudens Patch - Conglomerate Gold

>100 gold nuggets detected downslope from shallow dipping to flat lying conglomerate, flattened “watermelon seed” shaped nuggets with pitted texture

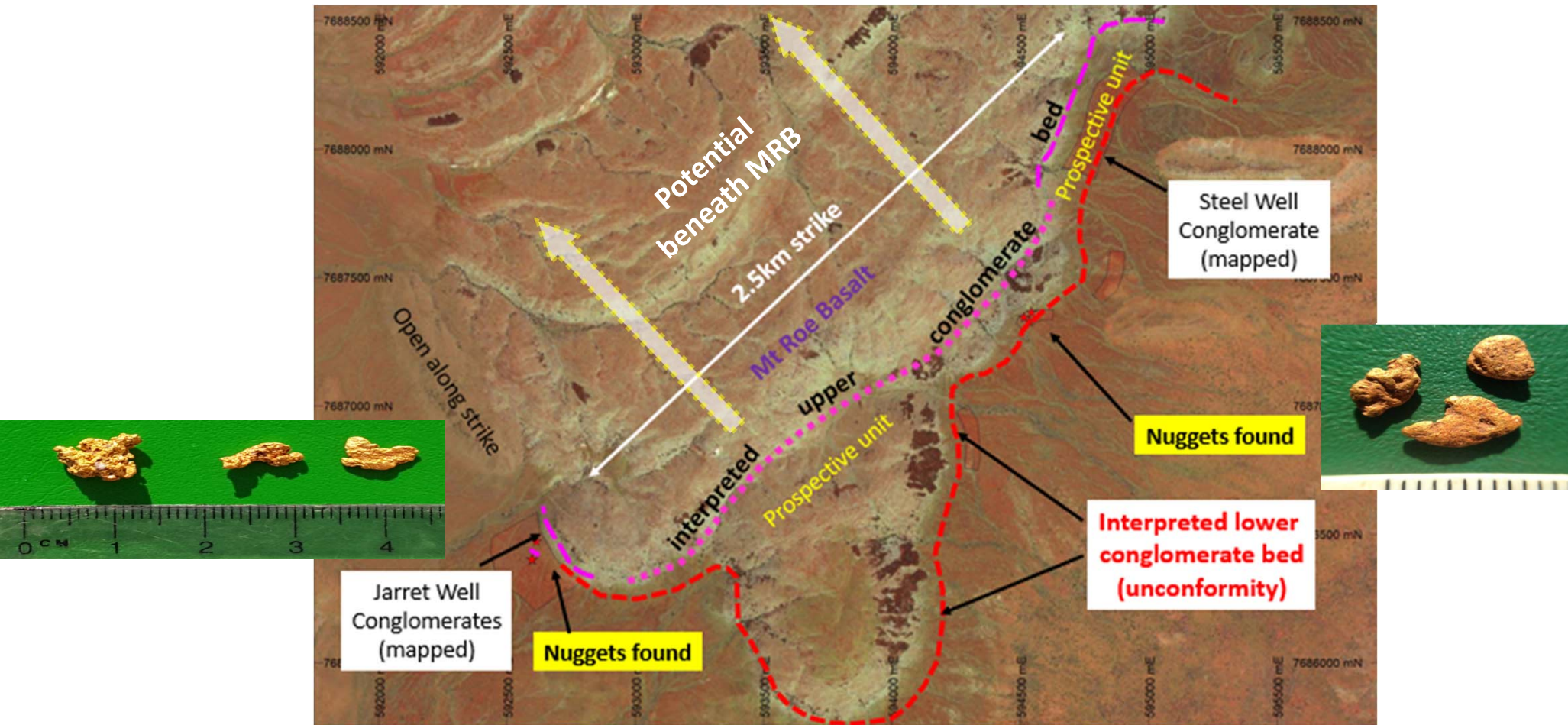


Loudens Patch - Conglomerate Gold



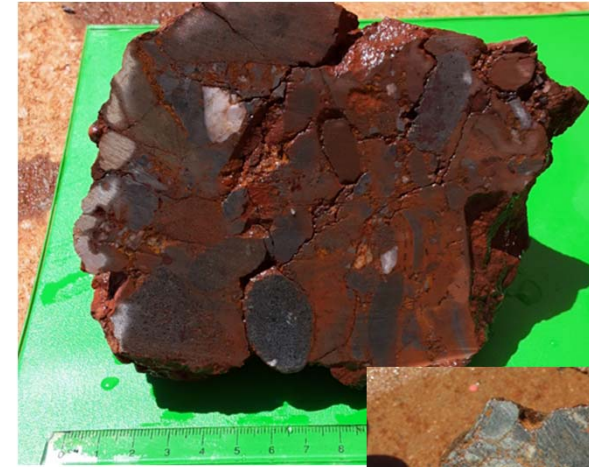
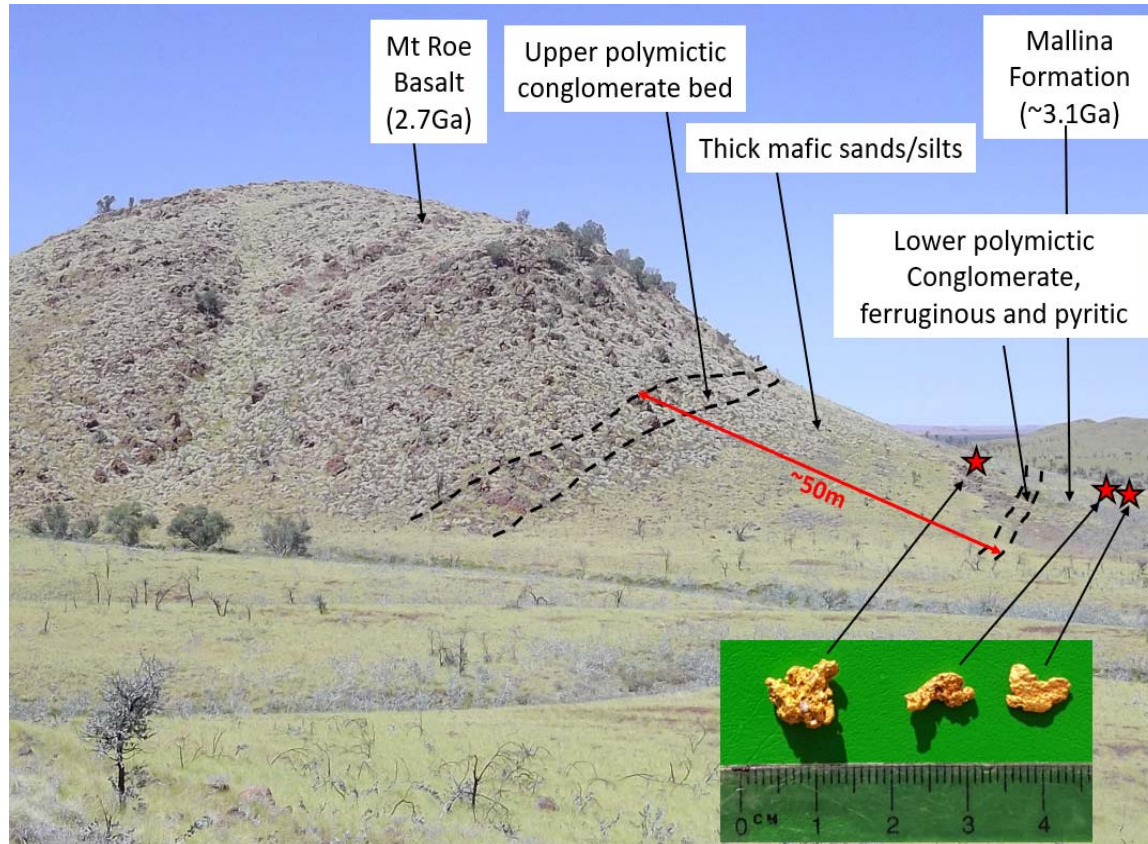
New Conglomerate Gold Potential Confirmed

Large scale (>10km²), thick (~80m) outcropping conglomerates with nuggets dipping below Mt Roe Basalt



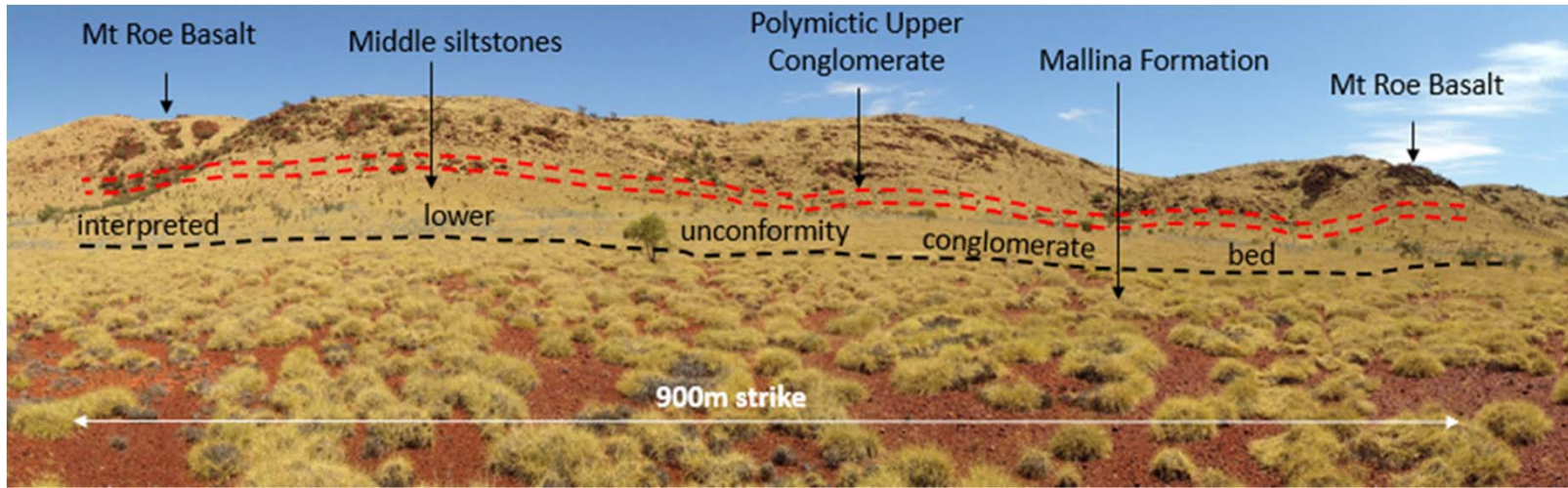
Jarret Well - Conglomerate Gold

Panoramic view looking southeast



Steel Well - Conglomerate Gold

Panoramic view looking west



Gold nuggets 500m south



Fine sediments



Angular conglomerate

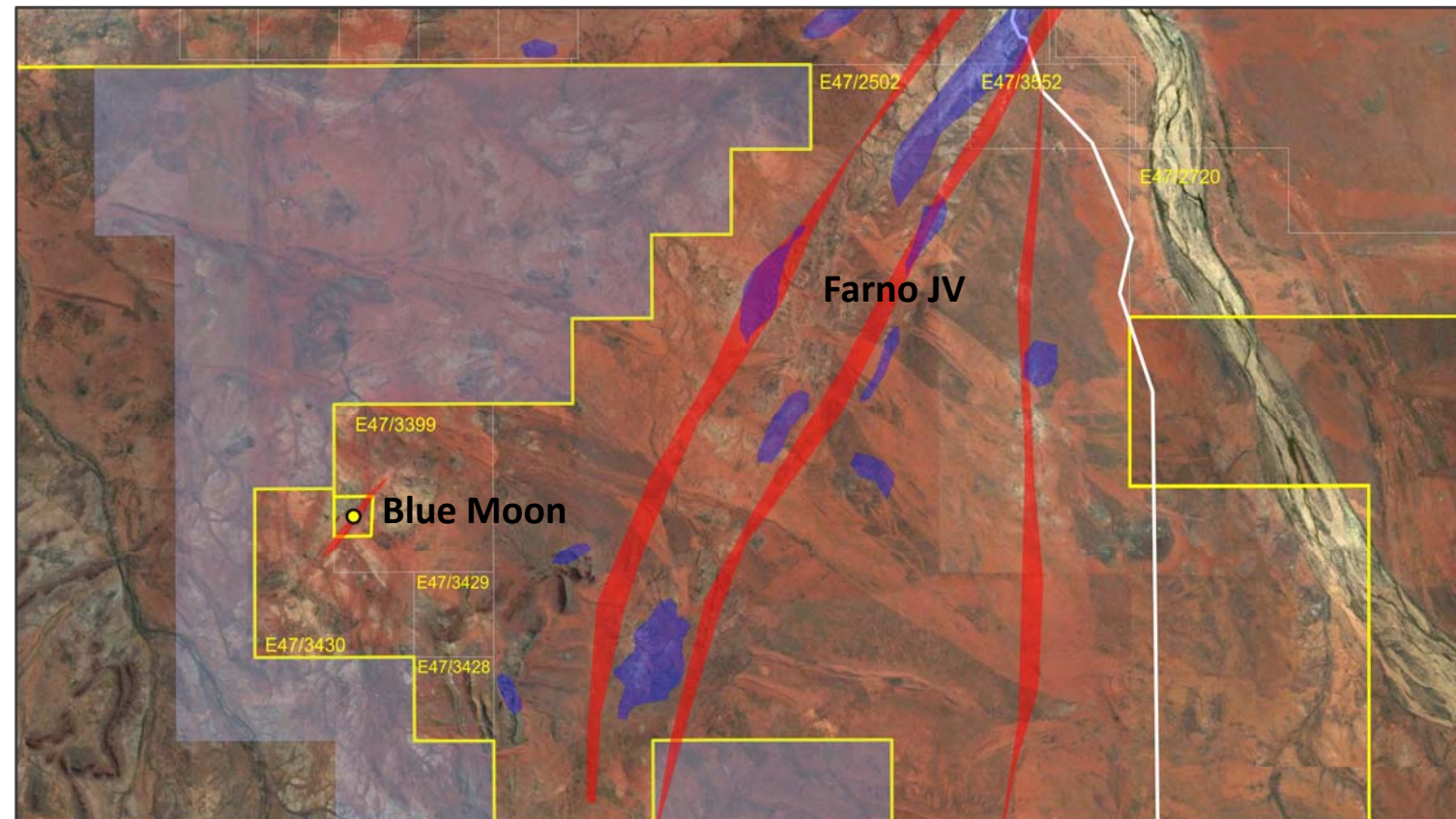


Coarse conglomerate

High Grade Structural Targets

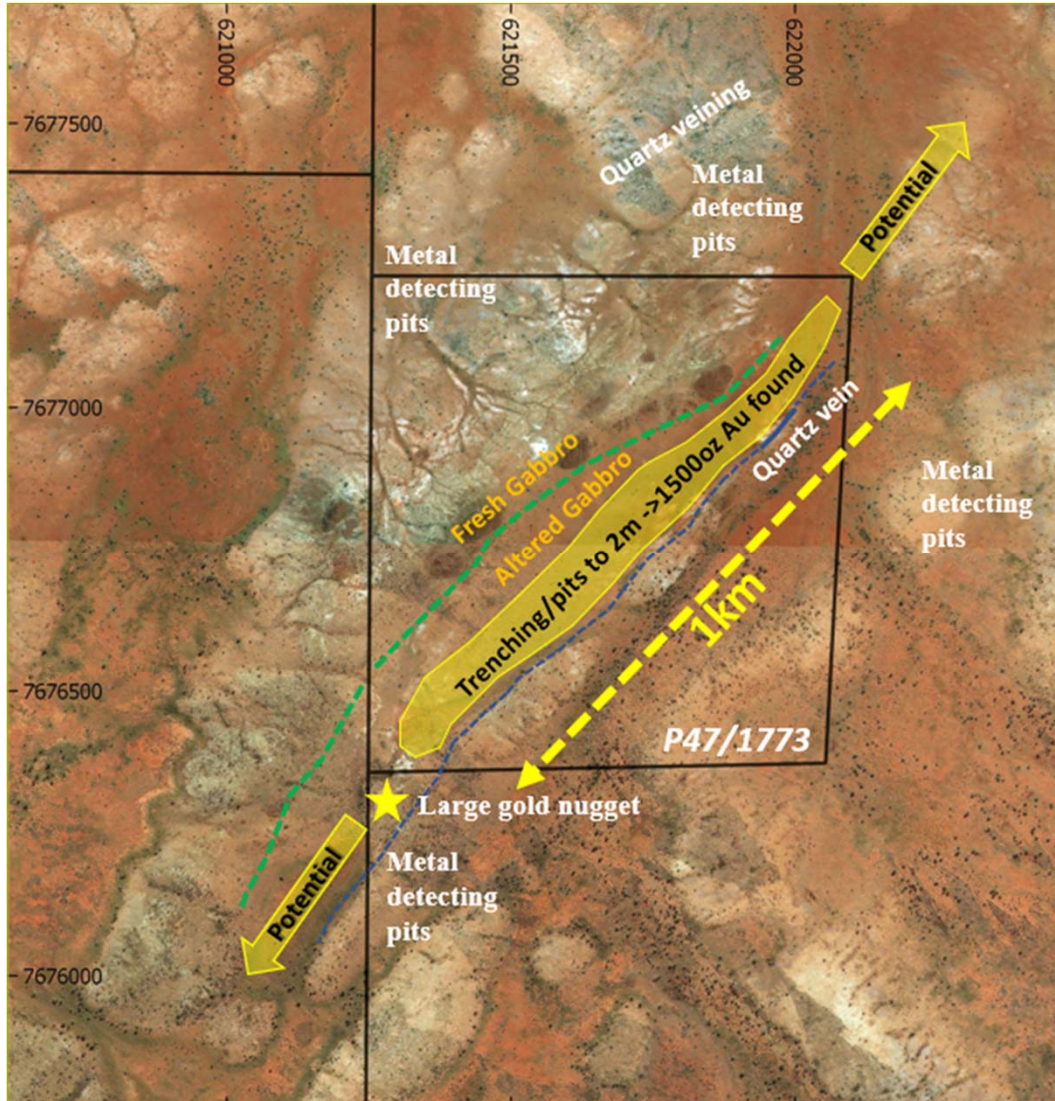
Stunning crystalline gold and quartz from Blue Moon and extensive gold anomalies in Farno JV area

Specimen approx 7cm in length with a total weight of 110g



"This would have to be the most spectacular and richest gold veining and nuggets I have ever seen in my whole career."
Andy Beckwith,

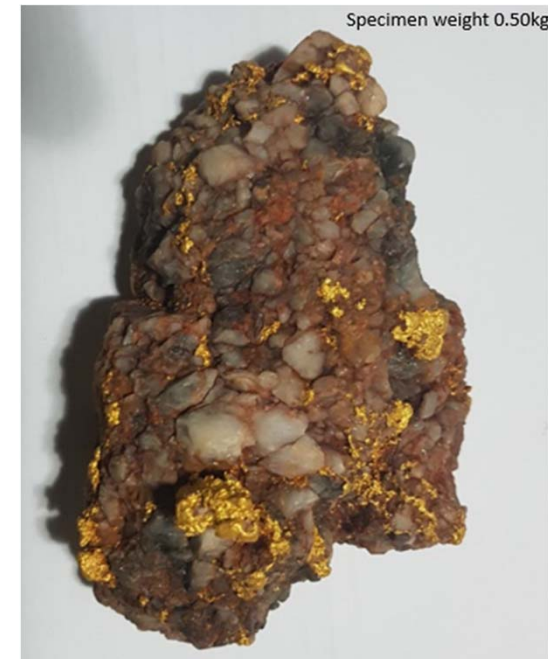
High Grade Structural Targets – Blue Moon



Blue Moon represents an exceptional high grade target

Over 2000oz nuggets reported to have been collected over 1.5km strike length by metal detecting and shallow trenching/pitting (<2m depth)

Gold hosted in quartz veining interpreted to be hosted in NE trending shear zone.

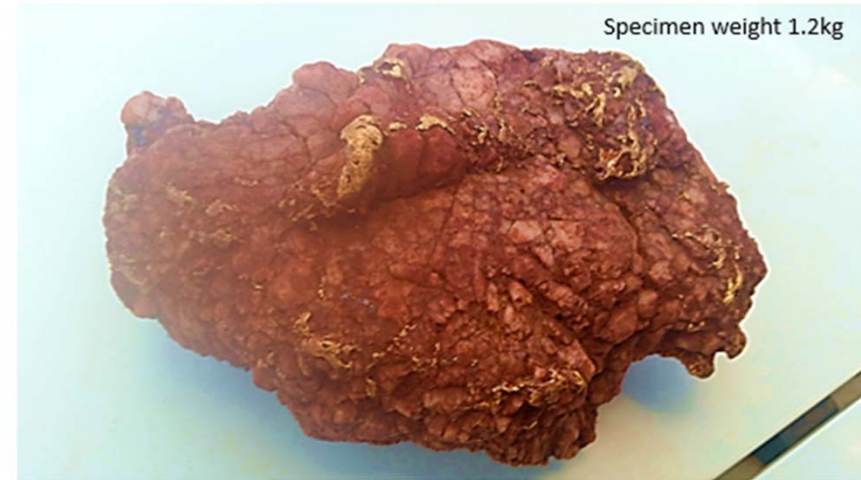


High Grade Structural Targets



* DEG has been advised that all of the nuggets at Blue Moon have been found on the acquisition tenements. None of the nuggets are owned by DEG

High Grade Structural Targets





Newsflow



Aggressive work programs underway, high newsflow over next 3-6 months

Structural Targets

- Toweranna RC drilling – resource extensions
- Blue Moon RC – initial scout drilling
- On-going sampling, mapping, target generation

Nov 17 commencement

Conglomerate Gold Targets

- Loudens – mapping, rockchip, streams, native title
- 12km target - Rockchip, streams, native title

On-going

Metallurgical testwork

- Recoveries and plant design

On-going

King Col Lithium

- Diamond drilling mineralogy
- Extend 5km soils

Planning underway

Nov/Dec

Other

- Zinc - strategic review and target generation

On-going

Statements



Competent Persons Statements

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.

The Information in this report that relates to **Mineral Resources for the Turner River and Indee Gold Projects** is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding De Grey’s plans with respect to the mineral properties, resource reviews, programmes, economic studies and future development are forward-looking statements. There can be no assurance that De Grey’s plans for development of its mineral properties will proceed any time in the future. There can also be no assurance that De Grey will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of De Grey’s mineral properties.

Indee Gold Option Agreement

De Grey has secured an option to acquire 100% of the Indee Gold Project and is required to elect to proceed with the acquisition in January 2018 with the remaining payment of \$14.9M to be finalised in July 2018. (refer to ASX release dated 09 Feb 2017, “Acquisition of Indee Gold provides Scale and Development Momentum”). On 2 October 2017, De Grey announced a formal intent from Northwest Non Ferrous Australian Mining Limited (“NNAM”) stating their intent to extend settlement of the acquisition of Indee Gold Pty Ltd (“Indee”). The extension is granted to De Grey under the following terms: Settlement date is to be extended to 24 January 2019, subject to the following: Payment of \$100,000 extension fee on signing the formal Share Sale Agreement by 24 January 2019; and \$2M non-refundable payment on or before 24 July 2018. Settlement can be extended by a further 6 months to 24 July 2019 on De Grey’s election and the payment of an additional \$100,000 before 24 January 2019. NNAM has also agreed to accept \$3M of De Grey shares as part of settlement proceeds. Shares to be issued based on a 10% discount to the Volume Weighted Average Price (“VWAP”) on the 20 days preceding settlement. All payments contemplated above will reduce the final settlement figure of \$14.9M – for example, if the transaction settles on 24 July 2019, it would be settled at that point through the payment of \$9.7M in cash and the issue of \$3M in shares.



Contact details

admin@degreymining.com.au

ASX Code : DEG

November 2017

Andy Beckwith

FRA Code : WKN 633879

Heap Leach Stockpile

850,000t Crushed Oxide



Total Resources, Sept 2017



Gold Resources

	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Turner River Total	Oxide	2.68	1.8	152,100	0.72	1.4	31,400	1.72	1.3	72,000	5.12	1.6	255,500
	Fresh	0.40	1.6	20,500	0.48	1.6	24,200	3.69	1.4	163,600	4.57	1.4	208,400
	Total	3.08	1.7	172,700	1.20	1.4	55,600	5.41	1.4	235,600	9.69	1.5	463,900
Indee Total	Oxide	0.85	1.8	48,100	2.02	1.3	86,200	1.51	1.4	69,800	4.39	1.4	204,100
	Fresh	0.52	1.7	28,800	3.93	1.6	199,100	5.34	1.8	314,100	9.80	1.7	542,000
	Total	1.38	1.7	76,900	5.95	1.5	285,300	6.85	1.7	384,000	14.19	1.6	746,200
De Grey Total	Oxide	3.53	1.8	200,200	2.74	1.3	117,600	3.23	1.4	141,800	9.51	1.5	459,600
	Fresh	0.93	1.7	49,400	4.42	1.6	223,300	9.03	1.6	477,800	14.37	1.6	750,400
	Total	4.46	1.7	249,600	7.15	1.5	340,900	12.26	1.6	619,600	23.88	1.6	1,210,000

Base Metal Resources

	Class	Tonnes	Zn	Pb	Cu	Au	Ag	Zn	Pb	Cu	Au	Ag
		Mt	%	%	%	g/t	g/t	Metal Tonnes			Oz	kOz
Discovery Deposit	Indicated	0.41	3.7	1.7	0.2	1.6	140	15,200	7,100	700	20,600	1,900
	Inferred	0.98	2.6	1.0	0.1	0.8	108	25,100	10,000	900	25,800	3,400
	Total	1.39	2.9	1.2	0.1	1.0	118	40,300	17,100	1,700	46,400	5,300
Orchard Tank Deposit	Indicated	0.00	0.0	0.0	0.0	0.0	0	0	0	0	0	0
	Inferred	2.08	3.4	1.4	0.1	0.7	105	70,800	28,900	2,400	45,500	7,000
	Total	2.08	3.4	1.4	0.1	0.7	105	70,800	28,900	2,400	45,500	7,000
De Grey Total	Indicated	0.41	3.7	1.7	0.2	1.6	140	15,200	7,100	700	20,600	1,900
	Inferred	3.06	3.1	1.3	0.1	0.7	106	95,800	39,000	3,400	71,300	10,400
	Total	3.47	3.2	1.3	0.1	0.8	110	111,000	46,100	4,100	91,900	12,300

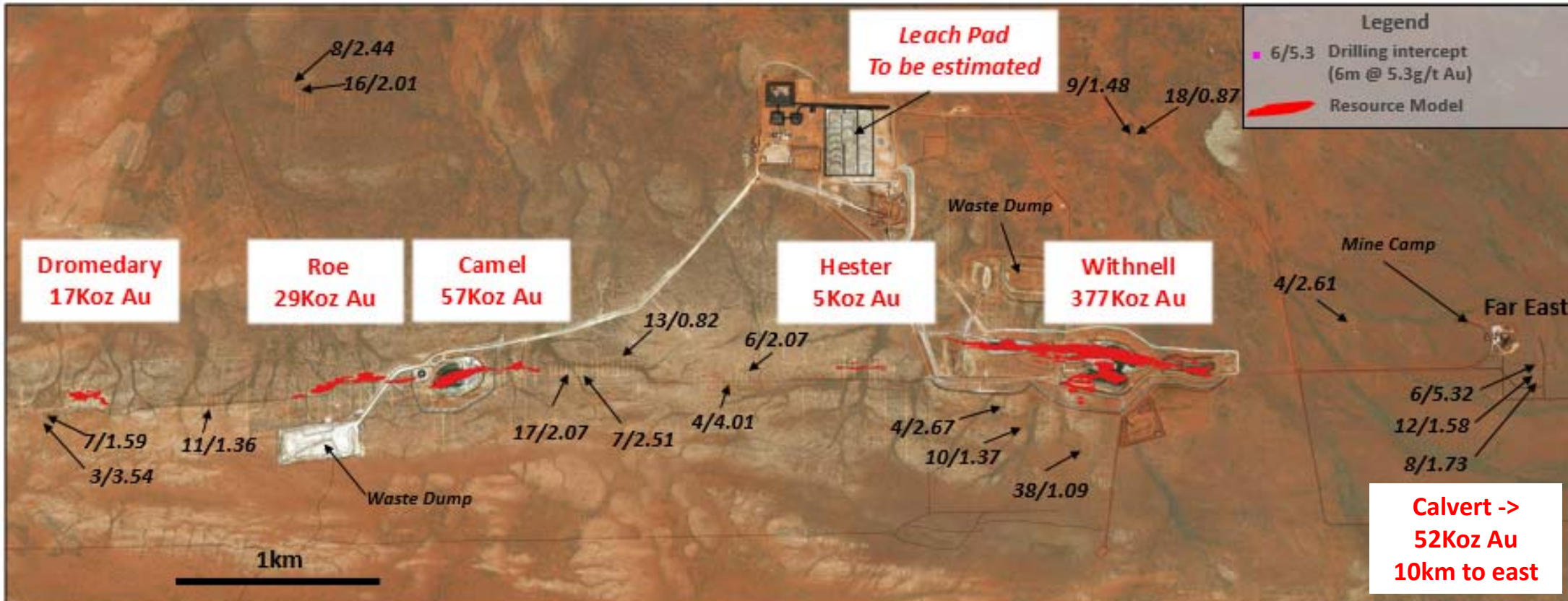
Gold Resources, Sept 2017



Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Calvert	Oxide				0.43	1.3	17,900	0.05	0.8	1,400	0.48	1.3	19,300
	Fresh				0.56	1.3	23,800	0.23	1.2	9,300	0.79	1.3	33,100
	Total				0.99	1.3	41,700	0.28	1.2	10,700	1.27	1.3	52,400
Camel	Oxide	0.14	3.1	14,000	0.26	3.0	25,100	0.11	1.6	5,500	0.51	2.7	44,600
	Fresh				0.03	1.7	1,600	0.20	1.7	11,200	0.23	1.7	12,800
	Total	0.14	3.1	14,000	0.29	2.9	26,700	0.31	1.7	16,700	0.74	2.4	57,400
Roe	Oxide	0.04	2.8	3,700	0.05	2.5	4,400	0.11	1.5	5,400	0.20	2.0	13,500
	Fresh	0.07	3.5	8,000	0.03	3.4	3,100	0.09	1.9	5,400	0.19	2.7	16,400
	Total	0.11	3.2	11,700	0.08	2.8	7,500	0.20	1.7	10,700	0.39	2.4	29,900
Dromedary	Oxide	0.10	2.2	7,200	0.03	1.6	1,400	0.04	1.6	2,200	0.17	1.9	10,800
	Fresh				0.03	1.6	1,700	0.08	1.8	4,700	0.12	1.7	6,400
	Total	0.10	2.2	7,200	0.06	1.6	3,200	0.12	1.7	6,900	0.29	1.9	17,200
Withnell	Oxide	0.57	1.3	23,300	0.22	1.6	11,400	0.15	1.1	5,400	0.94	1.3	40,000
	Fresh	0.45	1.4	20,900	2.57	1.8	145,200	2.41	2.2	171,200	5.43	1.9	337,300
	Total	1.02	1.3	44,100	2.79	1.7	156,600	2.56	2.1	176,600	6.37	1.8	377,300
Hester	Oxide							0.07	1.6	3,500	0.07	1.6	3,500
	Fresh							0.03	1.2	1,300	0.03	1.2	1,300
	Total							0.10	1.5	4,800	0.10	1.5	4,800
Mallina	Oxide				0.18	1.2	6,700	0.85	1.2	34,000	1.02	1.2	40,700
	Fresh				0.72	1.0	23,700	2.00	1.3	82,800	2.72	1.2	106,400
	Total				0.90	1.1	30,300	2.85	1.3	116,800	3.74	1.2	147,100
Toweranna	Oxide							0.14	2.7	12,500	0.14	2.7	12,500
	Fresh							0.29	3.1	28,300	0.29	3.1	28,300
	Total							0.43	2.9	40,700	0.43	2.9	40,700
Leach Pad	Oxide				0.86	0.7	19,300				0.86	0.7	19,300
	Fresh												
	Total				0.86	0.7	19,300				0.86	0.7	19,300
Wingina	Oxide	2.68	1.76	152,100	0.65	1.3	27,000	0.34	1.3	14,400	3.67	1.6	193,500
	Fresh	0.40	1.59	20,500	0.34	1.5	16,300	1.08	1.7	57,400	1.82	1.6	94,200
	Total	3.08	1.74	172,700	0.99	1.4	43,300	1.42	1.6	71,700	5.49	1.6	287,700
Mt Berghaus	Oxide				0.07	2.0	4,400	1.24	1.3	50,000	1.30	1.3	54,400
	Fresh				0.14	1.7	7,900	2.07	1.2	78,500	2.21	1.2	86,400
	Total				0.21	1.8	12,300	3.30	1.2	128,500	3.52	1.2	140,800
Amanda	Oxide							0.15	1.6	7,600	0.15	1.6	7,600
	Fresh							0.54	1.6	27,800	0.54	1.6	27,800
	Total				0.86	0.7	19,300	0.69	1.6	35,400	0.69	1.6	35,400
De Grey Total	Oxide	3.53	1.8	200,200	2.74	1.3	117,600	3.23	1.4	141,800	9.51	1.5	459,600
	Fresh	0.93	1.7	49,400	4.42	1.6	223,300	9.03	1.6	477,800	14.37	1.6	750,400
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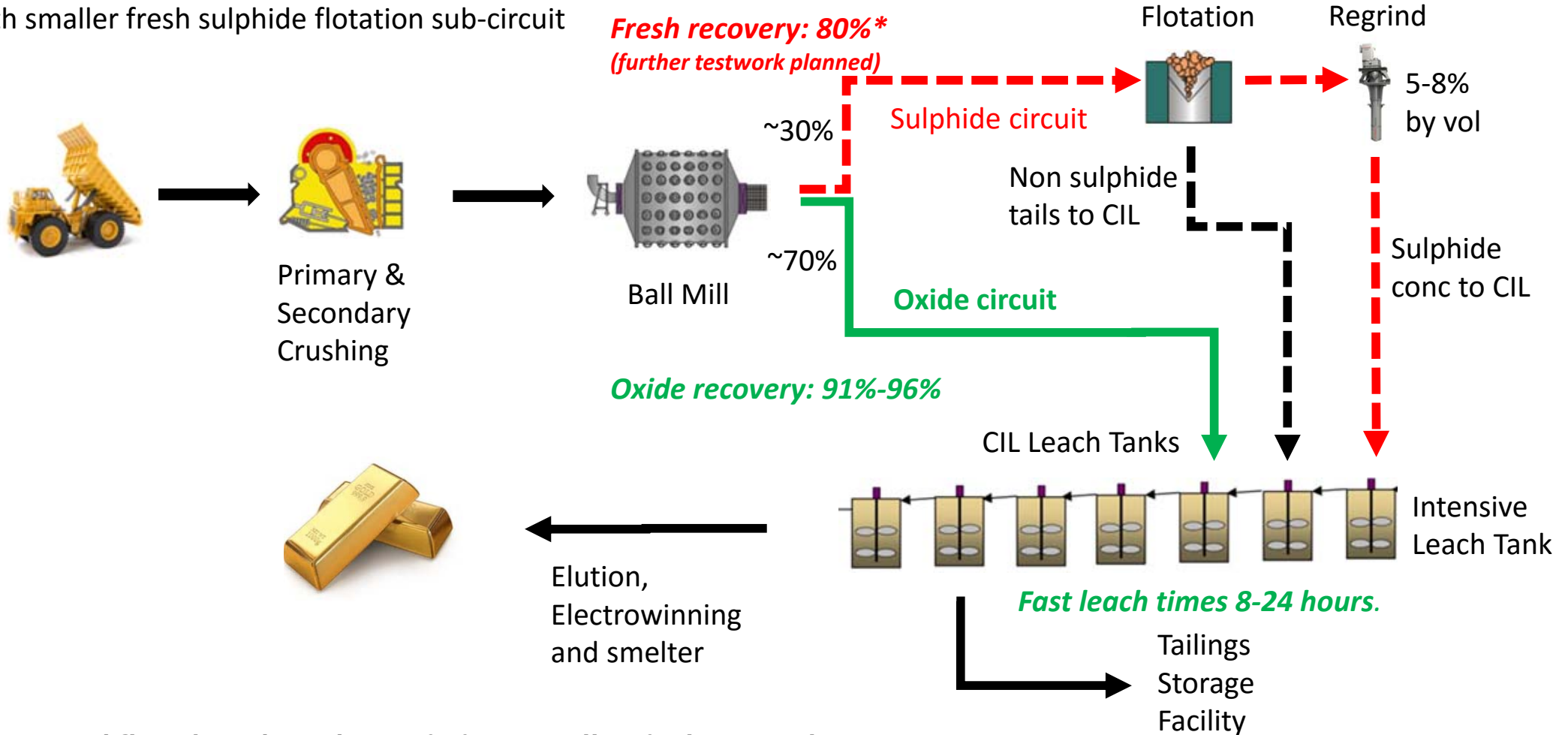
Withnell Trend Deposits

0.5Moz “brownfields” camp on granted mining leases



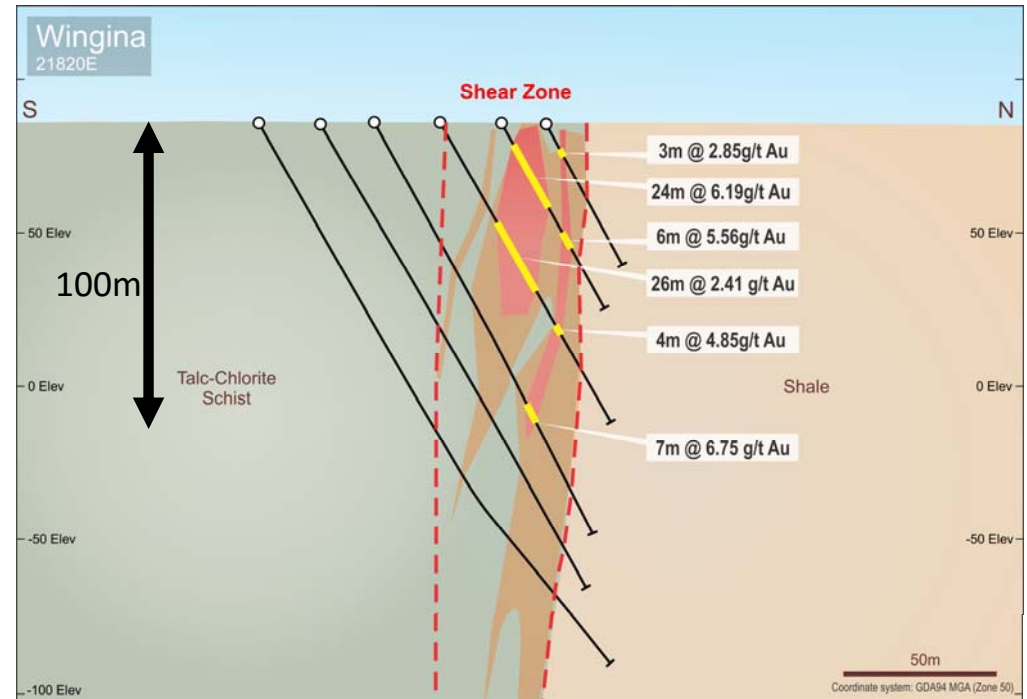
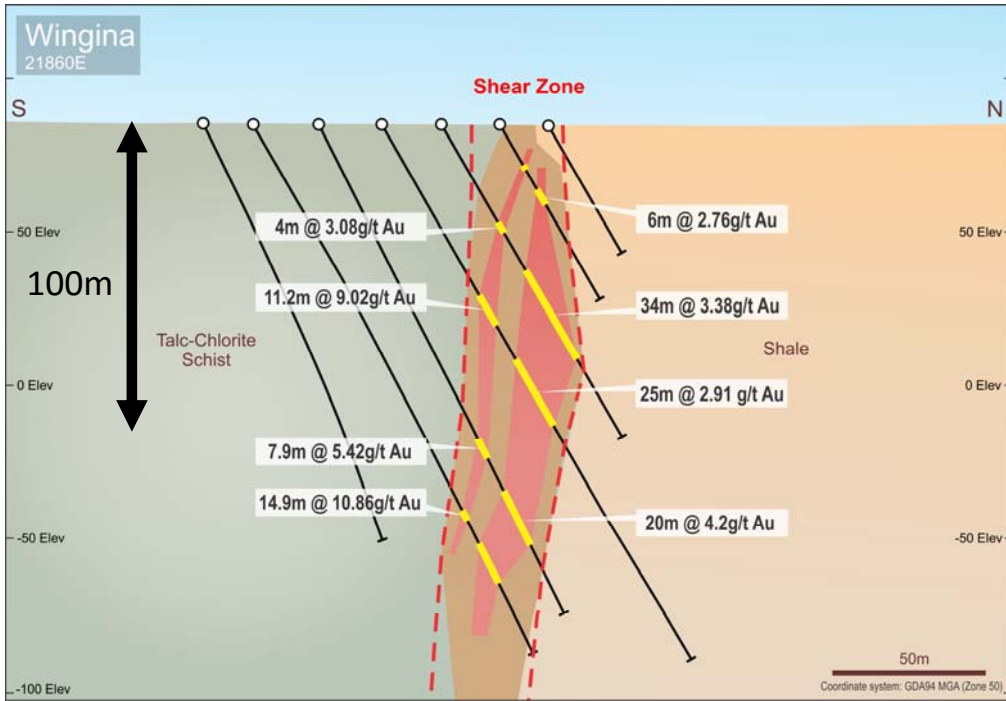
Processing Flowsheet - Simplified

Simple and typical oxide gold CIL plant
with smaller fresh sulphide flotation sub-circuit

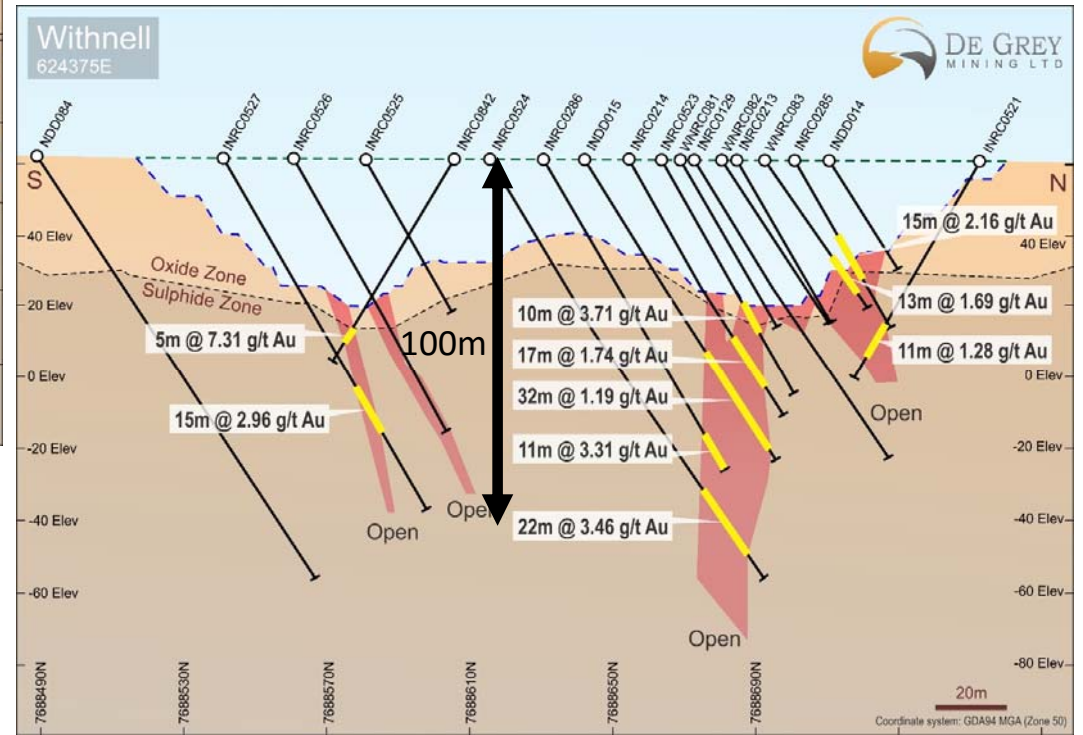
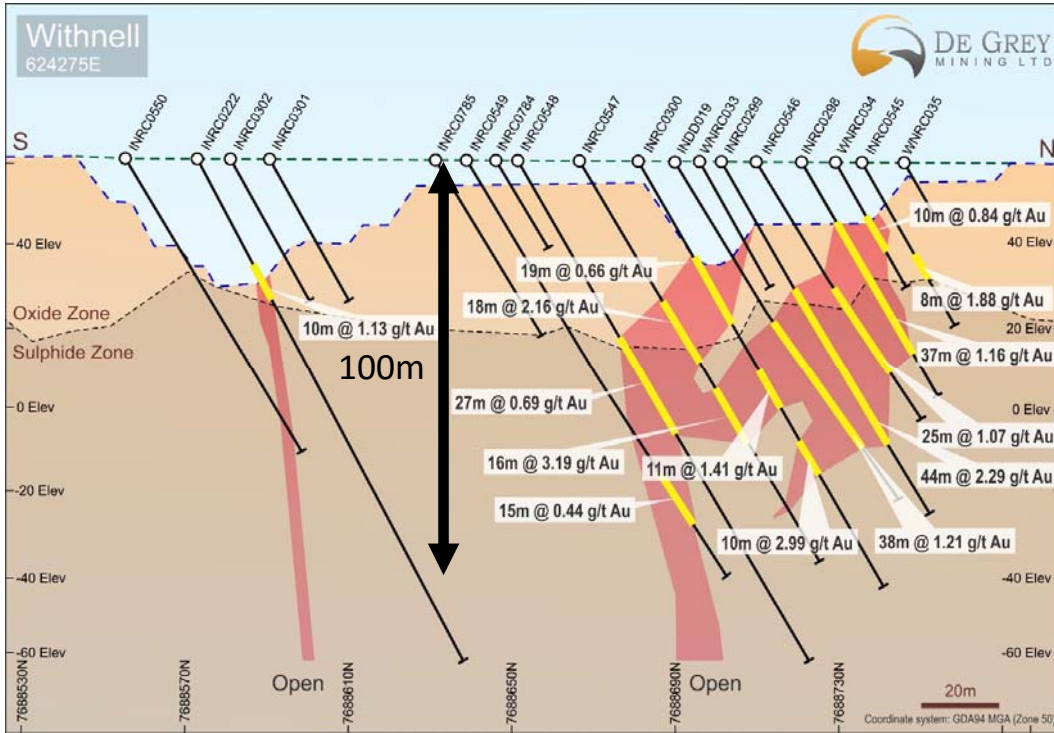


Proposed flowsheet based on existing metallurgical testwork.
Further detailed testwork and optimisation required during PFS

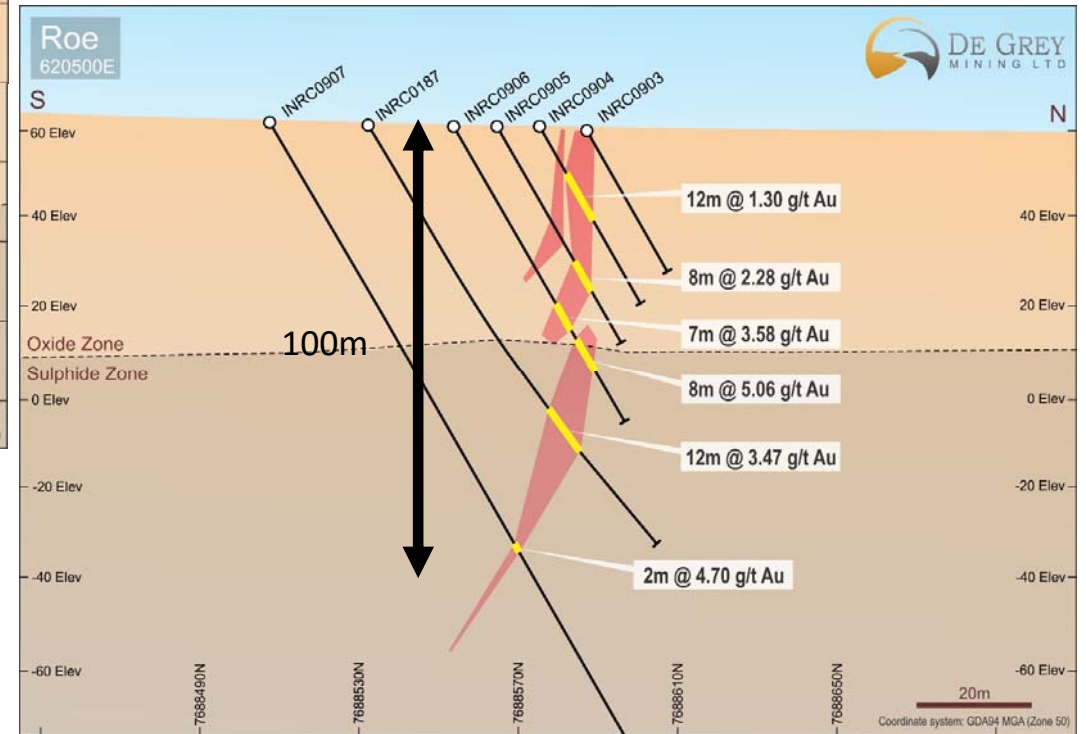
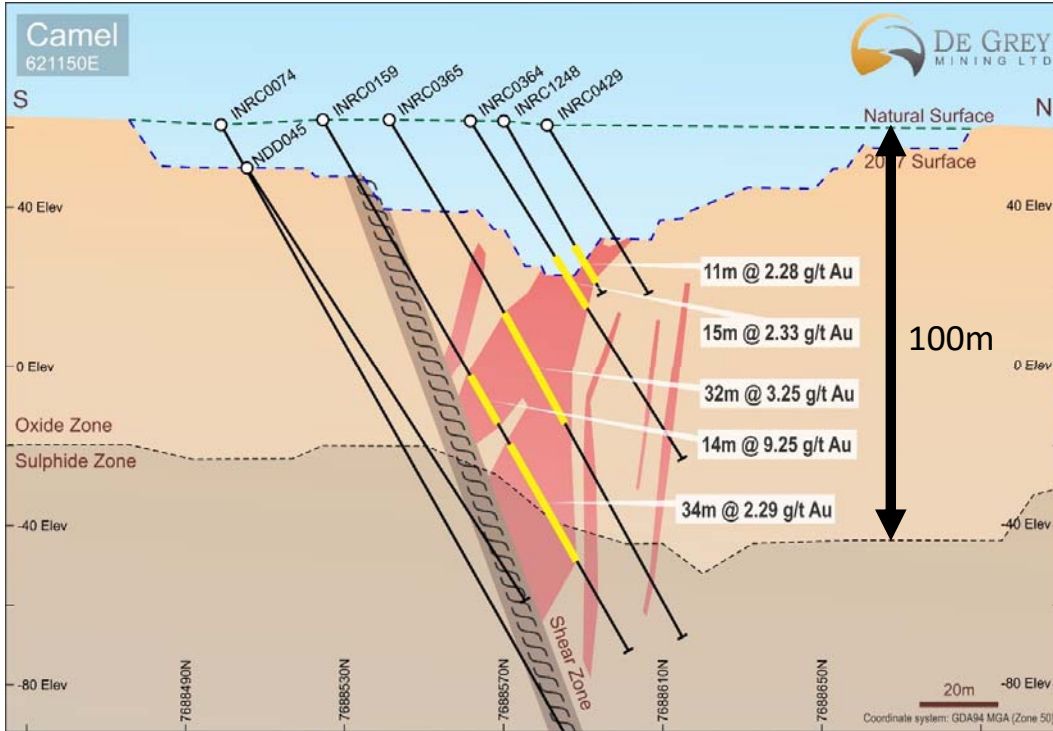
Pilbara Project Resources – Wingina 288Koz



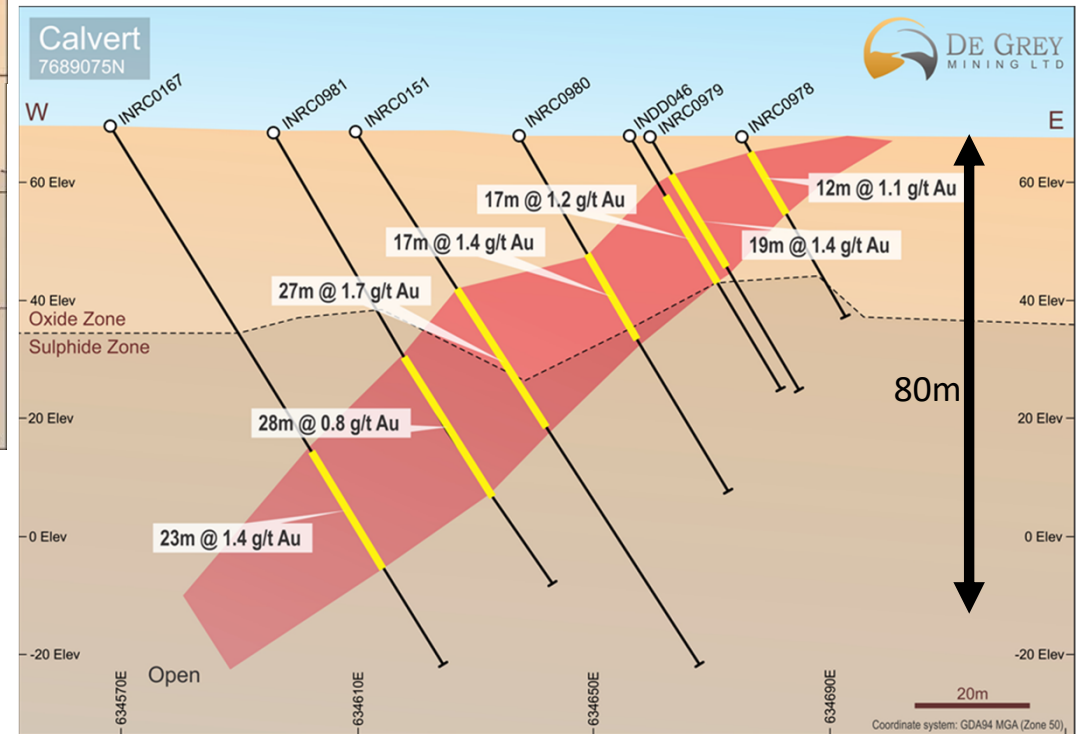
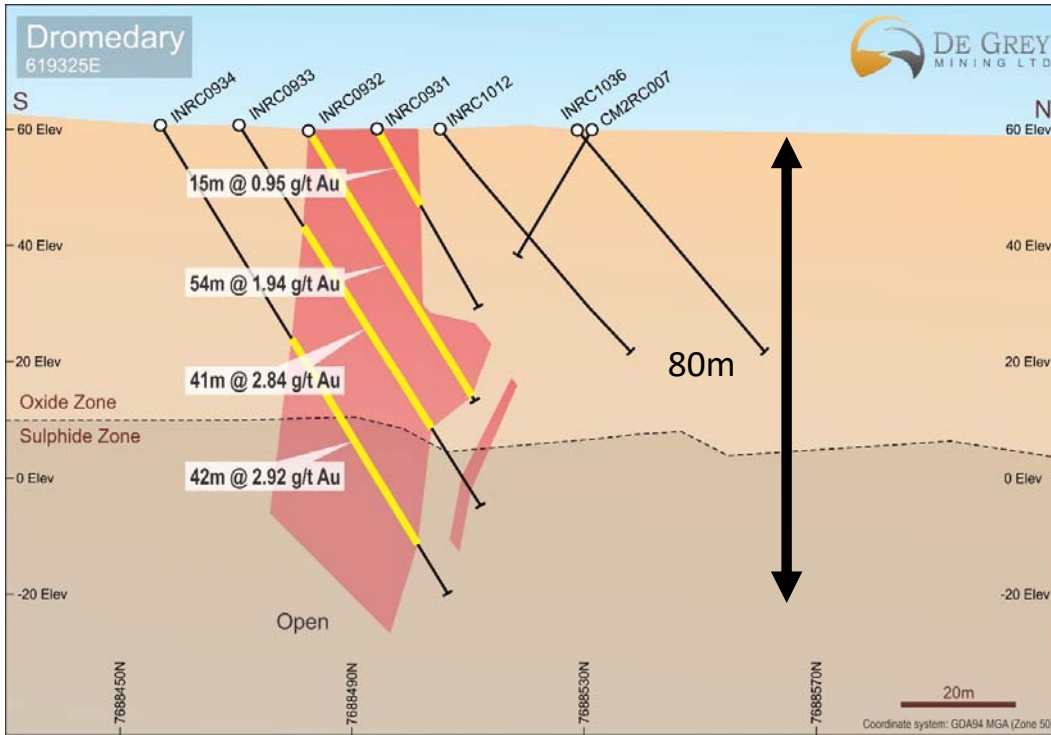
Pilbara Project Resources – Withnell 377Koz



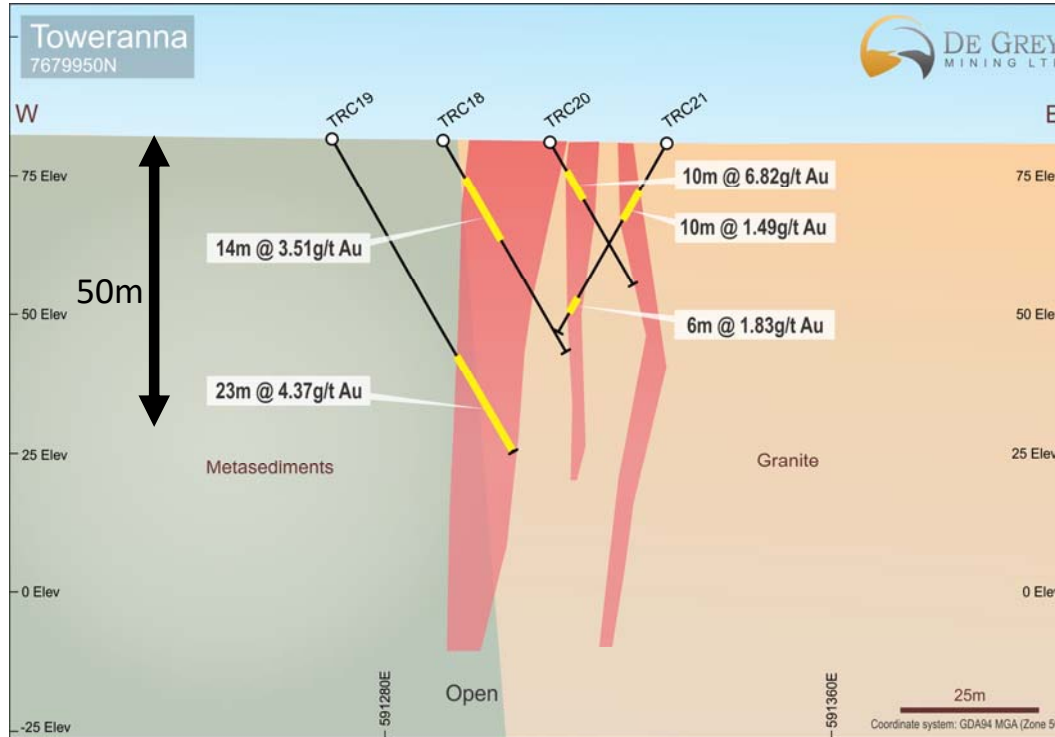
Pilbara Project Resources - Satellite deposits



Pilbara Project Resources - Satellite Deposits



Pilbara Project Resources - Satellite Deposits

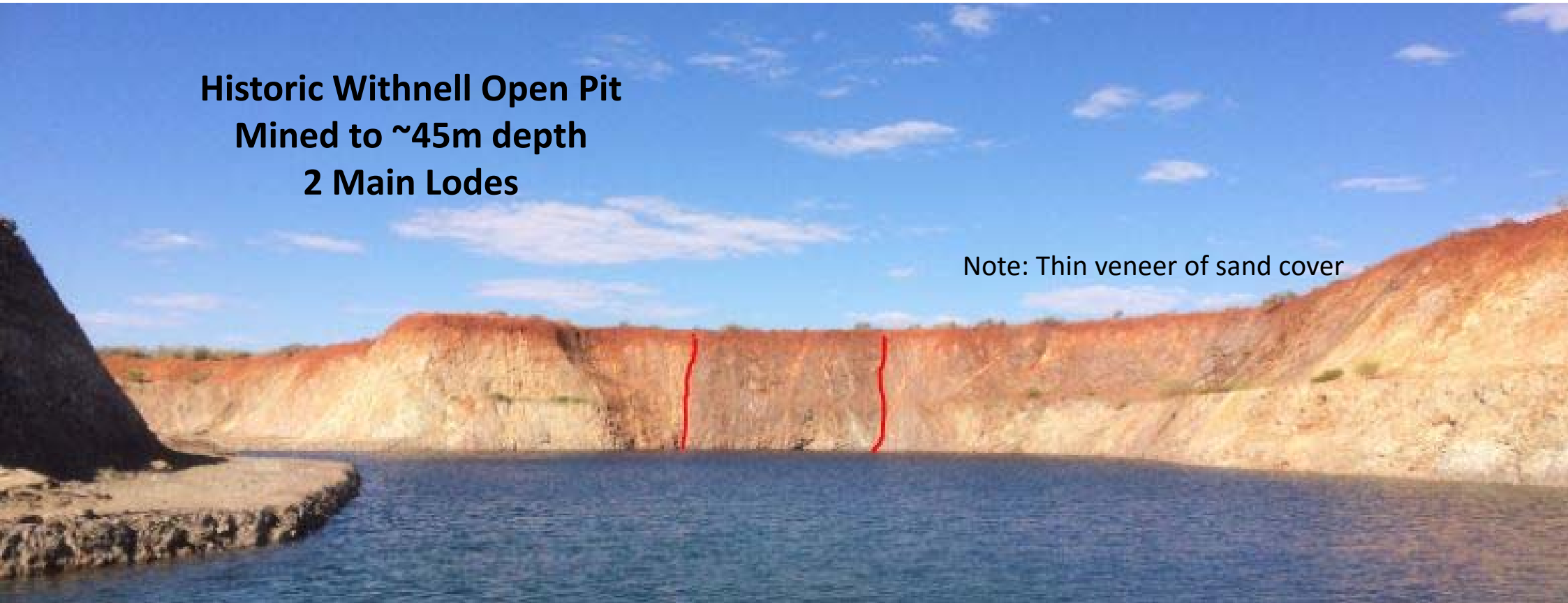


Pilbara Project Resources - Withnell



**Historic Withnell Open Pit
Mined to ~45m depth
2 Main Lodes**

Note: Thin veneer of sand cover



Pilbara Project Resources - Camel

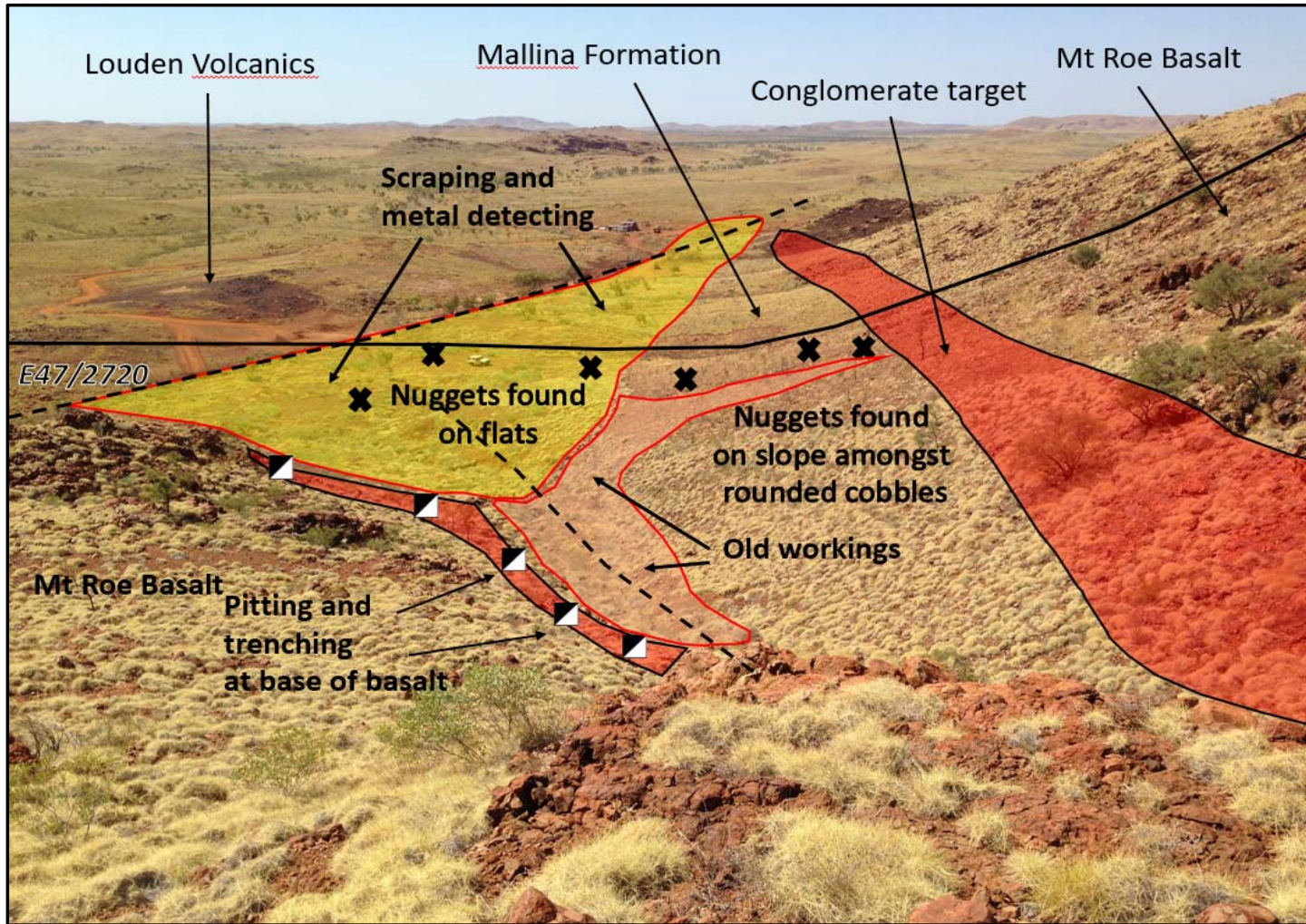


Camel 1 shallow open pit (~25m deep)



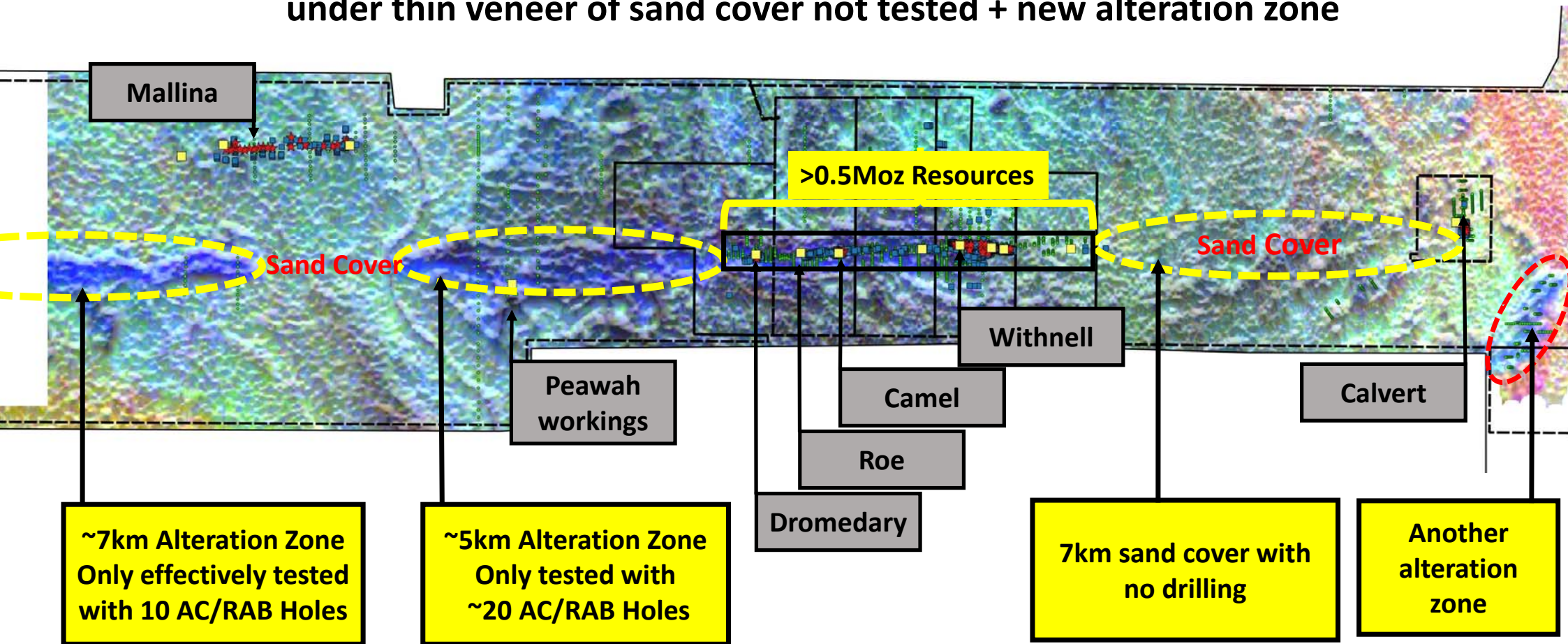
Loudens Patch - Conglomerate Gold

Panoramic view looking North across Mt Roe Basalt and associated gold workings

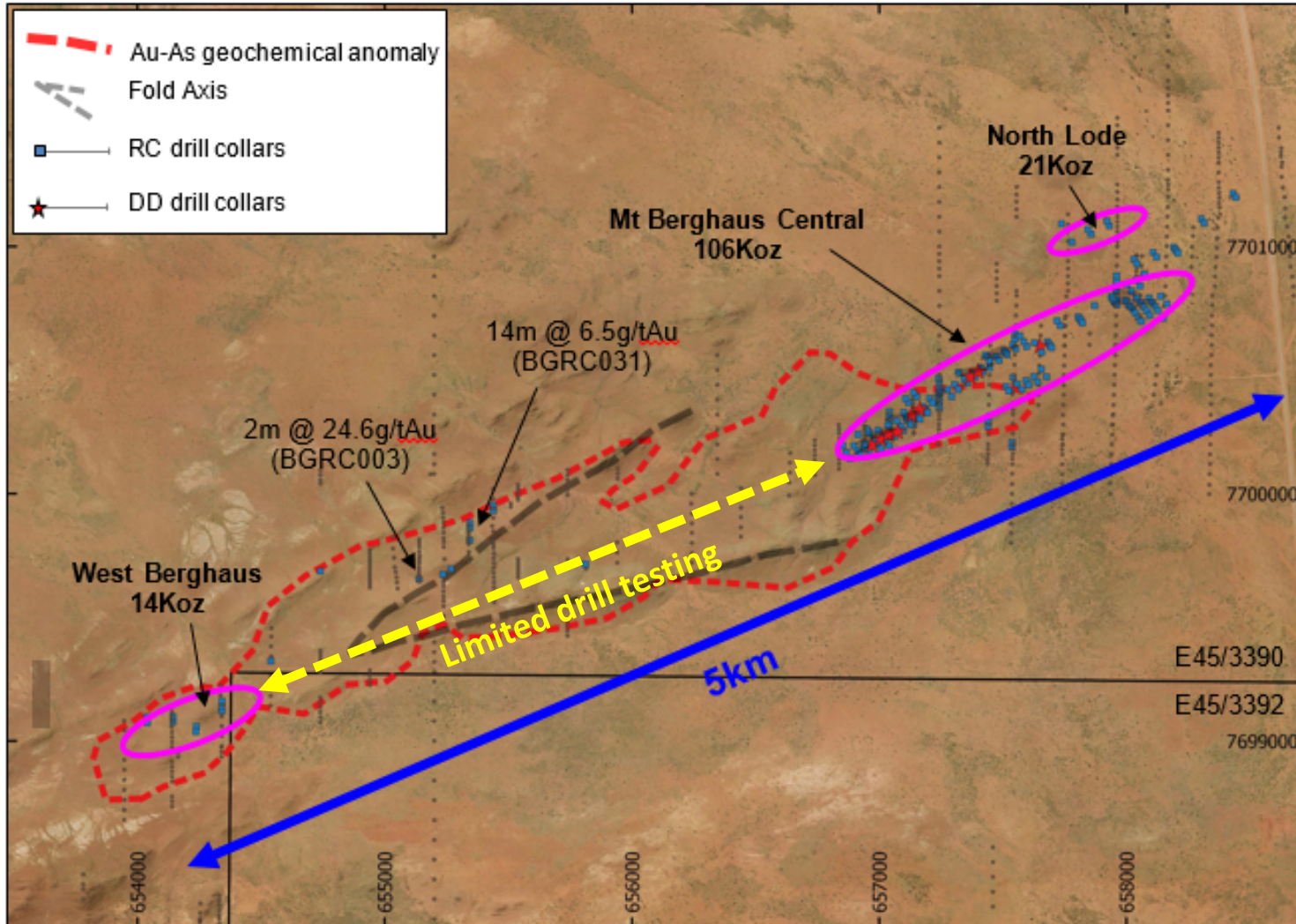


Withnell Trend – Exploration Upside

Another 12km of alteration highlighted along strike and a further 10km under thin veneer of sand cover not tested + new alteration zone



Mt Berghaus - 141,000oz with large upside



Large 5km anomaly over regional scale antiform

Limited drilling over 3km in central portions

Existing resource areas remain open