



DE GREY
MINING LTD

Discovery - Development - Production

An exciting Australian gold growth story with near-term development opportunity in one of the world's best mining jurisdictions

 **SydneyResourcesRound-up**

May 2019

Competent Persons Statements

The information in this report that relates to **Exploration Results for the Pilbara Gold Project** is based on, and fairly represents information and supporting documentation compiled by Mr Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Beckwith is an employee of De Grey Mining Limited. Mr Beckwith 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 Beckwith 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 Pilbara Gold Project** 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. De Grey advises that no material changes have occurred to the resource estimates since the date of publication of September 2017.

The Company has released all material information that relates to Exploration Results, Mineral Resources and Reserves, Economic Studies and Production for the Pilbara Gold Project on a continuous basis to the ASX and in compliance with JORC 2012. The Company confirms that it is not aware of any new information that materially affects the content of this ASX release. Material ASX releases are listed below.

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 Agreement

De Grey has signed a binding agreement to acquire 100% of the Indee Gold Project with settlement due on 24 July 2019. A non refundable deposit of \$1.5M has been paid, \$0.7M extension payment, in Dec 2018, and final settlement will include \$9.7M in cash and \$3.0M in DEG shares. (refer to ASX release “Indee Gold Settlement Extended to July 2019, 21 December 2018”).

ASX Material References

Previously Released ASX Material References

Resources:	Pilbara Gold Project increases gold resources by >20% to over 1.2Moz, 28 September 2017 2018 Total Gold Mineral Resource increases to 1.4Moz, 3 October 2018
Economics:	Positive Scoping Study at Pilbara Gold Project, 4 August 2017 De Grey increases study scale to 2Mtpa, 22 February 2019 Positive gold recoveries enhance Pilbara Gold Project potential, 12 February 2019
Exploration:	Toweranna and Blue Moon drilling results, 2 February 2018 Shallow High-Grade Gold at Mt Berghaus, 28 May 2018 Mallina Drilling provides further strong shallow gold intersections, 15 June 2018 Toweranna drilling expands high-grade gold footprint, 3 July 2018 Amanda Resource potential increases, 7 August 2018 Further strong gold hits at Mt Berghaus, 10 September 2018 Novo secures 100% of Farno McMahon, 18 September 2018 Encouraging reconnaissance drilling results at Farno JV, 26 February 2019 Further coarse gold in bulk sampling at Loudens Patch, 27 February 2019 Mallina gold mineralisation continues to deliver, 1 March 2019 Toweranna –high impact resource extension drilling underway, 13 March 2019 Further high grade drilling results achieved at Withnell, 20 March 2019 136m @ 2.0g/t with additional high-grade drill results at Toweranna, 15 April 2019
Indee Gold:	Acquisition of Indee Gold provides scale and development momentum, 9 February 2017 De grey executes Indee Gold Share Sale Agreement, 30 January 2018 De Grey executes Indee Gold Share Sale Agreement, 12 February 2018 Indee Gold – Acquisition Update, 6 September 2018 Indee Gold Settlement Extended to July 2019, 21 December 2018

2019 High impact results

Toweranna – more results pending

136m @ 2.0g/t Au includes 26m @ 3.07g/t and 29m @ 4.38g/t from 94m

6m @ 6.45g/t, 3m @ 7.02g/t, 4m @ 15.26g/t, 4m @ 11.39g/t, 7m @ 8.14g/t

Withnell – more results pending

5m @ 7.8g/t, 2m @ 11.14g/t Au, 8m @ 20.11g/t, 16m @ 4.21g/t, 4m @ 16.4g/t

Snapshot

-  Exciting Australian gold growth project
-  Control of an emerging gold province
-  1.4Moz Resource, drilling to define 3.0Moz
-  PFS in progress – Scale increase to 2Mtpa
-  Aim to transition to new gold producer

Corporate Overview



Shares	423M
Share Price	A\$0.09
Market Capitalisation	A\$38M
Cash (March 2019)	A\$3.2M

Major Shareholders

Kirkland Lake	9.2%
DGO Gold	6.2%
Management	5.2%

Directors

Simon Lill	Exec Chairman
Andy Beckwith	Exec Technical Director
Brett Lambert	Non Exec Director
Steve Morris	Non Exec Director
Peter Hood	Non Exec Director

Board of Directors



Simon Lill - Executive Chairman (BSc MBA)

Mr. Lill over 25 years' experience in stockbroking, capital raising, management, business development and analysis for a range of small and start-up companies, both in the manufacturing and resources industries, and has specialised in company restructuring activities.



Andy Beckwith - Executive Technical Director (BSc Applied Geology)

Mr. Beckwith has successfully worked on projects from grassroots to mine development and has extensive experience working with corporate transactions, project acquisitions, resources development and project generation. He joined De Grey Mining originally as a consultant, before coming on as Technical Director and Operations Manager in November 2017 and has played a significant role in the rebirth and growth of the company.



Brett Lambert - Non-executive Director (BSc Mining Engineering)

Mr Lambert comes to De Grey with over 30 years experience in the Australian and international resource industry covering precious metals, base metals and uranium. Mr Lambert has held senior management positions in a range of junior, mid-tier and major mining companies. He has been responsible for several feasibility studies and greenfield mine developments, with a track record of on time and on budget project delivery.



**Steve Morris - Non-executive Director
DipFinMkts, MStock**

Mr Morris has over 25 years of experience at the senior executive level in a range of industries including the last 15 in Financial Markets. During that time he has held positions such as Head of Private Clients Australia for Patersons Securities Ltd and Managing Director of Intersuisse Ltd.



Peter Hood - Non-executive Director

B.E (Chem.), HBS(Advanced Management Programme), FAICD, FIChemE and AusIMM
Mr. Hood, a Chemical Engineer, has had a distinguished career in the Australian Mining and Chemical Industries. He held the position of Senior Production Engineer at the Kwinana Nickel Refinery from 1971 to 1981, then Mill Superintendent of the WMC Kambalda Nickel and Gold Operations between 1982 to 1985. In 1985, he joined Coogee Chemicals Pty Ltd in the position of General Manager and then as their CEO between 1998 and 2005. He then held the position of CEO of Coogee Resources Ltd.

Our Vision

Discovery

Define +3Moz gold resource

Development

Near term opportunity

Production

Build new Australian gold mine

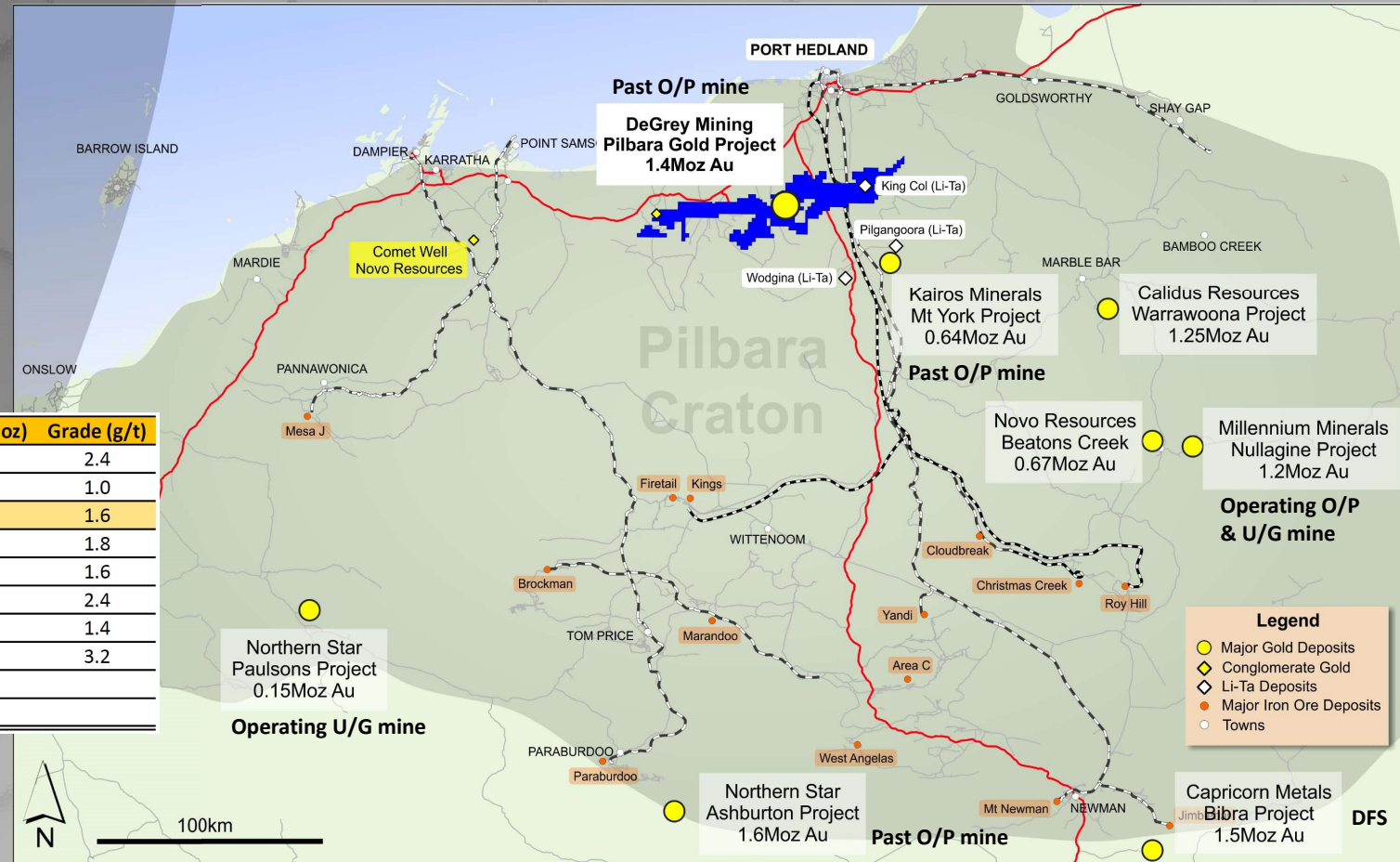
“Our vision is very simple; we have our foot on a significant new gold province, actively drilling, aiming to grow resources towards 3.0Moz and ultimately transition De Grey into a new Australian gold producer.”

- Simon Lill (Executive Chairman)



Emerging Archaean Gold Province

Emerging 150km long
Archaean gold province

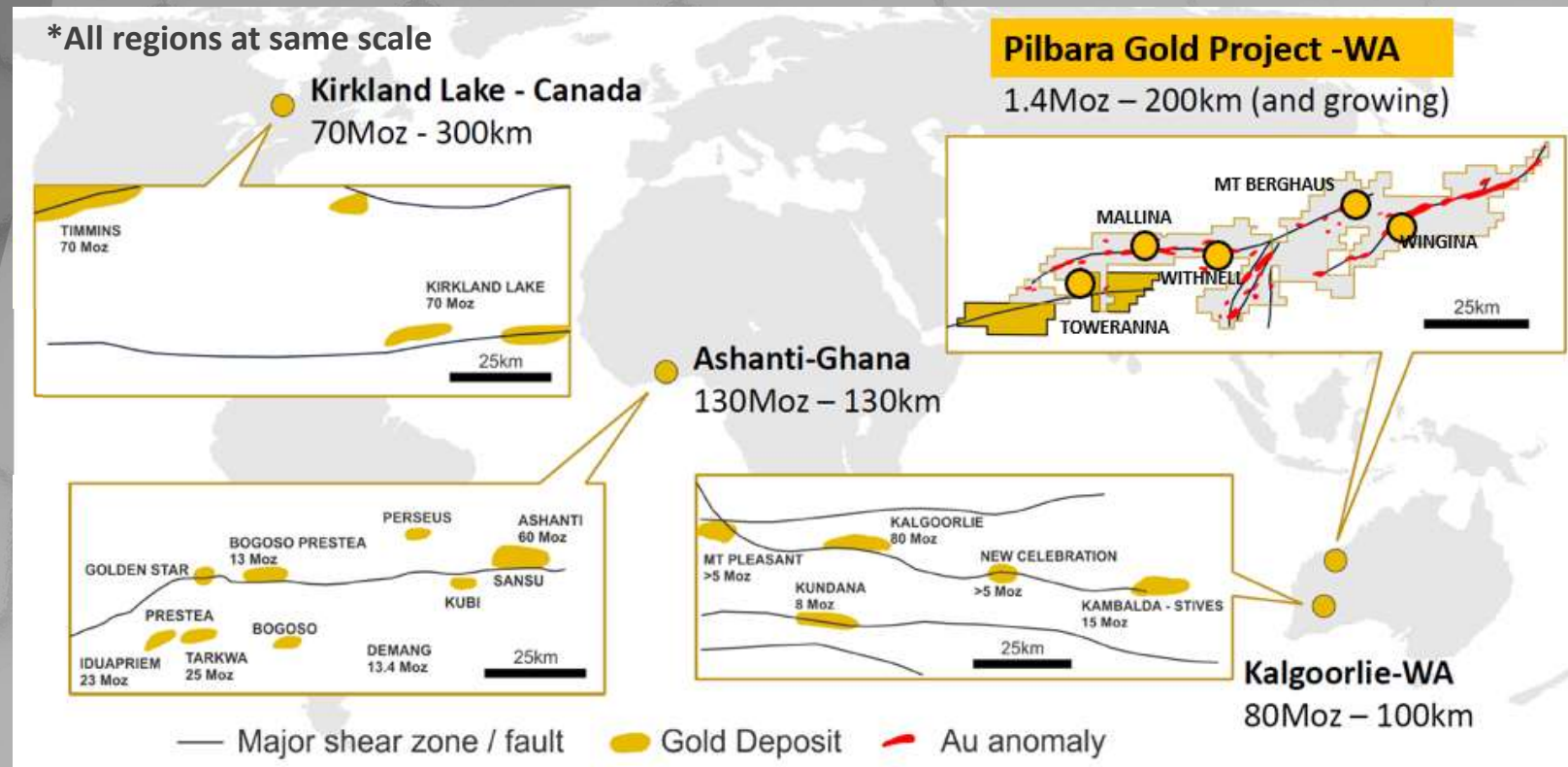


Code	Company	Project	Gold (Moz)	Grade (g/t)
NST	Northern Star	Ashburton Project	1.67	2.4
CMM	Capricorn metals	Bibra Project	1.53	1.0
DEG	DeGrey Mining	Pilbara Gold Project	1.40	1.6
CAI	Calidus Resources	Warrawoona Project	1.25	1.8
MOY	Millennium Minerals	Nullagine Project	1.16	1.6
NVO	Novo Resources	Beatons Creek Project	0.67	2.4
KAI	Kairos Minerals	Mt York Project	0.64	1.4
NST	Northern Star	Paulsons Project	0.15	3.2
Total			8.5	

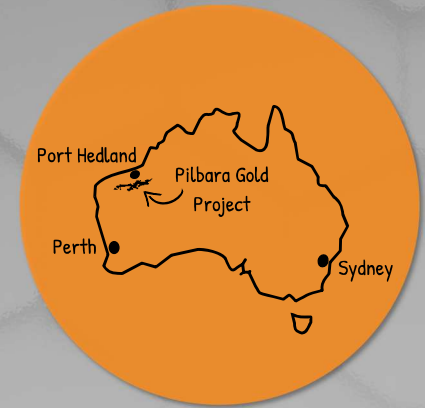
Emerging Archaean Gold Province


Source: ASX:DGO Release "AGM Presentation" 28 November 2018


- **>1,500sqkm Tenure**
- **150km end to end**
- **+200km shear zones**
- 1.4Moz in resources and targeting extensions
- "Blue Sky" potential, +40 untested gold anomalies
- Systematic exploration just starting

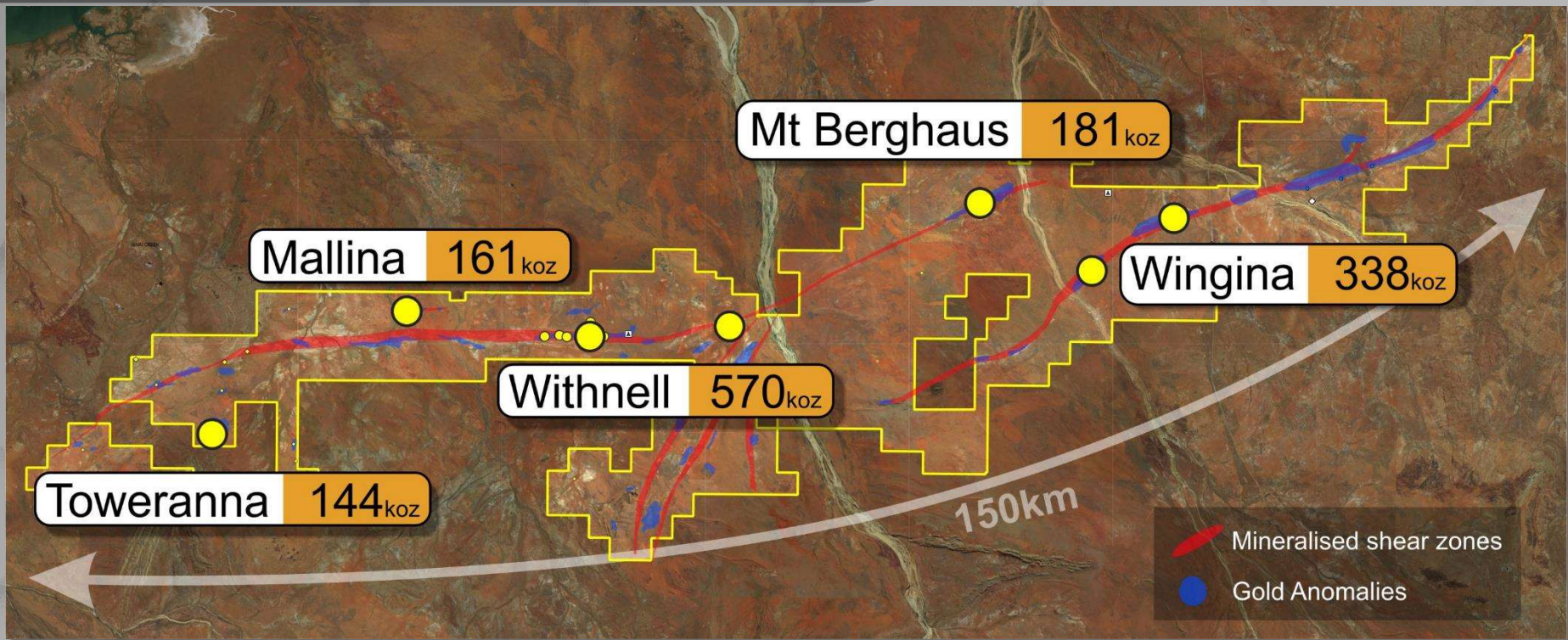


Pilbara Gold Project



 1.4Moz with 0.9Moz <0-100m depth

 Targeting 2.0Moz by 2019EOY, then 3.0Moz



Pilbara Gold Project

1.4Moz Resource and growing

18%

35%

47%

	Measured	Indicated	Inferred	Total
Oxide	3.60Mt @ 1.8g/t 204,400oz	4.53Mt @ 1.4/t 207,400oz	2.89Mt @ 1.3g/t 118,100oz	11.02Mt @ 1.5g/t 529,900oz
Fresh	0.88Mt @ 1.5g/t 43,000oz	5.32Mt @ 1.7g/t 284,500oz	10.04Mt @ 1.7g/t 536,400oz	16.23Mt @ 1.7g/t 863,900oz
TOTAL	4.47Mt @ 1.7g/t 247,400oz	9.85Mt @ 1.6g/t 491,800oz	12.93Mt @ 1.6g/t 654,500oz	27.25Mt @ 1.6g/t 1,393,800oz

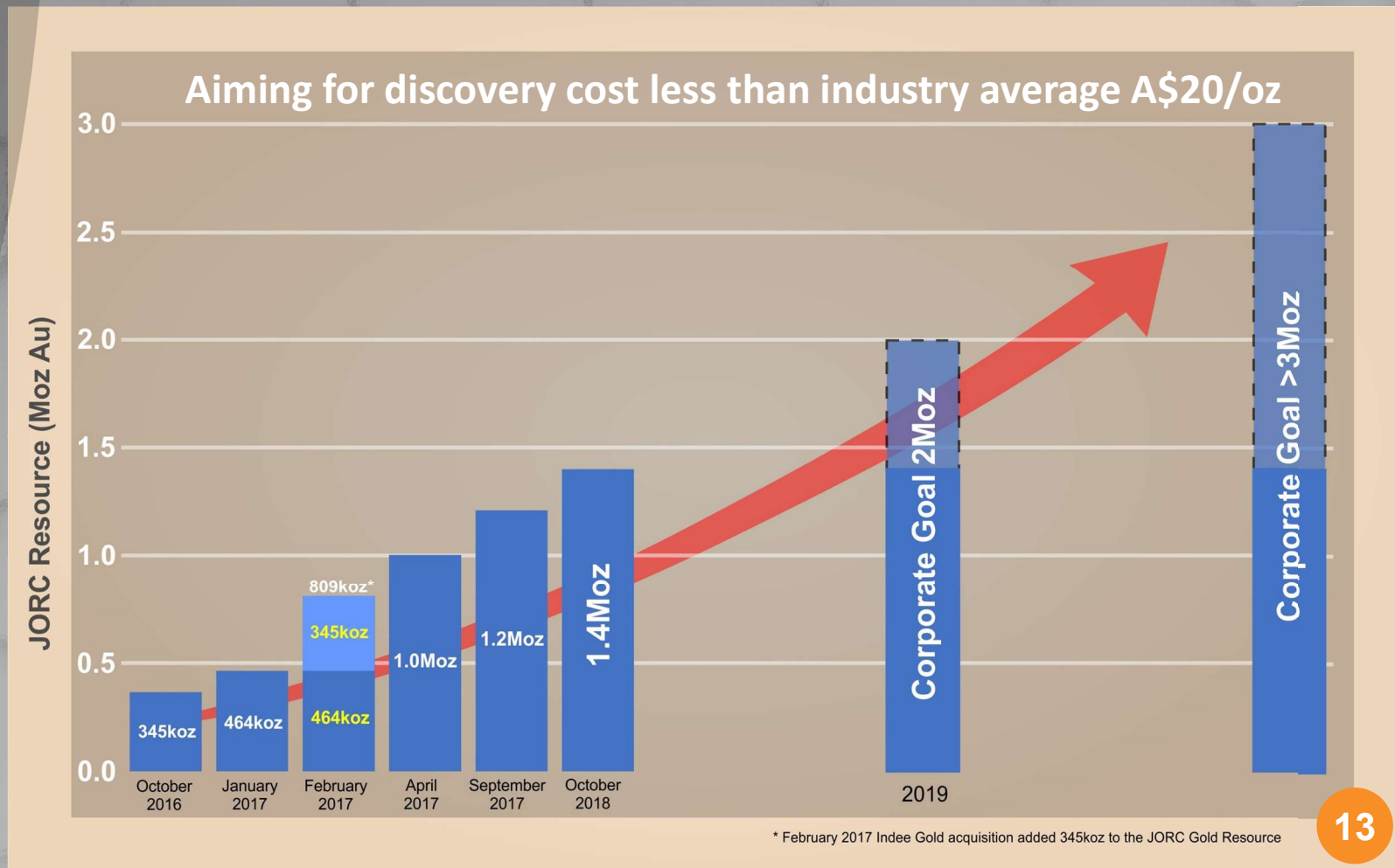
<100m Depth	2.78Mt @ 1.7g/t 155,900oz	8.17Mt @ 1.5g/t 400,500oz	8.13Mt @ 1.4g/t 357,300oz	19.08Mt @ 1.5g/t 913,800oz
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ASX: 2018 Total Gold Mineral Resource, increases to 1.4Moz, 3 October 2018

Track record of resource growth

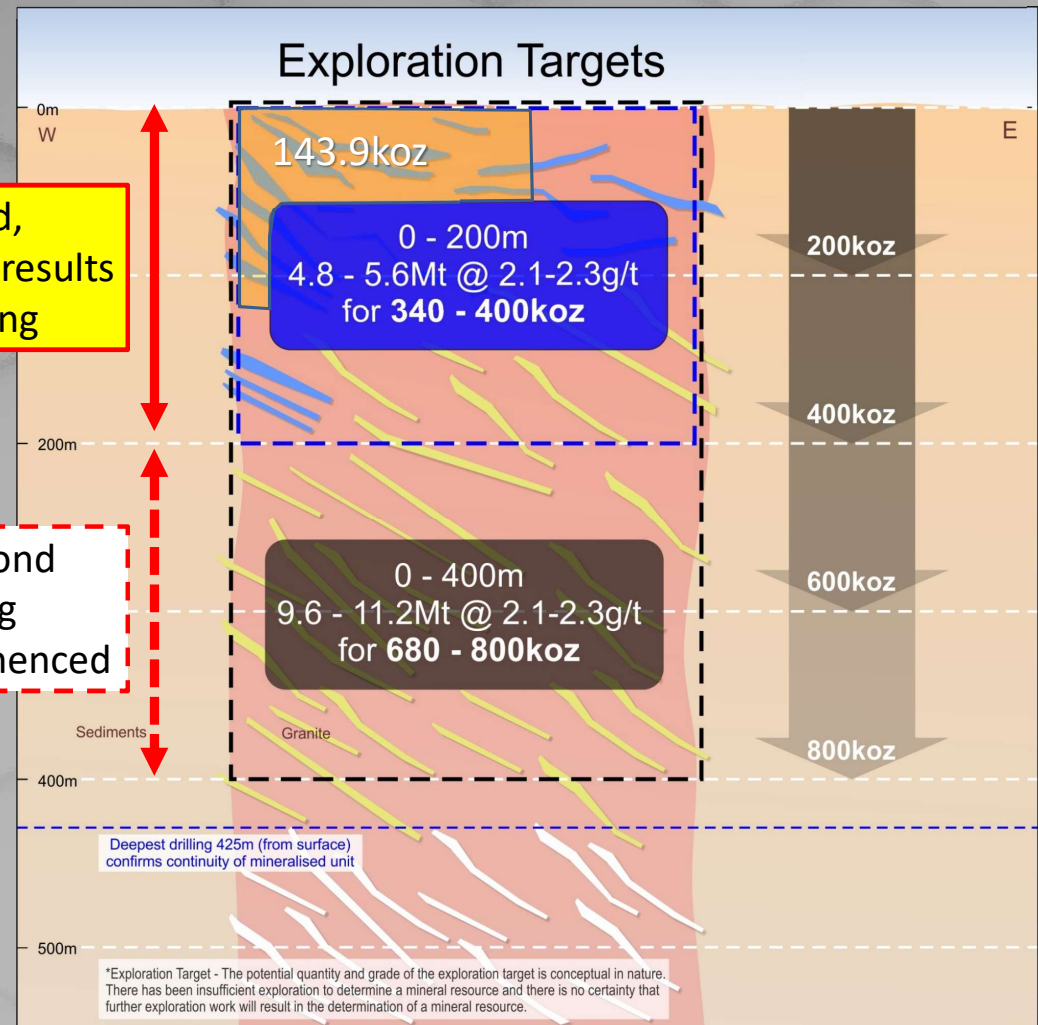
Priority Targets for resource growth in 2019

- **Withnell 1HY19**
(high grade u/g lodes)
- **Toweranna 1HY19**
(o/p extensions)
- Mallina
- Mt Berghaus



Toweranna – Growing Resources

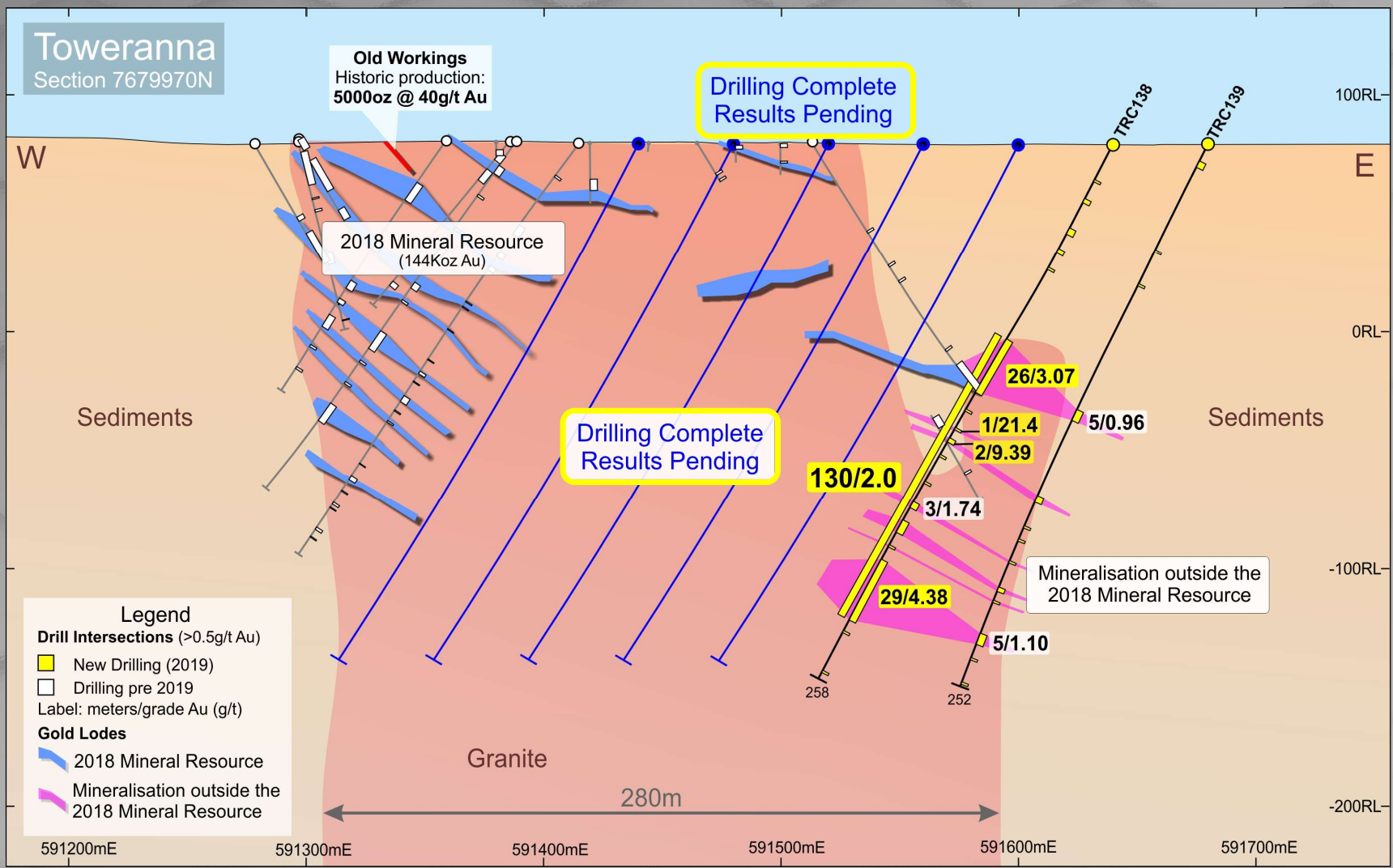
- **High-grade gold in quartz veins**
- **RC & Diamond drilling underway**
- **Large resource upside**
- ~300m diameter granitoid
- Known mineralisation to 425m
- Current resource 143.9koz @ 2.2g/t
- Metallurgy test work in progress
- Historic mining 5,000oz @ 40g/t
- Analogue to other large deposits
 - Sigma/Lamaque (.5Moz), Wallaby(8Moz), Jupiter (1.6Moz) , King of the Hills (4Moz)



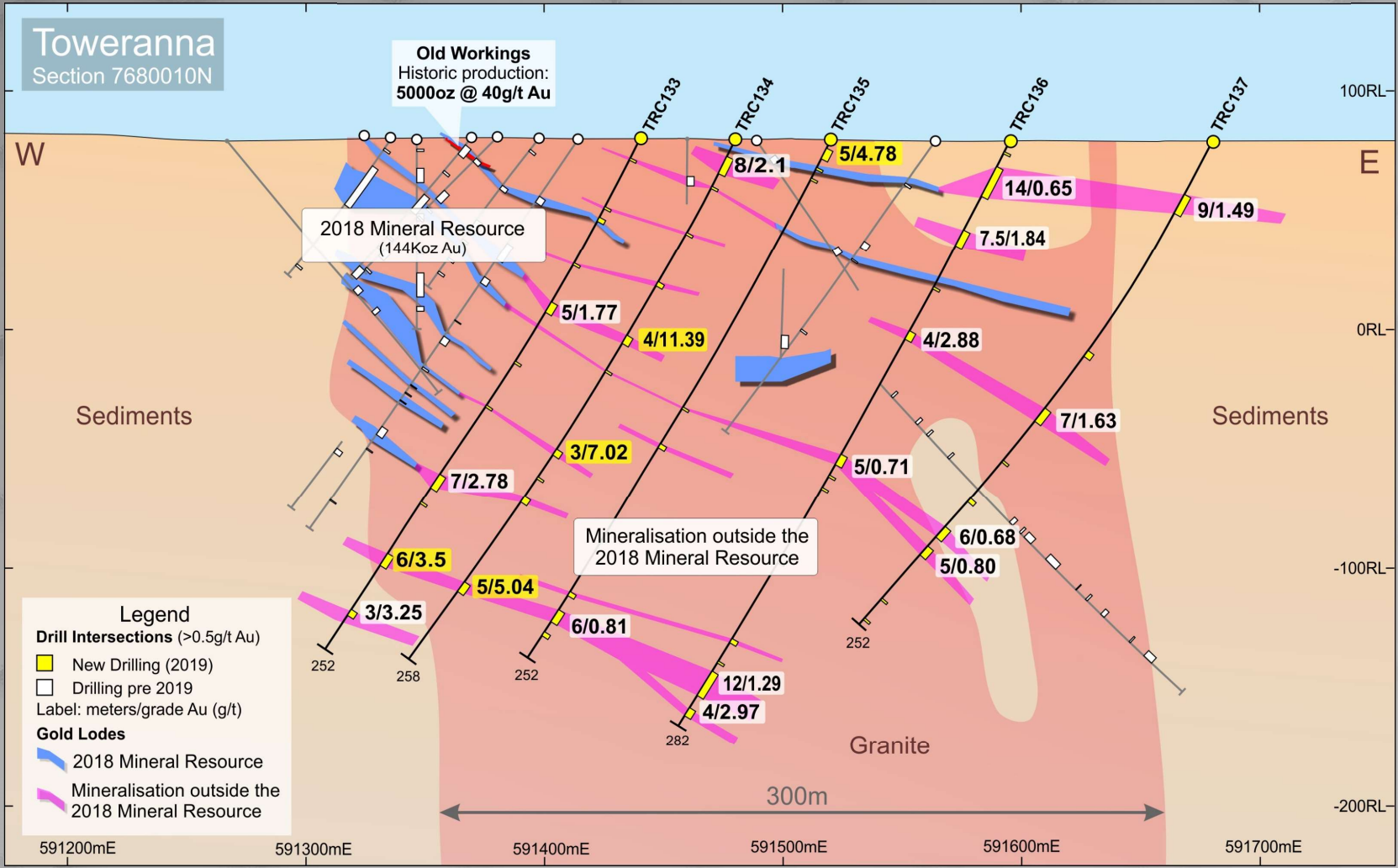
Drilled,
more results
pending

Diamond
drilling
commenced

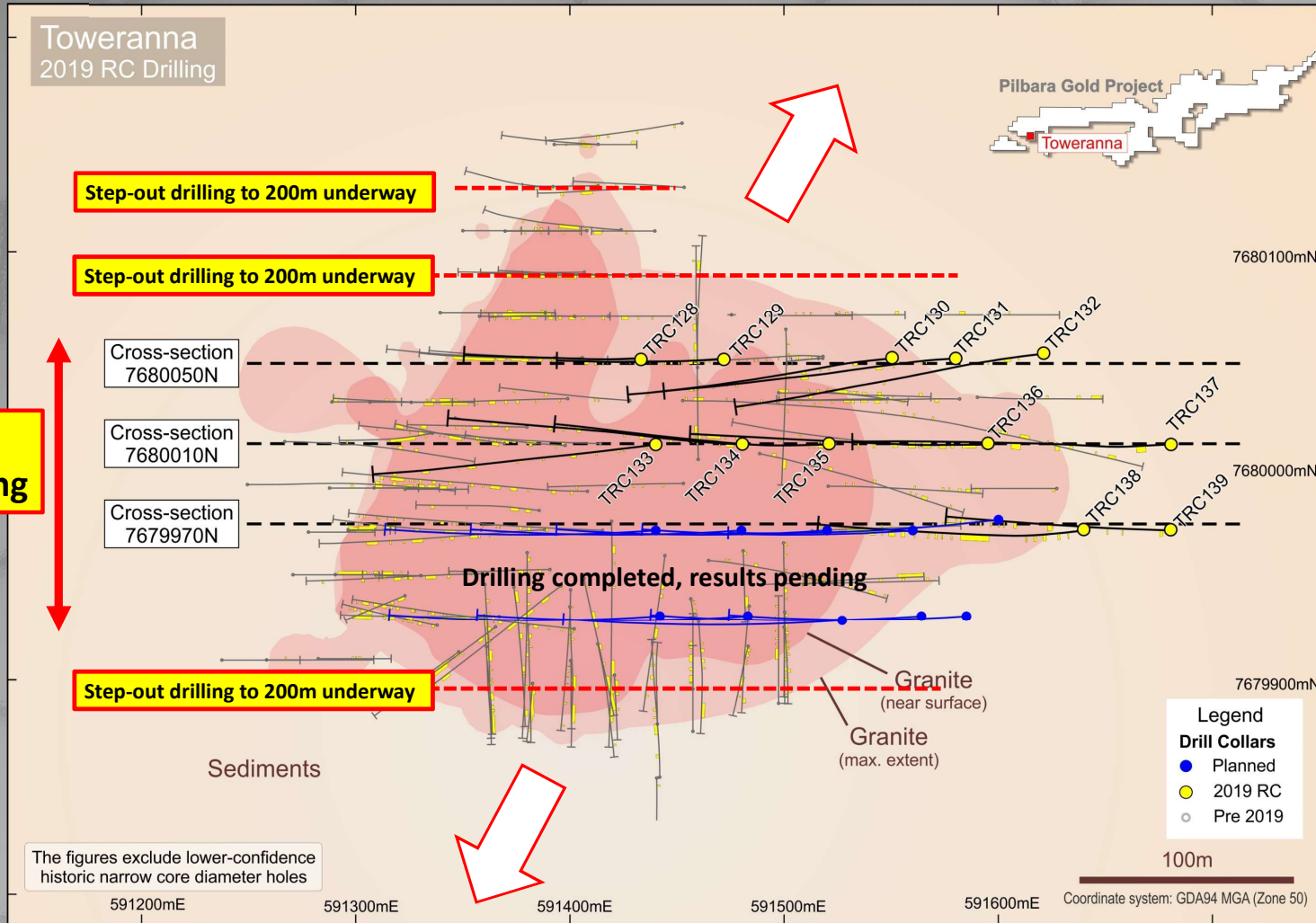
Toweranna – New Lodes



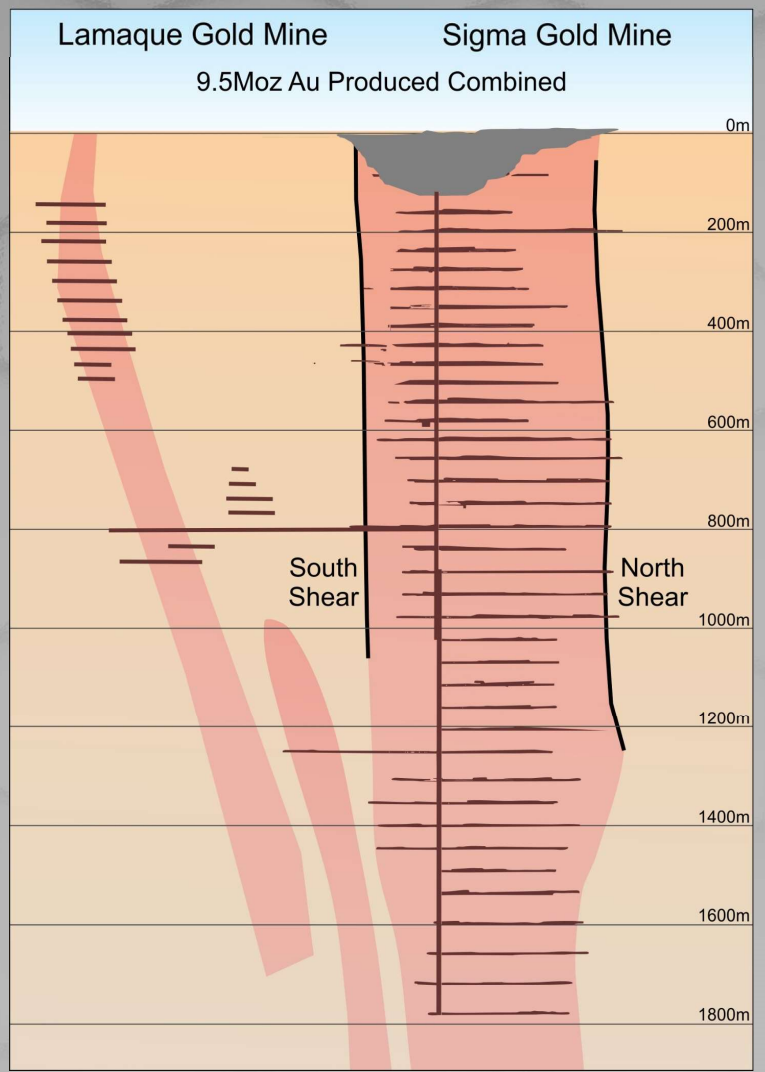
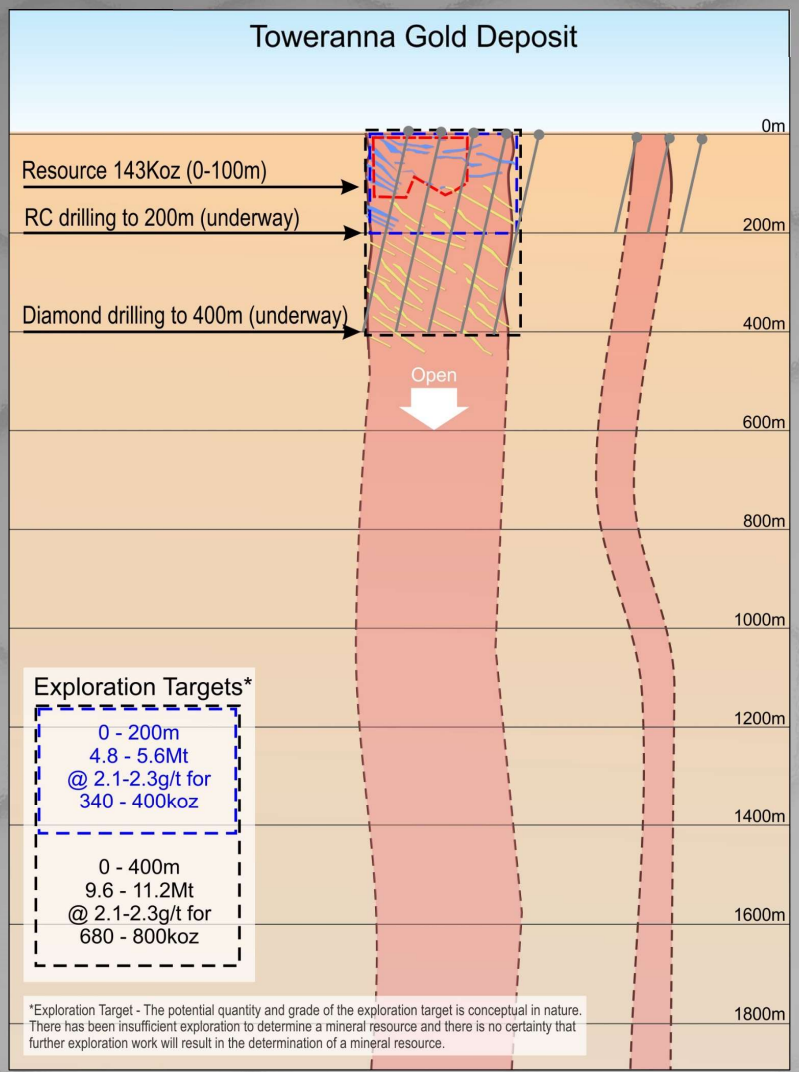
Toweranna – New Lodes



Toweranna – Resource Expansion



How Big? - Toweranna Analogue

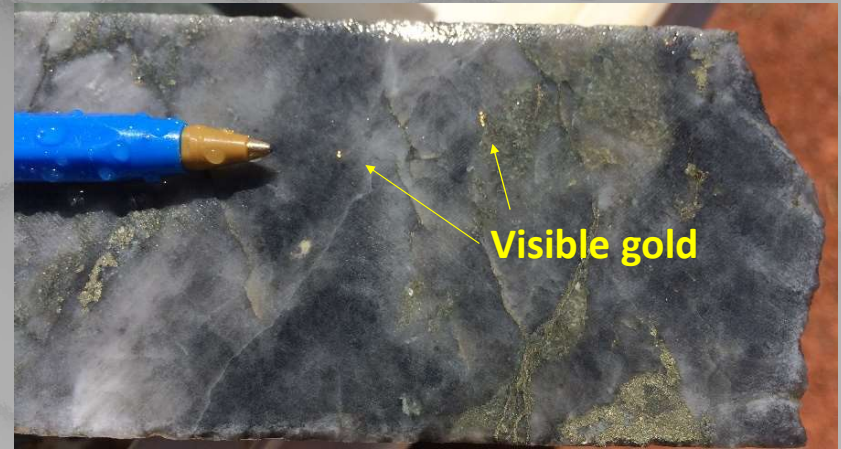


Tip of the iceberg?

9.5Moz Produced over 75yrs

Toweranna – Ore Sorting

All gold in veins



Laser sorted veins

Waste



TOMRA
SORTING SOLUTIONS MINING

Test No:	Run1	Date:	03/04/2019
Eject/Non-Eject:	Ejected	Client:	De Grey
Product/Waste:	Product	Location:	Pilbara Gold
Size (mm):	Core	Ore Body:	Pilbara
Mass (kg):	5		

Process:	LASER
Sorter Setup:	Object Path
Sensitivity (%):	5
Eject Pressure (bar):	6.5

Comments:
N/A

TOMRA
SORTING SOLUTIONS MINING

Test No:	Run1	Date:	03/04/2019
Eject/Non-Eject:	Non-eject	Client:	De Grey
Product/Waste:	Waste	Location:	Pilbara Gold
Size (mm):	Core	Ore Body:	Pilbara
Mass (kg):	10		

Process:	LASER
Sorter Setup:	Object Path
Sensitivity (%):	5
Eject Pressure (bar):	6.5

Comments:
N/A

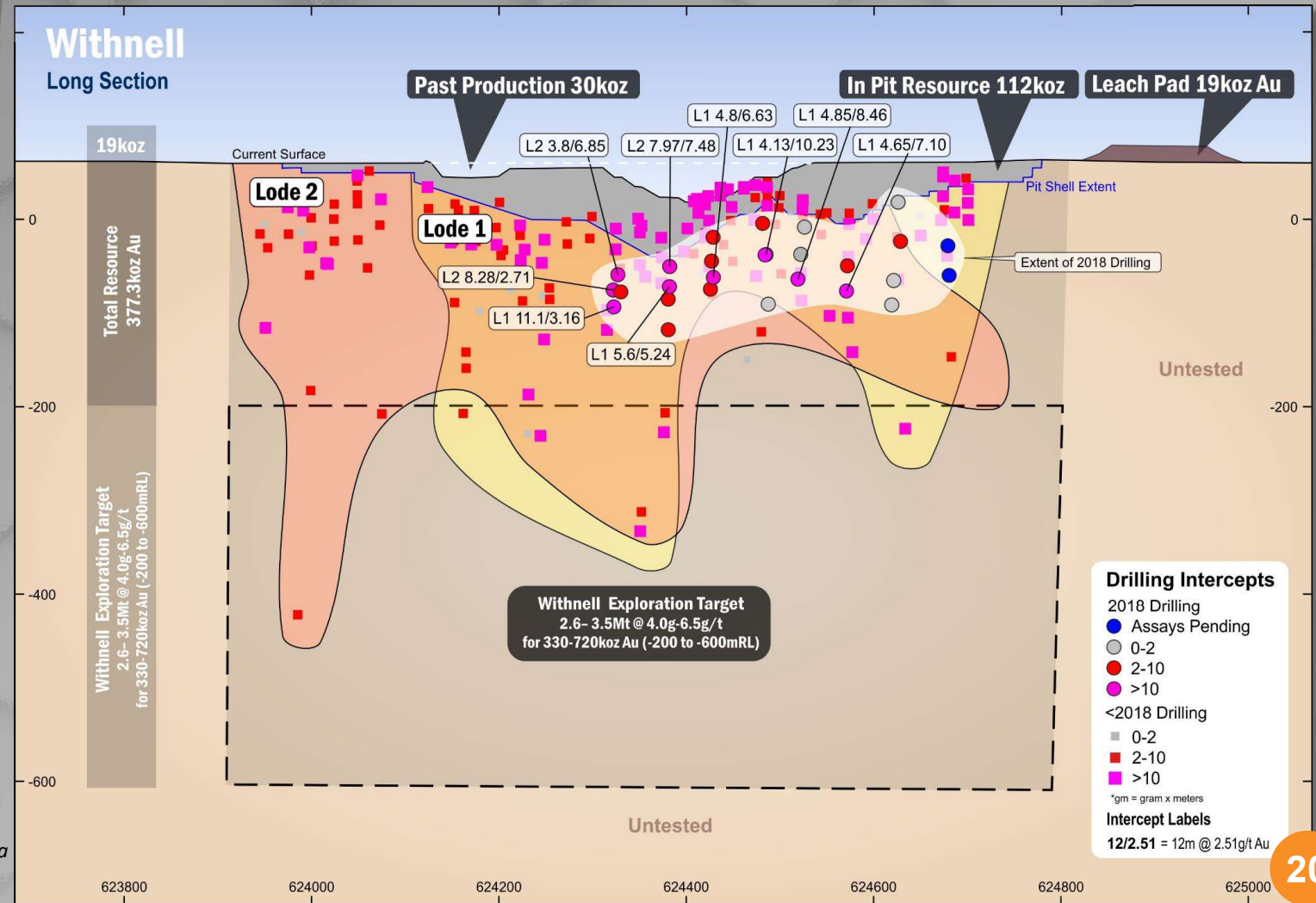


Withnell – high grade lodes

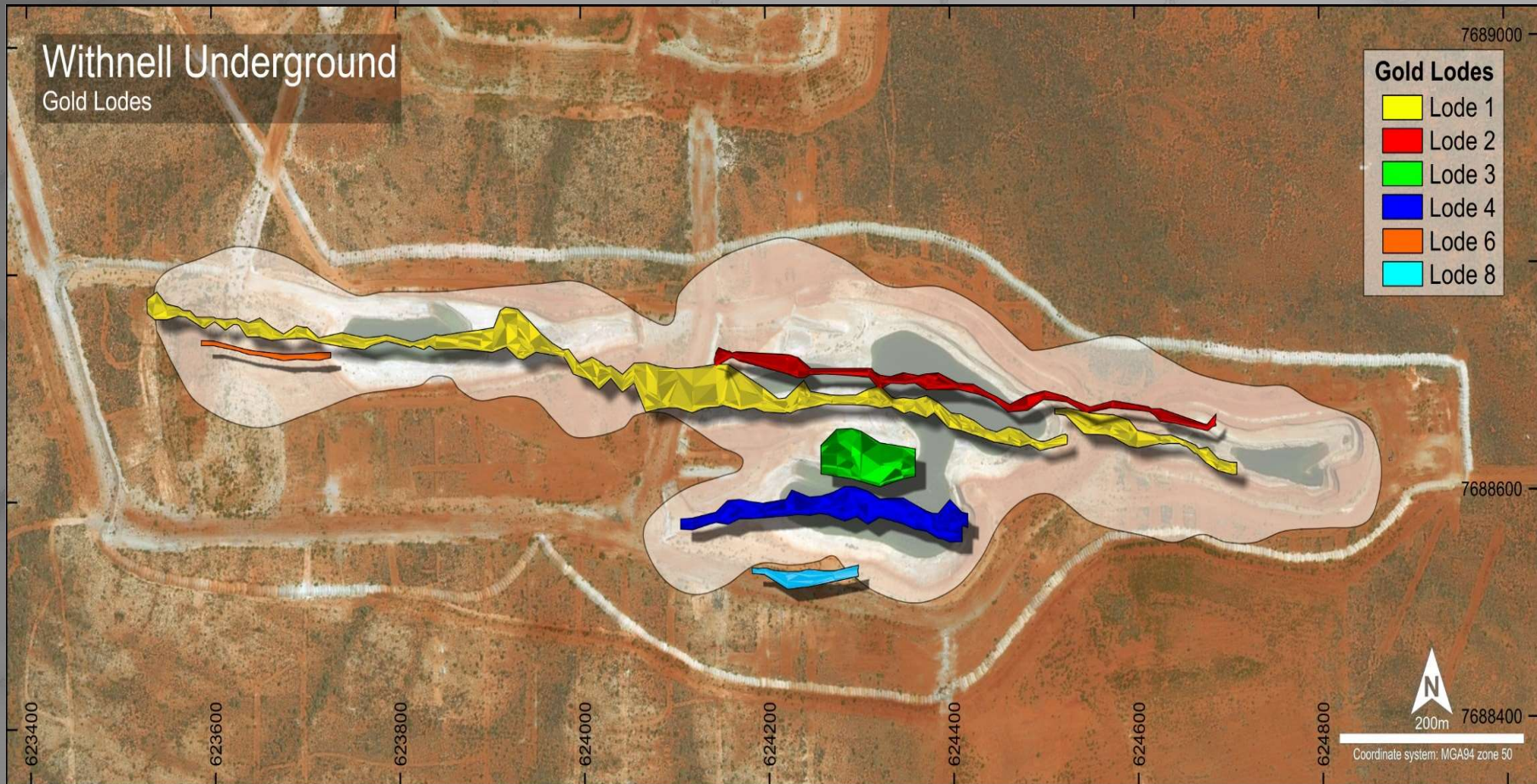
- Resource 377.3koz
- 4 High grade lodes targeted beneath shallow o/p resource
- Drilling underway, results pending
- 6km trend

Exploration Target
330 to 720koz
4.0 to 6.5g/t
-200 to -600RL

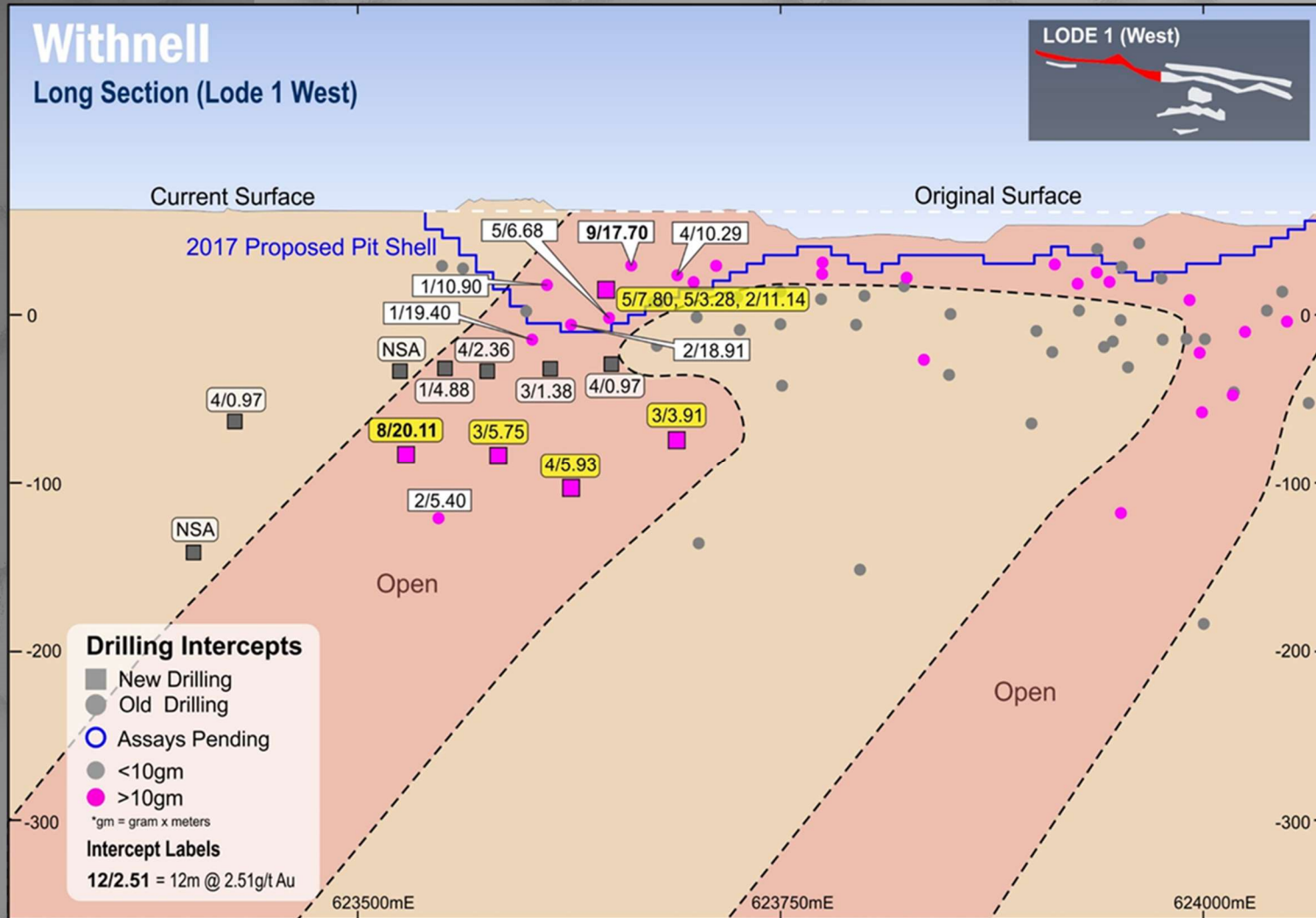
Exploration Target Cautionary Statement - The potential quantity and grade of the exploration target is conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources will be realised.



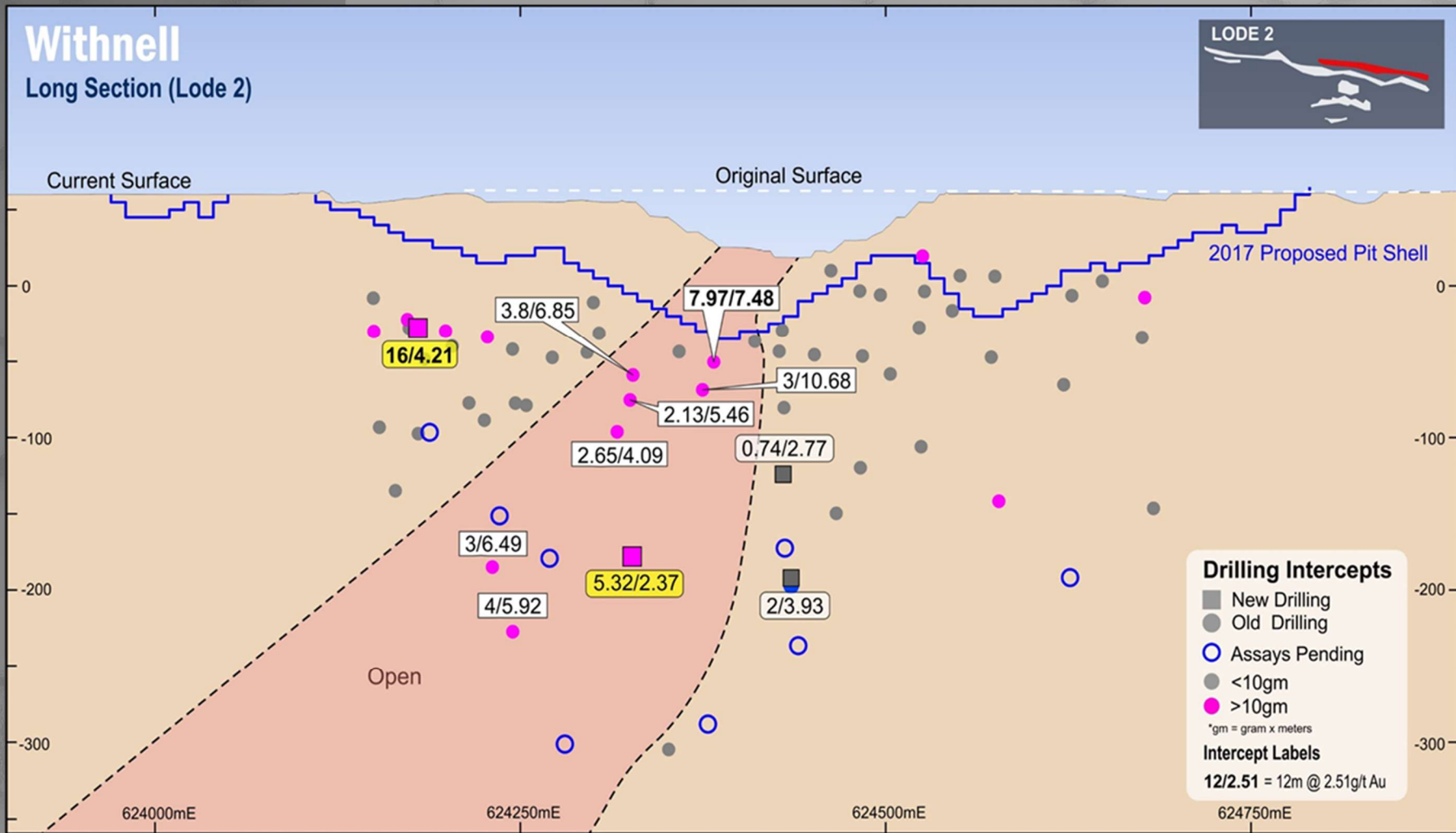
Withnell – high grade lodes



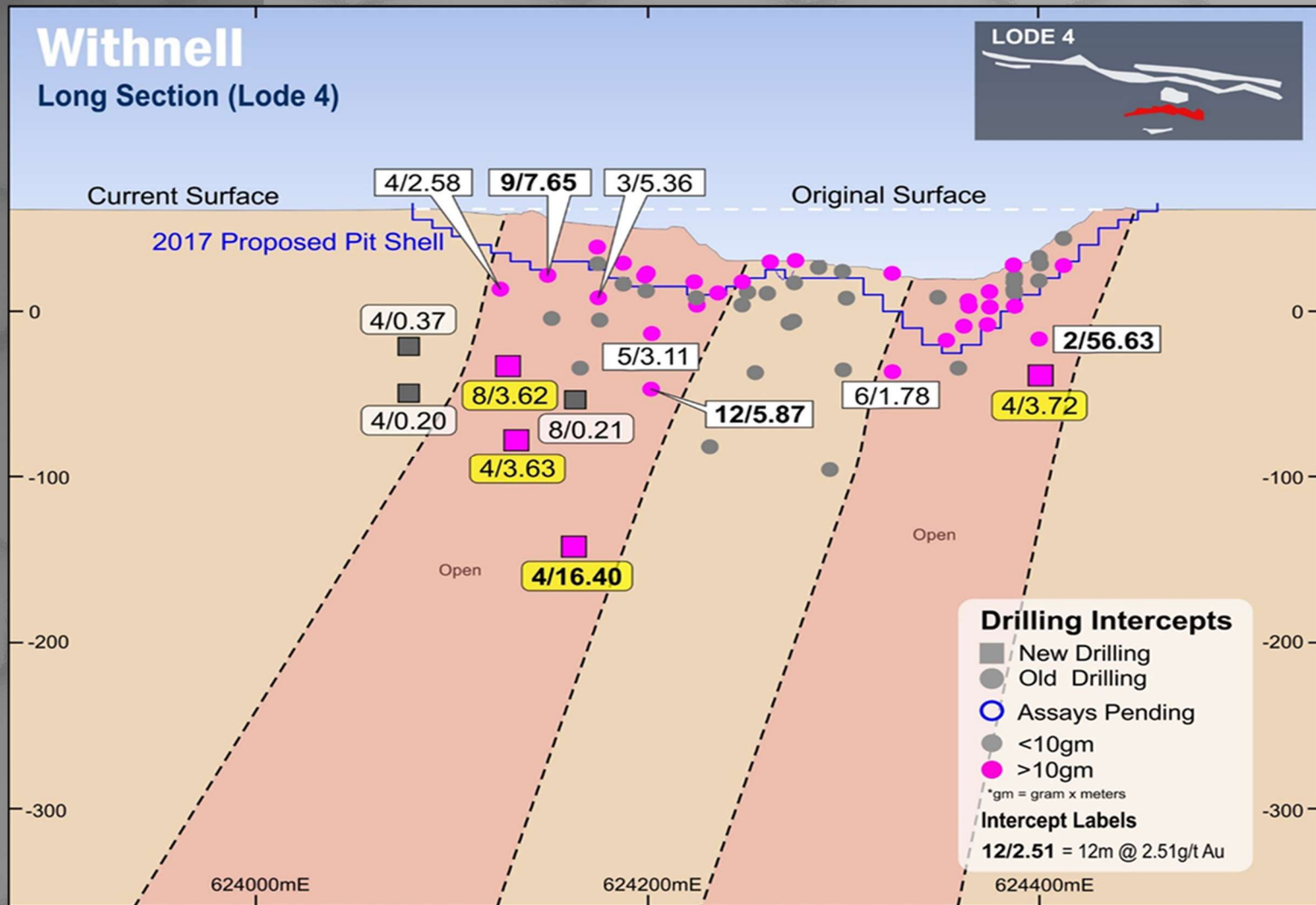
Withnell – high grade lodes



Withnell – high grade lodes



Withnell – high grade lodes



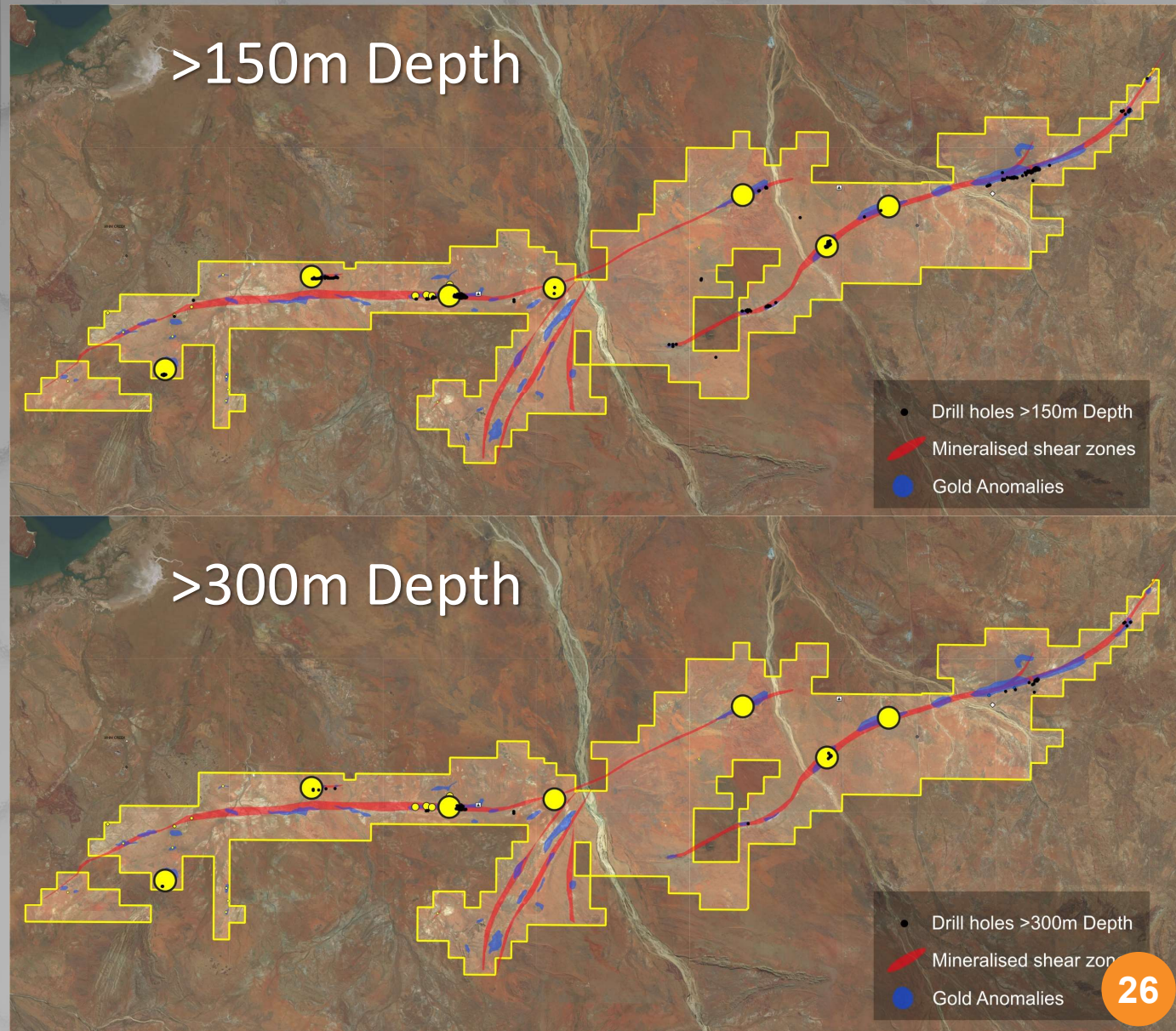
Withnell – high grade lodes



Regional Targets

-we have only scratched the surface

- 200km of shears virtually untested at depth >300m
- Large mineralised systems usually +5km long and only partially drill tested
- Majority of resources tested to only ~100m
- All deposits remain open



Understanding Economics



PFS expanded to 2.0Mtpa plant



Timeline driven by new resource growth



Improved metallurgy – breakthrough sulphide recoveries

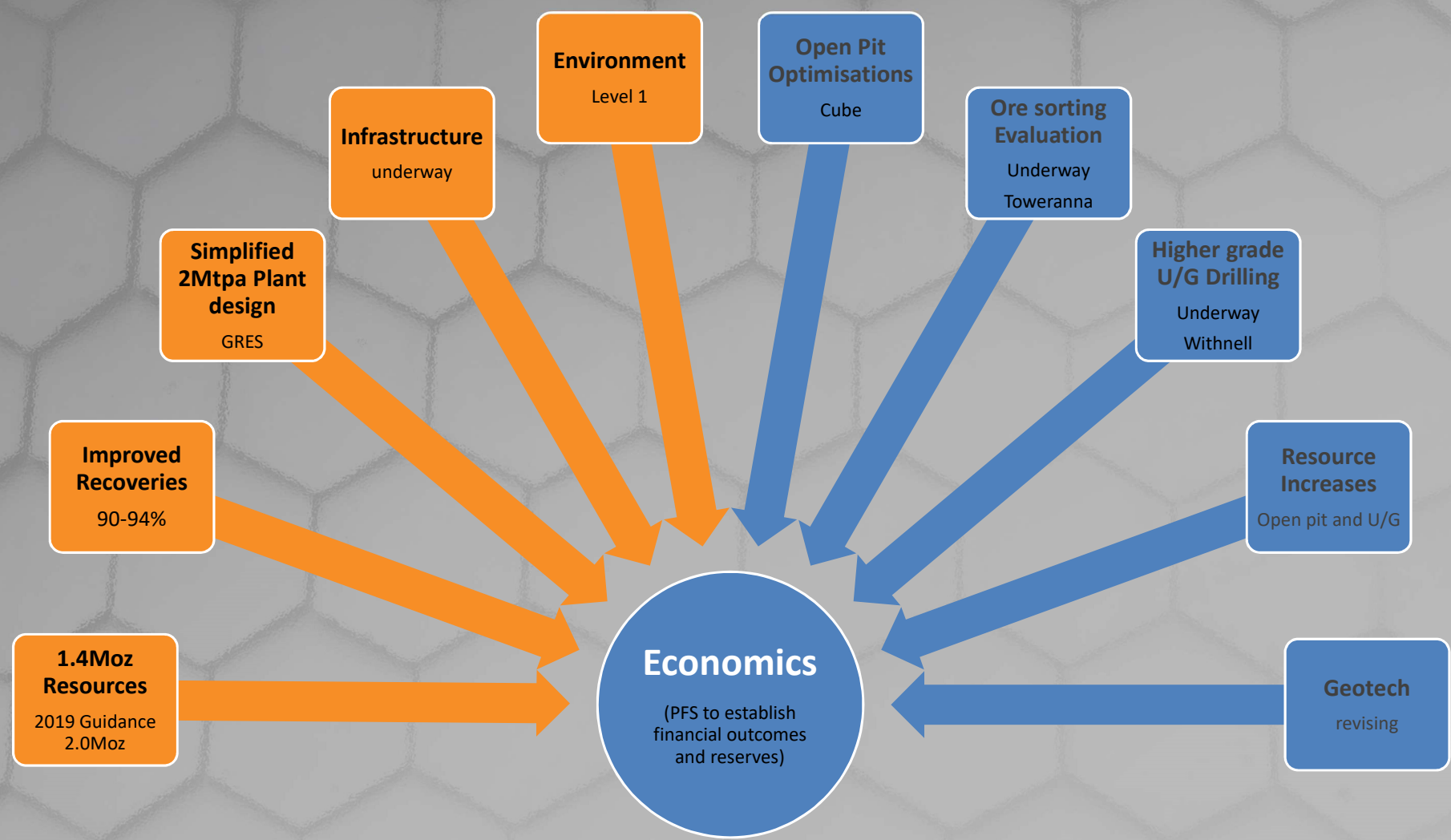


Simplified processing design



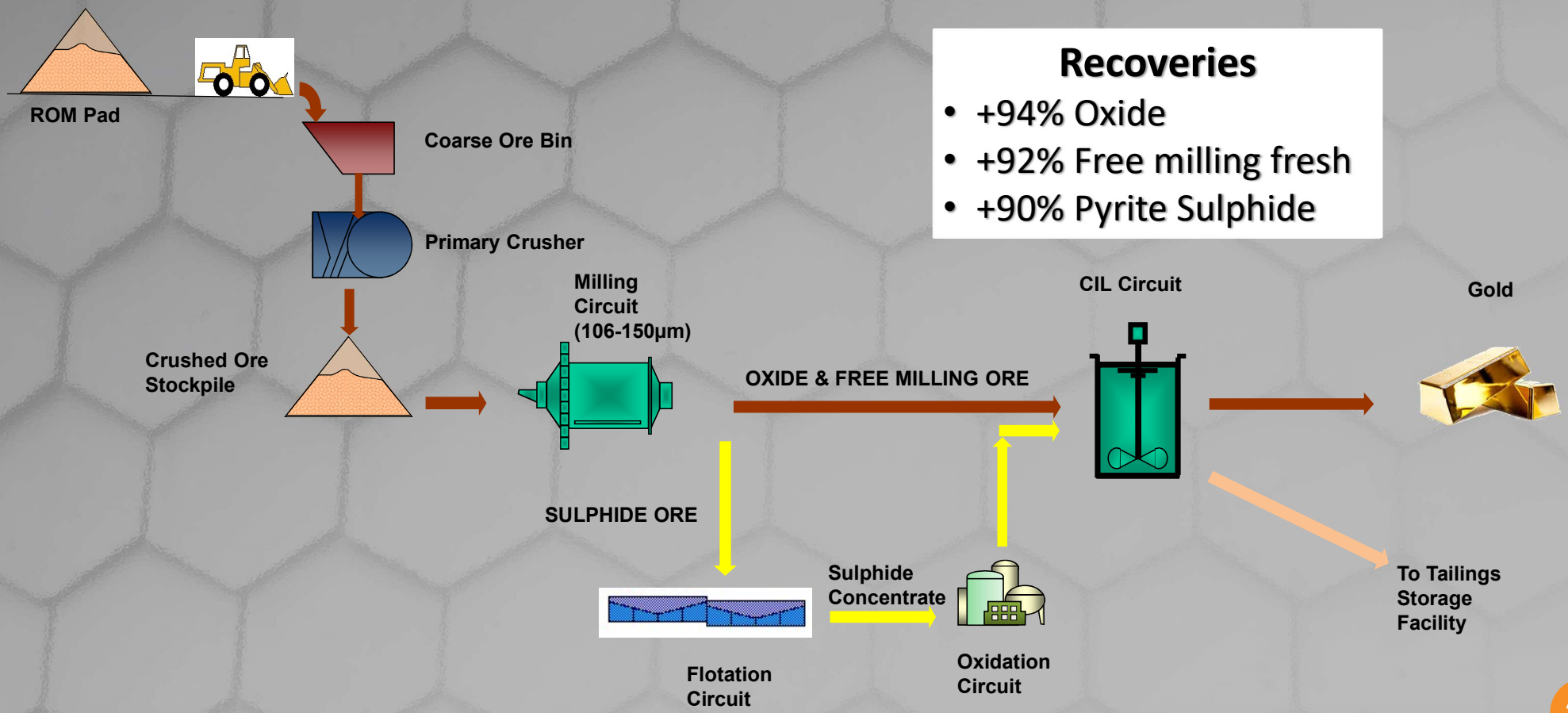
Economies of scale

Economics - PFS to 2Mtpa



Economics - PFS to 2Mtpa

Simplified plant - conventional circuit



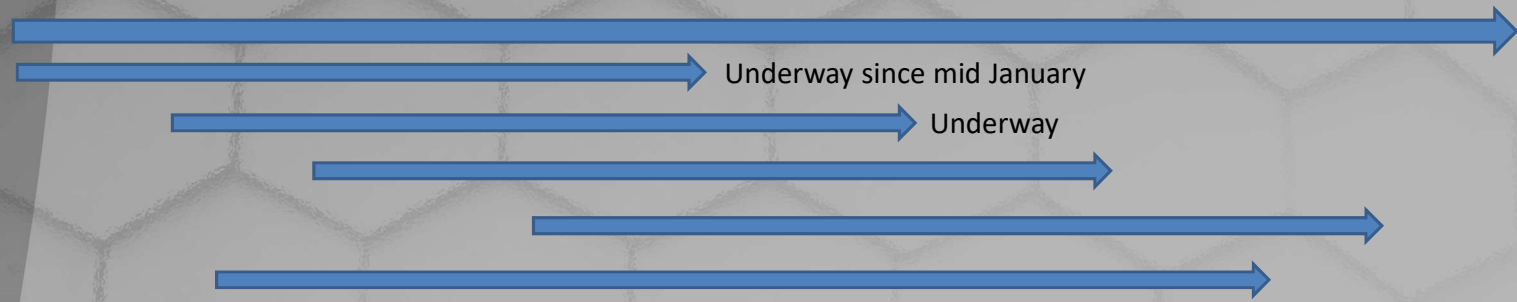
- ### Recoveries
- +94% Oxide
 - +92% Free milling fresh
 - +90% Pyrite Sulphide

Timeline

2019

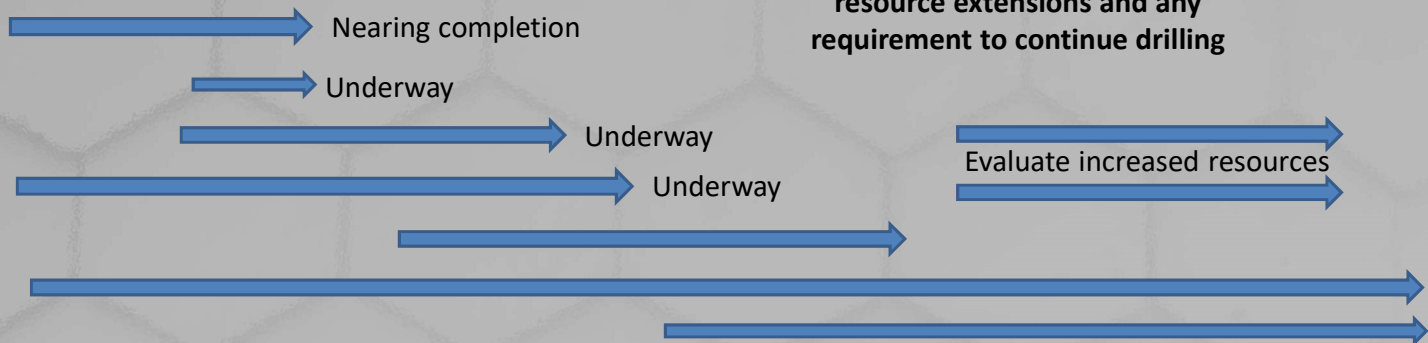
Exploration

- Resource Extension
- Withnell
- Toweranna
- Mallina
- Mt Berghaus
- Reconnaissance Exploration



Feasibility

- Plant Design & costings
- Infrastructure
- Pit optimisations
- Underground resource
- U/G evaluation
- Geotech
- Environment





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Thankyou

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