11 November 2019 **ASX Release**

Mallina continues to deliver

- **Additional priority RC, diamond and aircore drilling recommencing at Mallina**
- **Revised geological model and intense alteration zonation shows strong resource potential**
- **Follow-up RC drilling extends mineralisation of recently reported new aircore zones**

  3m @ 7.9g/t Au from 27m in MLRC282

  10m @ 3.1g/t Au from 53m in MLRC288 incl **4m @ 6.7g/t Au** from 56m

  10m @ 2.8g/t Au from 77m in MLRC282 incl **3m @ 7.4g/t Au** from 83m

  6m @ 2.6g/t Au from 114m in MLRC288 incl **2m @ 5.9g/t Au** from 114m

  5m @ 2.1g/t Au from 91m in MLRC284

- **New shallow aircore results include**

  4m @ 1.7g/t Au from 68m in MLAC132

  8m @ 1.2g/t Au from 44m in MLAC134

- **Previous high grade aircore results reconfirmed with 1m sampling**

  22m @ 4.1g/t Au from 9m in MLAC037 (incl 7m @ 11.6g/t Au from 23m) and

  14m @ 4.9g/t Au from 36m in MLAC037 (incl 9m @ 7.0g/t Au from 37m)

  7m @ 4.1g/t Au from 14m in MLAC041

  28m @ 2.3g/t Au from 41m in MLAC052 (incl 2m @ 9.6g/t Au from 63m)

  15m @ 1.3g/t Au from 16m in MLAC066 and

  6m @ 5.1g/t Au from 39m in MLAC066

Andy Beckwith, Technical Director commented:

"Mallina drilling results have culminated in an escalation of our follow-up drilling plans with a larger and more comprehensive program of RC, diamond and aircore based on these encouraging new results and the improved geological control has commenced.

The program is planned to extend the current shallow resources along strike and down dip along the main 3km of resource area with deeper fences of RC drilling also targeting resource extensions to 200m depth initially at the Central Zone.

We continue to await many results over our two other priority areas Withnell and Toweranna and expect to provide updates during November. "

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to announce results of follow-up RC and aircore drilling at Mallina, targeting immediate extensions of the recent and previously released shallow high grade aircore intersections.

Mallina has a resource of 3.83Mt @ 1.3g/t for 160,700oz* based on drilling to July 2018. Subsequent drilling has provided a substantial number of intersections outside the existing resource model. *(*ASX release "2019 Total Gold Mineral Resource – 21% increase to 1.7Moz", 16 July 2019).*

The recent encouraging aircore results intersected new parallel lodes not previously identified that defined broad zones of shallow gold mineralisation from surface to approximately 50m depth that included **40m @ 3.9g/t Au, 28m @ 2.6g/t Au, 32m @ 1.6/t Au and 20m @ 1.7g/t Au** (*ASX release "New high grade gold zones at Mallina", 27 September 2019*). Recent detailed geological relogging has also markedly improved our understanding of the controls on mineralisation and alteration zonation which is expected to aid drill targeting.

The program comprising 22 RC holes, totalling 2,544m and 81 aircore holes, totalling 4,381m was completed to follow-up the encouraging aircore results. Table 1 provides a listing of all results (>2gm*m) and Figures 1-5 provide a summary of the new drilling results.

A larger and more comprehensive program of RC, diamond and aircore based on these encouraging new results and the improved geological control has commenced. The program is planned to extend the current shallow resources along strike and down dip along the current 3km of resource area with deeper fences of RC drilling also targeting resource extensions to 200m depth initially at the Central Zone.

Follow-up RC results

The recent follow-up RC drilling in the Central and Mallina Zones (Figure 1) has been successful in confirming extensions to the new aircore mineralisation both vertically and along strike in most instances. An example of the new lodes is presented in Figure 1.

Further follow-up drilling is now planned to expand on this mineralisation along trend and at depth together with other known lode extensions.

Significant new RC results (>5gm *m) include:

3m @ 7.9g/t Au from 27m in MLRC282
10m @ 3.1g/t Au from 53m in MLRC288 incl **4m @ 6.7g/t Au** from 56m
10m @ 2.8g/t Au from 77m in MLRC282 incl **3m @ 7.4g/t Au** from 83m
6m @ 2.6g/t Au from 114m in MLRC288 incl **2m @ 5.9g/t Au** from 114m
4m @ 2.2g/t Au from 40m in MLRC270
5m @ 2.1g/t Au from 91m in MLRC284 incl **1m @ 7.1g/t Au** from 94m
16m @ 1.5g/t Au from 19m in MLRC287 incl **4m @ 3.4g/t Au** from 24m
17m @ 1.0g/t Au from 52m in MLRC274 incl 2m **@ 2.4g/t Au** from 64m

Mallina has progressively grown in stature with each round of drilling completed. The latest aircore and RC drill results coupled with other previous and significant drilling results completed since the July 2018 resource estimate, all provide confidence further resource increases can be expected. The planned drilling program has been escalated and bought forward in order to rapidly assess this greater potential. The following listed drilling results are indicative of the significant results remaining to be included in the resource model.

Significant previously reported mineralisation (>10gm *m) not included in the current Mallina resource estimate include:

HoleID	DepthFrom (m)	DepthTo (m)	Width (m)	AuPPM	Metal (gm*m)
RC and Diamond holes to be used in next resource update					
MLRC040	11	14	3	12.5	37
NRC0042	0	4	4	9.1	36
MLRC232	5	36	31	1.1	34
MLRC035	36	40	4	6.8	27
MLRC133	62	66	4	4.6	18
MLRC149	69	76	7	2.4	16
MLRC070	7	9	2	7.7	15
MLRC156	11	17	6	2.5	15
MLRC257	130	144	14	1.1	15
MLRC101	17	24	7	1.8	13
MLRC133	86	96	10	1.2	12
MLRC257	101	112	11	1.1	12
NDD0003	274.3	282.4	8.1	1.4	11
MLRC094	54	63	9	1.2	10
MLRC255	81	86	5	2.0	10
MLRC181D	126.58	140	13.42	5.1	68
Aircore holes (not used in resource estimate and will be drilled with RC)					
MLAC037	16	32	16	5.4	86
MLAC037	36	48	12	5.6	67
MLAC052	40	60	20	2.6	52
MLAC041	12	24	12	2.5	30
MLAC066	36	48	12	2.4	29
MLAC052	64	68	4	5.4	22
MLAC066	16	32	16	1.3	21

Improved Geology

A detailed review of the mineralisation, alteration and structure controlling the mineralisation has been recently completed by an external consultant and the De Grey geological team. Results of this review have provided a step change in our understanding of the gold mineralisation.

The higher grade gold mineralisation is associated with an intense and pervasive sericite-ankerite-silica-sulphide (pyrite and arsenopyrite) assemblage progressing to moderate then weak distal sericite-ankerite alteration away from the controlling structures (Figures 2-3). There are also strong indications the alteration preferentially telegraphs along certain sediments units within the package. This telegraphing along preferred rock units explains why continuing of mineralisation is not always consistent between holes and in some cases between sections. To test this concept further and extend resources at depth along the network of multiple structures, a series of systematic sections will be drilled to at least 200m (Figure 4). This drilling is planned to be undertaken as part of the revised drilling programs underway.

Follow-up Aircore results

The recently completed aircore drilling centred on greater definition and extensions to the western mineralisation (west of 607,000E in Figure 5) with additional widespaced lines completed on nominal 300m spaced lines between the previous 1.2km reconnaissance lines. Results define the lateral trend of the mineralisation and will require further infill and depth extensions with future RC drilling. A heritage survey is expected to be completed in the coming weeks.

The aircore drilling around the resource area (Alfred Argyle to Mallina) is part of an ongoing systematic drilling program. Results continue to better define extensions to the mineralisation and will be an important part of the future drilling program to guide RC and diamond drilling targets. Significant results are provided in Table 1.

For further information:

Simon Lill (*Executive Chairman***) or**

Andy Beckwith (*Technical Director and Operations Manager***)**

De Grey Mining Ltd

Phone +61 8 6117 9328

admin@degreymining.com.au

Competent Person Statements

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.

Figure 1 Mallina East - New RC and Aircore results (yellow highlights) in the Alfred-Argyle to Mallina Zones shown with all previously reported drill intersections outside of the resource model (**3.83Mt @ 1.3g/t for 160,700oz**).

(Blue lodes are interpreted new zone outside of the resource model, Yellow lodes are lodes within resource model)

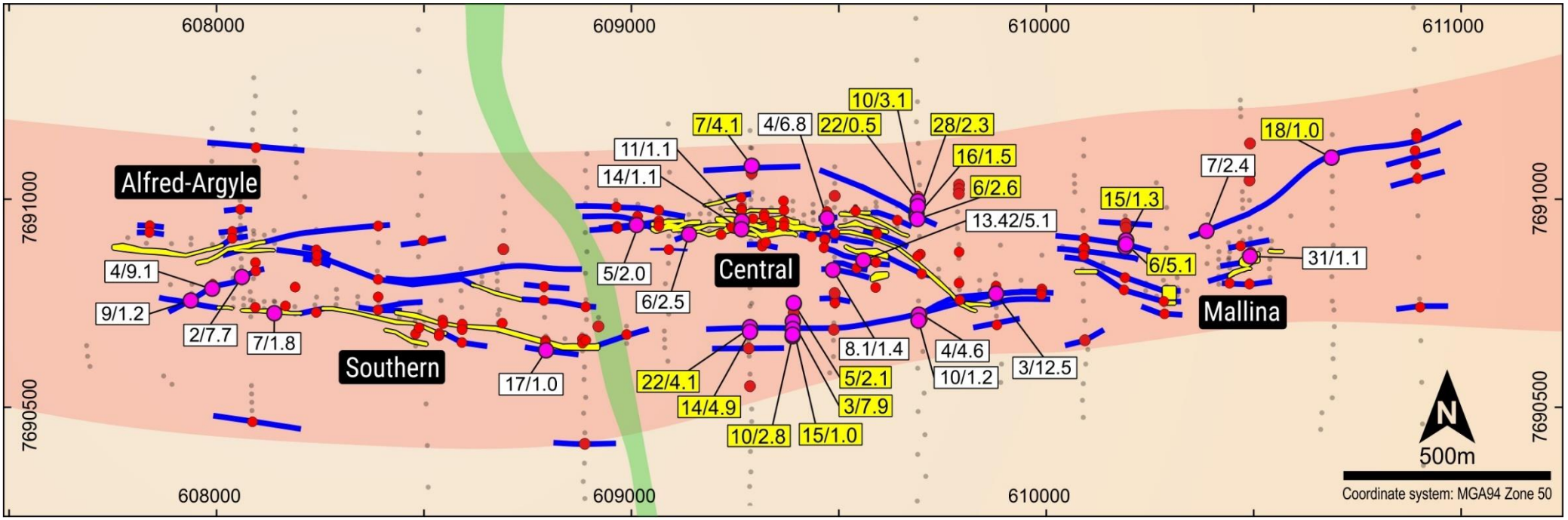

Figure 2 Mallina - Section 609690E, showing interpreted alteration, structures and mineralisation in recent drilling.

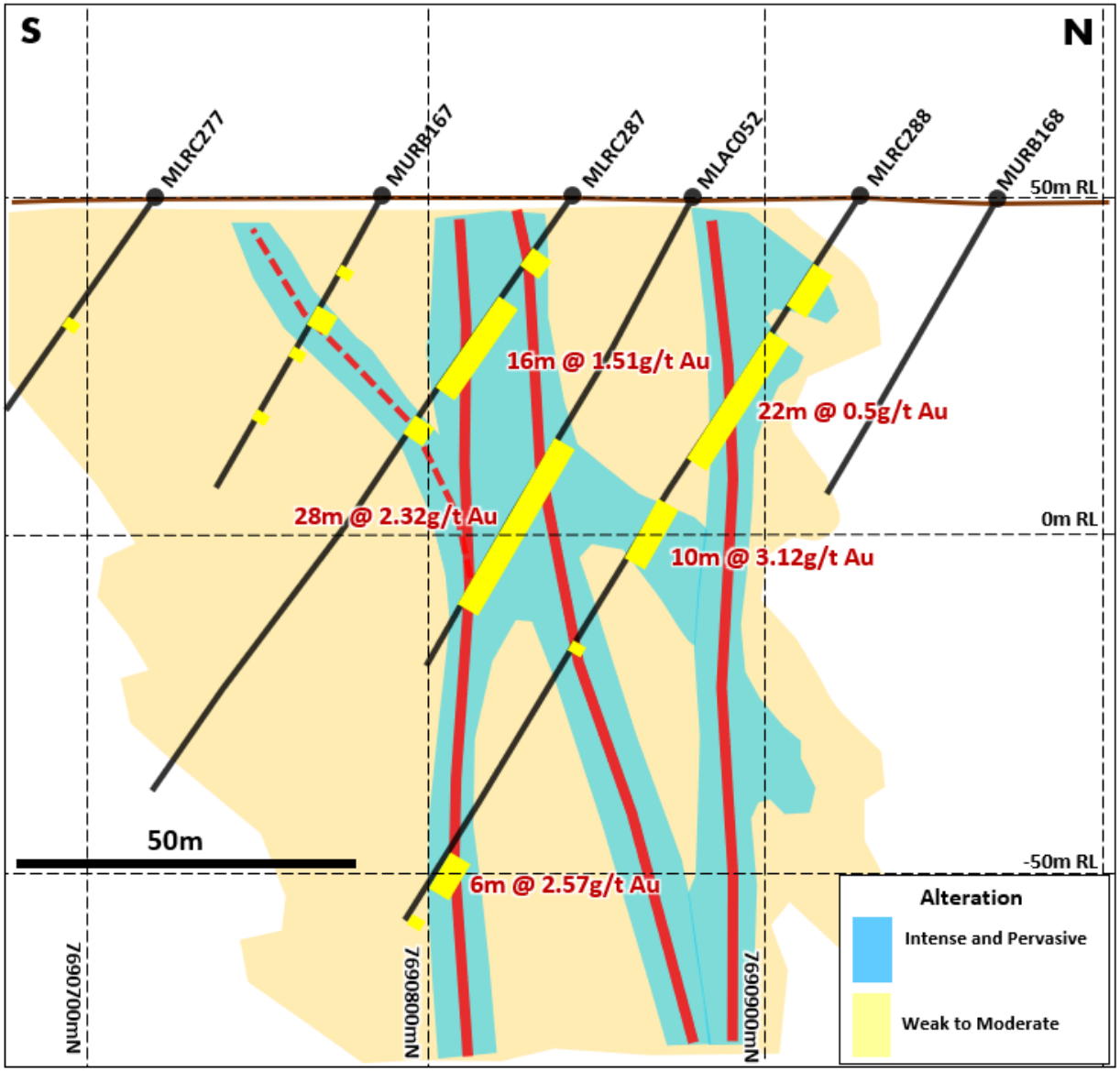

Figure 3 Mallina - Alteration types controlling higher grade gold mineralisation in core (upper diagram) and in drill chips (lower diagram)

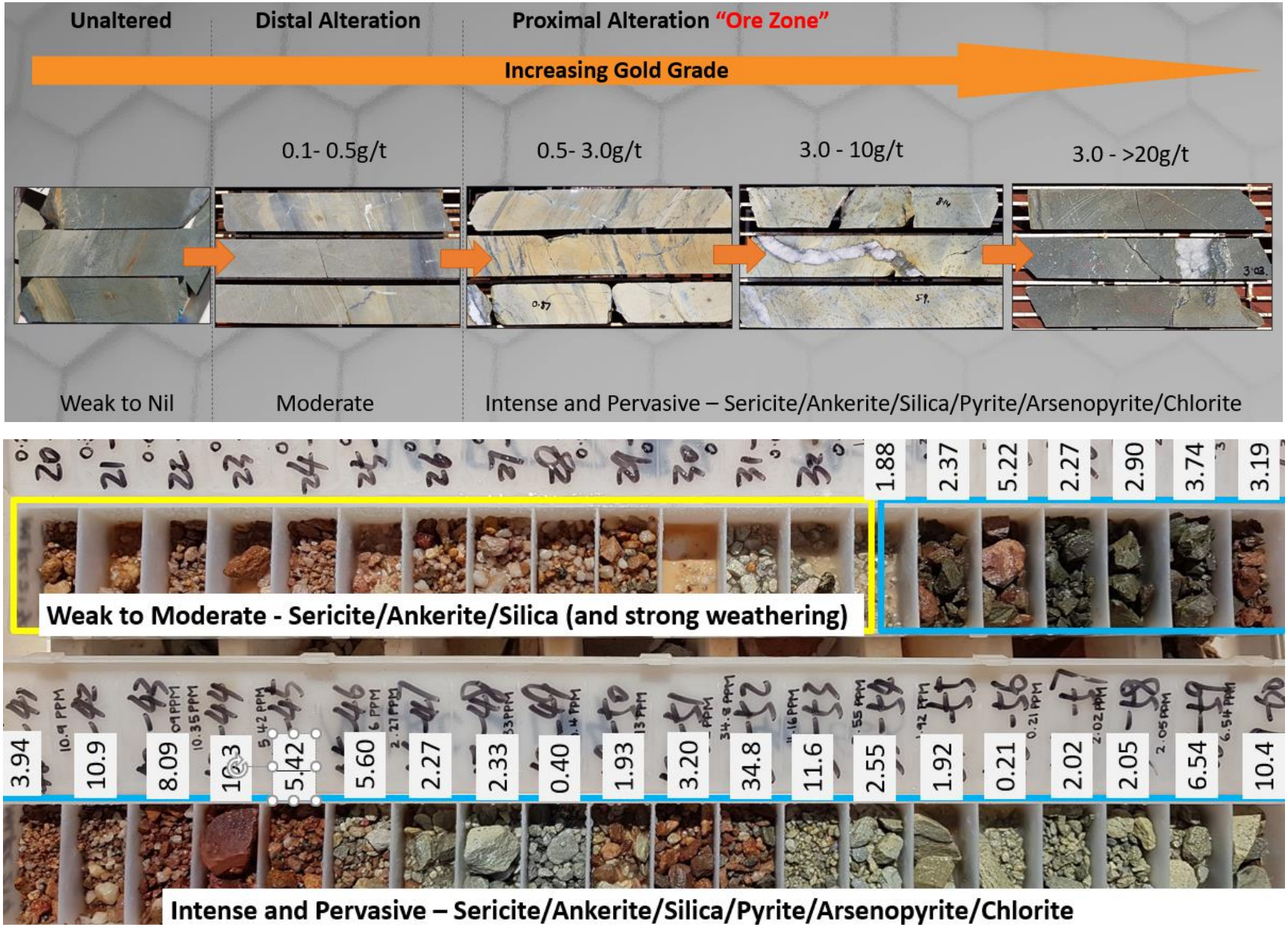

Figure 4 - Section 609290Eshowing interpretation of known alteration and conceptual targets at depth.

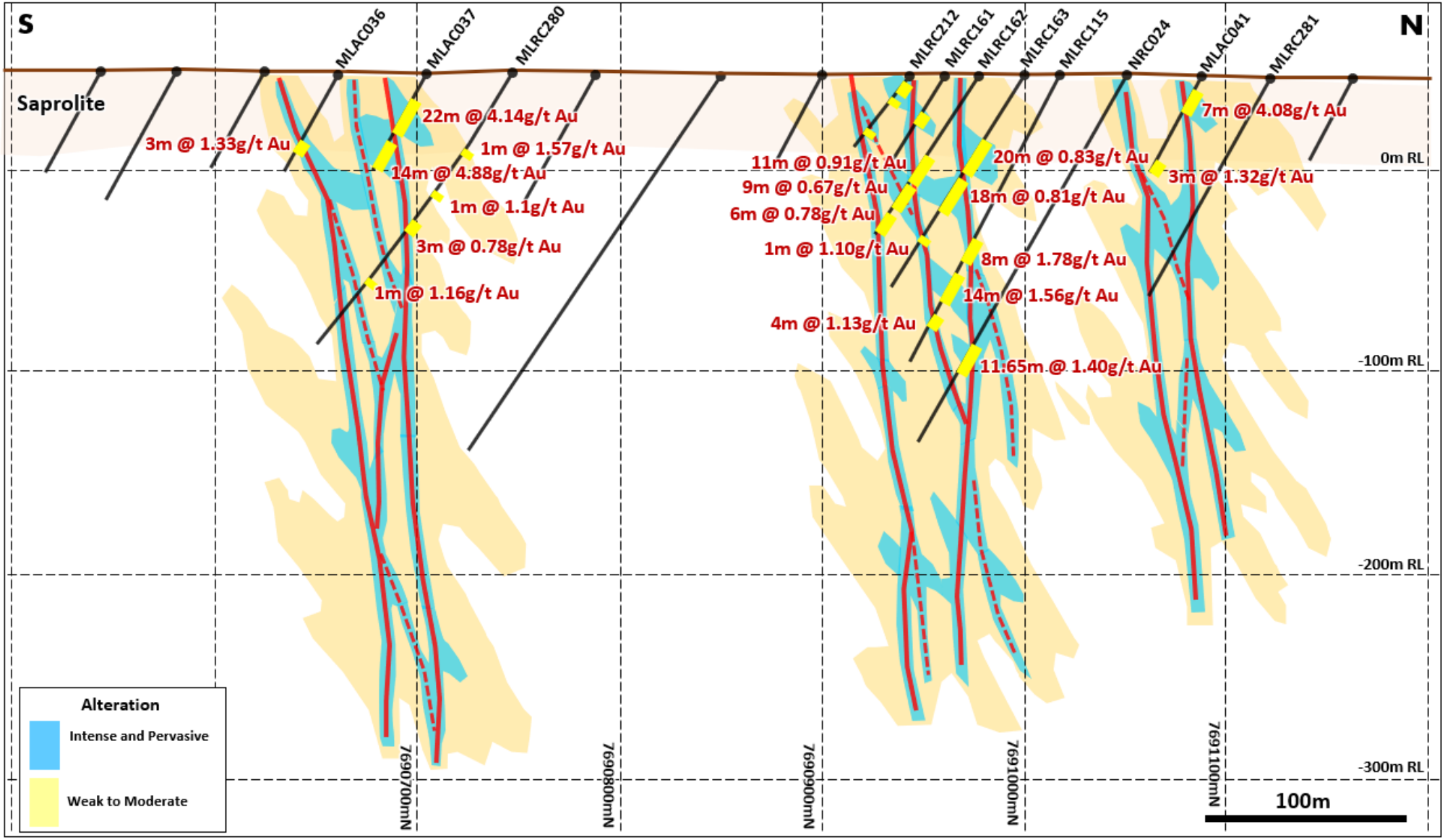

Figure 5 - 7km long corridor showing new aircore results extending mineralisation trends to the west and remain open

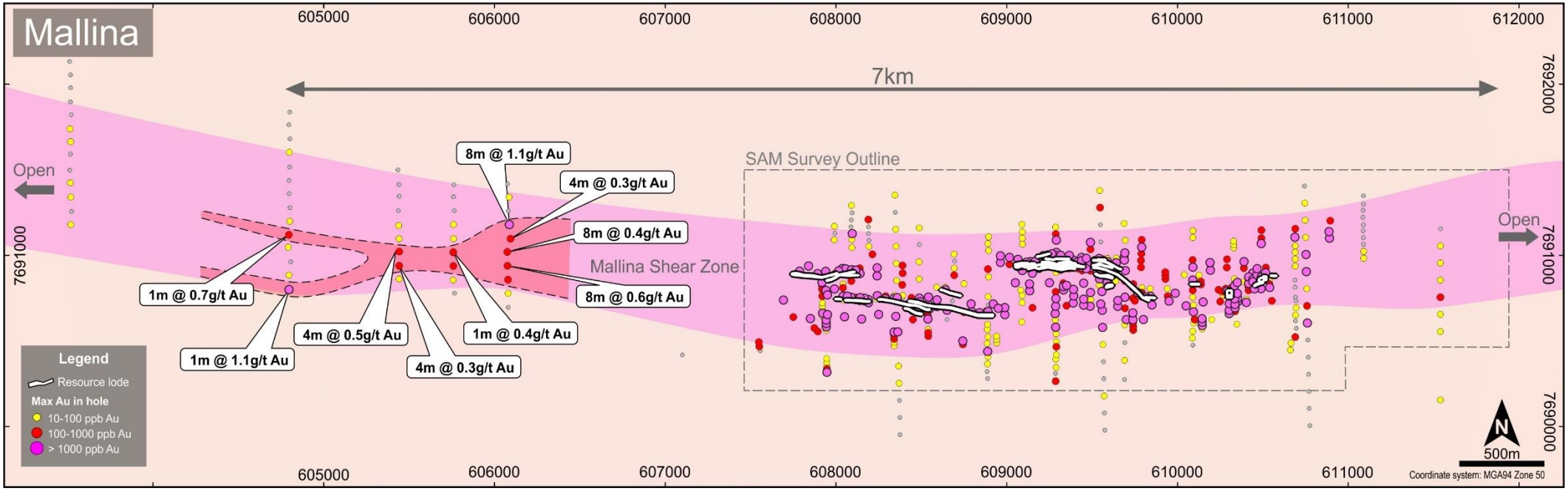

Table 1 Significant Drill Intersections (>2 gram x m)

HoleID	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)
Previous Aircore 1m Resplits										
MLAC003	6	8	2	2.2	608095	7691127	49	-60	180	36
MLAC016	52	54	2	1.3	608888	7690439	50	-60	180	70
MLAC016	64	66	2	0.9	608888	7690439	50	-60	180	70
MLAC023	41	45	4	1.4	608921	7690716	50	-60	180	80
MLAC025	23	25	2	0.6	608889	7690920	49	-60	180	80
MLAC034	57	59	2	1.4	609286	7690580	50	-60	180	75
MLAC036	35	38	3	1.3	609283	7690660	50	-60	180	60
MLAC037	9	31	22	4.1	609286	7690703	50	-60	180	57
incl	23	30	7	11.6	609286	7690703	50	-60	180	57
MLAC037	36	50	14	4.9	609286	7690703	50	-60	180	57
incl	37	46	9	7.0	609286	7690703	50	-60	180	57
MLAC039	29	30	1	0.3	609286	7690787	50	-60	180	74
MLAC039	31	32	1	0.5	609286	7690787	50	-60	180	74
MLAC041	2	9	7	0.6	609290	7691089	49	-60	180	55
MLAC041	14	21	7	4.1	609290	7691089	49	-60	180	55
MLAC041	29	34	5	0.6	609290	7691089	49	-60	180	55
MLAC041	45	48	3	0.5	609290	7691089	49	-60	180	55
MLAC041	52	55	3	1.3	609290	7691089	49	-60	180	55
MLAC044	31	34	3	1.7	609488	7690703	50	-60	180	48
MLAC046	8	10	2	0.3	609490	7690783	50	-60	180	71
MLAC046	12	21	9	0.7	609490	7690783	50	-60	180	71
MLAC046	25	26	1	1.4	609490	7690783	50	-60	180	71
MLAC046	60	62	2	0.5	609490	7690783	50	-60	180	71
MLAC046	66	67	1	0.7	609490	7690783	50	-60	180	71
MLAC051	67	68	1	0.4	609692	7690691	50	-60	180	80
MLAC052	41	69	28	2.3	609687	7690990	50	-60	180	80
incl	63	65	2	9.6	609687	7690990	50	-60	180	80
MLAC060	17	18	1	2.9	610093	7690670	50	-60	180	60
MLAC062	10	12	2	0.7	610089	7690797	50	-60	180	80
MLAC062	79	80	1	0.7	610089	7690797	50	-60	180	80
MLAC063	79	80	1	0.8	610088	7690973	50	-60	180	80
MLAC066	16	31	15	1.3	610192	7690913	50	-60	180	63
incl	28	30	2	2.9	610192	7690913	50	-60	180	63
MLAC066	39	45	6	5.1	610192	7690913	50	-60	180	63
MLAC066	61	62	1	1.0	610192	7690913	50	-60	180	63
MLAC067	20	28	8	0.4	610191	7690947	50	-60	180	31
MLAC070	48	49	1	0.5	610689	7690523	51	-60	180	80
MLAC080	3	21	18	1.0	610687	7691106	49	-60	180	34
MLAC080	26	27	1	0.4	610687	7691106	49	-60	180	34
MLAC081	59	60	1	1.1	604797	7690800	50	-60	180	80
MLAC085	50	51	1	0.7	604796	7691120	50	-60	180	80
New Aircore 4m composite sampling										
MLAC121	4	12	8	0.4	608692	7690884	49	-60	181	63
MLAC129	16	20	4	0.5	609786	7690930	50	-60	181	66
MLAC130	60	64	4	0.5	609786	7690970	50	-60	181	77
MLAC131	16	20	4	0.3	609788	7691010	50	-60	181	80
MLAC132	24	28	4	0.7	609790	7691048	50	-60	181	80
MLAC132	44	52	8	0.8	609790	7691048	50	-60	181	80
MLAC132	68	72	4	1.7	609790	7691048	50	-60	181	80

HoleID	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)
MLAC132	79	80	1	0.6	609790	7691048	50	-60	181	80
MLAC133	60	64	4	0.4	609790	7691091	49	-60	181	80
MLAC134	8	20	12	0.5	610490	7691069	49	-60	181	66
MLAC134	44	52	8	1.2	610490	7691069	49	-60	181	66
MLAC136	24	28	4	0.6	610491	7691147	49	-60	181	80
MLAC139	36	40	4	0.5	609487	7690661	50	-60	181	67
MLAC142	20	24	4	0.4	609892	7690646	50	-60	180	80
MLAC175	4	8	4	0.3	605442	7690939	50	-60	180	70
MLAC176	16	20	4	0.5	605442	7691022	50	-60	180	50
MLAC186	8	9	1	0.4	605759	7691017	50	-60	180	9
New RC 1m sampling										
MLRC270	40	44	4	2.2	608963	7690959	50	-55	173	114
MLRC270	49	50	1	2.1	608963	7690959	50	-55	173	114
MLRC271	25	31	6	0.8	608963	7690997	49	-55	178	132
incl	33	34	1	4.7	608988	7690695	50	-55	180	132
MLRC273	33	36	3	2.3	608988	7690695	50	-55	180	132
MLRC274	52	69	17	1.0	608794	7690672	50	-55	178	78
incl	53	54	1	3.3	608794	7690672	50	-55	178	78
incl	64	66	2	2.4	608794	7690672	50	-55	178	78
MLRC275	98	101	3	1.8	608791	7690716	50	-55	177	132
incl	99	100	1	4.4	608791	7690716	50	-55	177	132
incl	106	107	1	4.5	608791	7690716	50	-55	177	132
MLRC275	106	112	6	1.2	608791	7690716	50	-55	177	132
MLRC276	40	47	7	0.7	610090	7690931	50	-55	176	132
MLRC276	82	86	4	0.6	610090	7690931	50	-55	176	132
MLRC277	71	76	5	1.0	609694	7690911	50	-55	177	120
incl	72	73	1	2.4	609694	7690911	50	-55	177	120
MLRC278	1	5	4	1.3	608240	7690880	50	-55	178	90
MLRC278	48	50	2	1.3	608240	7690880	50	-55	178	90
MLRC279	103	105	2	1.5	608241	7690927	51	-55	176	114
MLRC280	47	48	1	1.6	609287	7690747	50	-56	177	168
MLRC280	73	74	1	1.1	609287	7690747	50	-56	177	168
MLRC280	81	82	1	0.9	609287	7690747	50	-56	177	168
MLRC280	92	95	3	0.8	609287	7690747	50	-56	177	168
MLRC280	127	128	1	1.2	609287	7690747	50	-56	177	168
MLRC280	132	136	4	0.5	609287	7690747	50	-56	177	168
MLRC282	13	15	2	0.4	609389	7690722	50	-56	180	102
MLRC282	27	30	3	7.9	609389	7690722	50	-56	180	102
MLRC282	53	68	15	1.0	609389	7690722	50	-56	180	102
incl	58	59	1	3.5	609389	7690722	50	-56	180	102
MLRC282	77	87	10	2.8	609389	7690722	50	-56	180	102
incl	83	86	3	7.4	609389	7690722	50	-56	180	102
MLRC282	91	92	1	0.8	609389	7690722	50	-56	180	102
MLRC283	41	42	1	1.0	609392	7690763	50	-57	180	186
MLRC283	84	86	2	1.2	609392	7690763	50	-57	180	186
MLRC283	91	92	1	0.4	609392	7690763	50	-57	180	186
MLRC283	104	114	10	1.0	609392	7690763	50	-57	180	186
MLRC283	128	131	3	1.0	609392	7690763	50	-57	180	186
MLRC283	154	155	1	1.8	609392	7690763	50	-57	180	186
MLRC283	160	162	2	1.4	609392	7690763	50	-57	180	186
MLRC283	174	177	3	0.6	609392	7690763	50	-57	180	186
MLRC284	31	32	1	0.6	609390	7690801	50	-56	179	138
MLRC284	37	40	3	0.4	609390	7690801	50	-56	179	138

HoleID	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)
MLRC284	54	55	1	0.4	609390	7690801	50	-56	179	138
MLRC284	91	96	5	2.1	609390	7690801	50	-56	179	138
incl	94	95	1	7.1	609390	7690801	50	-56	179	138
MLRC284	102	103	1	0.3	609390	7690801	50	-56	179	138
MLRC284	135	136	1	3.1	609390	7690801	50	-56	179	138
MLRC286	111	117	6	0.6	609490	7691076	50	-56	178	132
MLRC287	10	13	3	0.9	609688	7690972	50	-57	185	108
MLRC287	19	35	16	1.5	609688	7690972	50	-57	185	108
incl	24	28	4	3.4	609688	7690972	50	-57	185	108
MLRC287	40	43	3	1.5	609688	7690972	50	-57	185	108
MLRC288	12	19	7	0.3	609691	7691014	50	-56	182	126
MLRC288	24	46	22	0.5	609691	7691014	50	-56	182	126
MLRC288	53	63	10	3.1	609691	7691014	50	-56	182	126
incl	56	60	4	6.7	609691	7691014	50	-56	182	126
MLRC288	79	80	1	0.5	609691	7691014	50	-56	182	126
MLRC288	114	120	6	2.6	609691	7691014	50	-56	182	126
incl	114	116	2	5.9	609691	7691014	50	-56	182	126
MLRC288	125	126	1	0.6	609691	7691014	50	-56	182	126
MLRC289	14	18	4	0.4	610190	7690958	50	-56	175	138
MLRC289	27	32	5	0.6	610190	7690958	50	-56	175	138
MLRC289	37	38	1	0.3	610190	7690958	50	-56	175	138
MLRC289	46	48	2	1.1	610190	7690958	50	-56	175	138
MLRC289	68	69	1	0.3	610190	7690958	50	-56	175	138
MLRC290	35	37	2	0.4	610288	7690929	50	-56	180	72
MLRC291	48	49	1	0.5	610289	7690977	50	-56	180	78

JORC Code, 2012 Edition – Table 1

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 • 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. • The independent laboratory pulverises the entire sample for analysis as described below
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.).*	• 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.*	• RC and aircore samples were visually assessed for recovery. • Samples are considered representative with generally good recovery. • 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 by Company geologists • RC sample results are appropriate for use in a resource estimation

Criteria	JORC Code explanation	Commentary
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.*	• RC sampling was carried out by a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m and 4m composite basis. • Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. • 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 • 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.
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 RC samples Au was analysed by a 50g charge Fire assay fusion technique with an AAS finish. • 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.*	• RC drill hole collar locations are located by DGPS to an accuracy of +/-10cm. • Aircore hole collar locations are located 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.*	• Drilling is on a nominal 100m x 40m grid spacing for RC and 200 x 40m to 1200 x 80m grid spacing for aircore. • All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation. • Data spacing and distribution of RC 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	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the*	• The drilling is approximately perpendicular to the strike of mineralisation and therefore the sampling is considered

Criteria	JORC Code explanation	Commentary
to geological structure	*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.*	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. This will be allowed for in resource estimates 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.*	• Mallina is on E47/3504 and is located approximately 80km south of Port Hedland. The tenements are held by Indee Gold Pty Ltd, which is a 100% subsidiary of De Grey Mining.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Mallina prospect includes small scale historic mining and has had previous drilling undertaken over a period of many years. Most previous work was completed by Resolute and Indee Gold, and more recently by NNMA and De Grey Mining.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation targeted is hydrothermally emplaced and sediment/quartz hosted gold mineralisation within a shear zone and is similar in style to many 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.

Criteria	JORC Code explanation	Commentary
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 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.*	• Results are reported to a minimum cutoff grade of 0.3g/t gold for Mallina with an internal dilution of 3m maximum for RC and 4m for aircore. Intervals over 0.5g/t Au and 2gm metal content are reported. • 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 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.*	• The Mallina Gold deposit has an existing 2012 JORC gold resource of 160,700oz recently reported by De Grey.
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.*	• Programs of follow up RC and diamond drilling aimed at extending resources at depth and laterally are being planned or are underway. • Follow up aircore drilling will be undertaken to test for strike extensions to mineralisation.