

1 May 2020

ASX Release

Large gold system defined at Crow

RC drilling results confirm CROW as another large gold system at Hemi, with all 6 RC holes intersecting gold mineralisation.

- Gold mineralisation has now been demonstrated to extend the entire length of drilling from Aquila to the north across the large Crow intrusion.
- 5 of the initial 6 RC holes have intersected broad scale, semi continuous gold mineralisation with narrower higher grade intervals:

63m @ 0.9g/t from 26m in HERC045 89m @ 0.6g/t from 43m in HERC046 14m @ 0.7g/t from 169m in HERC047 44m @ 0.4g/t from 123m in HERC048 32m @ 0.4g/t from 61m in HERC43 and 8m @ 0.7g/t from 106m (previously reported within combined 70m @ 0.3g/t)

- Crow is defined in aircore drilling over +1km long and +400m wide, north of Aquila.
- RC drilling shows a shallow southerly dip to the bedrock gold mineralisation that extends over +400m lateral width.
- A program of approximately 5000m of extensional RC drilling is planned on a 160m x 80m spacing to test Crow along strike, commencing during May.

Technical Director, Andy Beckwith, commented:

"The potential for another large tonnage gold deposit similar to Brolga is very encouraging.

These are the first 6 RC holes we have drilled into Crow. The results show an extensive +400m wide zone of semi continuous gold mineralisation throughout the entire intrusion from Aquila through to Crow.

The alteration and gold mineralisation at Crow is similar to that seen at Brolga. Looking at the cross section, if the gold mineralisation at Aquila and Crow join at depth then we have a target larger than Brolga with a potential lateral width of +700m.

Drilling is at an early stage and we look forward to further testing this potential."

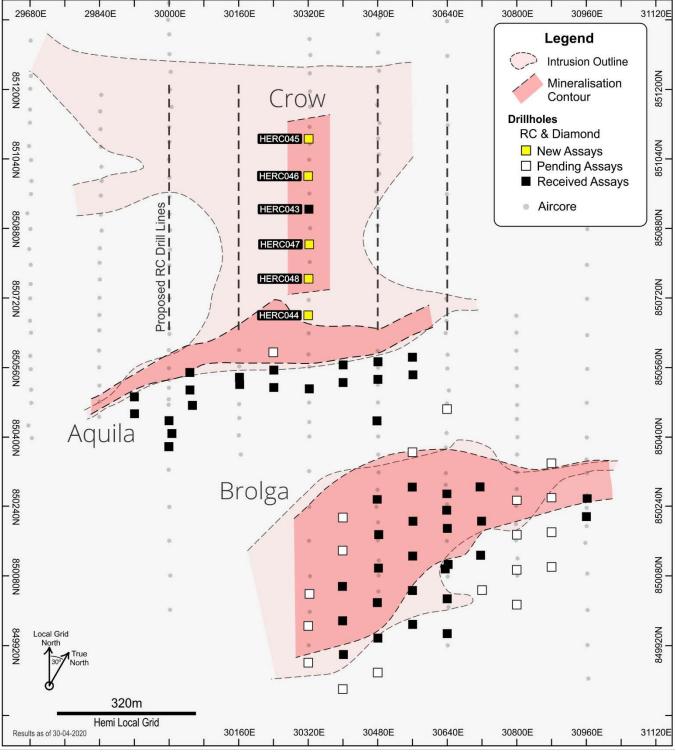


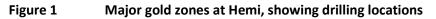
De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide this update covering recent RC drilling at Crow within the Hemi Discovery area, located within 60km of Port Hedland, Western Australia.

This release covers the first of six (6) RC holes testing from north of Aquila and Crow Zone, as of 30 April 2020. The full gold intercepts discussed in this report are listed in Table 1.

CROW ZONE

The Crow Zone represents a large zone of gold mineralisation defined by recent widespaced aircore drilling extending over an area +1000m x +400m, to the north of the Aquila Zone. A single fence of six RC holes were recently drilled to provide an initial test of the bedrock to a nominal depth of 150m (Figure 1).







The RC drilling intersected continuous intrusion from Aquila to Crow, indicating the Aquila Zone is on the southern margin of the larger Crow intrusion. The Crow prospect comprises mafic to felsic intrusive rocks with pervasive zones of overprinting silica-sericite-sulphide alteration which hosts the gold mineralisation.

The scale of the Crow intrusion and associated gold mineralisation is significant with the drilling defining semicontinuous gold mineralisation over a lateral width of +400m and the potential to extend further down dip and possibly may join with the Aquila Zone (Figure 2). These dimensions coupled with strike potential of +1km provide substantial upside.

Assays results of the RC drilling have been received and confirm extensive gold mineralisation throughout the Crow intrusion associated with the alteration zones. The mineralisation is similar to the mineralisation at both Aquila and Brolga. High grade intervals also occur within the broad lower grade mineralisation. Intercepts for Crow are reported at a 0.3g/t gold lower cut. The overall broad gold zone is shallow south dipping and may join the Aquila zone at depth. Mineralisation remains open down dip and along strike.

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

32m @ 0.4g/t Au from 61m in HERC043 (incl 1m @ 2.6g/t Au from 70m) 8m @ 0.7g/t Au from 106m in HERC043 (*Hole finished in mineralisation) 63m @ 0.9g/t Au from 26m in HERC045 (incl 2m @ 3.7g/t Au from 26m) (incl **3m @ 1.1g/t Au** from 47m) (incl 4m @ 7.2g/t Au from 56m) 12m @ 0.6g/t Au from 69m in HERC046 (incl 2m @ 1.8g/t Au from 79m) 44m @ 0.3g/t Au from 101m in HERC046 89m @ 0.6g/t Au from 43m in HERC047 (incl 8m @ 1.7g/t Au from 75m) (incl **2m @ 1.7g/t Au** from 96m) (incl 4m @ 1.3g/t Au from 108m) (incl 3m @ 1.3g/t Au from 116m) 14m @ 0.7g/t Au from 169m in HERC047 (incl 7m @ 1.1g/t Au from 171m) 39m @ 0.3g/t Au from 73m in HERC048 44m @ 0.4g/t Au from 123m in HERC048 (incl 6m @ 1.3g/t Au from 150m)

Diamond hole extension HERC030D, has recently been completed, initially designed to test the mineralisation at Aquila. The hole was subsequently extended to 514m downhole, aiming to test the potential for the Crow gold zone to extend down dip. This hole has interested sulphide mineralisation associated with the Aquila zone higher in the hole and variable alteration at depth with a second zone of sulphide near the intrusion contact lower in the hole. All results remain pending.

ONGOING OPERATIONS

As a consequence of the positive results in this initial RC drilling program, the next program of step out RC drilling on a nominal 160m x 80m spacing, for approximately 5000m, has now been planned to test Crow along strike. This program is expected to commence during May, in conjunction with ongoing drilling at Aquila and Brolga.



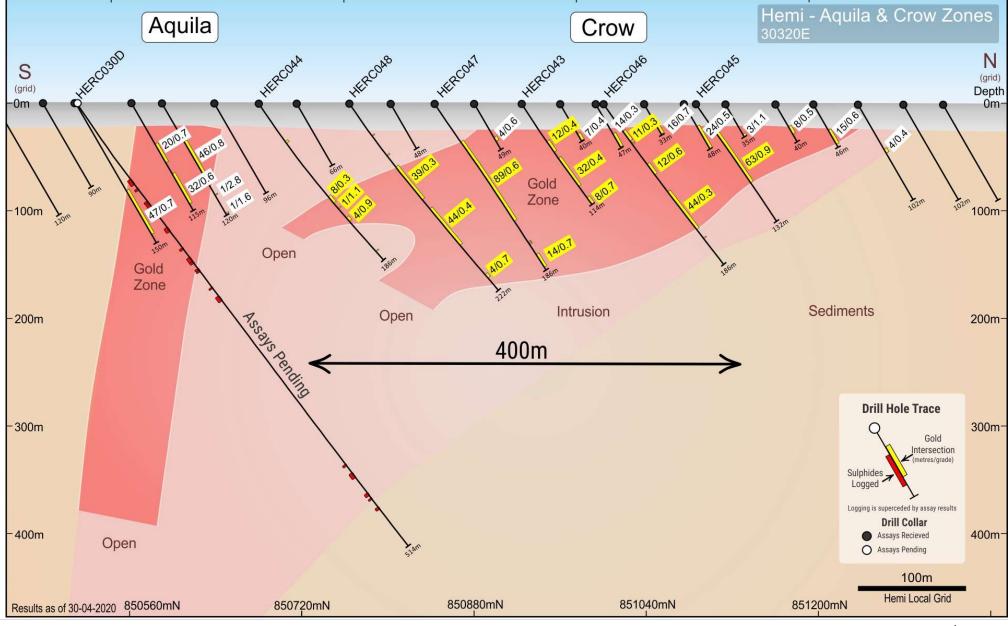


Figure 2 Crow - Cross section 30320E (local grid) showing new results



Hemi Background

Hemi is a new discovery under 30m of transported cover, with the first aircore drill results reported on 17 December 2019 and a flow of further encouraging high grade results subsequently reported since February 2020. Two zones of strong, broad sulphide rich with broad gold mineralisation have been defined in the Aquila and Brolga Zones. A third new zone Crow has now been defined and drill testing is underway.

The gold zones represent a major new discovery for De Grey and potentially a new and exciting new style of mineralisation in the Pilbara region. The scale, grade and overall dimensions of the mineralisation defined to date is larger than all the other gold deposits De Grey has defined within the project area. Hemi has substantial potential to increase De Grey's current 2.2Moz of shallow gold resources.

The Aquila Zone represents a 30-50m wide gold zone over approximately 800m strike down to 180m below surface. Mineralisation remains open with ongoing drilling continuing.

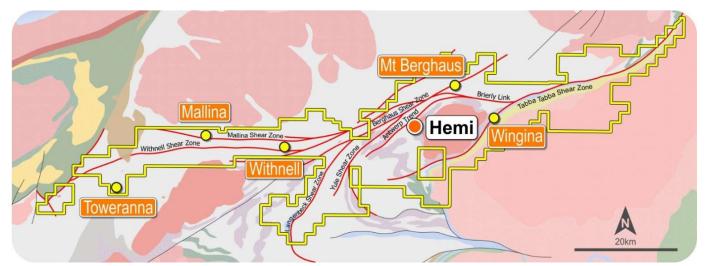
The Brolga Zone is a substantially wider sulphide rich alteration zone, up to +300m wide and is currently defined by RC and diamond drilling over +560m of strike. Mineralisation remains open in most directions and particularly to the south west and down dip with ongoing drilling continuing.

The Crow zone has been defined immediately north of Aquila where numerous widespaced aircore holes have encountered anomalous gold in the weathered horizon. Recent RC drilling has confirmed broad gold mineralisation through a large part of the intrusion.

Further potential remains for additional discoveries within the Company's large tenement package, where 6 additional intrusions targets require testing.

The gold mineralisation is intimately associated with strong and extensive sulphide alteration, comprising of pyrite and arsenopyrite, hosted in a stockwork within felsic to mafic phases of the intrusion. The genetic link to the host intrusion is significant as the three interpreted large intrusions at Hemi that show elevated gold in every aircore hole within the intrusions. This style of mineralisation is considered new to the Pilbara region.

Mallina Gold Project showing main gold deposits and the new Hemi Discovery.





This ASX report is authorised for release by the De Grey Board.

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

Luke Forrestal (Media enquiries)

Phone +61 411 479 144

luke.forrestal@mcpartners.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. Philip 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.

Previously Released ASX Material References

The information in this report that relates to Hemi Prospect and the general Berghaus West area that has been previously released includes;

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;
- 2019 Total Gold Mineral Resource 21% increase to 1.7Moz, 16 July 2019;
- 2020 Mallina Gold Project Resource update, 2 April 2020.

Exploration:

- Multiple new targets increase exploration potential, 2 July 2019;
- New Gold Discoveries at Hemi and Antwerp, 17 December 2019;
- Hemi confirms potential for major discovery, 6 February 2020;
- Further impressive thick and high grade gold at Hemi, 11 February 2020;
- Major extension of sulphide mineralisation at Hemi, 26 February 2020;
- RC drilling confirms large scale gold system at Hemi, 5 March 2020;
- Continuing extensive sulphide mineralisation intersected at Hemi, 10 March 2020;
- Hemi continues to grow, 17 March 2020;
- Major Gold Extensions defined at BROLGA, 25 March 2020.
- Brolga continues to grow, 9 April 2020
- Aircore drilling defines third large gold zone at Hemi, 17 April 2020
- Brolga and Aquila drilling update, 22 April 2020



Hole ID	Zone	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)
HERC043	Crow	42.0	54.0	12.0	0.4	648616	7692793	67	-56	329	114
HERC043	Crow	61.0	93.0	32.0	0.4	648616	7692793	67	-56	329	114
incl	Crow	70.0	71.0	1.0	2.6	648616	7692793	67	-56	329	114
HERC043	Crow	106.0	114.0	8.0	0.7	648616	7692793	67	-56	329	114
HERC044	Crow	108.0	116.0	8.0	0.3	648737	7692581	68	-56	331	186
HERC044	Crow	134.0	138.0	4.0	0.9	648737	7692581	68	-56	331	186
HERC045	Crow	26.0	89.0	63.0	0.9	648535	7692933	67	-55	330	132
incl	Crow	26.0	28.0	2.0	3.7	648535	7692933	67	-55	330	132
incl	Crow	47.0	50.0	3.0	1.1	648535	7692933	67	-55	330	132
incl	Crow	56.0	60.0	4.0	7.2	648535	7692933	67	-55	330	132
HERC046	Crow	31.0	42.0	11.0	0.3	648577	7692858	67	-56	332	186
HERC046	Crow	69.0	81.0	12.0	0.6	648577	7692858	67	-56	332	186
incl	Crow	79.0	81.0	2.0	1.8	648577	7692858	67	-56	332	186
HERC046	Crow	101.0	145.0	44.0	0.3	648577	7692858	67	-56	332	186
HERC047	Crow	43.0	132.0	89.0	0.6	648658	7692724	68	-56	333	186
incl	Crow	75.0	83.0	8.0	1.7	648658	7692724	68	-56	333	186
incl	Crow	96.0	98.0	2.0	1.7	648658	7692724	68	-56	333	186
incl	Crow	108.0	112.0	4.0	1.3	648658	7692724	68	-56	333	186
incl	Crow	116.0	119.0	3.0	1.3	648658	7692724	68	-56	333	186
HERC047	Crow	169.0	183.0	14.0	0.7	648658	7692724	68	-56	333	186
incl	Crow	171.0	178.0	7.0	1.1	648658	7692724	68	-56	333	186
HERC048	Crow	73.0	112.0	39.0	0.3	648696	7692654	68	-55	333	222
HERC048	Crow	123.0	167.0	44.0	0.4	648696	7692654	68	-55	333	222
incl	Crow	150.0	156.0	6.0	1.3	648696	7692654	68	-55	333	222
HERCO48	Crow	203.0	207.0	4.0	0.7	648696	7692654	68	-55	333	222

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

RC sample results are based 1m sampling



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. 	 manner Core samples were collected with a diamond rig drilling mainly NQ2 diameter core.
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.
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. 	 checked by the Company geological team during the mark up and logging process. RC and aircore samples were visually assessed for recovery. Samples are considered representative with generally good recovery. Deeper RC and aircore holes encountered water, with some intervals having less than optimal recovery and possible contamination. 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 and core was photographed by Company geologists, with systematic sampling undertaken based on rock type and alteration observed RC and diamond sample results are appropriate for use in a resource estimation, except where sample recovery is poor. The aircore results provide a good indication of mineralisation but are not used in 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 subsampling 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. 	 NQ2 diameter core. After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. RC sampling was carried out by a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m basis in bedrock and 4m composite basis in cover. Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles.
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 diamond core and RC samples Au was analysed by a 50g charge Fire assay fusion technique with an AAS finish and multi-elements by ICPAES and ICPMS 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.
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.
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. 	accuracy of +/-10cm.
Data spacing and distribution Orientation of	 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. Whether the orientation of sampling achieves 	 geological control and continuity of mineralisation. Data spacing and distribution of RC drilling is not yet 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
data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	strike of mineralisation where known and therefore the sampling is



Criteria	JORC Code explanation	Commentary
	 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. 	structures and as such true widths are less than downhole widths. This is allowed for 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. 	which is a 100% subsidiary of De Grey Mining Ltd.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	 The tenement has had some previous surface geochemical sampling and wide spaced aircore and RAB drilling by De Grey Mining. Limited previous RC drilling was carried out at the Scooby Prospect. Airborne aeromagnetics/radiometrics has been flown previously.
Geology	• Deposit type, geological setting and style of mineralisation.	 The mineralisation style is not well understood to date but is thought to be hydrothermally emplaced gold mineralisation within structures and intrusions. Host rocks comprise igneous rocks intruding Mallina Basin metasediments. Style is similar to some 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.
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. 	 an internal dilution of 10m maximum. Higher grade intervals included in the above intercepts are reported at a 1g/t Au lower cut with an internal dilution of 3m maximum. Intercepts are length weighted averaged.



Criteria	JORC Code explanation	Commentary
	• The assumptions used for any reporting of metal equivalent values should be clearly stated.	
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 strike of mineralisation.
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.	are provided in this report.
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.	 Drilling is currently widely spaced and further details will be reported in future releases when data is available.
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. 	 Follow up aircore drilling will be undertaken to test for strike extensions to mineralisation. Programs of follow up RC and diamond drilling aimed at extending resources at depth and laterally are underway.