ASX: DEG

ASX ANNOUNCEMENT

21 August 2020

Brolga mineralisation extends north towards Aquila and northeast towards Scooby Zones

Highlights:

- Aircore drilling intersects mineralisation 320m to the northeast of Brolga trending to Scooby:
  - **17m @ 1.4 g/t Au** from 64m in BWAC847
  - **4m @ 3.3g/t Au** from 44m in BWAC846
- RC drilling extends mineralisation north of Brolga:
  - **HERC206**
    - **40m @ 2.0g/t Au** from 36m
    - **30m @ 1.6g/t Au** from 101m
    - **5m @ 2.8g/t Au** from 142m
  - **HERC209**
    - **12m @ 2.9 g/t Au** from 36m
- Metallurgical diamond holes at Brolga returned strong results including **HEDD004** with a broad interval at a 0.3g/t Au cut-off grade of **150m @ 1.5g/t Au** including the following intervals at a 0.5g/t Au cut-off grade of:
  - **62.0m @ 2.2g/t Au** from 47.0m
  - **19.8m @ 1.8g/t Au** from 117.0m
  - **13.0m @ 2.1g/t Au** from 151m
  - **15.8m @ 0.9 g/t Au** from 170.2m
- RC drilling on 80m line spacing south of Brolga has intersected anomalous mineralisation in intrusive over a strike length of 1km. Intersections include:
  - **19m @ 1.2g/t Au** from 38m in HERC166

De Grey Managing Director, Glenn Jardine, commented: *"We continue to test for extensions to known mineralisation around Hemi using aircore and RC drilling.*

Aircore drilling has intersected new mineralisation approximately 320 metres north east of Brolga. This is along the structural corridor heading toward Scooby. RC drilling has succeeded in identifying extensions to the north of Brolga, heading toward Aquila.

Specific diamond drilling has been conducted to provide samples for metallurgical variability and optimization test work. The assay results from metallurgical drilling will provide additional information on internal continuity of the gold mineralisation within Brolga.

The rig combination at Hemi is allowing us to locate near surface extensions with aircore drilling, delineate and extend known mineralisation with RC and then look for depth extensions with the diamond rigs. This combination is working successfully toward our strategic goal of making Hemi a Tier 1 scale deposit and finding additional upside nearby."

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De Grey Mining Limited (ASX: DEG, “De Grey”, “Company”) is pleased to provide the following drilling update for the Brolga Zone at the Hemi Gold Discovery, located approximately 60km south of Port Hedland in Western Australia.

Two aircore rigs are testing for new intrusions or extensions to known mineralisation.

Two RC rigs are following up positive aircore results (e.g. Aquila) and providing pre-collars for diamond drilling.

Two diamond drill rigs are testing for depth extensions and have recently completed holes for metallurgical testwork.

These latest results demonstrate extensions at Brolga to the north, northeast and south, plus strong continuity of mineralisation within Brolga in dedicated metallurgy holes.

The overall footprint of Hemi is now approximately 2.5km north to south and 2km west to east with three main zones (Aquila, Brolga and Crow) defined within this large gold system.

Significant new gold results in drilling are provide in Table 1 and Figures 1-3.

Aircore Drilling east of Brolga

Step out aircore drilling is being conducted in all directions around Hemi. At Brolga, drilling on a 160m line spacing and 40-80m collar spacing has intersected shallow mineralisation approximately 320m to the east of Brolga. This mineralisation is located along the structural trend toward known mineralised intrusive at Scooby, a further 1km to the north east. (Figure 1).

Significant results (>10gm*m) include:

- **17m @ 1.4 g/t Au** from 64m in BWAC847
- **4m @ 3.3g/t Au** from 44m in BWAC846

RC Drilling

RC drilling has been conducted to test for extensions to mineralisation to the north, north east and south west of Brolga and to provide pre-collars for deeper diamond drilling into Aquila and Crow. The RC drilling has successfully identified more near surface mineralisation at Brolga (Figures 1, 2 and 3).

Significant new drilling results north of Brolga (> 10gm*m) include:

- **HERC206**
  - **40m @ 2.0g/t Au** from 36m
  - **30m @ 1.6g/t Au** from 101m
  - **5m @ 2.8g/t Au** from 142m
- **HERC208**
  - **7m @ 3.9g/t Au** from 53m and
- **HERC209**
  - **12m @ 2.9 g/t Au** from 36m

A fence of RC holes 80m north east of existing RC at Brolga intersected:

- **HERC147 21m @ 1.0g/t Au** from 50m

In addition, a fence of three RC holes 80m southwest of previous RC at Brolga intersected:

- **HERC153**
  - **9m @ 2.2g/t Au** from 59m
  - **3m @ 10g/t Au** from 152m

RC drilling targeting near surface mineralisation is underway in the west of Aquila.

Metallurgical Diamond Drilling

Specific diamond drilling has been conducted to provide samples for metallurgical variability and optimisation testwork. Holes HEDD004 – HEDD009 were drilled with larger diameter (PQ and HQ) diamond core at nominally 160m x 160m spacing across Brolga, within oxide, transition and fresh rock domains. The assay results from metallurgical drilling will also provide information on internal continuity within Brolga. Figure 3 shows the intervals in HEDD004 and HEDD007. Significant results(>10gm*m) include:

- **HEDD004**
  - **62.0m @ 2.2g/t Au** from 47.0m
  - **19.8m @ 1.8g/t Au** from 117.0m and
  - **13.0m @ 2.1g/t Au** from 151m and
  - **15.8m @ 0.9 g/t Au** from 170.2m
- **HEDD005**
  - **12.1m @ 1.0g/t Au** from 43.8m
  - **1.6m @ 1.9g/t Au** from 69.7m and
  - **4.3m @ 2.8g/t Au** from 96.0m and
  - **3.2m @ 8.0g/t Au** from 106.3m
- **HEDD006**
  - **4.4m @ 1.2g/t Au** from 88.7m
  - **0.9m@ 3.3g/t Au** from 110.1m
  - **4.0m @ 0.8g/t Au** from 129.0m
  - **23.2m @ 2.8g/t Au** from 139.9m
- **HEDD008**
  - **36m @ 1.2g/t Au** from 74m
  - **13m @ 1.8g/t Au** from 157m
  - **18.4m @ 0.9g/t Au** from 220m
  - **10.35m @ 2.1g/t Au** from 333m

The metallurgical drill holes into Brolga were located to provide samples from across the zone. This will allow metallurgical testing to assess the spatial variability of mineralisation. A representative composite sample will be formed using samples from all of the metallurgy holes for testing. Samples are being separately collected from Aquila for testwork.

Figure 1: Hemi - drilling location plan showing the new strike extension to the north east of Brolga and significant aircore and RC drilling results.

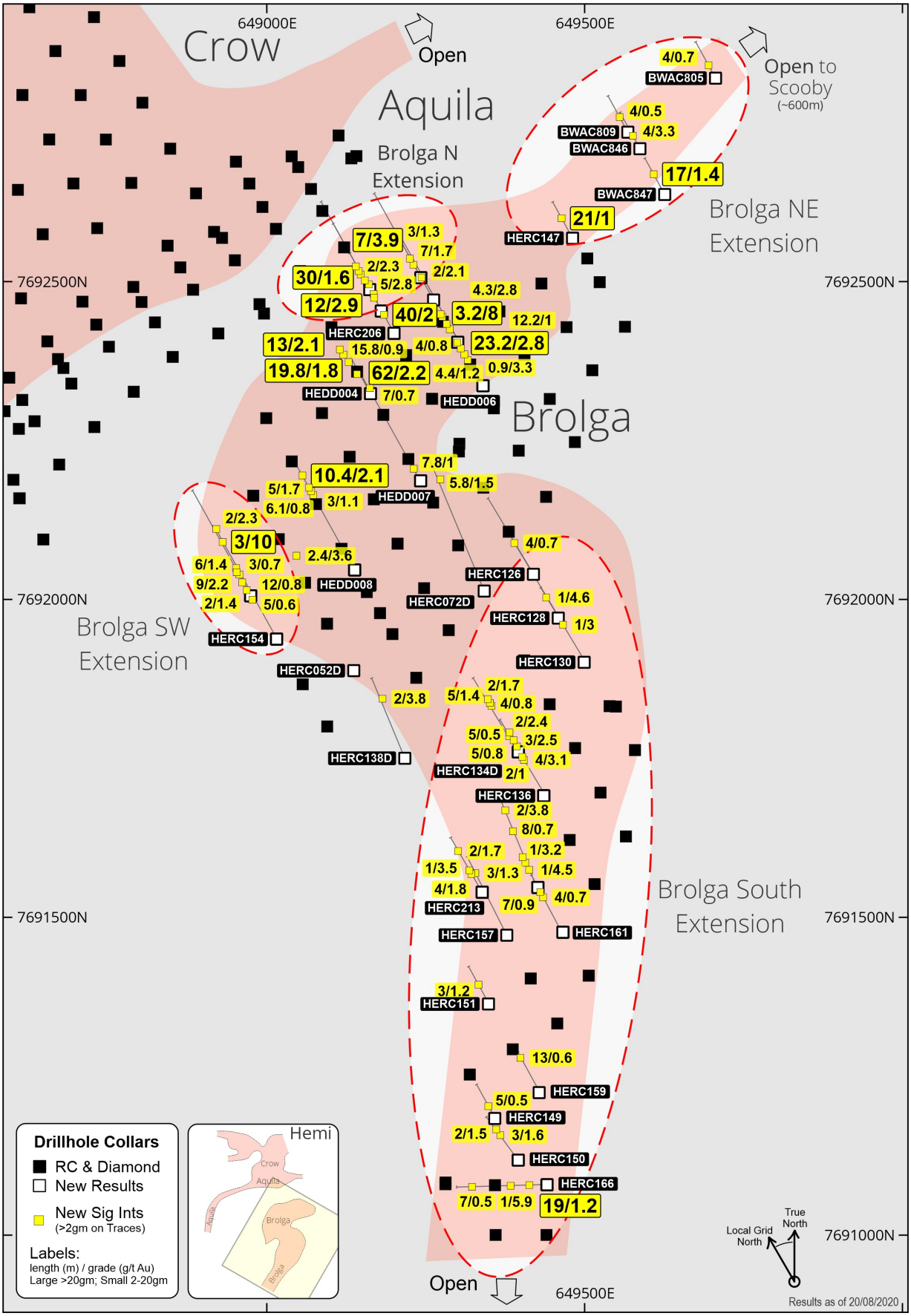


Figure 2: Brolga – Section 30560E drill results and near surface mineralisation extensions

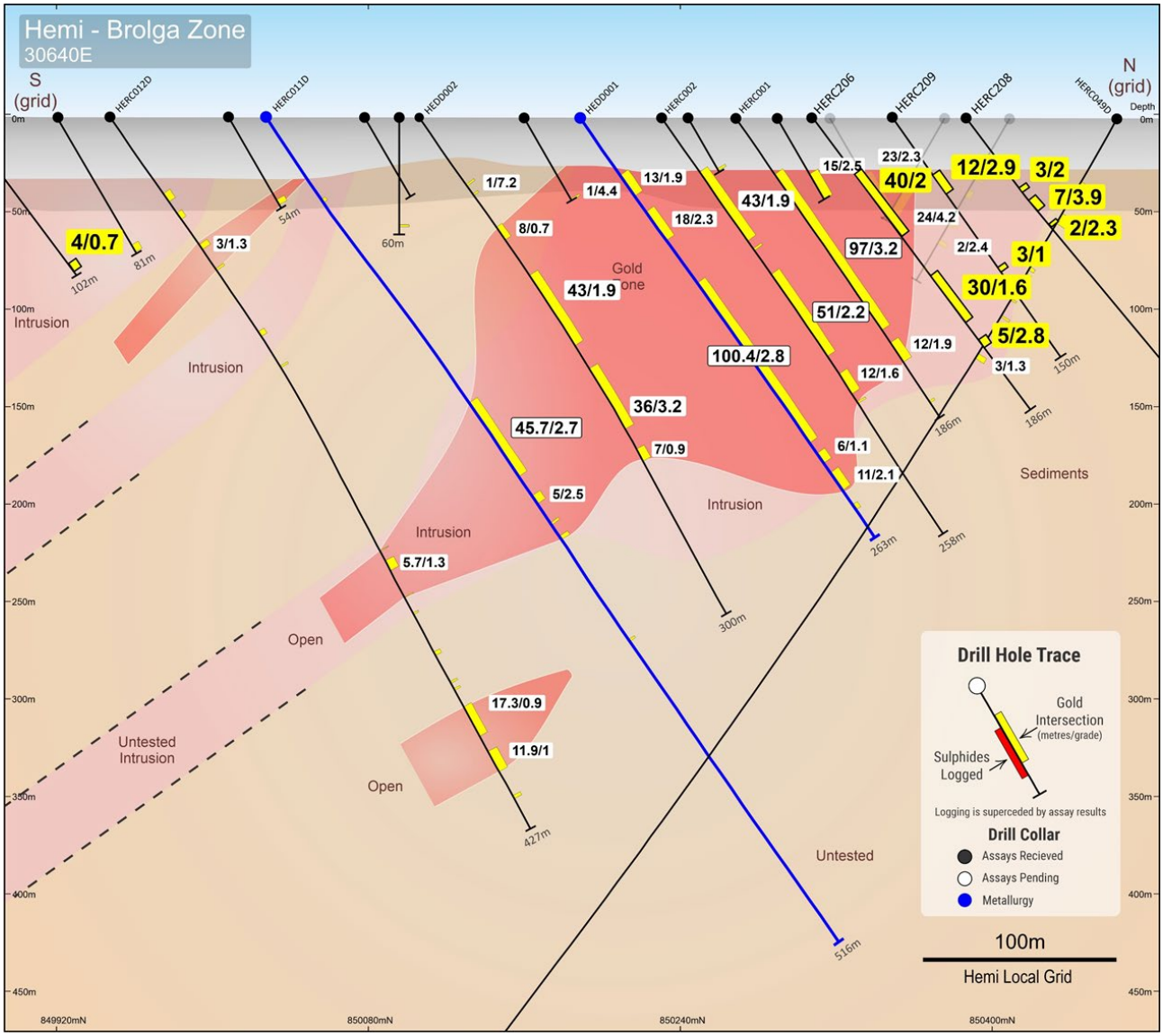
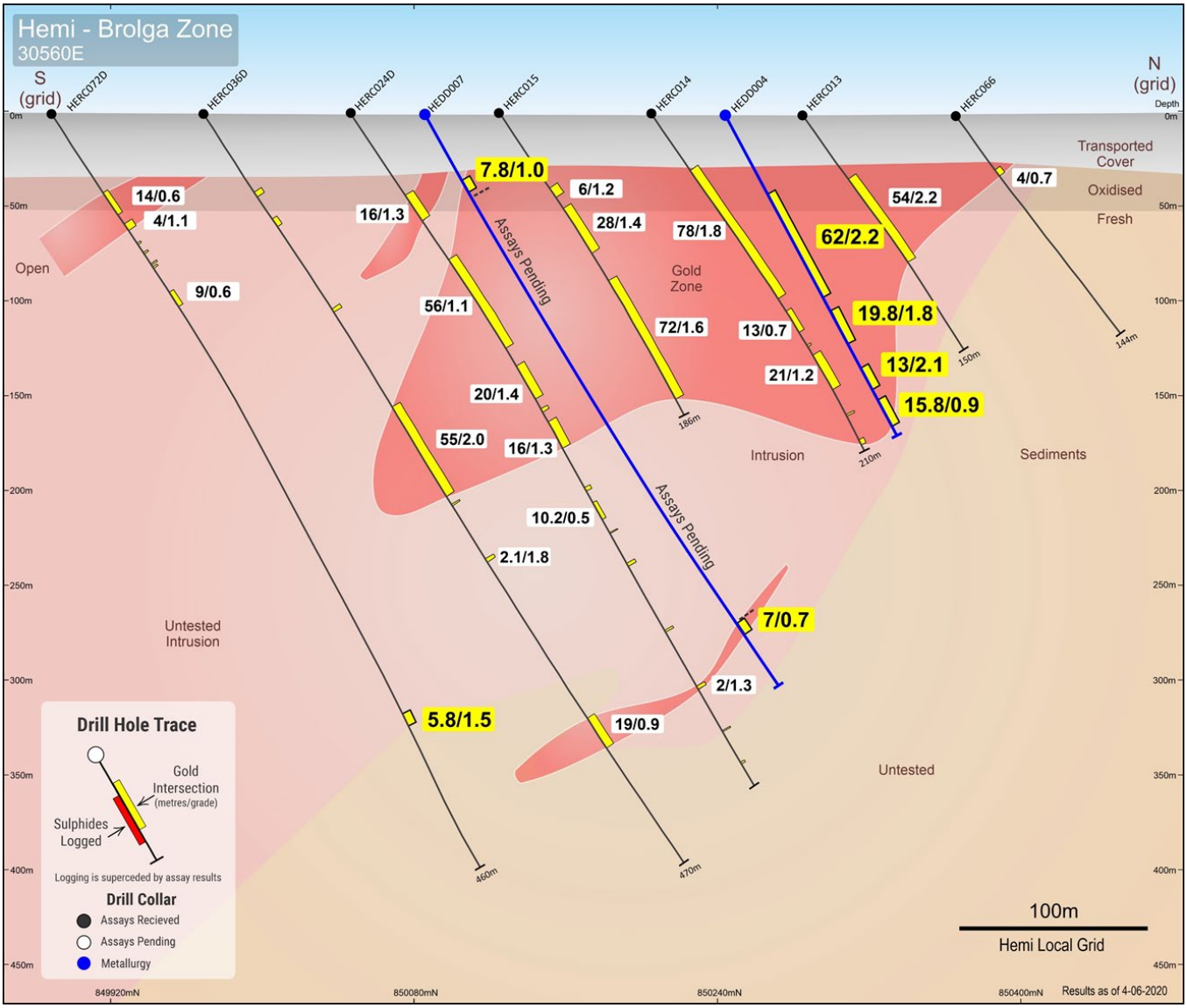


Figure 3: Brolga – Section 30,560E showing recent drill results and mineralised extensions



This announcement has been authorised for release by the De Grey Board.
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Competent Person's Statement

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.

Previously released ASX Material References *that relates to Hemi Prospect includes;*

Resources:

- *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*
- *Large gold system defined at Crow, 1 May 2020*
- *Exploration update,20 May 2020*
- *Significant extension at Hemi- Aquila, 27 May 2020*
- *HEMI – Major extension, 5 June 2020*
- *HEMI – Broad, high grade extensions at Aquila, 9 June 2020*
- *Further high grade and expanded footprint at Hemi, 22 June 2020*
- *High gold recoveries achieved at Hemi, 9 July 2020*
- *Further extensions confirmed at Brolga, 10 July 2020*
- *Hemi scale grows with Aquila new extensions, 22 July 2020*
- *Strong results boost Aquila westerly extension, 5 August 2020*
- *Aquila mineralisation extends to 400 vertical metres, New lode identified at Crow*

Table 1: Significant new results (>2 gram x m Au)

HoleID	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)	Hole Type
BWAC805	Brolga	44.0	48.0	4.0	0.7	649706	7692820	68	-60	332	81	AC
BWAC809	Brolga	52.0	56.0	4.0	0.5	649568	7692735	68	-60	332	81	AC
BWAC846	Brolga	44.0	48.0	4.0	3.3	649587	7692709	68	-60	332	81	AC
BWAC847	Brolga	64.0	81.0	17.0	1.4	649626	7692637	68	-60	332	81	AC
HEDD004	Brolga	47.0	109.0	62.0	2.2	649163	7692324	69	-61	326	191	DD
Incl	Brolga	55.0	65.0	10.0	5.0	649163	7692324	69	-61	326	191	DD
Incl	Brolga	95.0	97.0	2.0	5.2	649163	7692324	69	-61	326	191	DD
HEDD004	Brolga	117.0	136.8	19.8	1.8	649163	7692324	69	-61	326	191	DD
Incl	Brolga	120.0	123.5	3.5	3.2	649163	7692324	69	-61	326	191	DD
Incl	Brolga	133.0	136.8	3.8	3.0	649163	7692324	69	-61	326	191	DD
HEDD004	Brolga	151.0	164.0	13.0	2.1	649163	7692324	69	-61	326	191	DD
HEDD004	Brolga	170.2	186.0	15.8	0.9	649163	7692324	69	-61	326	191	DD
HEDD005	Brolga	43.8	56.0	12.2	1.0	649300	7692405	68	-61	329	135	DD
HEDD005	Brolga	69.7	71.3	1.6	1.9	649300	7692405	68	-61	329	135	DD
HEDD005	Brolga	96.0	100.3	4.3	2.8	649300	7692405	68	-61	329	135	DD
HEDD005	Brolga	106.3	109.5	3.2	8.0	649300	7692405	68	-61	329	135	DD
HEDD006	Brolga	88.7	93.0	4.4	1.2	649340	7692336	69	-61	330	216	DD
HEDD006	Brolga	110.1	111.0	0.9	3.3	649340	7692336	69	-61	330	216	DD
HEDD006	Brolga	129.0	133.0	4.0	0.8	649340	7692336	69	-61	330	216	DD
HEDD006	Brolga	139.9	163.0	23.2	2.8	649340	7692336	69	-61	330	216	DD
Incl	Brolga	139.9	150.2	10.3	5.6	649340	7692336	69	-61	330	216	DD
HEDD007	Brolga	40.0	47.8	7.8	1.0	649242	7692186	69	-61	330	354	RC
HEDD007	Brolga	315.0	322.0	7.0	0.7	649242	7692186	69	-61	330	354	DD
HEDD008	Brolga	74.0	110.0	36.0	1.2	649138	7692046	69	-61	329	450	DD
Incl	Brolga	96.0	99.0	3.0	3.3	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	115.0	123.0	8.0	0.7	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	130.0	134.0	4.0	0.5	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	142.5	144.9	2.4	1.3	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	157.0	170.0	13.0	1.8	649138	7692046	69	-61	329	450	DD
Incl	Brolga	157.6	159.4	1.8	4.7	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	220.0	238.4	18.4	0.9	649138	7692046	69	-61	329	450	DD
Incl	Brolga	237.0	238.4	1.4	3.5	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	269.0	272.0	3.0	1.1	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	281.0	287.1	6.1	0.8	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	294.0	299.0	5.0	1.7	649138	7692046	69	-61	329	450	DD
HEDD008	Brolga	333.0	343.4	10.4	2.1	649138	7692046	69	-61	329	450	DD
HERC052D	Brolga	395.0	397.4	2.4	3.6	649137	7691888	69	-56	325	482	DD
HERC072D	Brolga	369.2	375.0	5.8	1.5	649342	7692013	69	-57	333	460	DD
HERC126	Brolga	95.0	99.0	4.0	0.7	649419	7692039	69	-55	330	102	RC
HERC128	Brolga S	65.0	66.0	1.0	4.6	649459	7691971	69	-55	330	150	RC
HERC130	Brolga S	112.0	113.0	1.0	3.0	649499	7691901	70	-55	330	192	RC
HERC134D	Brolga S	46.0	51.0	5.0	0.5	649396	7691760	70	-55	329	709	RC

HoleID	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)	Hole Type
HERC134D	Brolga S	135.0	139.0	4.0	0.8	649396	7691760	70	-55	329	709	RC
HERC134D	Brolga S	144.0	146.0	2.0	1.7	649396	7691760	70	-55	329	709	RC
HERC134D	Brolga S	153.0	158.0	5.0	1.4	649396	7691760	70	-55	329	709	RC
HERC136	Brolga S	107.0	111.0	4.0	3.1	649436	7691691	70	-55	330	204	RC
HERC136	Brolga S	117.0	119.0	2.0	1.0	649436	7691691	70	-55	330	204	RC
HERC136	Brolga S	146.0	151.0	5.0	0.8	649436	7691691	70	-55	330	204	RC
HERC136	Brolga S	165.0	168.0	3.0	2.5	649436	7691691	70	-55	330	204	RC
HERC136	Brolga S	188.0	190.0	2.0	2.4	649436	7691691	70	-55	330	204	RC
HERC138D	Brolga	204.0	206.0	2.0	3.8	649217	7691750	70	-61	332	630	RC
HERC147	Brolga	50.0	71.0	21.0	1.0	649481	7692568	68	-54	331	180	RC
HERC149	Brolga S	36.0	41.0	5.0	0.5	649359	7691183	71	-56	331	198	RC
HERC150	Brolga S	83.0	86.0	3.0	1.6	649396	7691118	71	-54	323	195	RC
HERC150	Brolga S	103.0	105.0	2.0	1.5	649396	7691118	71	-54	323	195	RC
HERC151	Brolga S	57.0	60.0	3.0	1.2	649349	7691363	71	-55	333	200	RC
HERC153	Brolga	59.0	68.0	9.0	2.2	648975	7692006	69	-56	331	220	RC
Incl	Brolga	59.0	60.0	1.0	7.5	648975	7692006	69	-56	331	220	RC
HERC153	Brolga	80.0	83.0	3.0	0.7	648975	7692006	69	-56	331	220	RC
HERC153	Brolga	152.0	155.0	3.0	10.0	648975	7692006	69	-56	331	220	RC
Incl	Brolga	152.0	153.0	1.0	28.2	648975	7692006	69	-56	331	220	RC
HERC153	Brolga	187.0	189.0	2.0	2.3	648975	7692006	69	-56	331	220	RC
HERC154	Brolga	120.0	125.0	5.0	0.6	649015	7691937	69	-56	330	270	RC
HERC154	Brolga	151.0	153.0	2.0	1.4	649015	7691937	69	-56	330	270	RC
HERC154	Brolga	171.0	183.0	12.0	0.8	649015	7691937	69	-56	330	270	RC
HERC154	Brolga	207.0	213.0	6.0	1.4	649015	7691937	69	-56	330	270	RC
HERC157	Brolga S	193.0	196.0	3.0	1.3	649377	7691472	71	-55	330	264	RC
HERC159	Brolga S	99.0	112.0	13.0	0.6	649428	7691224	71	-56	329	216	RC
HERC160	Brolga S	53.0	54.0	1.0	4.5	649426	7691547	70	-55	332	222	RC
HERC160	Brolga S	161.0	164.0	3.0	0.8	649426	7691547	70	-55	332	222	RC
HERC160	Brolga S	220.0	222.0	2.0	3.8	649426	7691547	70	-55	332	222	RC
Incl	Brolga S	220.0	221.0	1.0	6.0	649426	7691547	70	-55	332	222	RC
HERC161	Brolga S	100.0	104.0	4.0	0.7	649466	7691476	71	-56	330	224	RC
HERC161	Brolga S	113.0	120.0	7.0	0.9	649466	7691476	71	-56	330	224	RC
HERC161	Brolga S	195.0	196.0	1.0	3.2	649466	7691476	71	-56	330	224	RC
HERC161	Brolga S	206.0	214.0	8.0	0.7	649466	7691476	71	-56	330	224	RC
HERC166	Brolga S	38.0	57.0	19.0	1.2	649441	7691079	71	-55	269	222	RC
Incl	Brolga S	42.0	43.0	1.0	13.8	649441	7691079	71	-55	269	222	RC
HERC166	Brolga S	95.0	96.0	1.0	5.9	649441	7691079	71	-55	269	222	RC
HERC166	Brolga S	190.0	197.0	7.0	0.5	649441	7691079	71	-55	269	222	RC
HERC206	Brolga	36.0	76.0	40.0	2.0	649200	7692419	68	-55	331	186	RC
Incl	Brolga	36.0	40.0	4.0	5.8	649200	7692419	68	-55	331	186	RC
Incl	Brolga	63.0	66.0	3.0	4.8	649200	7692419	68	-55	331	186	RC
HERC206	Brolga	101.0	131.0	30.0	1.6	649200	7692419	68	-55	331	186	RC
Incl	Brolga	102.0	105.0	3.0	5.9	649200	7692419	68	-55	331	186	RC

HoleID	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)	Hole Type
Incl	Brolga	108.0	110.0	2.0	3.9	649200	7692419	68	-55	331	186	RC
HERC206	Brolga	142.0	147.0	5.0	2.8	649200	7692419	68	-55	331	186	RC
HERC208	Brolga	45.0	48.0	3.0	2.0	649162	7692487	68	-55	329	252	RC
HERC208	Brolga	53.0	60.0	7.0	3.9	649162	7692487	68	-55	329	252	RC
HERC208	Brolga	69.0	71.0	2.0	2.3	649162	7692487	68	-55	329	252	RC
HERC209	Brolga	36.0	48.0	12.0	2.9	649180	7692454	68	-56	331	150	RC
Incl	Brolga	41	47	6	4.5	649180.06	7692453.597	68.335	-55.68	331.081	150	RC
HERC209	Brolga	94	97	3	1	649180.06	7692453.597	68.335	-55.68	331.081	150	RC
HERC210	Brolga	36	43	7	1.7	649242.31	7692506.078	68.368	-55.41	330.381	138	RC
Incl	Brolga	42	43	1	7	649242.31	7692506.078	68.368	-55.41	330.381	138	RC
HERC210	Brolga	56	59	3	1.3	649242.31	7692506.078	68.368	-55.41	330.381	138	RC
HERC211	Brolga	67	69	2	2.1	649262.39	7692470.922	68.447	-55.31	331.211	108	RC
HERC213	Brolga S	56	60	4	1.8	649338.82	7691539.253	70.329	-55	329.507	204	RC
HERC213	Brolga S	69	70	1	3.5	649338.82	7691539.253	70.329	-55	329.507	204	RC
HERC213	Brolga S	130	132	2	1.7	649338.82	7691539.253	70.329	-55	329.507	204	RC

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 • Core samples were collected with a diamond rig drilling mainly 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. HQ and PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. • Sample weights ranged from 2-4kg • 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. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles. Sample weights ranges from around 1-3kg. • The independent laboratory pulverises the entire sample for analysis as described below. • Industry prepared independent standards are inserted approximately 1 in 20 samples. • The independent laboratory then takes the samples which are dried, split, crushed and pulverized prior to analysis as described below. • Sample sizes are considered appropriate for the material sampled. • The samples are considered representative and appropriate for this type of drilling. Diamond core and RC samples are appropriate for use in a resource estimate.
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.).*	• Diamond core diameters are - NQ2 (51mm), HQ3 (61mm), PQ (85mm). • 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.

Criteria	JORC Code explanation	Commentary
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.*	• Core recovery is measured for each drilling run by the driller and then 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.
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.*	• Core samples were collected with a diamond drill rig drilling NQ2, HQ3 or PQ 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. HQ and PQ core was quartered, with one quarter sent for assay. 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. • 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 • Core and 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.

Criteria	JORC Code explanation	Commentary
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. • 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.*	• Diamond and RC drill hole collar locations are located by DGPS to an accuracy of +/-10cm. • Aircore hole collar locations are located by DGPS to an accuracy of +/-10cm., or 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.*	• Drill spacing varies from 80m x 40m to 320m x 80m. • All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation. • It has not yet been determined if data spacing and distribution of RC and diamond 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 to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• The drilling is believed to be approximately perpendicular to the strike of mineralisation where known and therefore the sampling is considered representative

Criteria	JORC Code explanation	Commentary
geological structure	• *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.*	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 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.*	• Drilling occurs on various tenements held by De Grey Mining Ltd or its 100% owned subsidiaries. • The Hemi Prospect is approximately 60km SSW of Port Hedland.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenements have had various levels of 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*	• Drill hole location and directional information provide in the report.

Criteria	JORC Code explanation	Commentary
	of the report, the Competent Person should clearly explain why this is the case.	
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 0.5g/t gold with an internal dilution of 4m maximum. • Higher grade intervals included in the above intercepts are reported at a 3g/t Au lower cut with an internal dilution of 2m maximum. • 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 drill collar locations are shown in figures and 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.*	• 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.