

De Grey Mining Ltd

A.B.N. 65 094 206 292

15 January 2015

ASX/MEDIA RELEASE

DRILLING UPDATE - GREAT NORTHERN GOLD PROJECT AMENDED

De Grey Mining Ltd (De Grey, ASX: **DEG**) provides the following amended announcement to that previously made on 12 January 2014, with a copy of the Rugby Mining Limited (TSXV: RUG) news release, dated 8 January 2015, as Appendix 1.

Preliminary gold assays (Details in Tables 1 and 2) have been received for all the drill holes and include the following significant results:

- RWG002 **61.5m @ 1.14 g/t gold** from 196.4m*
- RWG003 **1.0m @ 14.49 g/t gold** from 255.3m
- RWG005A **10.0m @ 2.59 g/t gold** from 266.0m
and **3.0m @ 5.15 g/t gold** from 301.0m

**assumed 3.4 metres of no core recovery assayed 0.0 g/t gold*

Rugby are progressing towards earning their interest in the Great Northern Gold Project under the previously reported Agreement with De Grey. The Agreement with Rugby grants them an option to earn an 80% interest in a 714 square kilometre ("km") tenement package (the "**Tenements**") through exploration and drilling expenditure and an additional option to purchase an 80% interest in a near surface historical resource at Wingina Well (together with the Tenements, the "**Great Northern Gold Project**").

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APPENDIX 1

Rugby Mining Limited – Announcement



For Immediate Release: NR15-01

DRILLING UPDATE FOR THE GREAT NORTHERN GOLD PROJECT, AUSTRALIA

Vancouver, B.C., January 8, 2015 – Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V: RUG) is pleased to announce preliminary gold results from recently completed drilling at the **Great Northern Gold Project** in the Pilbara region of Western Australia.

The program, comprising five drill holes for a total of 1,191 metres (“m”), was conducted at the Wingina prospect to test for depth extensions to the high grade footwall gold zone. Five reverse circulation / rotary pre-collared drill holes and four diamond drill tails were drilled. Unfortunately, due to excessive hole deviation and difficult ground conditions, only one hole (RWG002) was successfully drilled to the target depth.

Preliminary gold assays have been received for all the drill holes and include the following significant results:

- RWG002 **61.5m @ 1.14 g/t gold** from 196.4m*
- RWG003 **1.0m @ 14.49 g/t gold** from 255.3m
- RWG005A **10.0m @ 2.59 g/t gold** from 266.0m
and **3.0m @ 5.15 g/t gold** from 301.0m

**assumed 3.4 metres of no core recovery assayed 0.0 g/t gold*

Rugby’s President and CEO, Paul Joyce stated “We are encouraged that our initial drilling on the Wingina prospect has shown a continuation of gold mineralisation at depths below the historical shallow oxide mineral resource (not compliant with National Instrument 43-101 (“NI 43-101”)).

“Given the large size of the property at 714 km², and the number of undrilled geophysical and geochemical targets, Rugby will focus on defining shallow oxide and underlying high grade deposits to supplement the historical (non-NI 43-101 compliant) Wingina gold resource.

“Magnetic anomalies in areas adjoining the known high grade gold mineralisation remain untested. One such target, the Crescent magnetic anomaly, is scheduled for follow up and geochemical sampling is underway to better define the potential target (Figure 1). With the number of shallow targets available for testing and difficult drilling conditions at Wingina, further deep drilling is not planned at this time.”

Please click here for the drill hole location plan, a list of all drill intercepts above 1.0 g/t gold and table of drill hole details. All results are preliminary as assays are being verified with check samples to be assayed at another independent laboratory.

Rugby has an option to earn an 80% interest in the Great Northern Gold Project from Australian listed company, De Grey Mining Limited.

Quality Control and Assurance

Blanks and certified standards were inserted into the sample stream as part of Rugby’s quality assurance and control program, as prescribed by NI 43-101 requirements. Core samples were cut in half-lengths using a diamond saw, with one half retained in secure storage for logging, and the other half sent to Genalysis Laboratory Services lab in Perth, Western Australia for mineral analyses.

All samples were prepared using Genalysis' SP66 method (drying, crushing, and pulverizing), and assaying for gold by Genalysis' FA50/OE04 technique in which a 50g charge was split from each sample for fire assay with an ICP-OES finish. Check-assaying is currently underway at ALS Laboratory Services, Perth. Both ALS and Genalysis are independent and ISO-9001:2000 certified laboratories with no association to Rugby. For more information on Quality Control and Assurance please click [here](#).

Francisco Montes, Rugby's Chief Geologist and a "qualified person" ("QP") within the definition of that term in National Instrument 43-101, Standards of Disclosure for Mineral Projects, has verified the technical information that forms the basis for this news release.

About Rugby

Rugby is an emerging mineral resource company focussed on a portfolio of projects having considerable potential for significant mineral discoveries. Rugby benefits from the experience of its directors and management, a team that has either been directly responsible for world-class mineral discoveries or have been part of the management teams responsible for such discoveries.

Cobrasco and Comita Projects, Colombia: Rugby owns 100% of the Cobrasco project, subject to a 1% NSR and has an option to earn up to 60% of the adjacent Comita project in western Colombia. Both projects host undrilled large scale porphyry copper-molybdenum-gold targets which were recognised during a joint German-Colombian government sponsored exploration program conducted in the mid-1980's. No systematic exploration or drilling has been conducted since that time. Rugby currently awaits final permitting approval for a proposed drilling program at Cobrasco.

Mabuhay Project, Philippines: The Company holds an option to acquire up to 80% of the Mabuhay project in Surigao Province. The Company considers the project to have excellent potential for the discovery of both epithermal gold deposits and gold-copper porphyry systems. An application for an Exploration Permit ("EP") is currently awaiting approval. Unfortunately, in common with almost all other mining permits in the Philippines, the delay has been considerable. To minimise expenditures, the project will remain under care and maintenance until the EP is granted.

For additional information you are invited to visit the Rugby Mining Limited website at www.rugbymining.com

RUGBY MINING LIMITED

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CAUTIONARY STATEMENT

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia, Alberta and Ontario Securities Acts. This includes statements concerning the Company's plans at its projects including the expected approval of permits required for exploration, timing of drilling programs, high grade potential at the Great Northern Gold Project, potential for mineral discoveries on its projects and drilling costs which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the effect on prices of major mineral commodities such as copper, gold and iron by factors beyond the control of the Company; events which cannot be accurately predicted such as political and economic instability, terrorism, environmental factors and changes in government regulations and taxes; the shortage of personnel with the requisite knowledge and skills to design and execute exploration programs; difficulties in arranging contracts for drilling and other exploration services; the Company's dependency on equity market financings to fund its exploration programs and maintain its mineral exploration properties in good standing; political risk that a government will change, interpret or enforce mineral tenure, environmental regulations, taxes or mineral royalties in a manner that could have an adverse effect on the Company's assets or financial condition and impair its ability to advance its mineral exploration projects or raise further funds for exploration; risks associated with title to resource properties due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the interpretation of laws regarding ownership of mineral properties in the Philippines and in the sometimes ambiguous conveyancing characteristic of many resource properties, currency risks associated with foreign operations, the timing of obtaining permits to conduct exploration activities, the ability to conclude agreements with local communities and other risks and uncertainties, including those described in each of the Company's management discussion and analysis including those contained in its year-end financial statements for the year ended February 28, 2014 filed with the Canadian Securities Administrators and available at www.sedar.com. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

EITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Rugby Mining Limited NR15-01

Figures, Tables, Quality Control and Assurance

Figure 1 - Aeromagnetics and Drill Hole Location Plan

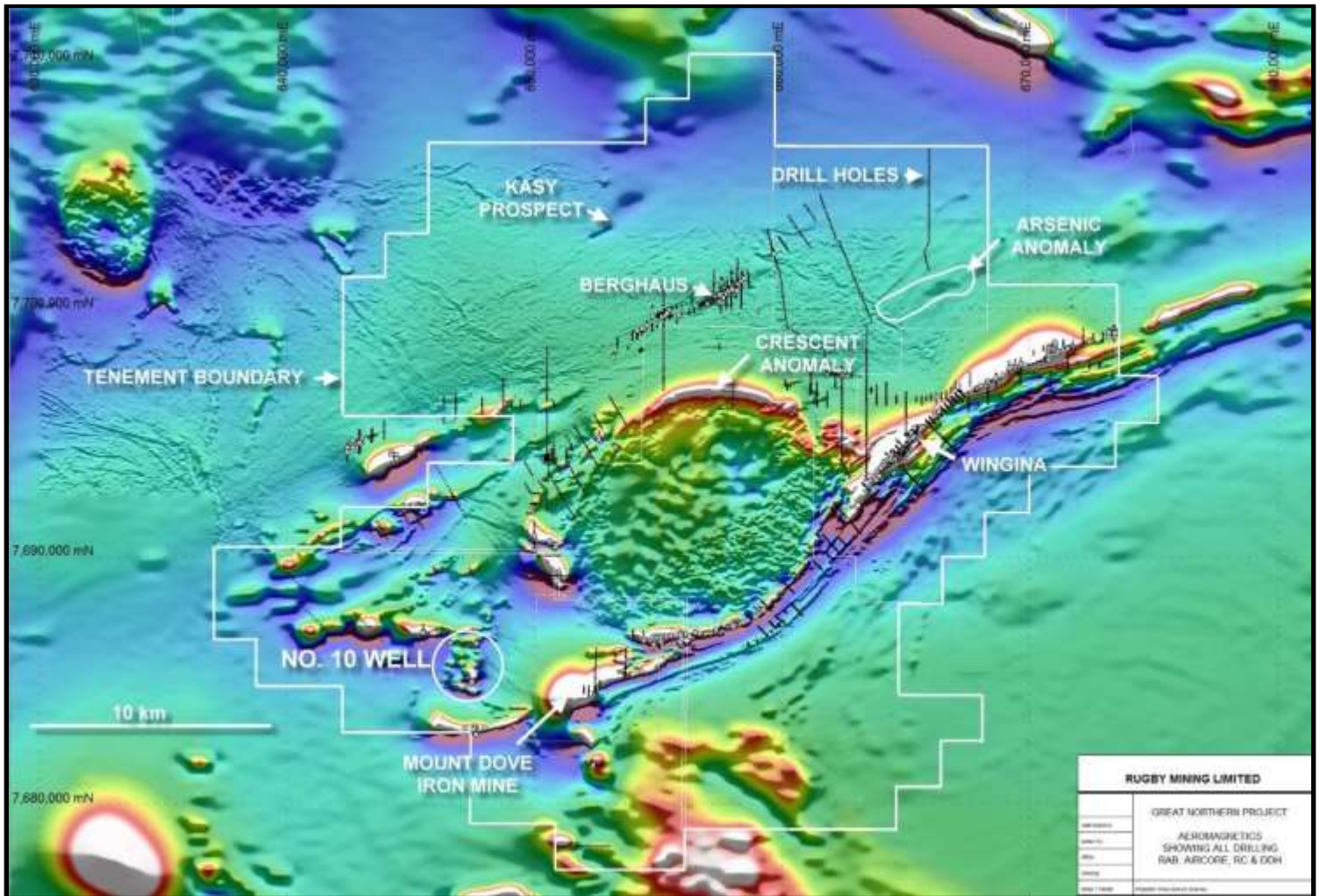


Figure 2 - Great Northern Project: Prospect Location

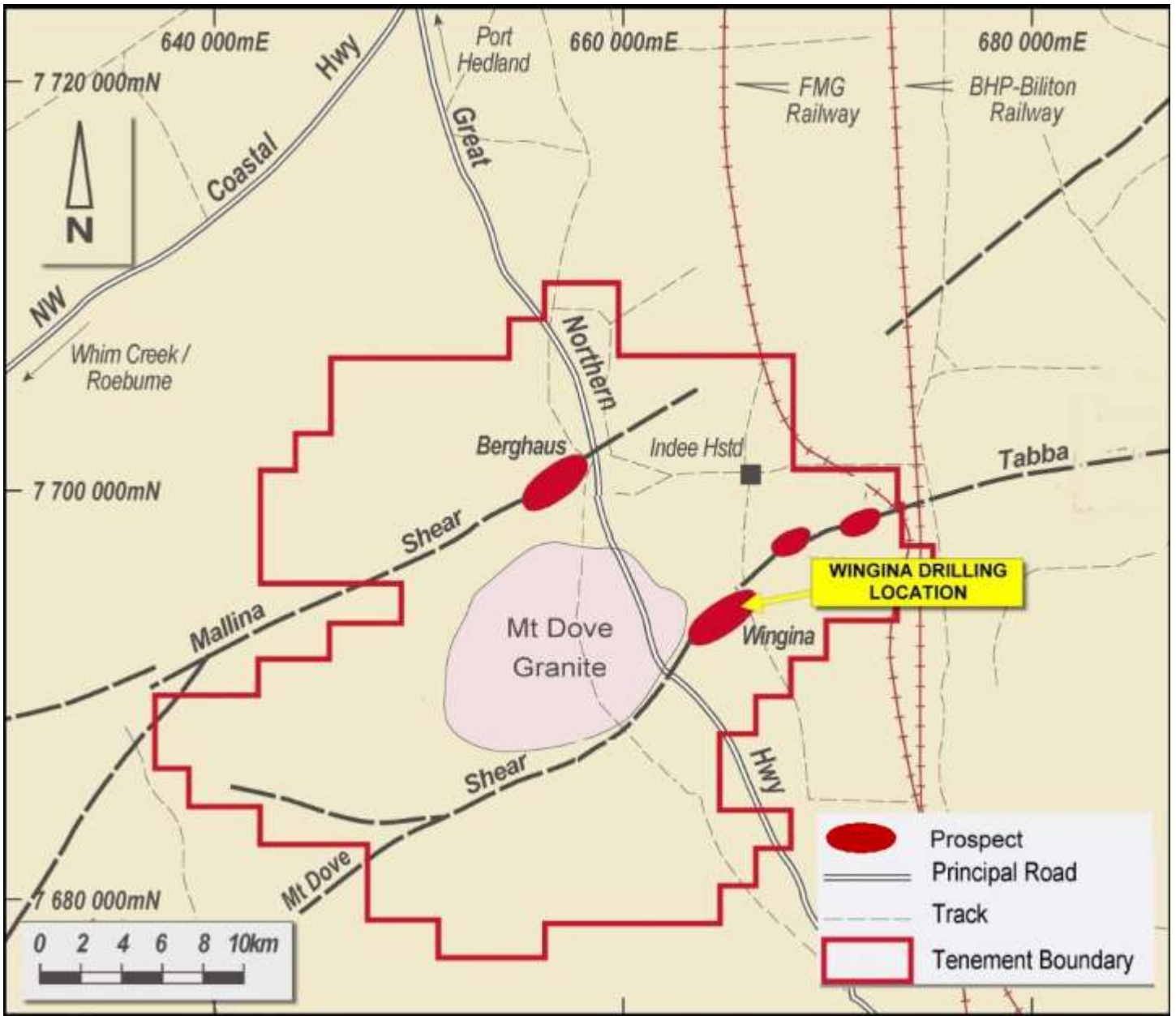


Figure 3 - Wingina Prospect Diamond Drilling Location Plan
(Showing Rugby Holes Only)

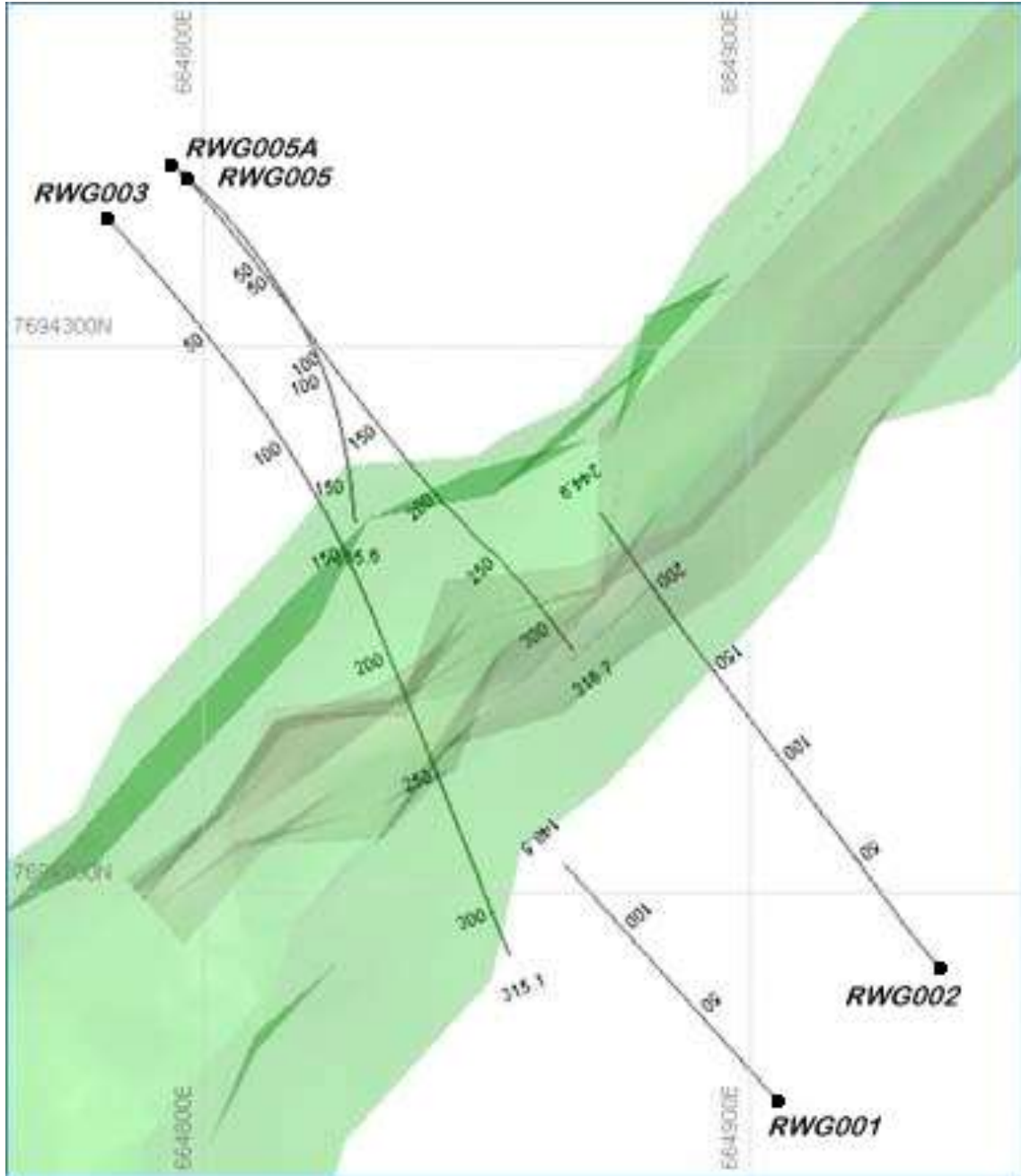


Table 1 - Preliminary Drill Intercepts >1.0 g/t Gold

HOLE	SIGNIFICANT ASSAYS RESULTS*	REMARKS
RWG002	196.4 to 214.1 = 17.7m @ 0.95 g/t Au 214.1 to 214.4 = 0.3m no core recovered 214.4 to 225.8 = 11.4m @ 1.55 g/t Au 225.8 to 226.4 = 0.6m no core recovered 226.4 to 232.1 = 5.7m @ 1.48 g/t Au 232.1 to 233.8 = 1.7m no core recovered 233.8 to 235.9 = 2.1m @ 4.45 g/t Au 235.9 to 236.7 = 0.8m no core recovered 236.7 to 244.9 = 8.2m @ 2.18 g/t Au 244.9 to 226.4 = 0.6m no core recovered	Check assays awaited
RWG003	233.65 to 234.60 = 0.95m @ 1.98 g/t Au 219.0 to 220.0 = 1.0m @ 3.41 g/t Au 255.3 to 256.3 = 1.0m @ 14.49 g/t Au	Check assays awaited
RWG005A	248.0 to 276.0 = 28.0m @ 1.69 g/t Au Inc 266.0 to 276.0 = 10.0m @ 2.59 g/t Au	Check assays awaited
<p><i>*Note:</i></p> <ul style="list-style-type: none"> • <i>Drill intercepts are expressed as down-hole length weighted averages and are not necessarily true widths</i> • <i>Internal intervals of no core recovery were assigned a value of 0.0 g/t Au</i> 		

Table 2 - Drill Hole Details

HOLE	MGA E	MGA N	RL (m)	PRECOLLAR (m)	DEPTH	AZ (MAG)	DIP	REMARKS
RWG001	664905	7694162	86	148.5	148.5	318	-63	Diamond tail not drilled as target zone partially intersected (drill-tested) by RWG003.
RWG002	664935	7694186	86	148.5	244.9	318	-58	Hole abandoned due to caving ground.
RWG003	664783	7694323	85	148.5	315.1	138	-55	Hole abandoned due to stuck drill rods.
RWG005	664797	7694331	85	150	165.6	138	-58	Hole abandoned due to excessive azimuth deviation.
RWG005A	664795	7694333	85	150	316.7	138	-60	Hole abandoned due to stuck drill rods.

Quality Control and Assurance

Conventional reverse circulation (RC), rotary and diamond drilling was used for the Wingina Prospect drill program. The holes were pre-collared by RC or rotary to a depth of approximately 150 metres ("m") and completed to a specified depth by diamond drilling in HQ3 core, with triple-tube gear used throughout the program. The drill rig utilised was a Mount Magnet Drilling MP 1200 drill rig with 900cfm/350psi air capacity & 1000cfm/1000psi auxiliary/booster and a rated capacity to drill NQ size core to a maximum depth of 1,200 m. A D650 drill rig was also used for a short period during a mechanical breakdown of the MP 1200 rig.

RC drilling was completed at the Wingina Prospect utilising a Mount Magnet Drilling MP 1200 drill rig with 1100cfm/350psi air capacity and 1000cfm/1000psi auxiliary/booster, with a 5.5" face-sampling hammer and rotary splitter. The RC drill chip samples were collected by the drilling contractor using a trailer mounted cyclone and rotary splitter at 1m intervals and sample weight was recorded for every 1m sample. A nominal 3kg sample was collected into a pre-numbered calico bag and the remainder of the sample (approximately 25kg) was collected in a large pre-numbered plastic bag. The driller's assistant placed the calico and plastic sample bags in ordered rows near the drill rig. Sample quality was assessed by the geologist by visual approximation of sample recovery and whether the sample was dry, damp or wet. RC drilling contractors adjusted their drilling approach to the specific conditions to maximise sample recovery. Drill cyclones were cleaned between drill rod-changes and after each hole to minimise downhole/cross-hole contamination. Any issues were communicated back to the drilling contractor. Where there was insufficient sample weight (<3kg) in the 1m calico bag sample, an additional sample was collected by the spear method from the residual plastic bag sample and then added to the 1m calico bag sample to make a total weight of approximately 3kg. All the 1m calico bag RC samples were then transported by vehicle to Rugby's exploration facility for further processing. The 1m residual plastic bag RC samples remain stored at the drill-site for further selective 1m sampling if required. The 4m interval composite samples were prepared from the 1m samples at Rugby's exploration camp. Approximately 500g of sample was collected by spear method from 4 consecutive 1m samples and composited into a single 4m sample with a total weight of 2kg. Duplicate 4m composite samples were taken every 1:20 samples.

For each 1m interval of RC drilling, a representative sample was taken which was sieved & washed through 1.8mm mesh and stored in plastic chip-trays for reference purposes. A representative dry and un-sieved ("raw") sample was also collected and stored in separate plastic chip-trays. The RC drilling samples were geologically logged, by a qualified geologist, in 1m intervals recording where possible characteristics such as lithology, alteration, veining and mineralisation for the entire length of each hole.

Mud rotary drilling was used in the precollar of RWG005A to minimise hole deviation. A 123mm claw-type drill bit was used in the rotary drilling. Although no drill sample was collected in the mud rotary drilling, the hole was "twinned" or collared only 2.5 metres from RWG005 which was previously drilled and sampled using conventional RC techniques.

All diamond drilling was conducted in HQ3 equipment which produces a 63.5mm diameter core. All samples were stored in plastic core trays in a dedicated core yard at the company's exploration facility. All core was photographed, geologically and geotechnically logged prior to core cutting and sampling being undertaken. Core orientation using a Reflex Act II rapid descent core orientation instrument was utilized on selected intervals on all holes.

Genalysis Laboratory Services Pty Ltd in Perth undertook sample preparation using their SP66 technique (drying, crushing ~2mm, and pulverizing up to 3Kg), before and assaying for gold by "Genalysis" FA50/OE04 technique in which a 50g charge was split from each sample for fire assay with an ICP OES finish.

Rugby has implemented a quality control (QA/QC) program which includes insertion of blanks, certified reference material standards (CRM) and duplicate samples in order to ensure best practice in sampling and analysis. Actual CRM submission rate is 1:20, blank submission rate is 1:20, coarse crush (-2mm) duplicate submission rate is 1:20, pulverized (-75um pulp) duplicate submission rate is 1:20 and check lab pulp duplicate submission rate is 1:20. Check assaying is currently underway at ALS Laboratory Services Pty Ltd). All CRM material was acquired from Geostats Pty Ltd and values range from 0.18 – 6.88 g/t Au. ALS and Intertek are ISO-9001:2000 certified laboratories.

Drilling was orientated approximately N42°W (318°), or S42°E (138°) and perpendicular to the strike of the mineralizing structures. The orientation of the drilling is considered adequate for an unbiased assessment of the prospect with respect to interpreted structures and interpreted controls to mineralisation. The five hole (RWG001 to RWG005A) drilling program totaled 1,191.3m. The drilling program comprised 150.0m mud rotary, 595.5m RC and 445.8m diamond, and these have been logged in their entirety. Overall core recoveries for the total drilling program were calculated at 92%. Assay results reported are down-hole length weighted averages of grades above 1.0 g/t Au. In drill hole RWG002 a total of 3.4 metres of no core recovery was assigned a value of 0.0 g/t Au. No top cuts have been applied to the reporting of the assay results.

Francisco Montes, Rugby's Chief Geologist and a "qualified person" ("QP") within the definition of that term in National Instrument 43-101, Standards of Disclosure for Mineral Projects, has verified the technical information that forms the basis for this news release and its associated attachments.