



ASX Announcement

21 September 2016

INVESTOR PRESENTATION – TURNER RIVER PROJECT

We are pleased to release an updated presentation with respect to our 100% owned Turner River Project and to be presented to a number of brokers and institutions over the coming weeks.

The information provides a current update following on from recent drilling activities as well as near-term planned exploration and development initiatives.

For further information:

Simon Lill (Executive Chairman) or Davide Bosio (Director)

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DE GREY
MINING LTD

Turner River Project

September 2016

Andy Beckwith



Website: degreymining.com.au

Statements



Cautionary Statement

The historical mining study information was previously reported by De Grey Mining in 2009 and is not JORC 2012 compliant. Therefore the Company wishes to emphasise that there is no certainty that mining or positive economics will eventuate once the new drilling of deeper extensions is completed. The Company intends to complete the drilling and update the current JORC 2012 resource estimate and if warranted it is the intention of the Company to progress to a JORC 2012 compliant Mining Study.

The 2009 desktop study was based on mineral resources that included inferred resources. There is a low level of geological confidence associated with inferred mineral resources and there can be no certainty that further exploration work will result in the determination of additional measured and indicated mineral resources or that the production targets referred to in the 2009 desktop study will be realised.

Competent Persons Statement

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr Beckwith is a consultant engaged by De Grey Mining Limited. Mr Beckwith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 JORC Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Beckwith consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statements

Statements regarding De Grey's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that De Grey's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that De Grey will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of De Grey's mineral properties.

Corporate Snapshot



Corporate	
ASX Listing	DEG, July 2002
Ordinary Shares	2,878 million
Options	42.5 million @ \$0.004 Nov 2017 478.7 million @ \$0.002 June 2019
Market Cap	\$8.6 million @ \$0.003
Cash (June 2016)	\$1.2 million
Enterprise Value	\$7.4M

Board & Management	
Simon Lill	Exec Chairman
Davide Bosio	Non-Exec Director
Steve Morris	Non-Exec Director
Craig Nelmes	Company Secretary
Andy Beckwith	Geology

UNDER VALUED

De Grey is one of the cheapest gold stocks around based on quality of resources, high proportion of measured and indicated, shallow open pittable oxide, excellent infrastructure and excellent potential for new discoveries

Objective & Assets



Focus - Transition into gold development and mining

Gold

- 406Koz Au resources
- Wingina 268Koz
- High grade lodes
- 600m x >200m deep
- Well drilled oxide
- U/G potential
- Satellite resources
- 20km thrust zone
- Wallareenya Target

Pegmatites

- Large landholding in world class Li-Ta province
- Recently discovered 8.5km pegmatite trend
- Only 5% of tenure has had reconnaissance sampling

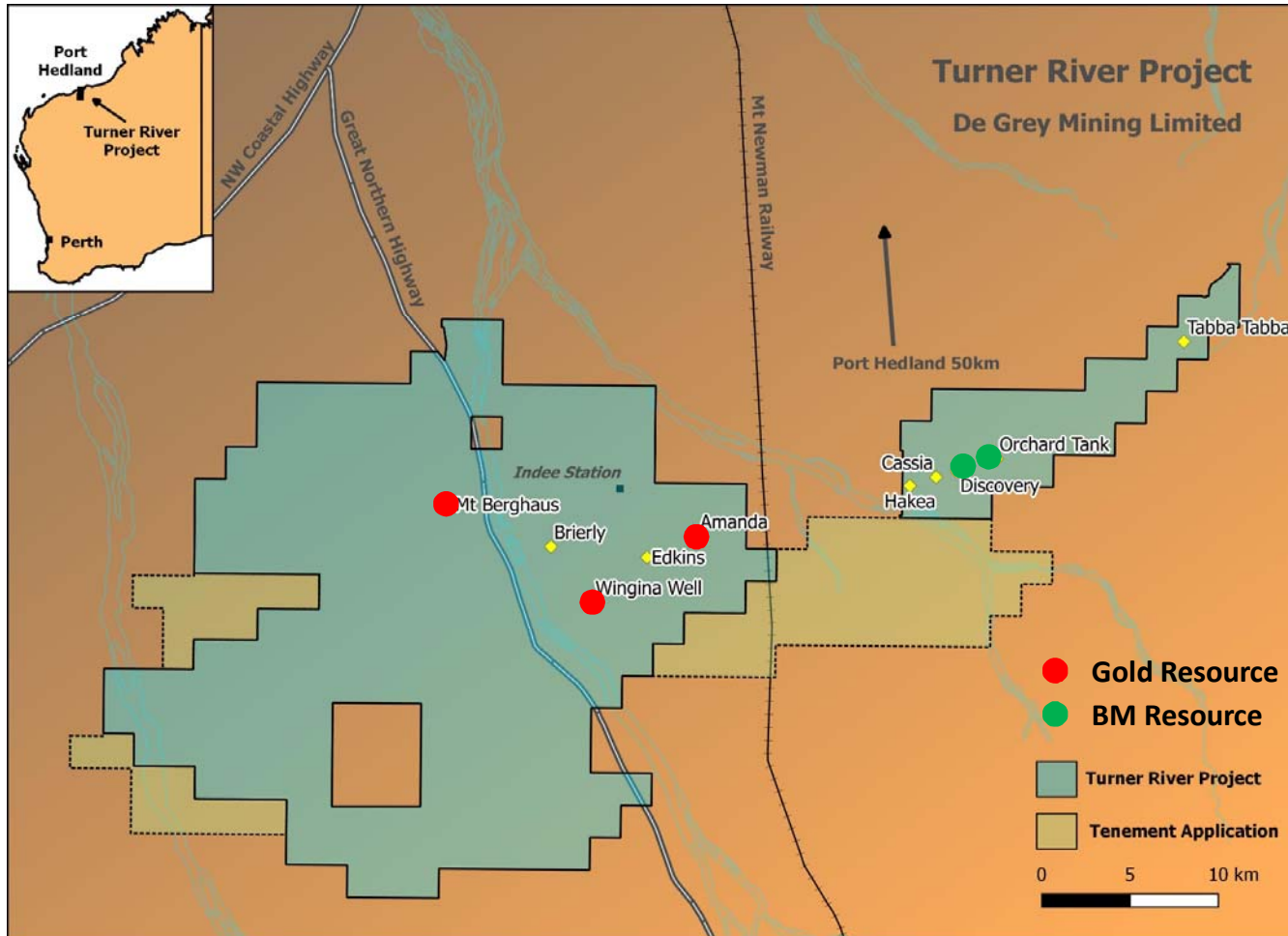
Base Metals

- VMS style
- Zn-Pb-Ag-Au
- Occur in clusters
- Resources defined
- High grade intercepts
- Open at depth
- Untested priority IP targets

Exploration

- Large landholding
- Ni-Cu sulphide and PGE potential
- Extensive database
- Numerous untested targets

Turner River Project

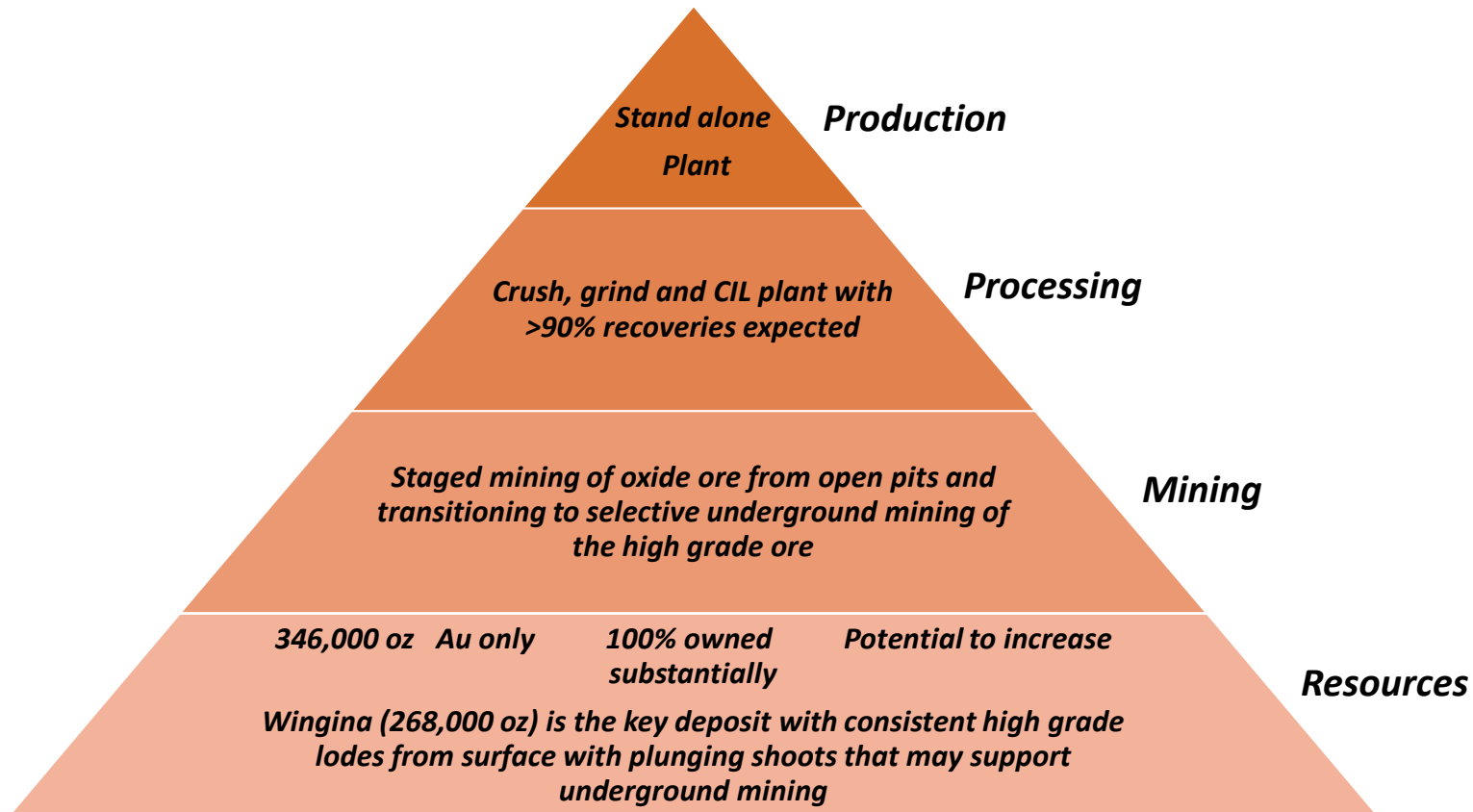


- ✓ Well located 50km south of Port Hedland
- ✓ Infrastructure rich
- ✓ Large under-explored prospective tenure
- ✓ Advanced gold project
- ✓ Building to Scoping study
- ✓ Simple processing flowsheet
- ✓ High recovery >90%
- **Targeting low capex-open pit-oxide start-up to production**
- ✓ Added bonus of high value base metal resources
- ✓ Pegmatite potential
- ✓ Nickel potential

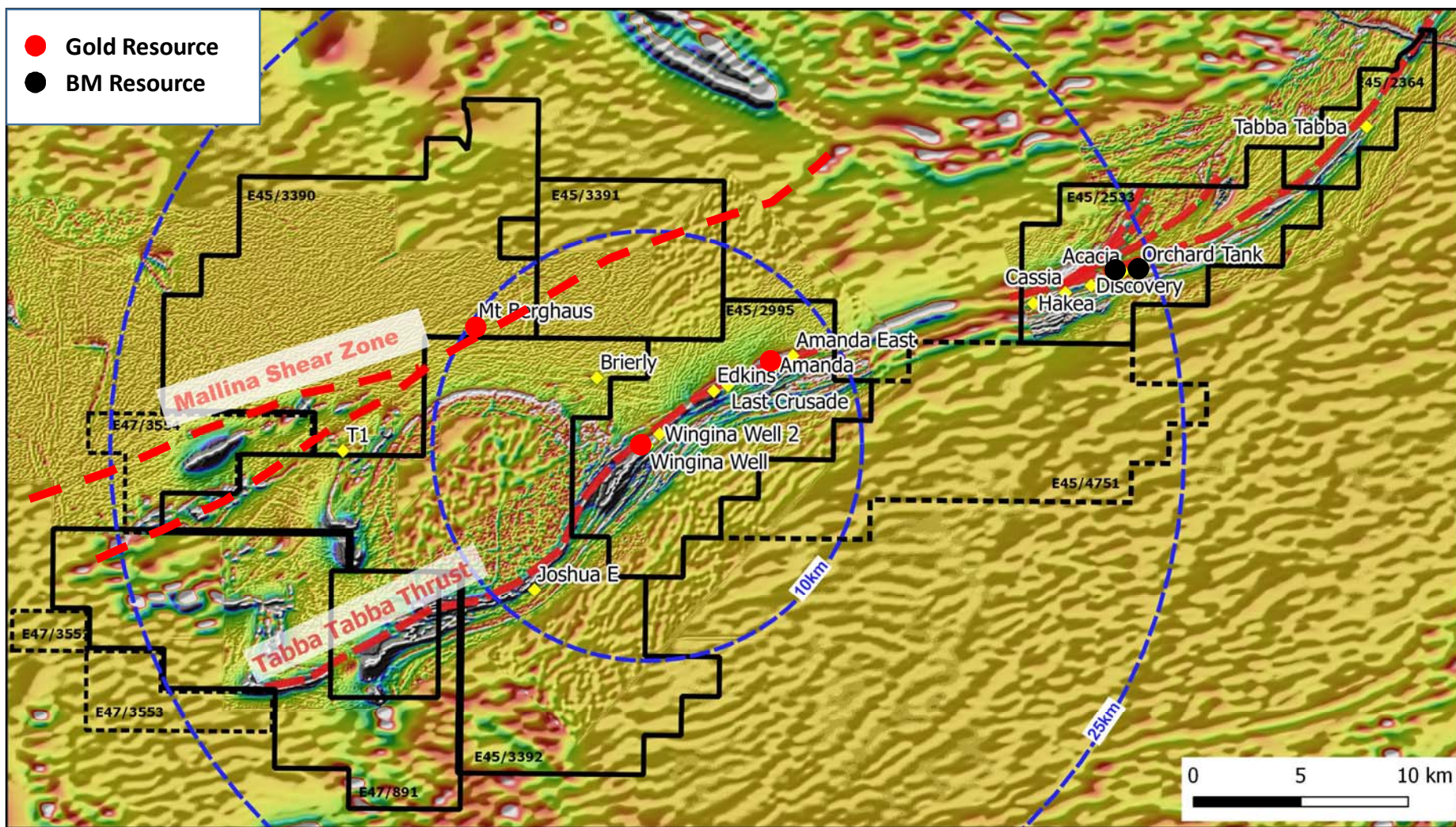
Development Strategy



Centralised stand alone gold processing facility at Wingina Well with additional oxide ore sourced from satellite pits within 25km trucking distance



Turner River Resources (JORC 2012)



Turner River Resources (JORC 2012)



Total Au only 346,000 ounces
Measured 156,000 ounces (45%)
Indicated 48,000 ounces (14%)
Inferred 141,000 ounces (41%)

Gold only Resources

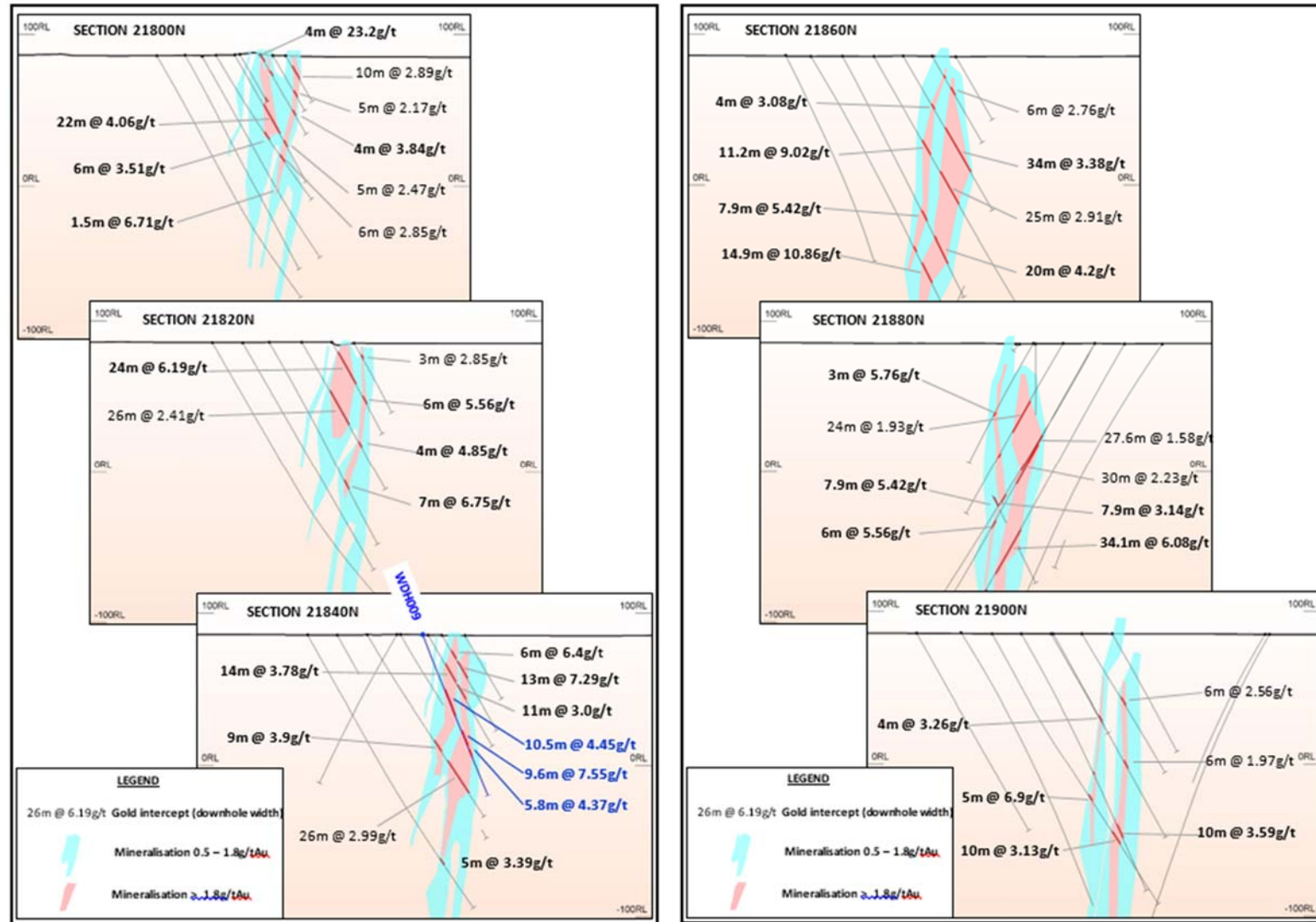
Base Metal Resources

Deposit		Wingina Well ¹		Mount Berghaus ²	Amanda ³	Orchard Tank ⁴	Discovery ⁴	TOTAL Au koz
Classification	Material	above -55mRL	below -55mRL	All	All	All	All	
	Cut off grade (Au g/t)	0.5	1.0	0.5	0.5			
	Cut off grade (Zn %)					0.5	0.5	
Measured	Tonnes (Mt)	2.3	0.4					
	Grade Au (g/t)	1.8	2.1					
	Ounces Au (koz)	130	26					156
Indicated	Tonnes (Mt)	0.7	0.4					
	Grade Au (g/t)	1.1	1.6					
	Ounces Au (koz)	26	22					48
Inferred	Tonnes (Mt)	0.1	1.2	0.9	0.7	1.7	1.2	
	Grade Au (g/t)	1.2	1.5	1.4	1.6	0.5	0.8	
	Ounces Au (koz)	5	58	43	35	28	33	202
	Grade Ag (g/t)					78.6	87.0	
	Ounces Ag (Mozs)					4	4	
	Grade Zn (%)					2.38	2.34	
	Metal Zn (kt)					40	29	
	Grade Pb (%)					0.99	0.94	
	Metal Pb (kt)					17	12	
TOTAL	Ounces Au (koz)	162	106	43	35	28	33	406

Wingina Gold Deposit - Sections

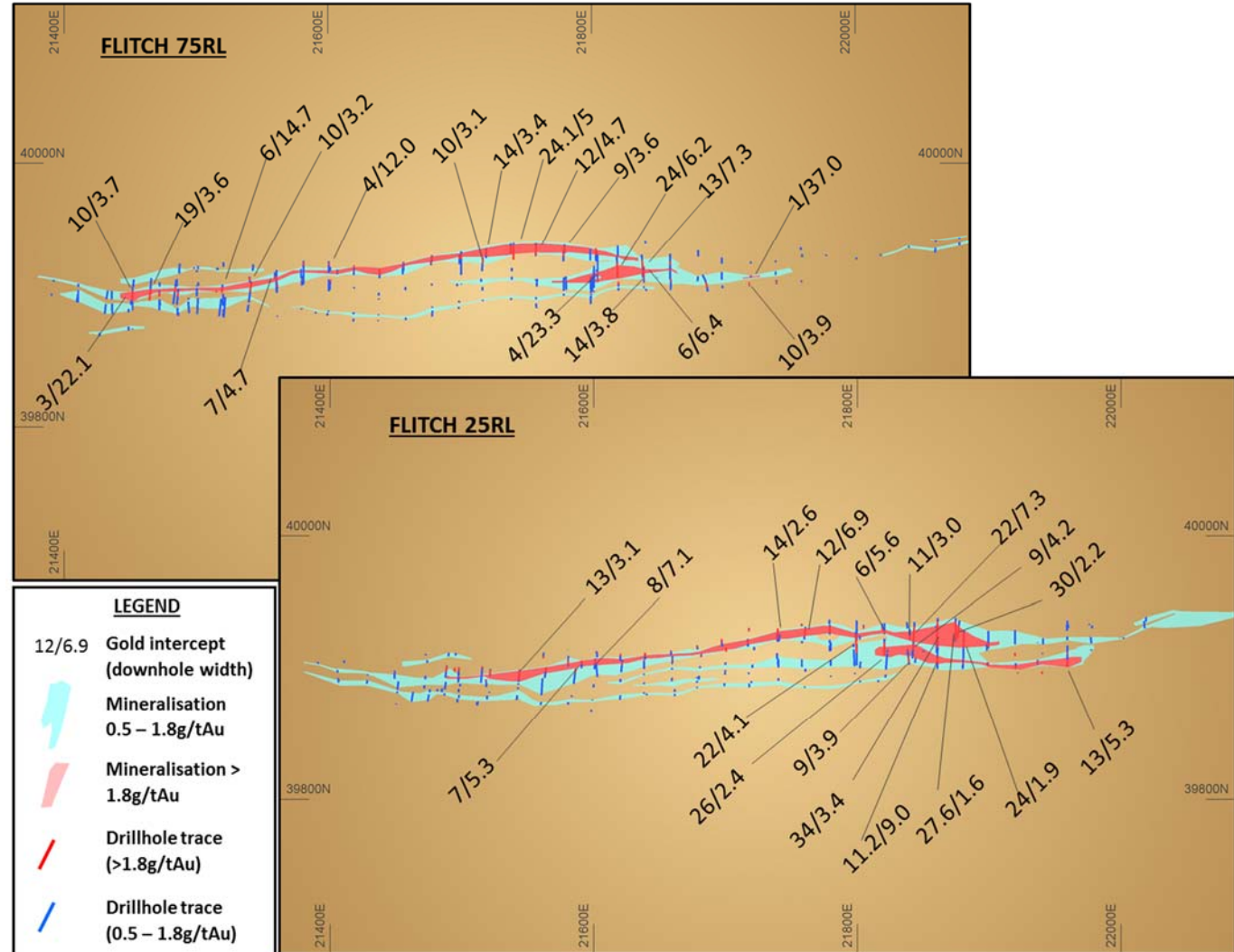


- ✓ Advanced gold project
 - ✓ 346,000 ounces defined
 - ✓ Measured 45%
 - ✓ Indicated 14%
 - ✓ Inferred 41%
 - ✓ High grade lodes
 - ✓ Low grade halo
- ✓ Excellent open pit potential
- **Currently remodelling HG lodes**
- **New resource update - Oct**



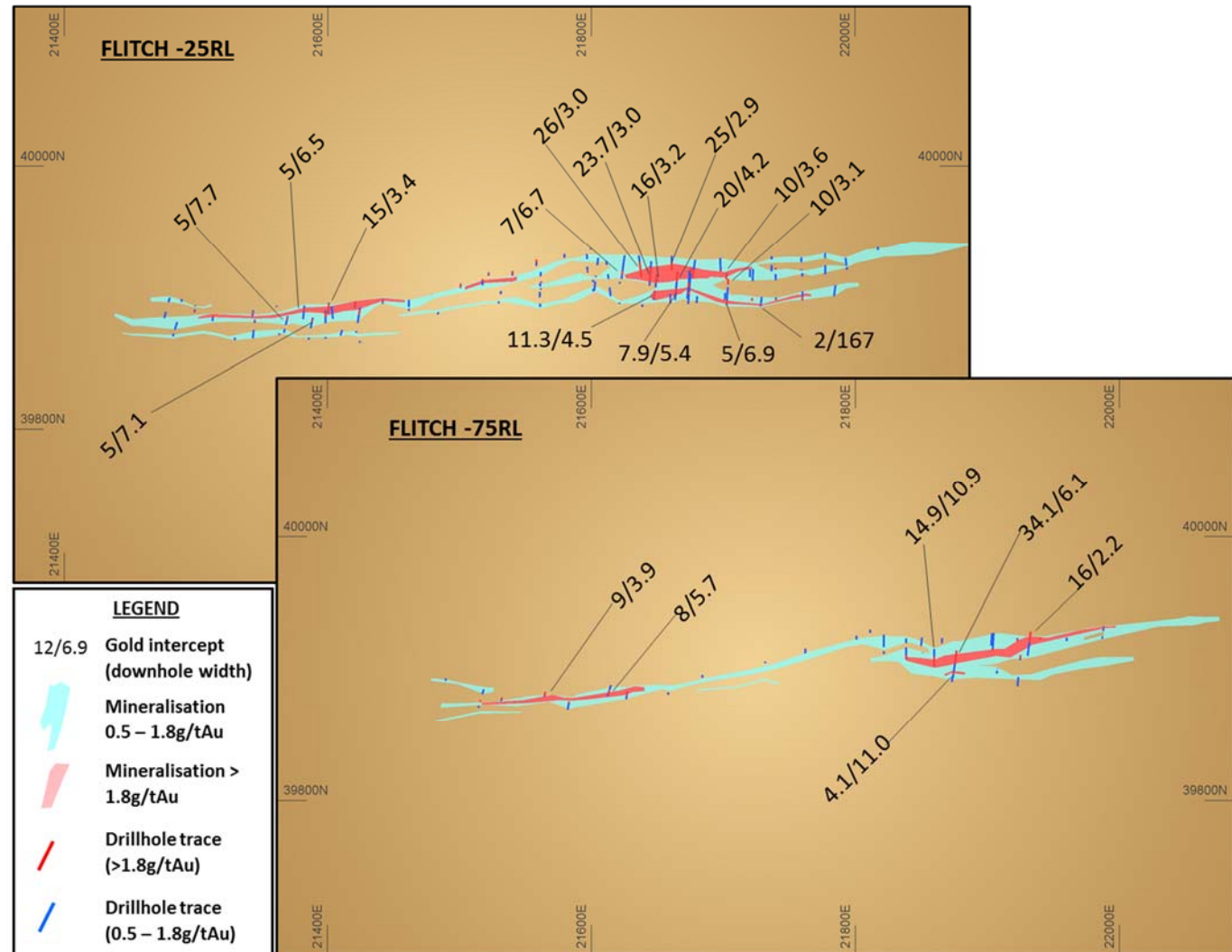
Wingina Gold Deposit - Flitches

- ✓ Large gold system
- ✓ Continuous over 600m
- ✓ Strong high grade lodes
- ✓ Consistent lower grade envelope



Wingina Gold Deposit - Flitches

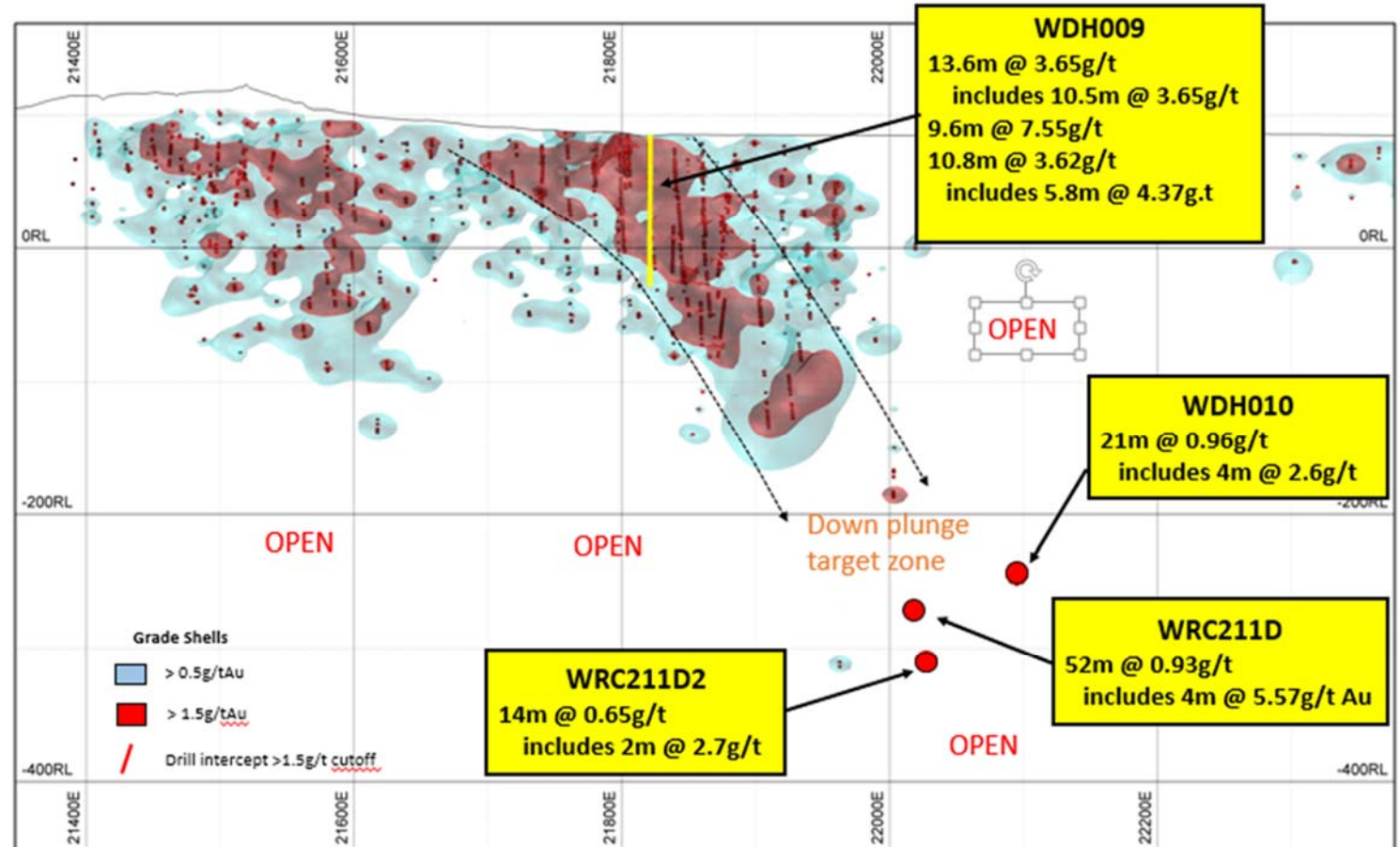
- ✓ **Plunging shoots**
- **Underground potential**



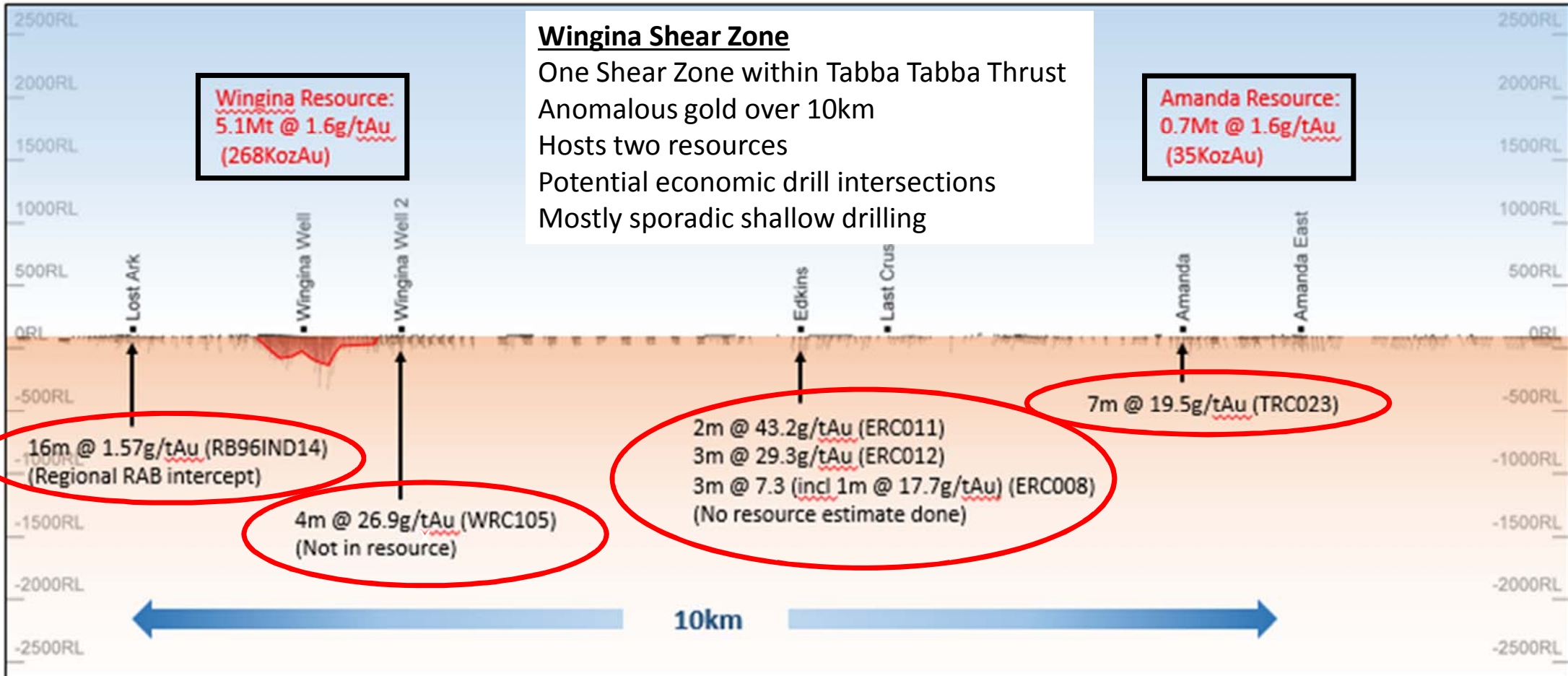
Wingina Gold Deposit - Deeps

- ✓ **New fresh bedrock drilling**
 - ✓ Mineralisation 350m depth
 - ✓ Increased geological understanding
 - ✓ Wingina Shear hosted
 - ✓ Au open in all directions
 - ✓ Lacks deeper drilling density

➤ **Substantial regional potential**



Wingina Shear Zone Potential



Metallurgy



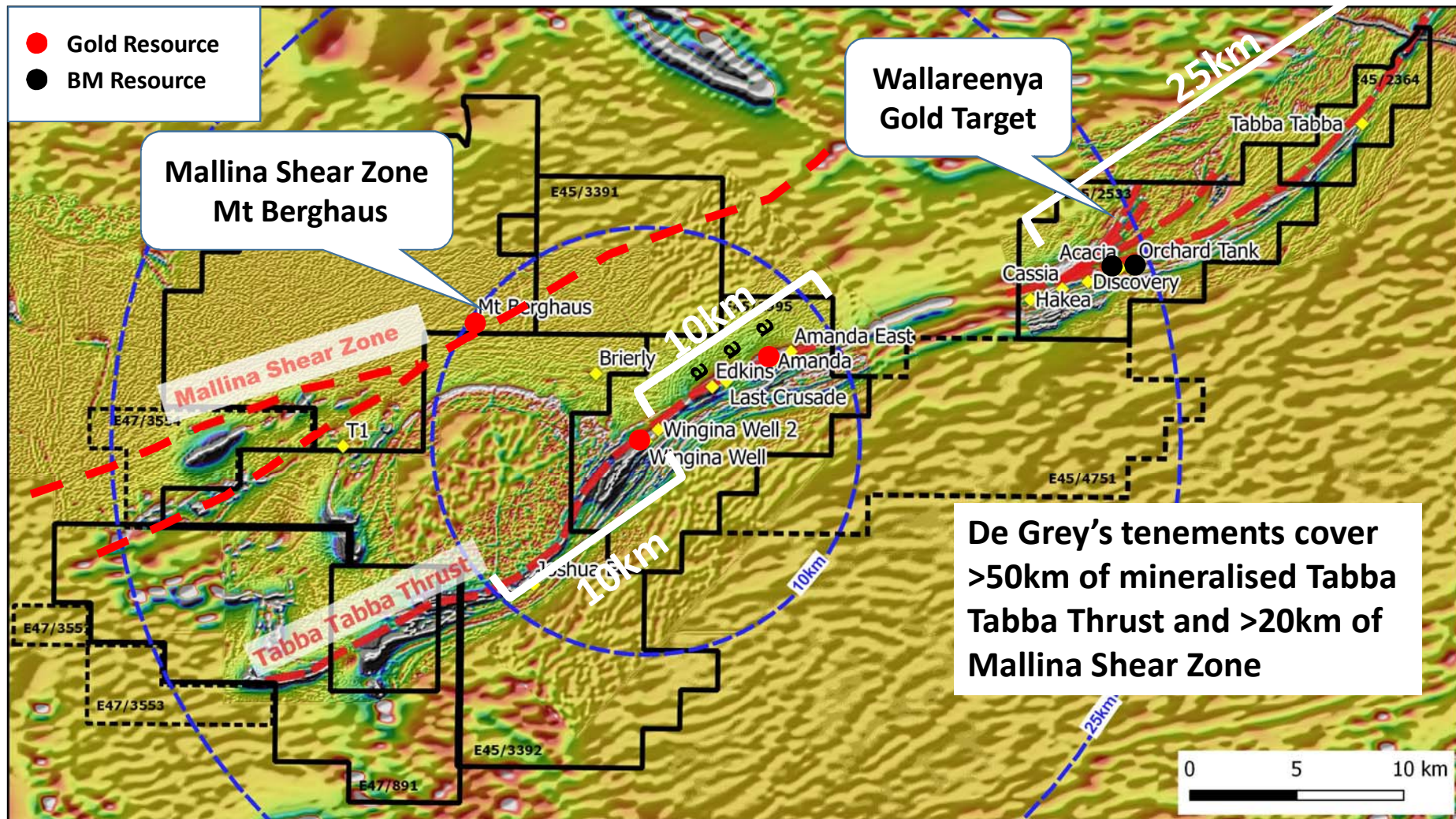
Historical Mining Studies (Non JORC 2012 compliant)

- Assessed in a lower gold price environment - **circa \$600-900**
- Focussed on heap leach extraction with only 65% recovery
- 3rd party JV partner corporate activity halted assessment – **never completed**

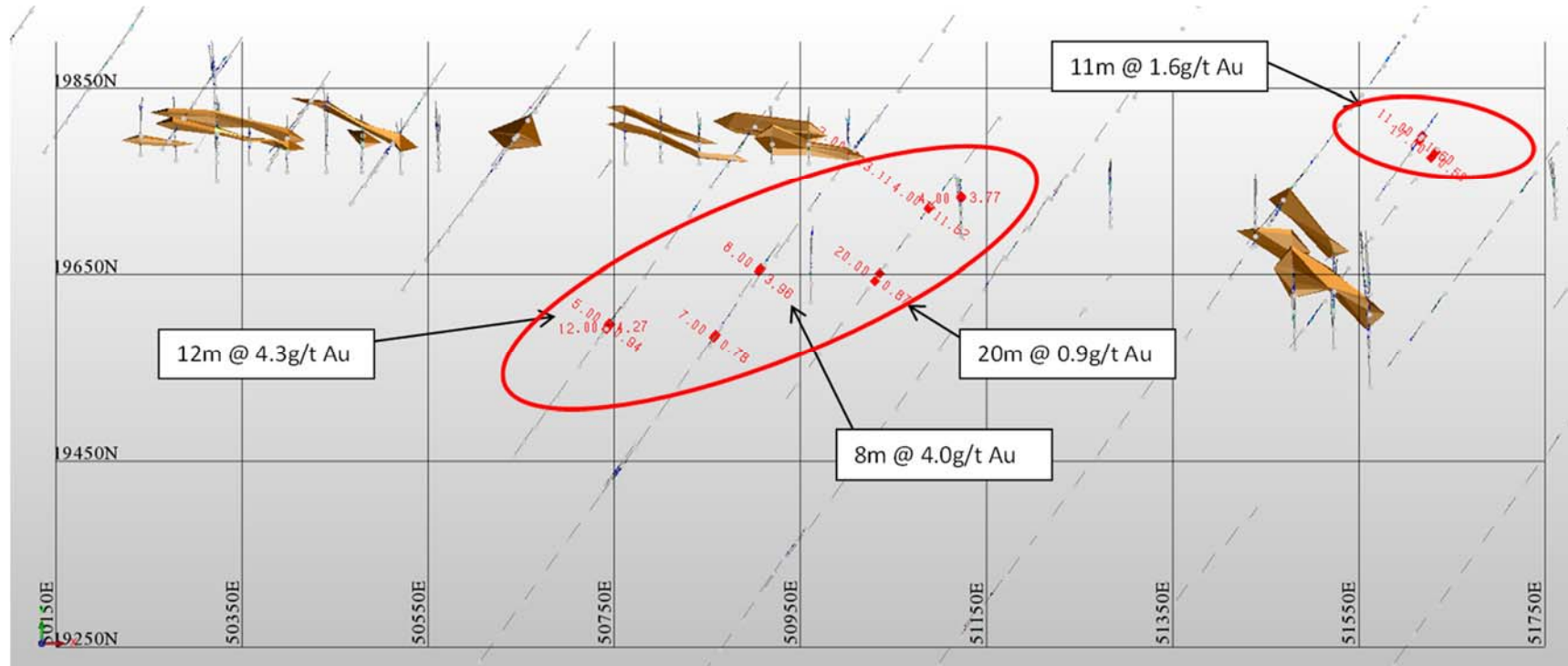
Review of baseline mining evaluation data indicates:

- ✓ Preferred CIL processing
- ✓ High recovery +90% (likely 94%)
- ✓ Coarse grind (+106 micron) on oxide material
- ✓ Rapid leach times (<12 hours) and low reagent consumption
- ✓ Simple circuit - gravity circuit not required which should help reduce capex
- ✓ Staged mining of initially high grade lodes prior to low grade not evaluated
- ✓ Excellent local infrastructure – road, airports, accommodation, port
- ✓ **Significantly higher gold price today – circa \$1700**

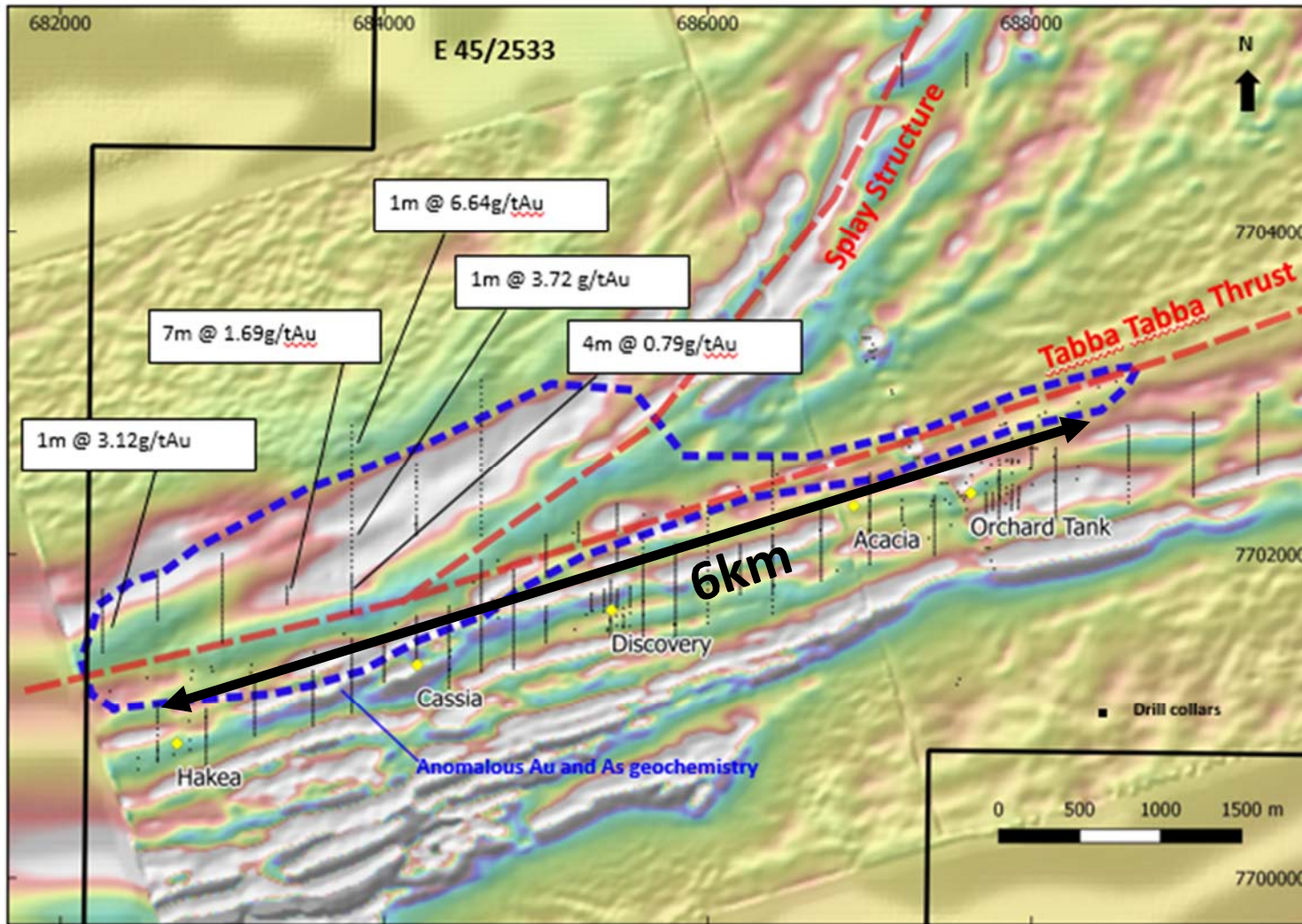
Regional Gold Upside



Mount Berghaus Upside



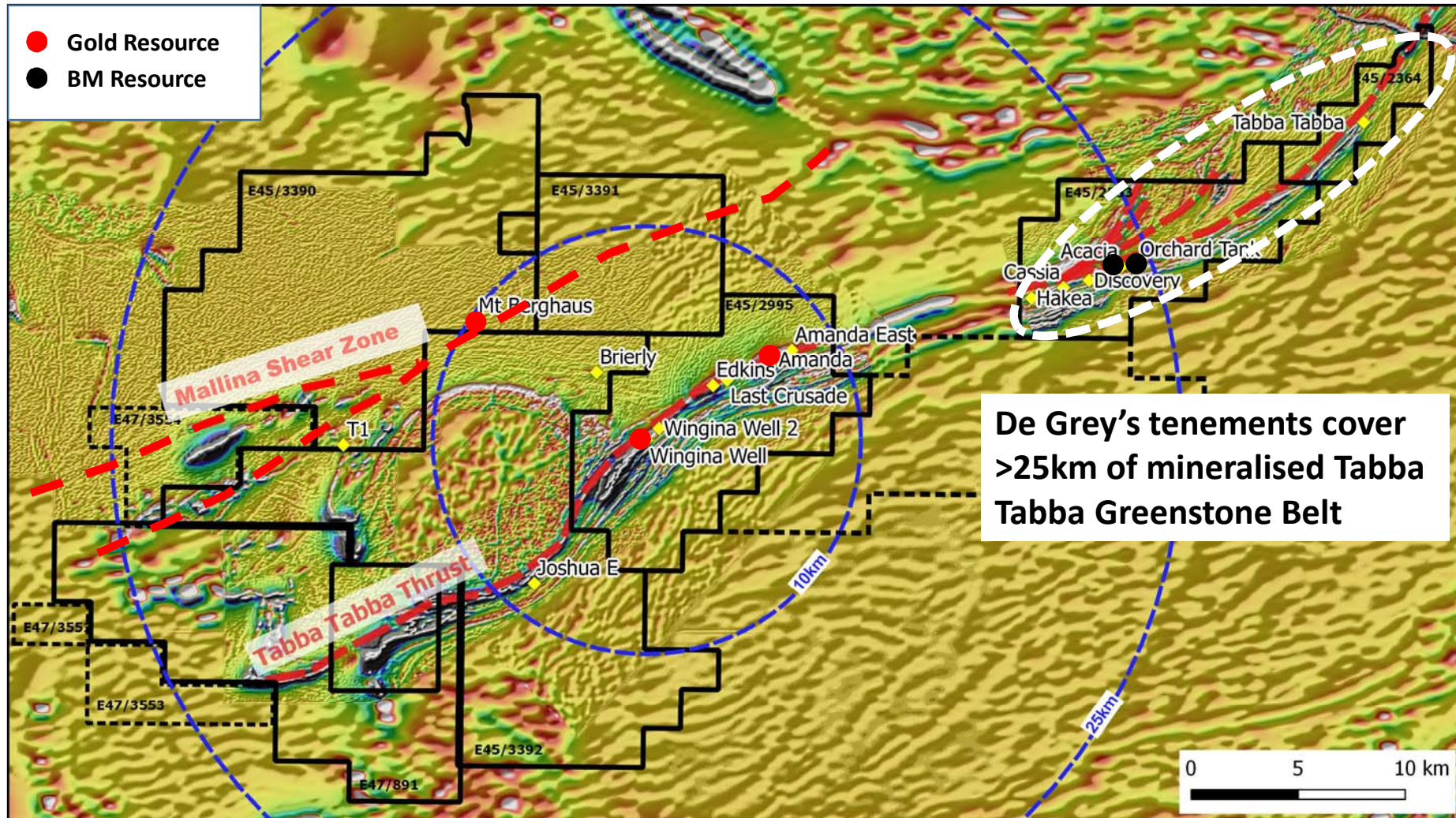
Wallareenya Gold Target



Nuggets recently found in an area where there is no drilling!



Base Metal Potential ~25km



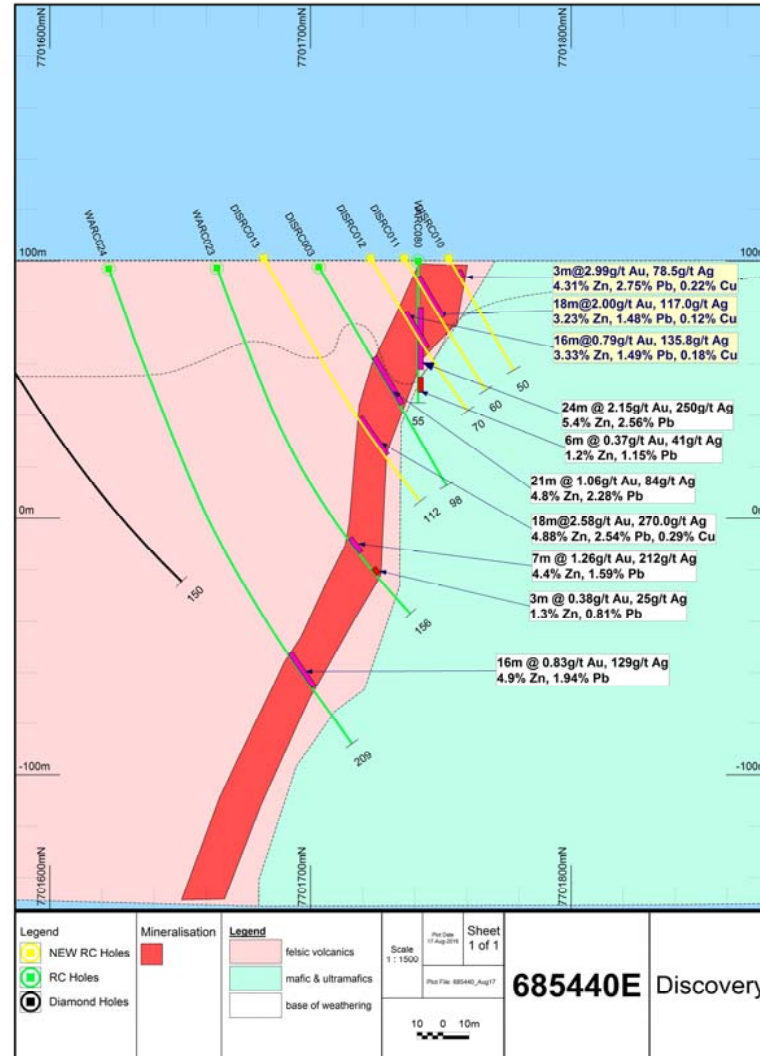
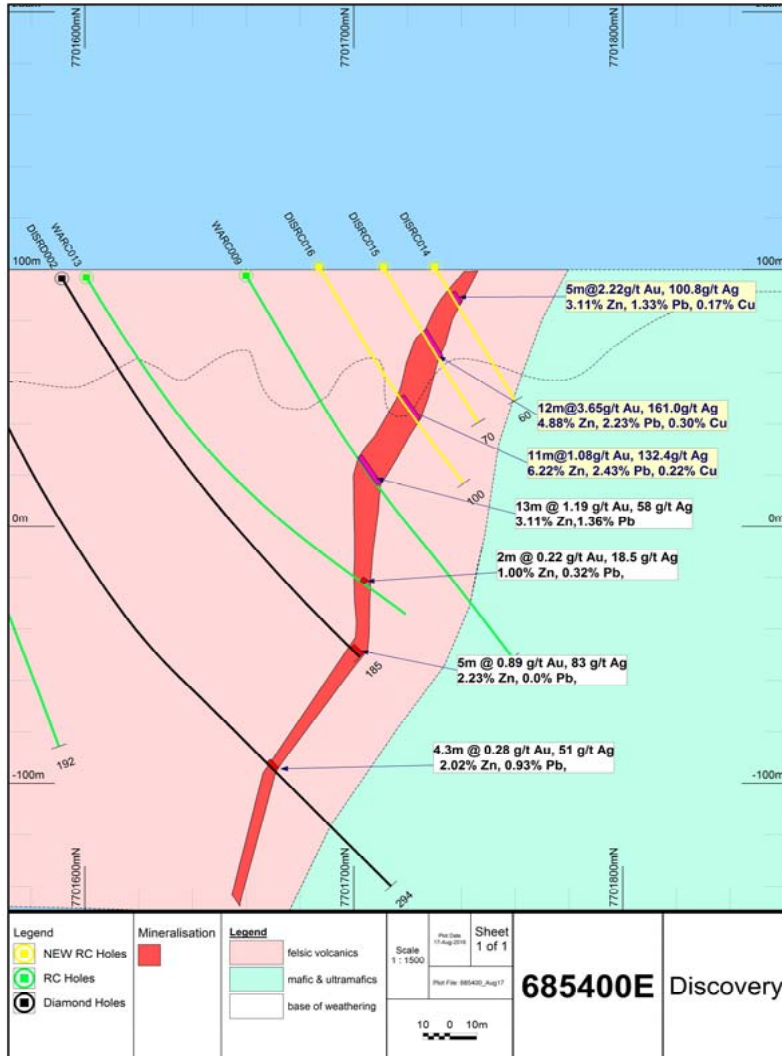
Discovery Au-Ag-Cu-Pb-Zn



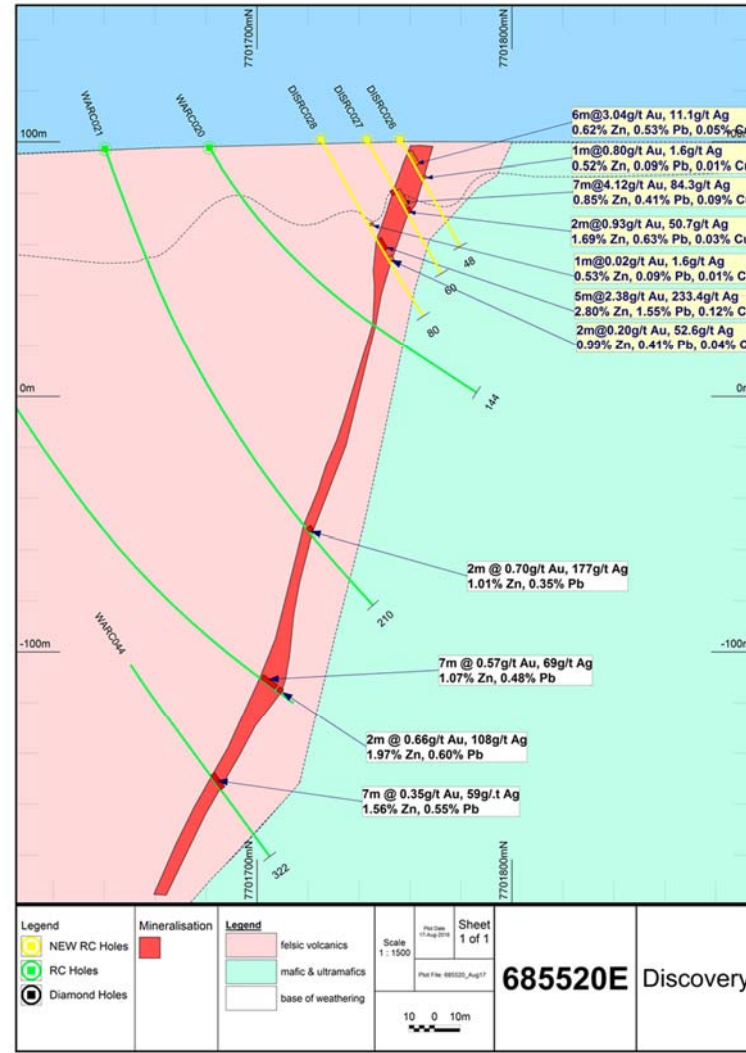
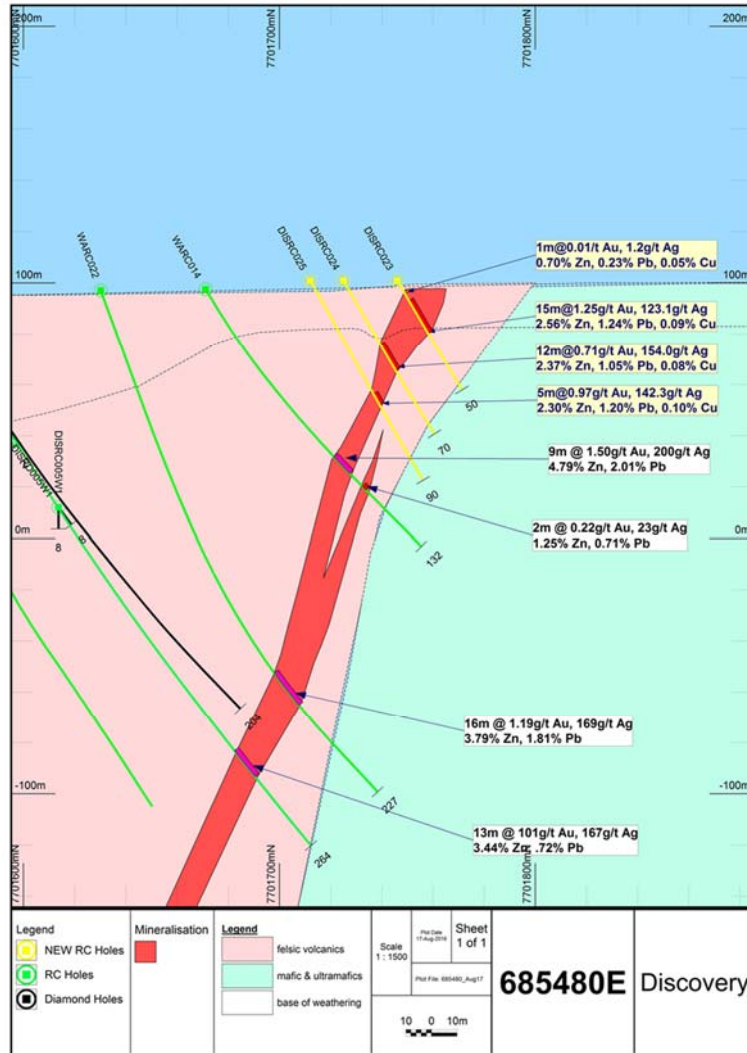
- ✓ High grade Au-Ag-Pb-Zn-(Cu)
- ✓ Completed infill RC drilling program (40m lines)
- ✓ Zn-Pb dominant lodes
- ✓ Au-Ag overprint lodes
- ✓ Mineralisation from surface
- ✓ 300m drilled strike length
- ✓ Open along strike
- ✓ IP anomaly
- ✓ Excellent open pit potential with mineralisation at depth
- **Currently remodelling**
- **New resource update - Oct**

HoleID	From (m)	Interval (m)	Au g/t	Ag g/t	Cu %	Pb %	Zn %	In Situ Grade ZnEq %**
DISRC010	6	3	2.99	78.5	0.22	2.75	4.31	16.94
DISRC011	9	18	2.00	117.0	0.12	1.48	3.23	13.33
including	9	9	3.01	147.5	0.11	1.92	4.58	18.42
DISRC012	25	16	0.79	135.8	0.18	1.49	3.33	11.39
including	25	5	1.46	284.0	0.35	2.69	6.63	22.60
DISRC013	72	18	2.58	269.8	0.29	2.54	4.88	22.72
including	72	7	4.84	476.6	0.51	3.37	7.09	38.17
DISRC014	12	5	2.22	100.8	0.17	1.34	3.11	13.22
including	12	4	2.72	125.1	0.20	1.61	3.64	16.03
DISRC015	29	12	3.65	161.0	0.30	2.23	4.88	21.40
including	30	5	2.71	142.7	0.41	2.15	6.16	20.13
including	38	3	6.76	347.0	0.32	4.25	7.51	39.21
DISRC016	59	11	1.09	132.4	0.22	2.43	6.22	15.85
including	59	4	2.49	264.8	0.42	5.11	13.54	33.74
DISRC020	48	4	1.04	115.6	0.24	2.36	5.90	14.88
DISRC023	9	15	1.25	123.1	0.09	1.24	2.56	10.83
including	13	7	1.97	180.6	0.12	1.58	3.76	15.95
DISRC024	29	12	0.71	154.0	0.08	1.05	2.37	10.18
including	32	3	1.64	319.0	0.13	2.25	5.77	22.31
DISRC025	51	5	0.97	142.3	0.10	1.20	2.30	10.54
including	52	3	1.48	213.3	0.15	1.77	3.38	15.74
DISRC026	6	6	3.04	11.1	0.05	0.53	0.62	8.66
DISRC026	23	7	4.12	84.3	0.09	0.41	0.86	13.75
DISRC028	45	5	2.38	233.4	0.13	1.55	2.80	17.63
DISRC030	41	5	3.35	134.9	0.05	0.48	0.96	13.66

Discovery - Sections



Discovery - Sections



Programs Completed & Planned

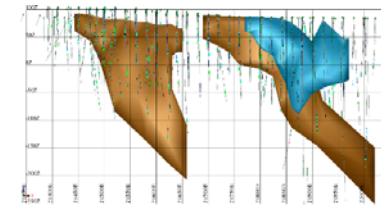
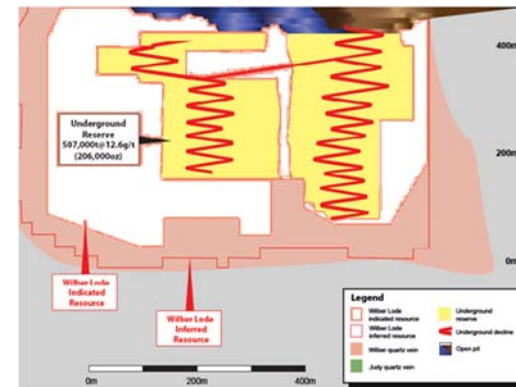
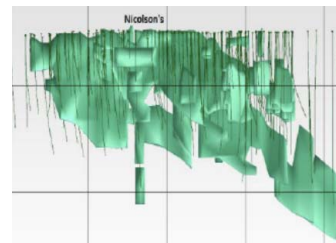


High news flow, doing what we say and getting on with it!

Project	Programme	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Wingina	Resource Review	✓	✓	✓							
	Resource Model		✓	✓		✓			RESOURCE UPDATE UNDERWAY		
	Resource Extension DDH drilling				✓	✓					
	Historic mining study review			✓	✓						
	Economic Study								GAP ANALYSIS & PIT OPTIMISATIONS		
Mt Berghaus	Resource Review	✓							RESOURCE DRILLING	RESOURCE UPDATE	
Amanda	Resource Review	✓									
Discovery	Resource Review		✓				✓		RESOURCE UPDATE UNDERWAY		
	Resource RC drilling				✓						
	SG data				✓						
Orchard Tank	Resource Review		✓				✓		RESOURCE UPDATE UNDERWAY		
	SG data				✓						
Pegmatites	Reconnaissance sampling			✓			✓	ADDITIONAL SAMPLING COMPLETED RESULTS PENDING			
Wallarenya Au Target	Reconnaissance sampling								SAMPLING		
Regional Targets	Reconnaissance sampling								SAMPLING		

Similar scale gold deposits

Project	Nicolsons	Andy Well	Wingina
Company	Pantoro - PNR - Aust	Doray – DRM - Aust	De Grey - DEG - Aust
Maiden Resource (Date)	163,000 oz @ 6.6g/t (2015)	680Kt @ 15.1g/t (331Koz) (July 2012)	HG lodes to be estimated 268Koz (Global)
Maiden Reserve (Koz)	Reserve 80,000 oz	500Kt @ 12.6g/t (206Koz)	n/a
Lodes	U/G in lodes 200m long x 300m deep	U/G in two lodes 600m long x 350m deep	OP+U/G lodes ~600m long x +200m deep
Initial Mine life	4.5 years	3.7 years	n/a
Mill throughput	137Ktpa	197Ktpa	n/a
C1 Costs	\$190/t treatment	592/oz	n/a
C1+C2 cost	~850/oz	868/oz	n/a
CAPEX	~\$14.5M	\$55M	n/a
MCap a commencement-> now	\$6M->\$48M	(\$2.8M pre discovery) \$93M->\$300M	\$5.6M



*Only HG lodes shown for Wingina

Diagrams at same scale

Investment in De Grey Mining



Under valued
gold
development
stock

Strong news
flow over
next quarter

Resource
updates
pending

Substantial
exploration
upside

Targeting
gold
production