



De Grey Mining Ltd

A.B.N. 65 094 206 292

ASX/MEDIA RELEASE

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Follow-up Pegmatite Sampling Commencing on 8.5km Southern Trend

De Grey Mining Ltd (ASX: DEG, "De Grey", "Company") is pleased to advise that follow-up soil sampling along the newly discovered Southern Pegmatite Trend commences this week in conjunction with our planned RC and diamond drilling programs.

As reported in De Grey's ASX release "*Prospective Li-Ta Pegmatites defined at Turner River*", (26 May 2106), sampling on tenement E45/2533 has defined two significant trends of outcropping and prospective rare fractionated pegmatites. Significantly, the pegmatites fall within the lithium-caesium-tantalum (LCT) pegmatite group and represent rare metal fractionated pegmatites which are known to host the nearby Pilgangoora, Tabba Tabba and Wodgina deposits.

At the Southern Pegmatite Trend, the recently discovered pegmatites occur as limited poorly exposed outcrops at surface with a thin veneer of sand cover over large areas along the 8.5km long strike length. Sampling to date comprises initial reconnaissance rock chip sampling of these rubbly outcrops. Mapping suggests the pegmatites may reach up to 30m in width. Geochemical results within this trend to date indicate peak anomalous tantalum (Ta) to 92.3ppm, caesium (Cs) to 397ppm, lithium (Li) to 194.5ppm and rubidium (Rb) to 1015ppm. The overall trend is defined by $Li > 90ppm$ and $Ta > 50ppm$. (Figure 1)

The current program consists of an initial smaller orientation soil sampling of differing size fractions over a select number of representative traverses to determine the optimum sampling medium. Once results of the initial orientation data are received and assessed, a detailed and systematic program of grid based soil sampling will be completed over the entire 8.5km strike length.

The program duration is expected to extend over the coming six to seven weeks, and the Company is aiming to provide on-going updates to the market though this period. It will be managed in conjunction with the planned RC and Diamond programs at Wingina gold deposit, Discovery gold-silver-zinc-lead base-metal deposit and the Tabba Tabba base-metal IP targets.

De Grey Chairman, Simon Lill,

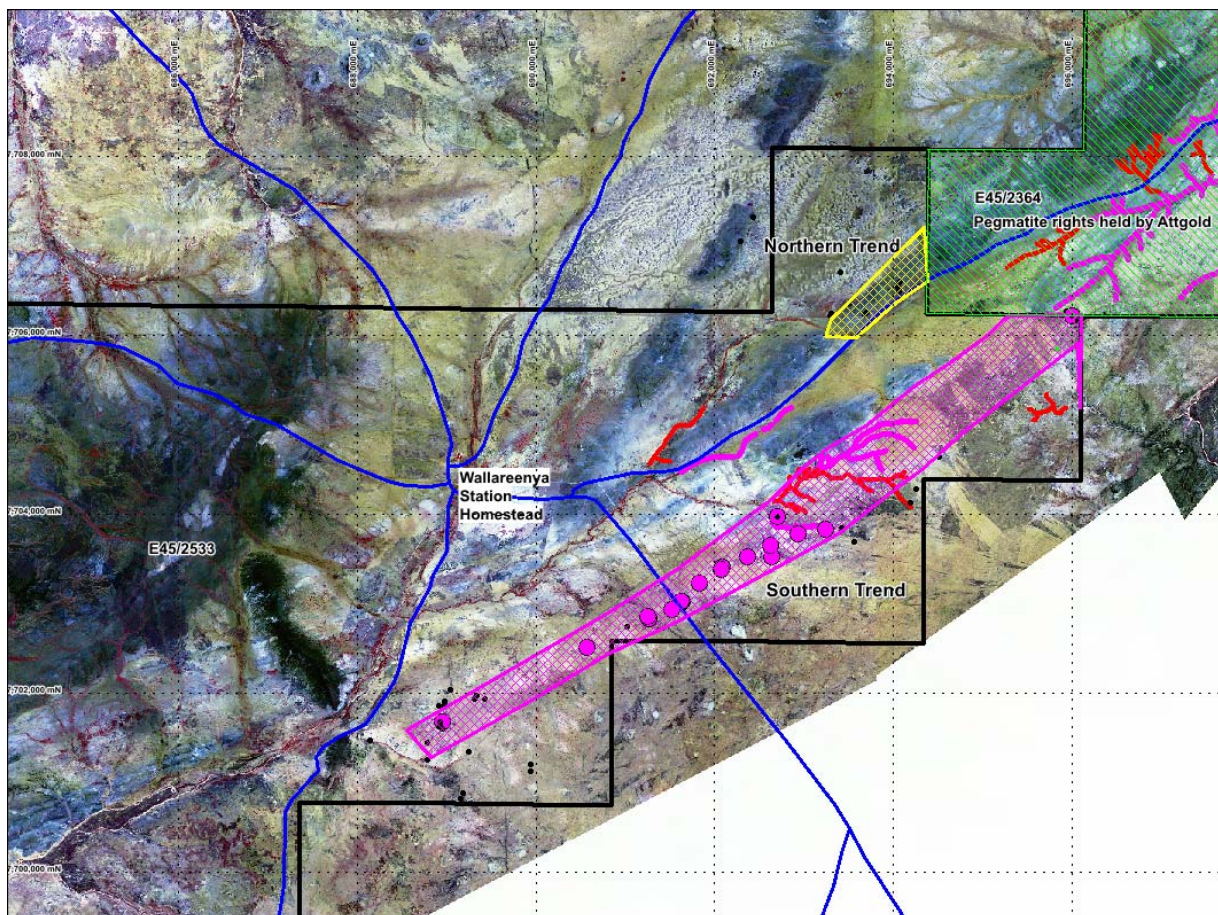
"De Grey solely owns in excess of 850km² in the middle of one of the World's premier Lithium and Tantalum Provinces. The Pilgangoora deposits are only 50km to the south and the high grade Tabba Tabba Tantalum mine is on our doorstep.

Initial results from the identified 8.5km long trend of outcropping weathered pegmatites were extremely encouraging as they demonstrate the highly prospective type of rare fractionated pegmatites that exist on our tenure.

De Grey commences an exciting few weeks, with a significant drilling program commencing shortly, as well as the likely identification of future drill targets for lithium and tantalum resulting from the planned soil sampling program."



Figure 1 E45/2533 showing the Southern Trend (pink hash) and Northern Trend (yellow hash). Soils sampling program to target the 8.5km long Southern Trend



For further information:

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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 to 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 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 his information in the form and context in which it appears.