

# De Grey Mining Ltd

A.B.N. 65 094 206 292

*The Bold Explorer*

8 April 2009

## ASX/MEDIA RELEASE

### PATERSON PROJECT AND AIRBORNE EM SURVEY

#### Key Points:

- De Grey Mining (ASX code: DEG) secures exploration licence applications over 2,100 sq km of prospective ground in the Paterson geological province, Western Australia.
- The Paterson Province hosts major mineral deposits at Telfer gold mine, Nifty copper mine, Kintyre uranium deposit and Maroochydore copper deposit.
- Newly released data from Geoscience Australia airborne electro-magnetic survey provides exploration leads at negligible cost to De Grey.

Managing Director Gary Brabham said “The release of new pre-competitive geoscientific data over frontier exploration regions provides a great first-mover advantage to exploration companies. We targeted this area for pegging, knowing that this data would be available shortly. The negligible cost of accessing the data belies its value to mineral explorers.”

#### For further information:

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## Technical Report

The Paterson area of Western Australia is well endowed with gold, copper and uranium deposits that include the Telfer gold mine, Nifty copper mine, Kintyre uranium deposit and Maroochydore copper deposit.

Recognising the high mineral endowment of this geological region, Geoscience Australia (GA), funded by the Federal Government's Onshore Energy Initiative, completed a 30,000 line kilometre Airborne Electro-Magnetic (AEM) survey in 2008. The objective of the survey is to improve the understanding of the geology and mineral potential of the Paterson Province and thereby promote further exploration in this remote area. The survey lines were flown in a SW-NE orientation at 1km or 2km line spacing.

Through diligent monitoring of tenement relinquishment activity over the past few months, De Grey (through wholly owned subsidiary Winterwhite Resources Pty Ltd) has made tenement applications over a 2,100km<sup>2</sup> area covered by the GA survey to the south of the Rudall River National Park and the major deposits listed above (Figure 1).

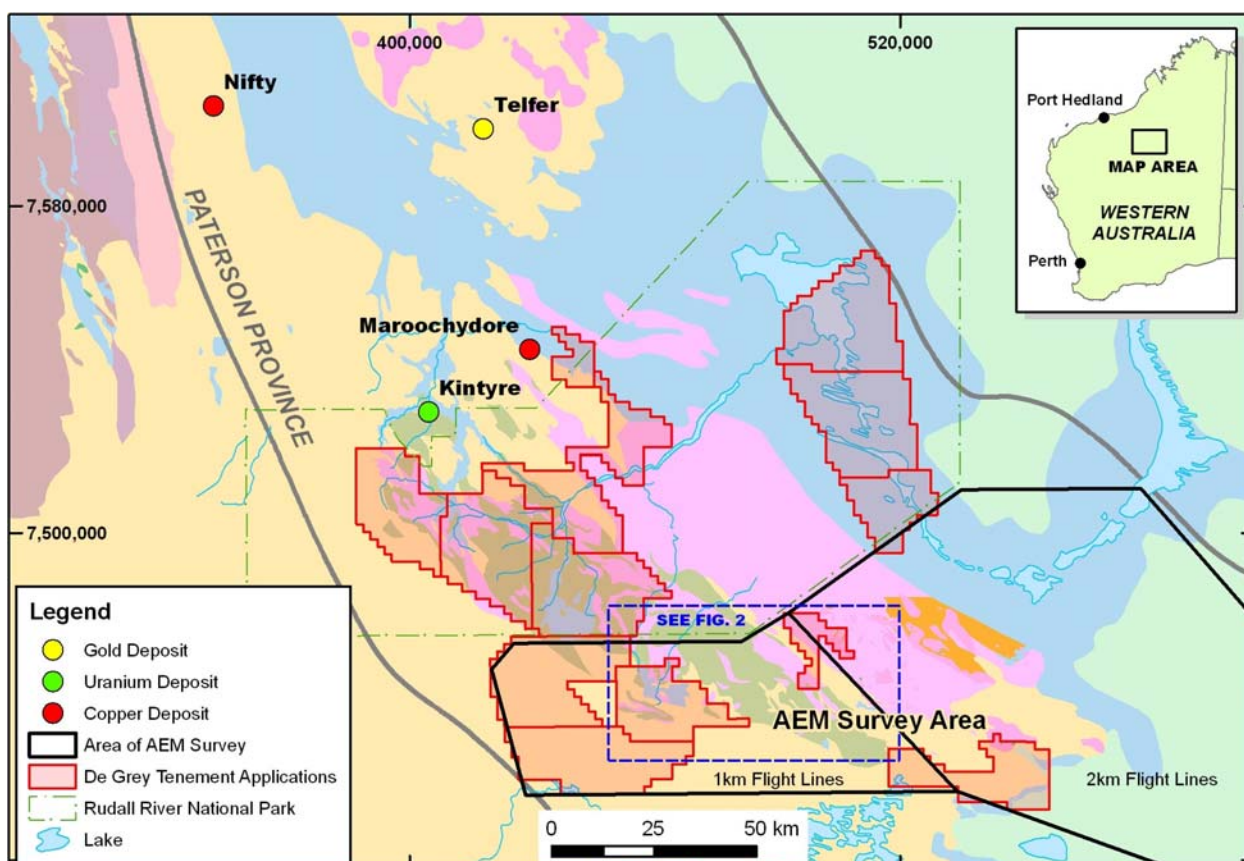


Figure 1: The airborne EM survey and De Grey Mining Ltd tenements in the Paterson area, WA.

**The acquisition of this large new 100% owned project in a major mineralised province at minimal cost represents a significant new asset for De Grey.** The value of the acquisition is further enhanced by the new AEM survey data, which was released at a nominal cost of \$90 on 4<sup>th</sup> March 2009.

Associated geological studies in the Paterson area are planned by Geoscience Australia and the Geological Survey of Western Australia (GSWA) that will provide the geological framework to advance the exploration of this prospective region.

The new geophysical data are being processed and analysed by DEG in conjunction with other exploration data to identify specific targets that may reflect the presence of mineralisation and to define regional structures that may have been important controls on mineralising events.

Early review of the data has already identified several features warranting further evaluation as direct exploration targets. Despite the relatively wide flight line spacing, four of the seven bedrock mineral occurrences in the area recorded in the GSWA Western Australian mineral occurrence (WAMIN) database are identified by discrete conductive anomalies in the survey data. As Figure 2 shows, several other similar conductivity anomalies occur within the DEG application areas and will be subject to further investigation to determine their cause.

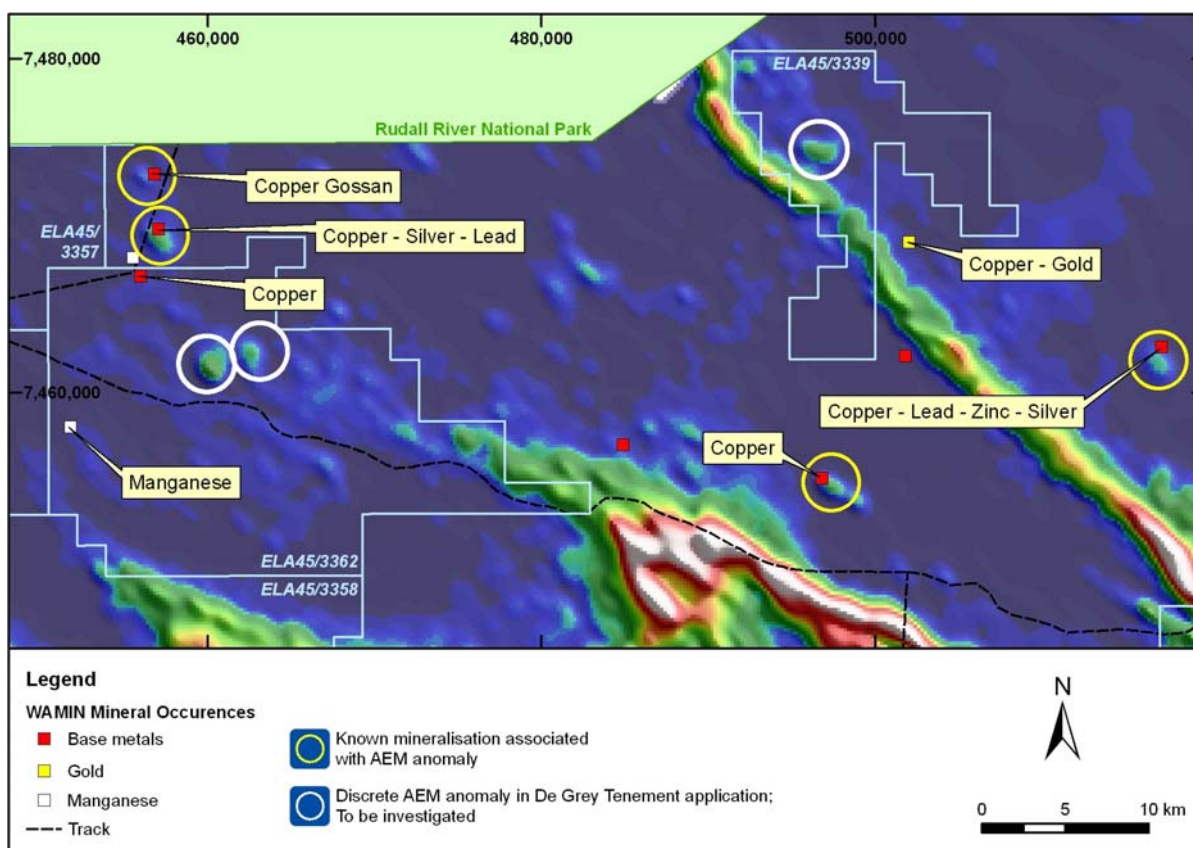


Figure 2: Conductivity image 150m to 200m depth slice showing discrete AEM conductivity anomalies related to some known WAMIN base and precious metal occurrences and other anomalies to be investigated within De Grey's new tenement applications.

The information in the report to which this statement is attached that relates to Mineralisation is based on information compiled by Mr David Hammond, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hammond has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 JORC Code Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.