

De Grey Mining Ltd

A.B.N. 65 094 206 292

The Bold Explorer

17 November 2010

ASX/MEDIA RELEASE

DRILLING COMMENCED AT APEX IOCG TARGET, QLD

De Grey is pleased to announce that drilling at the Company's Apex project, located north of Cloncurry in NW Queensland, commenced today.

The proposed program comprises two vertical holes targeting coincident magnetic and gravity signatures defined by historic surveys and the detailed gravity survey undertaken by De Grey. The geophysical signatures are similar to those at Xstrata's Ernest Henry copper-gold mine, located 55km south of Apex.

The holes are to be pre-collared through the cover sequence, expected to be 350-400 metres thick, and then cored in the target Proterozoic basement rocks to target depths of 550-600 metres. Drilling has commenced on the northern target and the program is expected to take approximately 20 days.

De Grey has been awarded funding of up to \$80,000 under the Queensland Government's Cooperative Drilling Initiative (CDI) for the initial drill test at the Apex target.

De Grey may earn a 100% interest in the project by sole funding \$2 million in exploration expenditures over 4 years, with a commitment to spend \$250,000 in the first year. Teck Australia Pty Ltd retains a 1% NSR royalty and the right to earn back to a 70% interest.

For further information:

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The information in this report that relates to exploration results is based on information compiled by Mr Gary Brabham, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Brabham 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 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Brabham consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

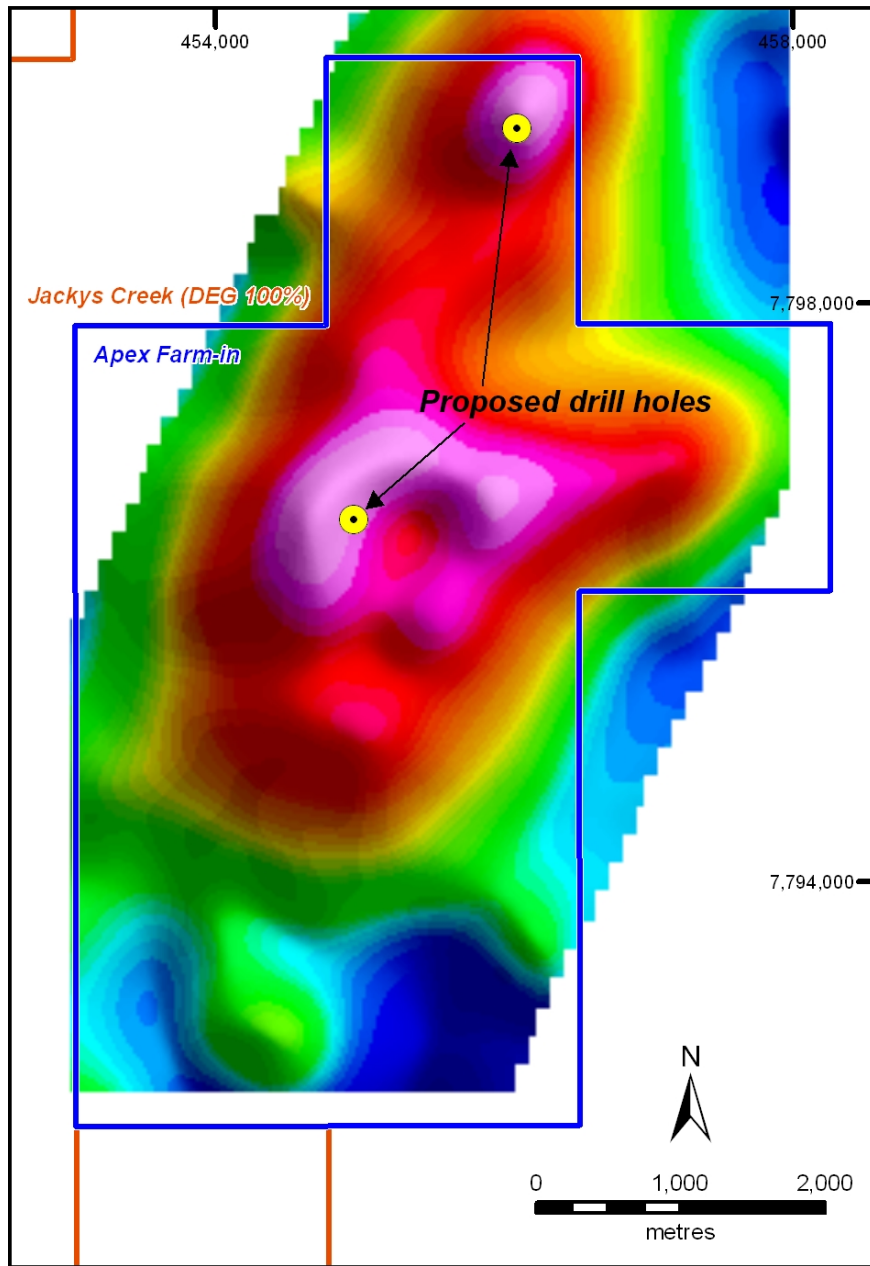


Figure 1: Proposed drill holes over TMI (non RTP) magnetic image

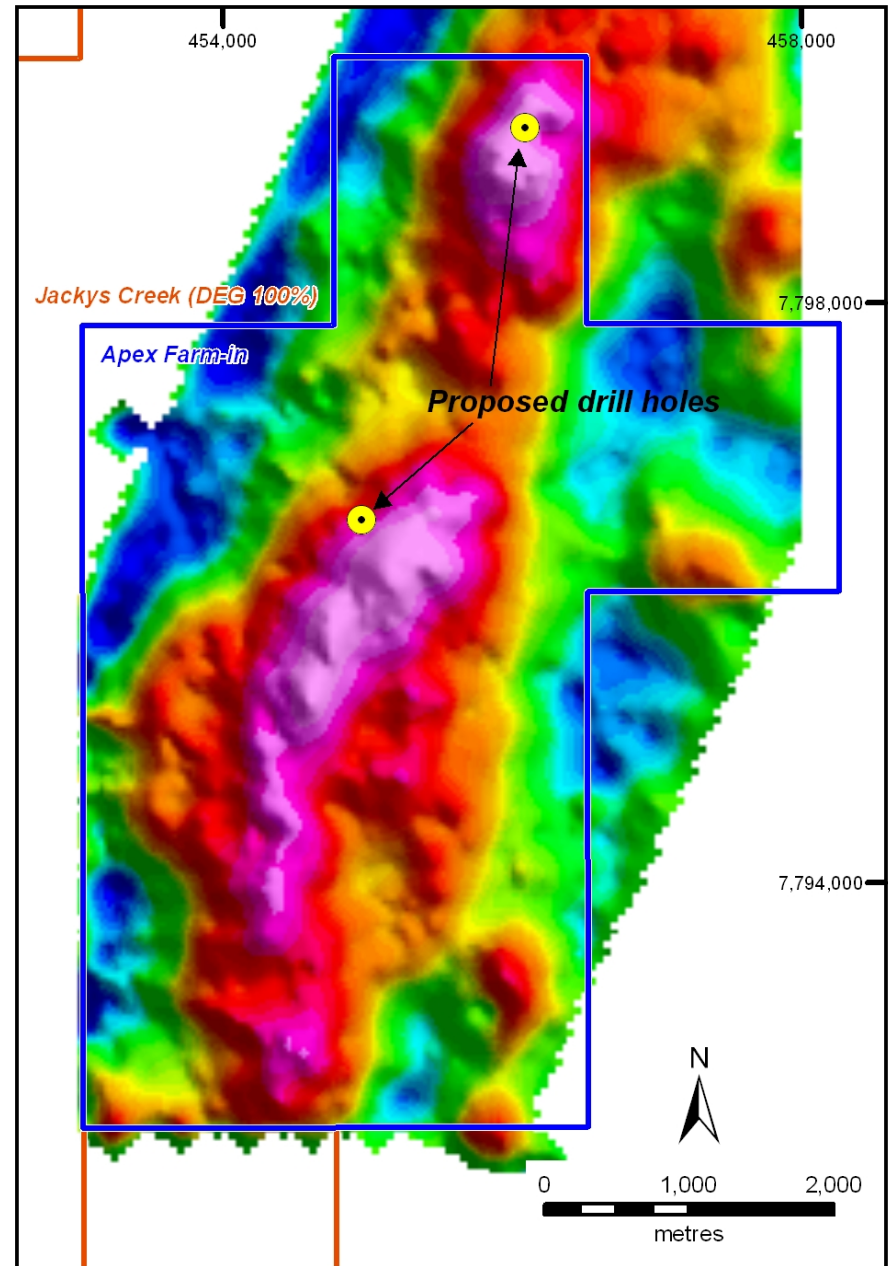


Figure 2: Proposed drill holes over residual gravity image