

De Grey Mining Ltd

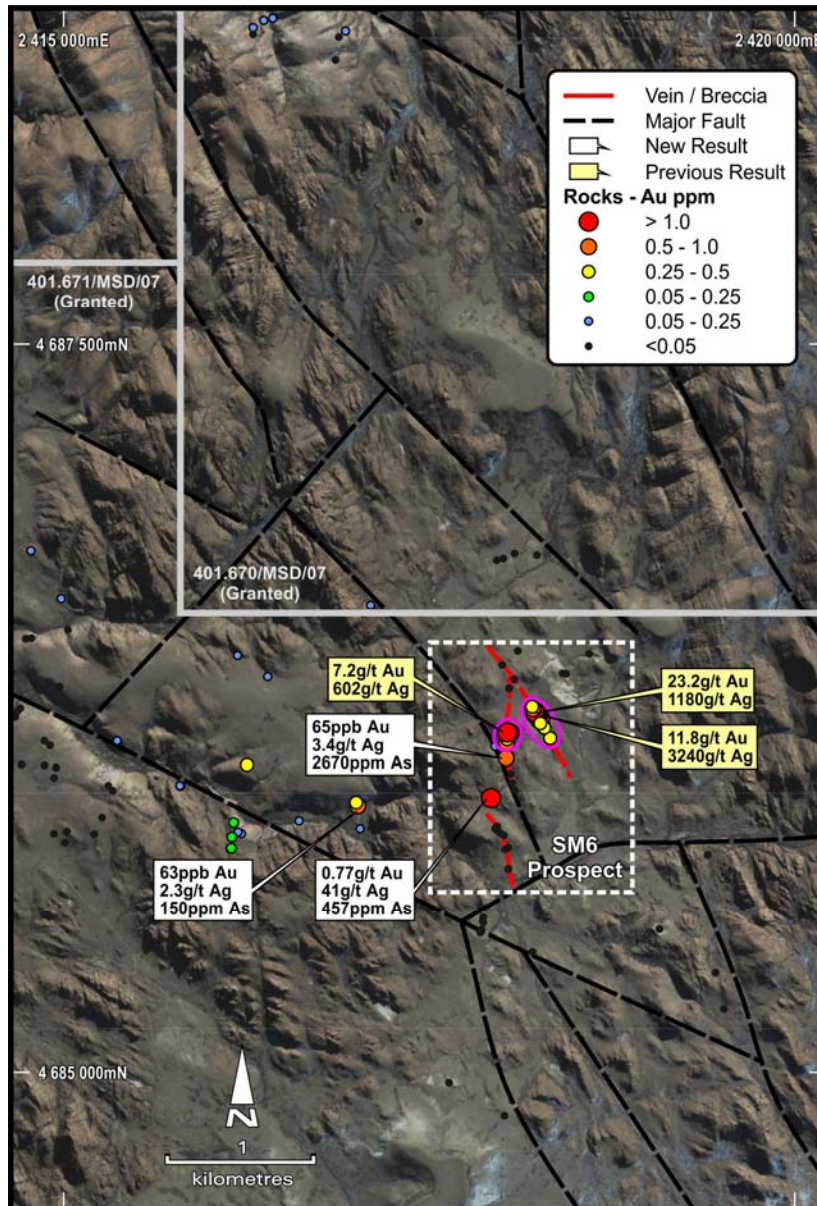
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ASX/MEDIA RELEASE

SIERRA MORENA SUR SAMPLING

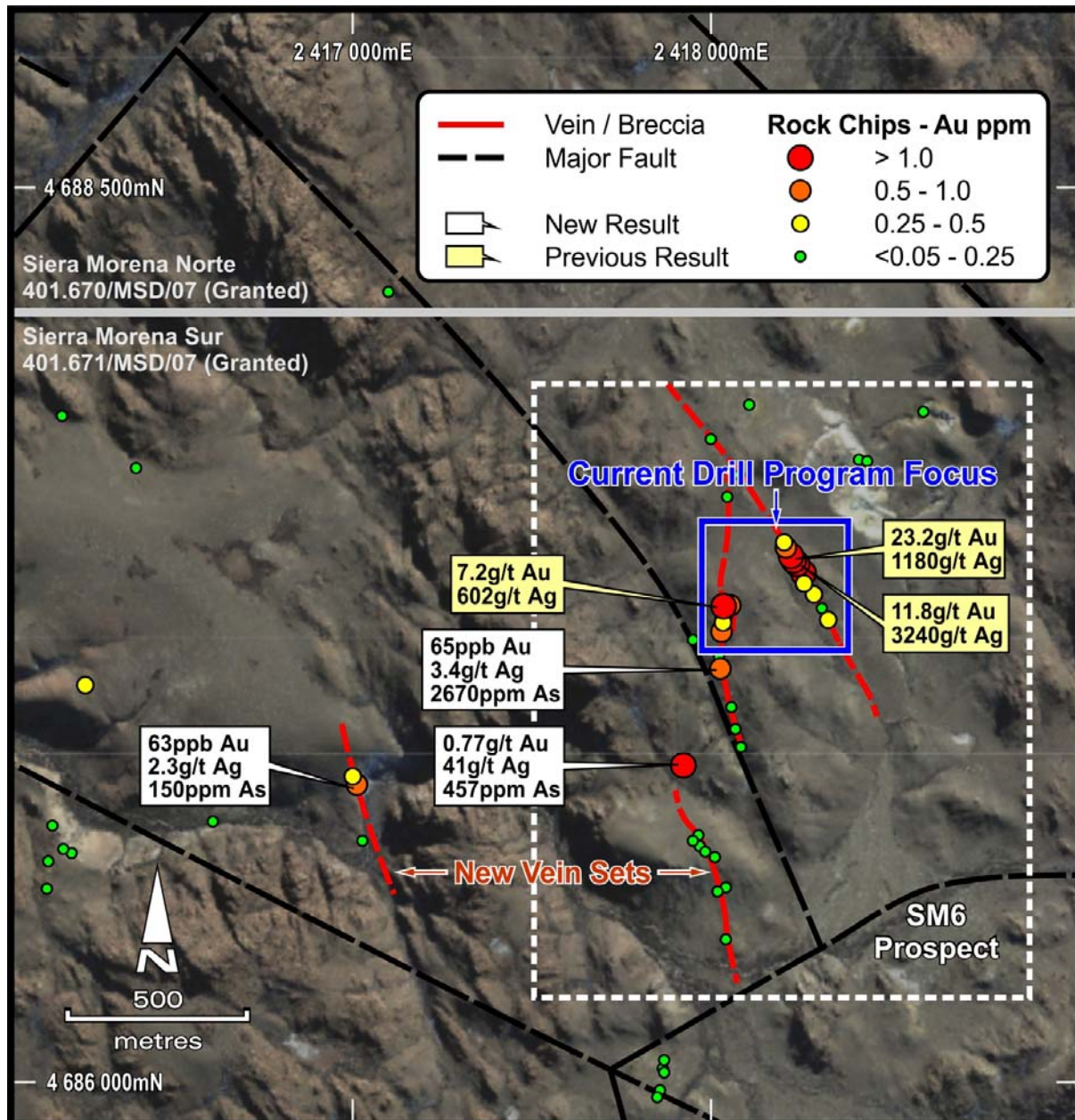
De Grey Mining Ltd is pleased to announce that the results from the recently completed ground sampling programme further highlight the potential at the SM6 prospect of the Company's Sierra Morena Project.



The results have not only confirmed the mineralization of the SM6 veining but have located additional parallel vein sets that expand the potential at SM6 and have located new veining outside the main area of interest.

Sample number 3678 returned 0.77 ppm Au, 41 ppm Ag and 457 ppm As. This anomalous rockchip sample was located on a new vein set some 500m to the south of the main SM6 area where drilling is currently underway with the first hole of the programme commencing on Saturday.

Sample number 3664 with 63 ppb Au, 2.3 ppm Ag and 150 ppm As is approximately 800m west again of Sample 3678 and represents a parallel vein system to SM6 Figure 2.



The current drill programme is designed to test the combined 2,000m strike of the previously discovered vein sets at SM6. The programme is designed to be completed prior to Christmas with the laboratory results expected from the middle of January.



Photo 1: Current drilling at SM6

For further information:

Peter Batten
De Grey Mining Ltd
Ph: +61 9285 7500

Sample	East	North	Auppm	Agppm	As	Cu	Fe	Hg	Pb
3656	2415803	4686961	0.0031	0.068	32.7	2.27	0.81	0.808	9.61
3657	2416170	4686711	0.0072	3	45	2.83	0.58	0.181	26.3
3658	2416222	4686635	0.0012	0.15	37.7	2.77	0.59	0.048	18.25
3659	2416200	4686646	0.0005	0.205	21.8	1.23	0.52	0.035	7.49
3660	2416155	4686613	0.0052	1.295	63.1	3.34	0.62	0.067	18.25
3661	2416154	4686534	0.0106	0.416	210	2.54	1.4	0.392	35.3
3662	2416617	4686722	0.0005	0.047	11.85	3.29	0.45	0.02	30.6
3663	2417031	4686671	0.004	0.244	112	1.71	1.2	0.018	15.65
3664	2417017	4686826	0.063	2.32	150.5	2.93	0.86	0.102	20.2
3665	2417005	4686849	0.0285	0.546	62.7	3.09	0.73	0.044	21.4
3666	2415372	4687271	0.0018	0.183	37.1	2.14	0.73	0.05	22.4
3667	2416259	4687107	0.0246	0.562	18.2	1.81	0.68	0.054	15.45
3668	2416401	4687710	0.0017	0.365	36.3	2.09	0.64	0.07	16.6
3669	2416196	4687856	0.001	0.064	10.55	1.58	0.55	0.021	9.65
3670	2412949	4689652	0.0015	0.084	2.56	1.16	0.4	<0.005	6.01
3671	2412756	4689539	0.0009	0.036	6.76	1.66	0.69	0.009	15.25
3672	2414782	4688578	0.0015	0.302	549	4.81	2.08	0.08	190
3673	2414992	4688250	0.0015	0.1	29.6	1.65	0.86	0.028	17.5
3674	2417953	4687231	0.0003	0.085	9.08	1.69	0.57	0.019	9.84
3675	2418030	4687153	0.0653	3.43	2670	7.28	7.77	0.189	23.2
3676	2417105	4688202	0.0007	0.01	19.05	0.95	0.5	0.005	4.64
3677	2415801	4686962	0.0006	0.062	173.5	14.25	3.54	0.025	18.3
3678	2417927	4686881	0.776	41	457	10.4	1.01	0.807	17.5
3679	2416866	4691942							
3680	2416889	4692101							
3681	2416935	4692143	0.0004	0.078	12.45	1.64	0.84	0.015	22.6
3682	2416959	4692432	0.0003	0.034	12.85	0.67	1.02	0.011	13.5
3683	2416435	4692231	0.0006	0.033	28.4	1.47	1.42	0.009	15
3684	2416374	4692216	0.0002	0.029	91.4	1.47	1.76	0.016	17.35
3685	2416303	4692166	0.0004	0.03	12.45	1.67	0.99	0.014	16.1
3686	2416301	4692118	<0.0002	0.02	4.22	1.14	0.93	0.01	6.89
3687	2416231	4692858	0.0002	0.027	3.78	1.01	1.01	0.007	8.31
3688	2416858	4692923	0.0003	0.017	13.9	1.17	0.99	0.015	9.32
3690	2416777	4692909	0.0003	0.031	29.2	0.78	1.23	0.007	21.3
3691	2416758	4692877	0.0005	0.015	15.7	1.01	0.8	0.006	32.8
3692	2416713	4692912	0.0003	0.014	11.2	2.42	0.81	0.014	12.85

Table 1: Results from rockchip sampling completed on Sierra Morena Sur

The information in this report that relates to exploration results is based on information compiled by Mr Glenn Martin, who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of De Grey Mining Limited. Mr Martin 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" (The JORC Code). Mr Martin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.