**ASX Announcement**

**3 October 2019**

# High grade gold veins at Toweranna

- **High grade diamond drilling results below existing resource include:**

  **4.34m @ 8.3g/t Au** from 284.45m in TRC144D
  incl **1.2m @ 29.6g/t Au**
  **6.74m @ 3.9g/t Au** from 170.26m in TRC097D
  incl **1.03m @ 18.6g/t Au**
  **0.45m @ 67.4g/t Au from 325.3m in TRC136D**
  **0.64m @ 40.6g/t Au from 413.04m in TRC156D**
  **0.45m @ 30.7g/t Au from 308.3m in TRC136D**

- **Significant shallow RC drilling results lateral to existing resource include:**

  **3m @ 7.2g/t Au** from 167m in TRC172
  incl **1m @ 19.4g/t Au**
  **8m @ 2.6g/t Au** from 138m in TRC174
  **10m @ 2.3g/t Au** from 193m in TRC168

- **On-going resource extension drilling programs are currently focussed at Withnell and Mallina**

Andy Beckwith, Technical Director commented;

*"A threefold extension to mineralisation at depth within the intrusion and adjacent sediments with multiple stacked high grade veins is particularly encouraging. All the diamond drilling results are outside of the existing resource and demonstrate high grade mineralisation continue at depth and remain open.*

*The new shallow RC drilling results are also outside of the existing resource and provide a new structural control to the NE along strike from the main intrusion."*

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to announce recent drilling results associated with the on-going resource extension drilling program (diamond and RC) at Toweranna. Importantly, all drilling results are outside of the existing resource. Full results are listed in Table 1 and representative Figures 1-4.

## Diamond drilling between 200-400m

The diamond drilling between 200-400m is being undertaken on a nominal 40m x 80m basis with the aim of extending inferred resources below the existing open pit resource, 5.33Mt @ 2.1/t Au for 356,600oz. The initial results, for the first 10 diamond holes are considered particularly encouraging due to the high grade nature and multiple stacked veins. The mineralisation occurs both within the 250m diameter intrusion and shows stronger vein development on the margins with the sediments similar to the shallower resource area above.

Significant new intercepts include:

**4.34m @ 8.3g/t Au** from 284.45m in TRC144D
**3.32m @ 5.0g/t Au** from 307.85m in TRC136D
(incl **0.45m @ 30.7g/t Au** from 308.3m)
**4.34m @ 8.3g/t Au** from 284.45m in TRC144D
(incl **1.2m @ 29.6g/t Au** from 287.59m)
**16.7m @ 1.5g/t Au** from 310.3m in TRC158D
(incl **1m @ 8.4g/t Au** from 310.3m)
(incl **0.3m @ 12.4g/t Au** from 320.35m)
**6.6m @ 2.3g/t Au** from 280.35m in TRC171D
(incl **0.3m @ 28.2g/t Au** from 283.4m)

## Deeper diamond drilling targeting mineralisation below 400m depth

Selected diamond drill holes have been extended beyond 400m to approximately 600m depth. The deeper holes have successfully demonstrated strong gold mineralisation occurs to at least 600m and have defined the western contact with the sediments.

Significant intercepts below 400m downhole include:

**4.05m @ 3.1g/t Au** from 575.95m in TRC156D
(incl **1m @ 12.2g/t Au** from 579m)
**3.32m @ 2.7g/t Au** from 403.05m in TRC147D
**0.64m @ 40.6g/t Au** from 413.04m in TRC156D
**0.3m @ 32.4g/t Au** from 441.55m in TRC139D
**0.3m @ 29g/t Au** from 418.55m in TRC156D
**0.46m @ 21.6g/t Au** from 578.07m in TRC139D
**0.75m @ 17.7g/t Au** from 522.15m in TRC158D

## Additional results of 1m resampling from earlier shallow RC holes.

Resampling of the previously reported 4m sampling in RC drilling to the NE of the main intrusion have returned improved results and confirm potential to extend the resource along this NE trend. This mineralisation is associated with a smaller body of intrusion and supports historic drill results (Figure 4).

Significant new intercepts include:

**10m @ 2.3g/t Au** from 193m in TRC168
(incl **2m @ 5.7g/t Au** from 201m)
**21m @ 0.7g/t Au** from 154m in TRC167

## Specific ore sorting diamond drilling

Three purpose drilled diamond holes ( TD006, TRC062D and TRC097D ) were completed within the existing resource area. The drill core has been routinely fire assayed and the remaining core will now be used to undertake comparative ore sorting test work by TOMRA Sorting Pty Ltd.

Significant new intercepts include:

**1.6m @ 9.1g/t Au** from 231m in TD006
**6.74m @ 3.9g/t Au** from 170.26m in TRC097D
**2.26m @ 4.4g/t Au** from 149.89m in TRC097D
**6.74m @ 3.9g/t Au** from 170.26m in TRC097D

## Forward Programs

The July 2019 Toweranna resource estimate provides the basis for assessing the open pit potential at Toweranna with strong stacked gold mineralisation defined to 200m depth. These new drilling results confirm significant resource potential remains to be tested down plunge within the intrusion below 200m depth and along strike to the north east. The programs going forward include:

- Ore sorting evaluation of vein and waste separation and grade distribution on purposed drilled diamond core holes.
- Coarse crushing (20-100mm) evaluation on approximately 4 tonnes of oxide and fresh material.

**For further information:**

**Simon Lill (***Executive Chairman***) or**

**Andy Beckwith (***Technical Director and Operations Manager***)**

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**Figure 1** **Toweranna Cross Section 7679950N.** (*Note drill holes are ~140m apart)

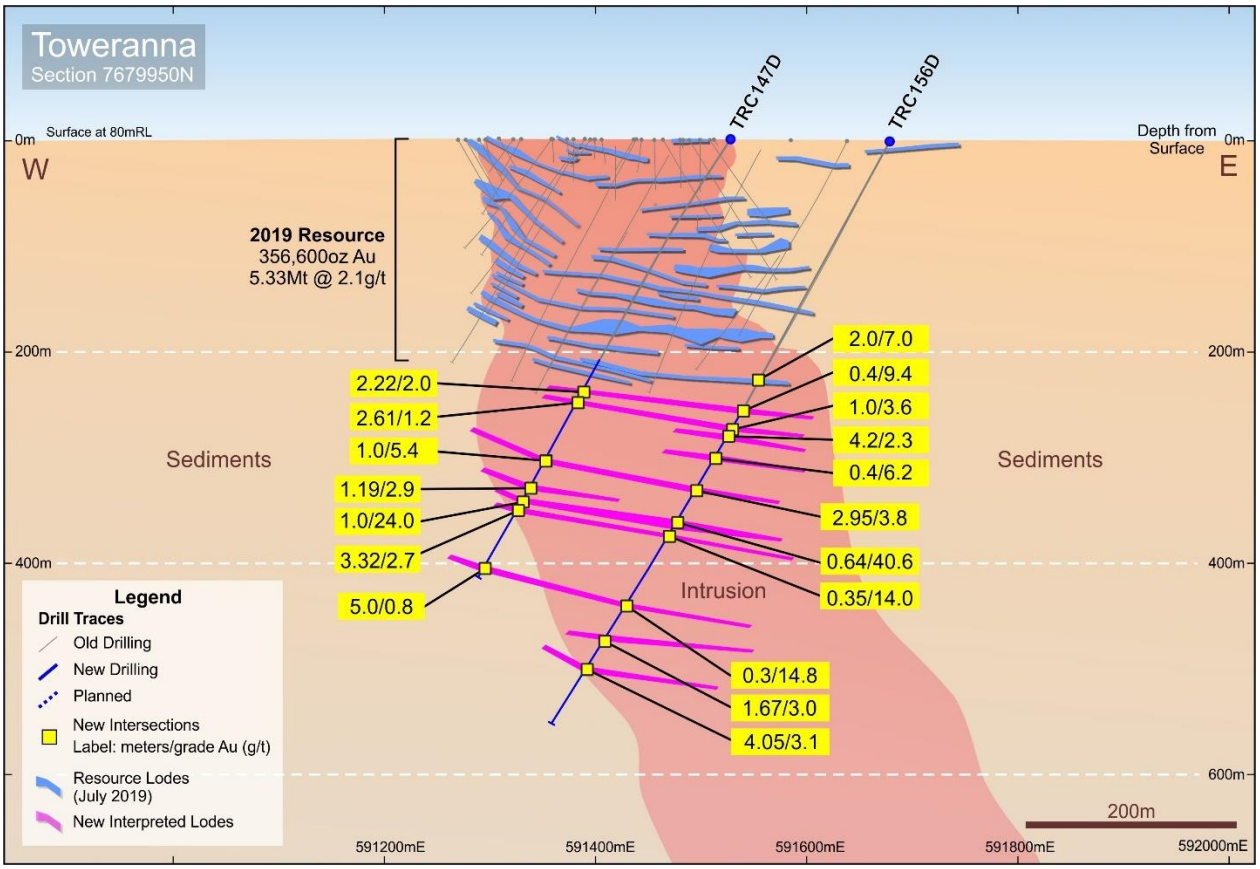



**Figure 2** **Toweranna Cross Section 7679990N.** (*Assays pending for TRC141D and TRC174D to be drilled)

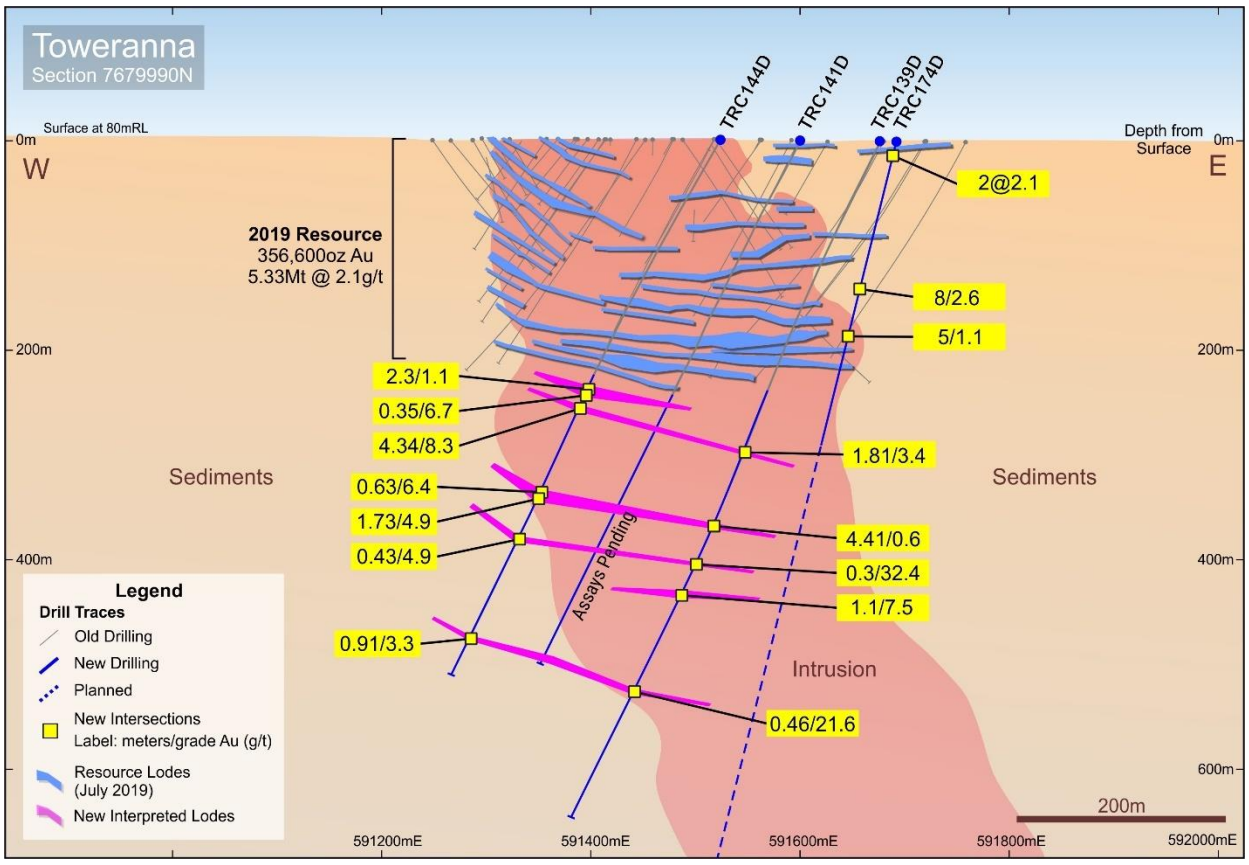


**Figure 3** **Toweranna Cross Section 7680030N.** (*TRC170D diamond tail to be drilled)

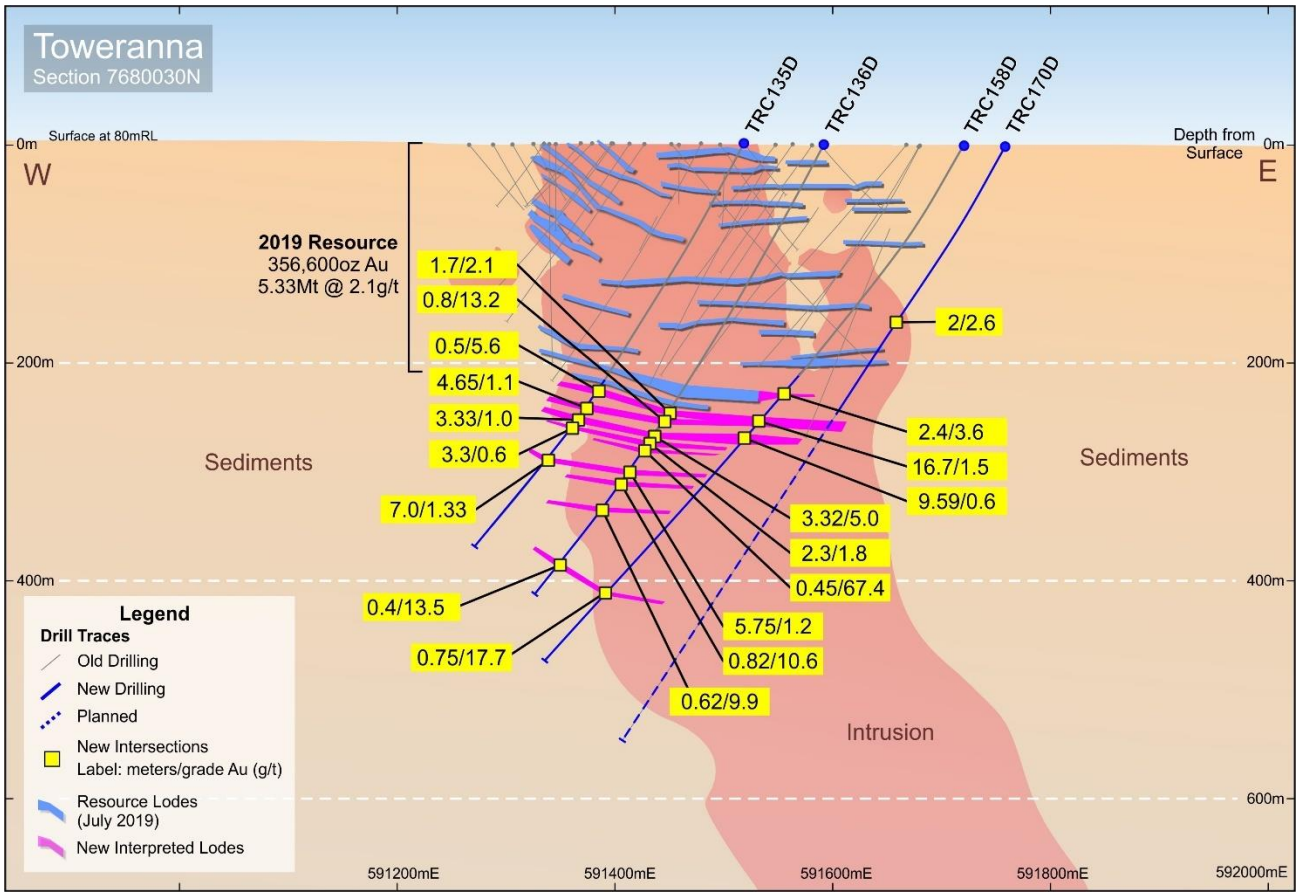



**Figure 4** **Toweranna Plan**

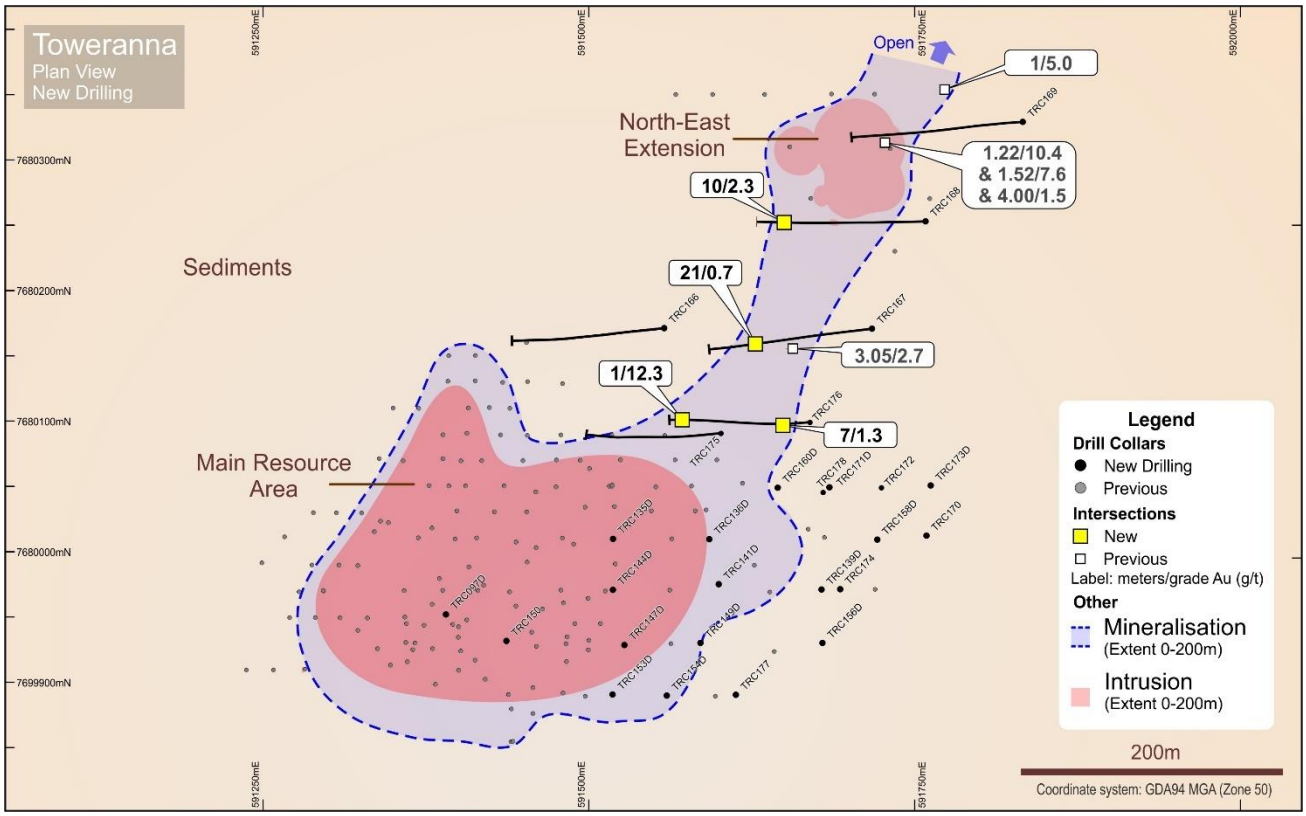
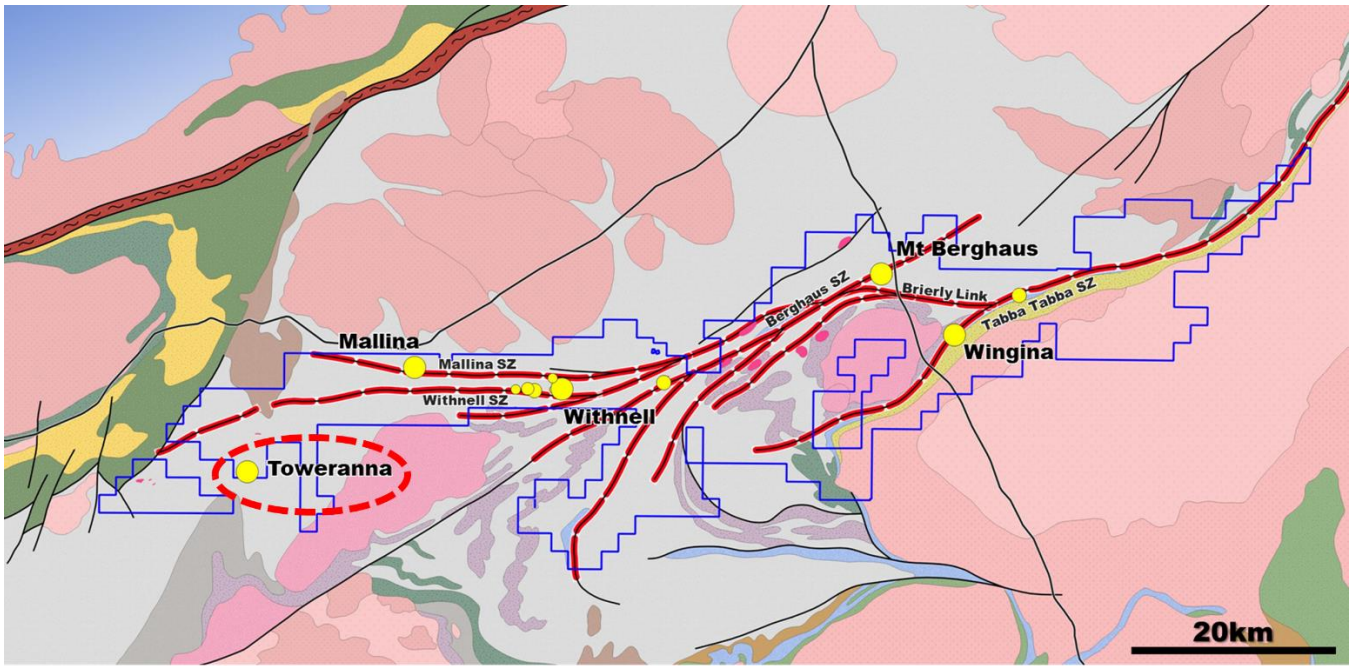


**Figure 5** **De Grey large landholding extends over 150km**



## Background

### Toweranna

The Toweranna deposit shows a style of gold mineralisation not previously known in the Pilbara, but similar to other intrusion hosted gold deposits around the world, many of which host large gold resources (greater than 1.0Moz). Two Western Australian analogues are both located in the Laverton region of the Eastern Goldfields and include:

- the Wallaby deposit (Goldfields Limited) - over 8Moz resource and producing over 250,000oz per year; and
- the nearby Jupiter Deposit[1] (Dacian Gold Limited) - 1.6Moz resource.

Additionally, the Lamaque and Sigma gold deposits in Quebec, Canada, have both produced over 4.5Moz each for a total production in excess of 9.0Moz[2]. Mineralisation and mining extends at Sigma to over 1800m depth.

Importantly, these large multi-million ounce gold deposits also tend to occur in clusters, providing longer term upside to discover additional Toweranna style targets within De Grey tenement portfolio. De Grey has identified 7 new targets based on recent geological review and assessment of previous drilling results. Aircore/RAB drilling is planned to test these targets during the 2019/2020 field seasons.

The Toweranna deposit currently hosts a shallow resource of **5.33Mt @ 2.1/t Au for 356,600oz (JORC 2012)*** from 0-200m depth. Further resource extension drilling is underway to expand this resource along strike and below 200m and to the northeast.

| | |
|---|---|
| ***Exploration Target (200-400m)*** | ***4.8Mt – 5.6Mt @ 2.1g/t to 2.3g/t for 340,000oz – 400,000oz supported by limited but positive drilling to 420m depth*** |

***Exploration Target Cautionary Statement***

Exploration Target - The potential quantity and grade of the exploration target is conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of a mineral resource.

References

[1] www.daciangold.com.au/site/operations/mt-morgans-gold-project/jupiter-gold-mine

[2] Integra Gold N43-101 Report, Lamaque, 2017

* DEG ASX release "2019 Total Gold Mineral Resource – 21% increase to 1.7Moz", 16 July 2019

**Competent Persons Statements**

The information in this report that relates to **Exploration Results** is based on, and fairly represents information and supporting documentation prepared by Mr. Phil Tornatora, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr. Tornatora is an employee of De Grey Mining Limited. Mr. Tornatora 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. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Information in this report that relates to **Mineral Resources** is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne 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 Resources and Ore Reserves". Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to **Toweranna Exploration Targets** is based on, and fairly represents information and supporting documentation compiled 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.

**Forward Looking Statements**

Statements regarding De Grey's plans with respect to the mineral properties, resource reviews, programmes, economic studies and future development are forward-looking statements. There can be no assurance that De Grey's plans for development of its mineral properties will proceed any time in the future. 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.

| HoleID | Depth From (m) | Depth To (m) | Downhole Width (m) | Au (g/t) | Collar East (GDA94) | Collar North (GDA94) | Collar RL (GDA94) | Dip (degrees) | Azimuth (GDA94) | Hole Depth (m) |
|---|---|---|---|---|---|---|---|---|---|---|
| TD006 | 0.00 | 165.70 | | Precollar- previously reported | | | | | | |
| TD006 | 196.90 | 197.20 | 0.30 | 11.80 | 591518 | 7680051 | 78.9 | -55 | 273 | 327 |
| TD006 | 200.40 | 200.70 | 0.30 | 27.60 | 591518 | 7680051 | 78.9 | -55 | 273 | 327 |
| TD006 | 231.00 | 232.60 | 1.60 | 9.08 | 591518 | 7680051 | 78.9 | -55 | 273 | 327 |
| incl | 231.00 | 231.45 | 0.45 | 30.80 | 591518 | 7680051 | 78.9 | -55 | 273 | 327 |
| TRC062D | 0.00 | 107.10 | | Precollar- previously reported | | | | | | |
| TRC062D | 112.21 | 113.97 | 1.76 | 2.19 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| incl | 113.49 | 113.97 | 0.48 | 7.34 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| TRC062D | 135.69 | 140.15 | 4.46 | 2.03 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| incl | 136.23 | 137.00 | 0.77 | 9.19 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| TRC062D | 171.94 | 173.88 | 1.94 | 2.15 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| incl | 171.94 | 172.65 | 0.71 | 5.2 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| TRC062D | 206.55 | 207.65 | 1.10 | 2.1 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| TRC062D | 212.71 | 215.00 | 2.29 | 3.7 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| incl | 212.71 | 213.62 | 0.91 | 7.2 | 591453 | 7679992 | 79.8 | -55 | 270 | 279 |
| TRC097D | 0.00 | 89.80 | | Precollar- previously reported | | | | | | |
| TRC097D | 94.24 | 95.23 | 0.99 | 2.9 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC097D | 109.75 | 112.23 | 2.48 | 1.7 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| incl | 109.75 | 110.61 | 0.86 | 3.9 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC097D | 143.62 | 144.90 | 1.28 | 2.0 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC097D | 149.89 | 152.15 | 2.26 | 4.4 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| incl | 149.89 | 150.29 | 0.40 | 20.0 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC097D | 170.26 | 177.00 | 6.74 | 3.9 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| incl | 175.97 | 177.00 | 1.03 | 18.6 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC097D | 191.47 | 199.47 | 8.00 | 1.0 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| incl | 193.98 | 194.43 | 0.45 | 8.5 | 591391 | 7679952 | 80.5 | -55 | 269 | 246 |
| TRC135D | 0.00 | 252.00 | | Precollar- previously reported | | | | | | |
| TRC135D | 263.05 | 263.55 | 0.50 | 5.6 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| TRC135D | 280.45 | 285.10 | 4.65 | 1.1 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| TRC135D | 294.22 | 297.55 | 3.33 | 1.0 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| incl | 297.20 | 297.55 | 0.35 | 8.2 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| TRC135D | 303.70 | 307.00 | 3.30 | 0.6 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| TRC135D | 339.00 | 346.00 | 7.00 | 1.3 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| incl | 344.15 | 345.00 | 0.85 | 7.1 | 591519 | 7680010 | 80.1 | -63 | 269 | 447 |
| TRC136D | 0.00 | 282.30 | | Precollar- previously reported | | | | | | |
| TRC136D | 283.00 | 284.70 | 1.70 | 2.1 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 292.50 | 293.30 | 0.80 | 13.3 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 307.85 | 311.17 | 3.32 | 5.0 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| incl | 308.30 | 308.75 | 0.45 | 30.7 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 315.32 | 317.62 | 2.30 | 1.8 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| incl | 317.07 | 317.62 | 0.55 | 6.9 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 325.30 | 325.75 | 0.45 | 67.4 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 338.00 | 340.61 | 2.61 | 0.8 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 346.75 | 352.50 | 5.75 | 1.2 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| incl | 347.05 | 347.40 | 0.35 | 15.6 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |

| HoleID | Depth From (m) | Depth To (m) | Downhole Width (m) | Au (g/t) | Collar East (GDA94) | Collar North (GDA94) | Collar RL (GDA94) | Dip (degrees) | Azimuth (GDA94) | Hole Depth (m) |
|---|---|---|---|---|---|---|---|---|---|---|
| TRC136D | 363.08 | 363.90 | 0.82 | 10.6 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 392.63 | 393.25 | 0.62 | 9.9 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC136D | 456.60 | 457.00 | 0.40 | 13.5 | 591593 | 7680010 | 79.3 | -63 | 270 | 492 |
| TRC139D | 0.00 | 252.20 | | Precollar- previously reported | | | | | | |
| TRC139D | 323.39 | 325.20 | 1.81 | 3.4 | 591679 | 7679971 | 78.3 | -63 | 271 | 713 |
| TRC139D | 398.90 | 403.31 | 4.41 | 0.6 | 591679 | 7679971 | 78.3 | -63 | 271 | 713 |
| TRC139D | 441.55 | 441.85 | 0.30 | 32.4 | 591679 | 7679971 | 78.3 | -63 | 271 | 713 |
| TRC139D | 474.00 | 475.10 | 1.10 | 7.5 | 591679 | 7679971 | 78.3 | -63 | 271 | 713 |
| TRC139D | 578.07 | 578.53 | 0.46 | 21.6 | 591679 | 7679971 | 78.3 | -63 | 271 | 713 |
| TRC144D | 0 | 258.00 | | Precollar- previously reported | | | | | | |
| TRC144D | 265.55 | 267.85 | 2.30 | 1.1 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 272.74 | 273.09 | 0.35 | 6.7 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 284.45 | 288.79 | 4.34 | 8.3 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| incl | 287.59 | 288.79 | 1.20 | 29.6 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 374.70 | 375.33 | 0.63 | 6.4 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 380.98 | 382.71 | 1.73 | 4.9 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| incl | 381.92 | 382.71 | 0.79 | 10.0 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 424.45 | 424.88 | 0.43 | 4.9 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC144D | 530.31 | 531.22 | 0.91 | 3.3 | 591519 | 7679971 | 80.3 | -60 | 269 | 570 |
| TRC147D | 0 | 251.90 | | Precollar- previously reported | | | | | | |
| TRC147D | 274.78 | 277.00 | 2.22 | 2.0 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| incl | 274.78 | 275.11 | 0.33 | 10.1 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 286.00 | 288.61 | 2.61 | 1.2 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 350.00 | 351.00 | 1.00 | 5.4 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| incl | 350.70 | 351.00 | 0.30 | 13.6 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 379.81 | 381.00 | 1.19 | 2.9 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 395.00 | 396.00 | 1.00 | 24.0 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 403.05 | 406.37 | 3.32 | 2.7 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| incl | 403.05 | 403.95 | 0.90 | 4.4 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC147D | 466.00 | 471.00 | 5.00 | 0.8 | 591527 | 7679928 | 79.7 | -58 | 273 | 479 |
| TRC154D | 0 | 252.00 | | Precollar- previously reported | | | | | | |
| TRC154D | 274.85 | 275.15 | 0.30 | 16.9 | 591560 | 7679890 | 79.3 | -60 | 272 | 505 |
| TRC154D | 302.56 | 307.00 | 4.44 | 0.7 | 591560 | 7679890 | 79.3 | -60 | 272 | 505 |
| TRC156D | 0 | 258.00 | | Precollar- previously reported | | | | | | |
| TRC156D | 289.80 | 290.20 | 0.40 | 9.4 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 310.00 | 311.00 | 1.00 | 3.6 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 315.80 | 320.00 | 4.20 | 2.3 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| incl | 317.40 | 317.70 | 0.30 | 29.1 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 342.10 | 342.50 | 0.40 | 6.2 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 376.50 | 379.45 | 2.95 | 3.8 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| incl | 376.50 | 377.18 | 0.68 | 14.2 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 413.04 | 413.68 | 0.64 | 40.6 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 418.55 | 418.85 | 0.30 | 29.0 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 428.50 | 428.85 | 0.35 | 14.0 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 506.40 | 506.70 | 0.30 | 14.8 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC156D | 545.46 | 547.13 | 1.67 | 3.0 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |

| HoleID | Depth From (m) | Depth To (m) | Downhole Width (m) | Au (g/t) | Collar East (GDA94) | Collar North (GDA94) | Collar RL (GDA94) | Dip (degrees) | Azimuth (GDA94) | Hole Depth (m) |
|---|---|---|---|---|---|---|---|---|---|---|
| TRC156D | 575.95 | 580.00 | 4.05 | 3.1 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| incl | 579.00 | 580.00 | 1.00 | 12.2 | 591679 | 7679930 | 78.4 | -61 | 271 | 666 |
| TRC158D | 272.85 | 275.60 | 2.75 | 1.2 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| incl | 272.85 | 273.45 | 0.60 | 4.6 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 281.45 | 283.85 | 2.40 | 3.6 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| incl | 281.45 | 281.80 | 0.35 | 21.5 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 296.10 | 299.11 | 3.01 | 0.8 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 310.30 | 327.00 | 16.70 | 1.5 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| incl | 310.30 | 311.30 | 1.00 | 8.4 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| incl | 320.35 | 320.65 | 0.30 | 12.4 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 332.00 | 341.59 | 9.59 | 0.6 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| incl | 332.00 | 332.30 | 0.30 | 6.7 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 373.15 | 373.45 | 0.30 | 12.9 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 415.30 | 415.70 | 0.40 | 6.5 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC158D | 522.15 | 522.90 | 0.75 | 17.7 | 591721 | 7680009 | 78.3 | -61 | 269 | 600 |
| TRC166 | 24.00 | 26.00 | 2.00 | 1.4 | 591558 | 7680171 | 77.3 | -63 | 264 | 252 |
| TRC167 | 141.00 | 142.00 | 1.00 | 2.3 | 591717 | 7680171 | 76.9 | -62 | 262 | 252 |
| TRC167 | 154.00 | 175.00 | 21.00 | 0.7 | 591717 | 7680171 | 76.9 | -62 | 262 | 252 |
| TRC168 | 193.00 | 203.00 | 10.00 | 2.3 | 591758 | 7680253 | 76.4 | -62 | 269 | 252 |
| incl | 201.00 | 203.00 | 2.00 | 5.7 | 591758 | 7680253 | 76.4 | -62 | 269 | 252 |
| TRC169 | 225.00 | 231.00 | 6.00 | 0.6 | 591833 | 7680329 | 75.8 | -63 | 266 | 252 |
| TRC170 | 192.00 | 194.00 | 2.00 | 2.6 | 591759 | 7680012 | 77.4 | -63 | 265 | 282 |
| TRC170 | 234.00 | 236.00 | 2.00 | 1.1 | 591759 | 7680012 | 77.4 | -63 | 265 | 282 |
| TRC171D | 86.00 | 87.00 | 1.00 | 2.5 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC171D | 142.00 | 147.00 | 5.00 | 1.1 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC171D | 214.00 | 216.00 | 2.00 | 1.1 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC171D | 234.00 | 240.00 | 6.00 | 0.5 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC171D | 272.41 | 272.94 | 0.53 | 7.4 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC171D | 280.35 | 286.95 | 6.60 | 2.3 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| incl | 283.40 | 283.70 | 0.30 | 28.2 | 591685 | 7680049 | 77.4 | -66 | 267 | 288 |
| TRC172 | 93.00 | 96.00 | 3.00 | 5.5 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 116.00 | 118.00 | 2.00 | 1.0 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 160.00 | 162.00 | 2.00 | 1.0 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 167.00 | 170.00 | 3.00 | 7.2 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| incl | 168.00 | 169.00 | 1.00 | 19.4 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 199.00 | 200.00 | 1.00 | 4.2 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 205.00 | 207.00 | 2.00 | 1.1 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 216.00 | 217.00 | 1.00 | 2.4 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC172 | 247.00 | 249.00 | 2.00 | 1.6 | 591725 | 7680049 | 77.5 | -64 | 268 | 252 |
| TRC173D | 150.00 | 152.00 | 2.00 | 3.6 | 591762 | 7680051 | 77.1 | -64 | 268 | 595 |
| incl | 150.00 | 151.00 | 1.00 | 6.0 | 591762 | 7680051 | 77.1 | -64 | 268 | 595 |
| TRC174 | 31.00 | 33.00 | 2.00 | 2.1 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC174 | 138.00 | 146.00 | 8.00 | 2.6 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| incl | 145.00 | 146.00 | 1.00 | 11.7 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC174 | 190.00 | 195.00 | 5.00 | 1.1 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC174 | 210.00 | 212.00 | 2.00 | 1.4 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC174 | 249.00 | 250.00 | 1.00 | 2.5 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC174 | 296.00 | 299.00 | 3.00 | 1.0 | 591693 | 7679971 | 78.0 | -74 | 266 | 300 |
| TRC175 | 235.00 | 237.00 | 2.00 | 2.4 | 591602 | 7680090 | 77.7 | -64 | 265 | 252 |
| TRC175 | 244.00 | 245.00 | 1.00 | 3.8 | 591602 | 7680090 | 77.7 | -64 | 265 | 252 |
| TRC176 | 45.00 | 52.00 | 7.00 | 1.3 | 591670 | 7680099 | 77.4 | -63 | 266 | 252 |
| TRC176 | 165.00 | 170.00 | 5.00 | 0.6 | 591670 | 7680099 | 77.4 | -63 | 266 | 252 |
| TRC176 | 232.00 | 233.00 | 1.00 | 12.3 | 591670 | 7680099 | 77.4 | -63 | 266 | 252 |

| HoleID | Depth From (m) | Depth To (m) | Downhole Width (m) | Au (g/t) | Collar East (GDA94) | Collar North (GDA94) | Collar RL (GDA94) | Dip (degrees) | Azimuth (GDA94) | Hole Depth (m) |
|---|---|---|---|---|---|---|---|---|---|---|
| TRC178 | 25.00 | 34.00 | 9.00 | 1.3 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |
| incl | 32.00 | 33.00 | 1.00 | 8.0 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |
| TRC178 | 99.00 | 103.00 | 4.00 | 1.6 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |
| TRC178 | 141.00 | 142.00 | 1.00 | 6.3 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |
| TRC178 | 160.00 | 161.00 | 1.00 | 2.4 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |
| TRC178 | 179.00 | 184.00 | 5.00 | 1.3 | 591680 | 7680045 | 77.2 | -59 | 266 | 204 |

JORC 2012 TABLE

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | • All drilling and sampling was undertaken in an industry standard manner<br>• Samples were collected with a diamond drill rig drilling NQ2 diameter core.<br>• After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis.<br>• Sample weights ranged from 2-4kg<br>• RC samples were collected with a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m basis<br>• Industry prepared independent standards are inserted approximately 1 in 20 samples.<br>• The independent laboratory then take the samples which are dried, split, crushed and pulverized prior to analysis as described below.<br>• Sample sizes are considered appropriate for the material sampled.<br>• The samples are considered representative and appropriate for this type of drilling and for use in a resource estimate. |
| ***Drilling techniques*** | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | • NQ2 diamond drill holes comprised NQ2 core of a diameter of 51mm.<br>• Reverse Circulation(RC) precollars were drilled with a 5 1/2-inch bit and face sampling hammer. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Core recovery is measured for each drilling run by the driller and then checked by the Company geological team during the mark up and logging process.<br>• Samples are considered representative with generally good recovery.<br>• No sample bias is observed |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant* | • The entire hole has been geologically logged and core was photographed by Company geologists, with systematic sampling undertaken based on rock type and alteration observed<br>• The sample results are appropriate for a resource estimation |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *intersections logged.* | |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Samples were collected with a diamond drill rig drilling NQ2 diameter core. After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis.<br>• RC samples were collected with a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m and 4m basis<br>• Industry prepared independent standards are inserted approximately 1 in 20 samples.<br>• Each sample was dried, split, crushed and pulverised.<br>• Sample sizes are considered appropriate for the material sampled.<br>• The samples are considered representative and appropriate for this type of drilling and for use in a resource estimate. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • The samples were submitted to a commercial independent laboratory in Perth, Australia.<br>• Au was analysed by a 50gm charge Fire assay fusion technique with an AAS finish.<br>• The technique is considered quantitative in nature.<br>• Certified reference standards were inserted by the Company and the laboratory also carries out internal standards in individual batches<br>• The standards and duplicates were considered satisfactory |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Sample results have been merged by the company's database consultants<br>• Results have been uploaded into the company database, checked and verified<br>• No adjustments have been made to the assay data.<br>• Results are reported on a length weighted basis |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Drill hole collar locations are located by DGPS to an accuracy of +/- 10cm.<br>• Locations are given in GDA94 zone 50 projection<br>• Diagrams and location table are provided in the report<br>• Topographic control is by detailed mine survey pickups and Differential GPS data. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the* | • Drilling is on a nominal 80m x 50m grid spacing.<br>• All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation.<br>• Data spacing and distribution is sufficient to provide support for the results to be used in a resource estimate.<br>• Sample compositing has not been applied except in reporting of drill |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | intercepts, as described in this Table. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • The drilling is approximately perpendicular to the strike of mineralisation and therefore the sampling is considered representative of the mineralised zone.<br>• In some cases, drilling is not at right angles to the dip of mineralised structures and as such true widths are less than downhole widths. This will be allowed for in resource estimates when geological interpretations are completed. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • Samples were collected by company personnel and delivered direct to the laboratory via a transport contractor |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • No audits have been completed. Review of QAQC data has been carried out by database consultants and company geologists. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.* | • The drilling is on E47/2720 which is located approximately 80km south of Port Hedland. The tenement is held 100% by Indee Gold Pty Ltd which is a 100% wholly owned subsidiary of De Grey Mining. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • The Toweranna prospect includes small scale historic mining and has had previous exploration programs undertaken by various companies over a period of many years.<br>• De Grey has completed the majority of drilling at the prospect and recently defined a JORC 2012 resource |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • The mineralisation targeted is hydrothermally emplaced quartz hosted gold mineralisation along the boundaries and within a granite intrusion within a regional fold structure. This style of mineralisation is similar to other Western Australian gold deposits. |
| ***Drill hole Information*** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>• *easting and northing of the drill hole collar*<br>• *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>• *dip and azimuth of the hole* | • Drill hole location and directional information is provided in this report. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *down hole length and interception depth*<br>• *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Results are reported at a minimum cutoff grade of 0.5g/t gold with an internal dilution of 3m maximum. Intervals over 2g x m Au are reported.<br>• Intercepts are length weighted averaged.<br>• No maximum cuts have been made. |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • The drill holes are interpreted to be approximately perpendicular to the strike of mineralisation.<br>• Drilling is believed to be close to right angles to the dip of mineralised structures and as such, downhole widths approximate true widths. Any variations to this will be allowed for in resource estimates when geological interpretations are completed |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Plans are representative cross sections are provided in the report. |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All intercepts using parameters described above are reported, together with locations of all drill holes reported here.<br>• The report is considered balanced and provided in context. |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • The Toweranna Gold deposit has an existing 2012 JORC gold resource (356,600oz) previously reported by De Grey.<br>• Metallurgical testwork has demonstrate the mineralisation is free milling with an average recovery in excess of 94% via a standard CIL processing plant. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth* | • A program of deeper diamond drilling to test below 200m depth and RC drilling to test shallower extensions to the NE is continuing |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | *extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Metallurgical and ore sorting test work is in progress. |