

ASX ANNOUNCEMENT

9 August 2021

New results substantially extend Eagle

Results demonstrate clear potential to increase the 6.8Moz Hemi mineral resource estimate (MRE)

Extensions 240m to the west of the MRE include new significant results:

Section 28000E

- **31m @ 3.6g/t Au** from 241m in HERC875
- **81m @ 0.5g/t Au** from 51m in HERC876

Section 28160E

- **33m @ 1.8g/t Au** from 109m in HERC751A

Depth and width extensions to the MRE include new significant results:

Section 28240E

- **121m @ 1.1g/t Au** from 146m in HERC820D
- **91m @ 0.8g/t Au** from 257.3m in HERC823D
- **67m @ 3.4g/t Au** from 50m in HERC879 (infill)

Section 28400E

- **74m @ 1.9g/t Au** from 59m and **39m @ 1.0g/t Au** from 145m in HERC885
- **61m @ 0.5g/t Au** from 122m and **43m @ 1.1g/t Au** from 203m in HERC886
- **46m @ 0.5g/t Au** from 324m in HERC464D

- Gold mineralisation at Eagle has now been identified over >800m in strike, >300m deep and remains open along strike and at depth.
- Drilling is continuing to extend the Eagle footprint to the west and north with diamond drilling extending mineralisation at depth along the entire strike.

De Grey's General Manager Exploration, Phil Tornatora, commented:

"These new results at Eagle continue to demonstrate the potential for De Grey to rapidly and cost effectively grow the footprint and depth extent of the mineral resource at Hemi and follow the results announced for Diucon in July.

The mineralisation at Eagle comprises broad intercepts of Hemi style mineralisation with overprinted zones of quartz veining. This appears to represent a structural overprint and controls internal higher grade portions of the lodes similar to the adjacent Diucon deposit.

Stepout drilling will continue to target extensions both along strike and down dip at Eagle, Diucon and the other deposits at Hemi.

RC drilling is pushing west to Antwerp where we see a similar style mineralisation in wide spaced aircore drilling.

Resource definition drilling will continue at Eagle and Diucon to increase the confidence level of the resource estimate and to follow up higher grade mineralisation."

***All intervals on page 1 calculated at 0.3g/t Au cut-off grade.**

De Grey Mining Limited (ASX: DEG, “De Grey” or the “Company”) is pleased to report these latest exploration results from the Eagle deposit. Eagle is located immediately to the north of the Diucon deposit and the eastern end of the Antwerp intrusion complex.

At Eagle, drilling shows the host intrusion is approximately 200m wide with broad Hemi style mineralisation intersected over 800m strike and remains open along strike and at depth. Mineralisation remains untested below 300m depth over the entire strike length providing substantial potential to increase the resource with further drilling.

An ultramafic unit appears to be folded to the north at Eagle, suggesting further potential to expand the intrusion to the north and to the west towards Antwerp (Figure 1). Further drilling is planned to test this interpretation.

Internal zones of higher grade mineralisation associated with strong quartz veining have been intersected at Eagle and Diucon. This style of mineralisation appears to represent a structural overprint to the underlying Hemi style intrusion hosted mineralisation. Resource definition drilling will continue at Eagle and Diucon to increase the confidence level of the resource estimate and to follow up higher grade mineralisation.

New drill intercepts are provided in Table 1 (>2g/m, 0.5g/t Au cut-off grade) and Table 2 (>20g/m, 0.3 g/t Au cut-off grade).

Eagle Significant Drill Results

Drilling to extend the footprint and depth of Eagle is currently being conducted at 80m line and collar spacings.

Drilling has successfully extended the footprint of Eagle intersecting mineralisation 240m to the west and 320m to the north of the Maiden Hemi mineral resource estimate (**MRE**). Intersections (Figure 1) to the west of Eagle calculated at a 0.5g/t Au cut-off grade within the longer intervals calculated at a 0.3g/t Au cut-off grade on page 1 include:

- **5m @ 5.4g/t Au** from 247m and **15m @ 5.5g/t Au** from 257m in HERC875 on section 28000E
- **27m @ 1.0g/t Au** from 105m in HERC876 on section 28000E

Extensional drilling to the north (Figure 1) has also intersected encouraging results including 2m @ 8.1g/t Au from 105m in HERC856 on section 28080E.

Significant depth extensions are shown on section 28240E (Figure 2) and include:

- **121m @ 1.1g/t Au¹** from 146m in HERC820D inc. **21m @ 1.7g/t Au** and **4.4m @ 6.8g/t Au**
- **91m @ 0.8g/t Au¹** from 257.3m in HERC823D inc. **10.4m @ 1.7g/t Au** and **7.8m @ 2.4g/t Au**
- **65m @ 3.5g/t Au** from 50m in HERC879 (infill)

Drilling continues on infill sections to upgrade the resource classification from Inferred to Indicated and to extend mineralisation at depth. New results on infill drill sections include:

- **14m @ 13.8g/t Au** from 216m in HERC888 inc. **2m @ 91.1g/t Au** on section 28640E
- **15m @ 2.5g/t Au** from 213m in HERC886 on section 28400E
- **6m @ 18.2g/t Au** from 108m and **17m @ 1.8g/t Au** from 167m in HERC885 on section 28400E

Extensional drilling along strike will continue to focus on extending the mineralisation to the west towards Antwerp (Figure 4) where previously reported shallow aircore drilling has intersected encouraging drill results, e.g. **4m @ 21.7g/t Au** in BWAC211 and **6m @ 10.7g/t Au** in BWAC185.

¹Intervals calculated using a 0.3g/t Au cut-off grade. All other intervals reported at a 0.5g/t Au cut-off grade and greater than 20gm.

Figure 1 - Plan view of drilling at Eagle

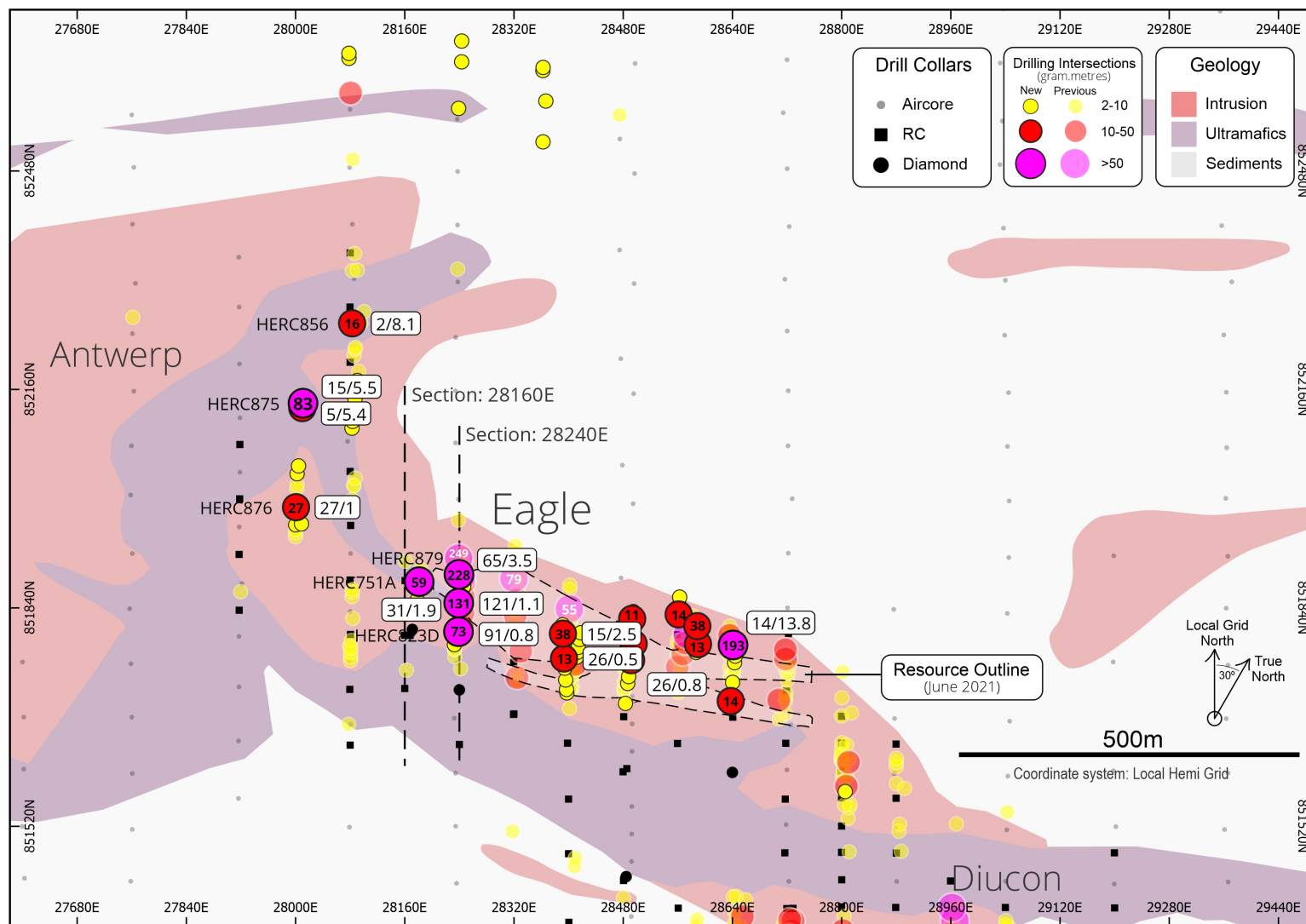


Figure 3 Section 28160E at Eagle

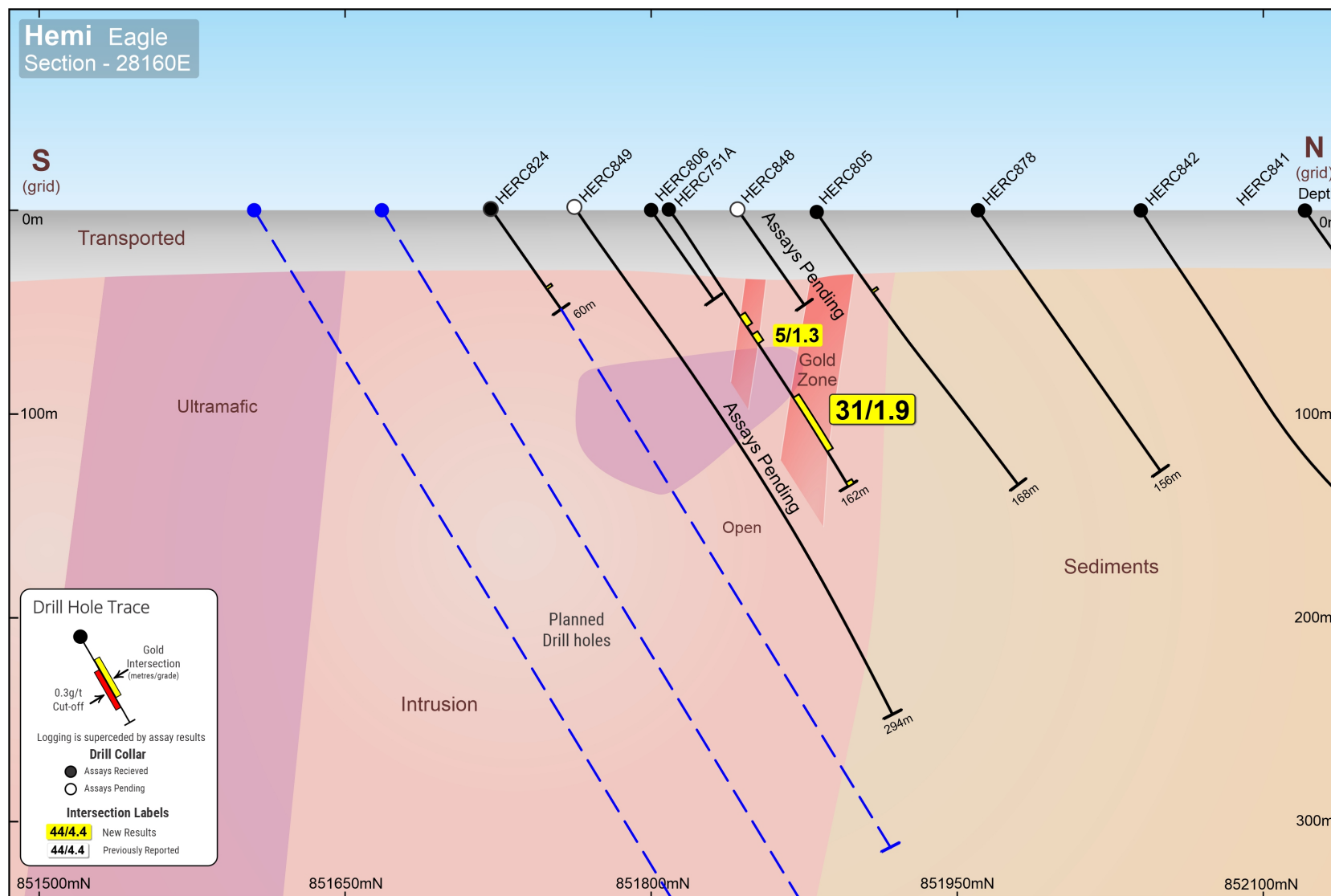
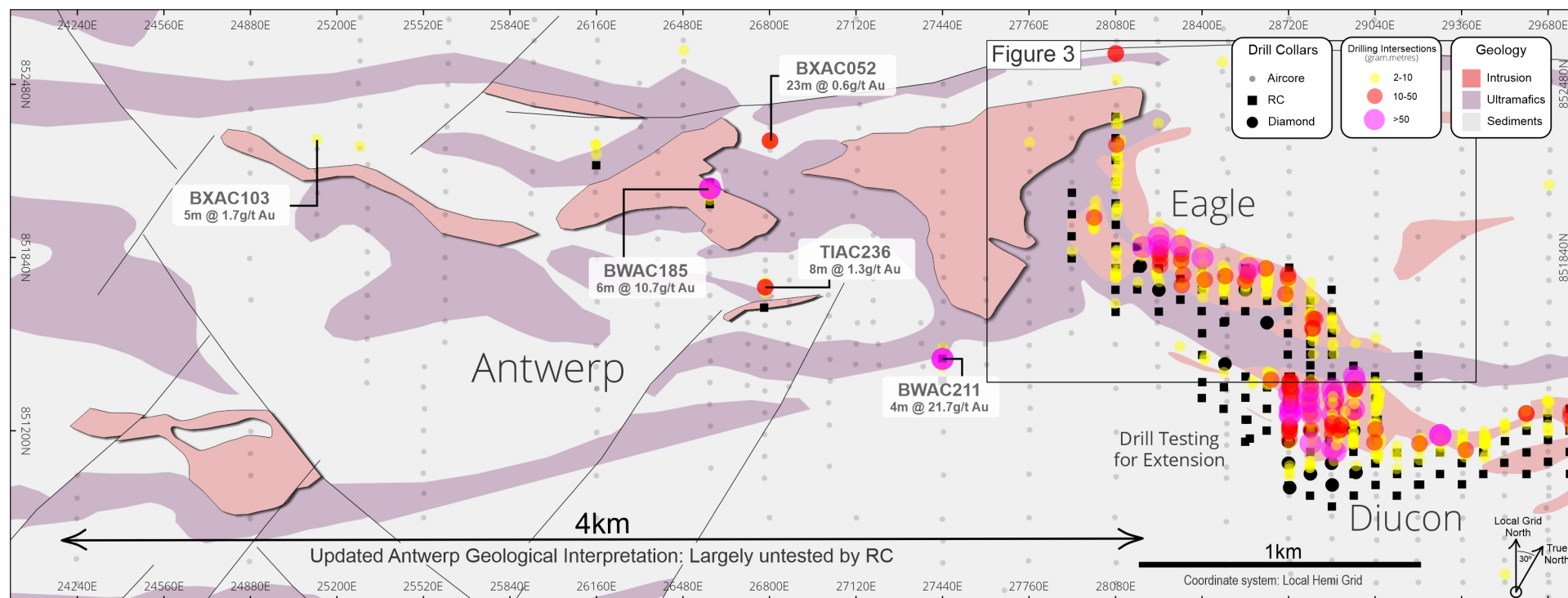


Figure 4 Plan of Diucon and Eagle to Antwerp



This announcement has been authorised for release by the De Grey Board.

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Competent Person's Statement

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 Australasian Institute of Mining and Metallurgy. 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.

Previously released ASX Material References that relates to Hemi Prospect includes:

Resources:

- 2020 Mallina Gold Project Resource update, 2 April 2020
- 6.8Moz Hemi Maiden Mineral Resource drives Mallina Gold Project, 23 June 2021

Exploration results at Hemi, announced during calendar year 2021:

- Consistent extensive gold endowment at Falcon, 13 January 2021
- Diucon and Eagle: Two new intrusion hosted gold discoveries at Hemi, 29 January 2021
- Further metallurgical testwork confirms high gold recoveries, 16 February 2021
- Major depth extensions and new footwall lodes emerge at Falcon, 23 February 2021
- Crow – Aquila gold system continue to expand, 4 March 2021
- Rapid growth at Diucon and Eagle, 9 March 2021
- Extensional results show Brolga plunge potential, 16 March 2021
- Depth and strike extensions at Falcon, 8 April 2021
- Impressive resource definition drilling at Brolga, 13 April 2021
- Strong extension to Diucon and Eagle, 15 April 2021
- Strong mineralisation intersected at Crow and Aquila, 23 April 2021
- Large mineralised system confirmed at Diucon – Eagle, 4 May 2021
- High gold recoveries achieved at Aquila, 10 May 2021
- Significant extensional and impressive resource definition results at Falcon, 27 May 2021
- Encouraging results continue at Diucon-Eagle, 1 June 2021
- Diucon – compelling new results, 22 July 2021

Table 1: Significant new results (>2 gram x m Au) - Intercepts - 0.5g/t Au lower cut, 4m maximum internal waste, >2gm

HoleID	Zone	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)	Hole Type
HERC445D	Eagle	177.6	193.7	16.0	0.9	646692	7692603	69	-55	329	318	DD
HERC445D	Eagle	206.1	209.7	3.6	0.8	646692	7692603	69	-55	329	318	DD
HERC445D	Eagle	224.0	229.4	5.4	0.8	646692	7692603	69	-55	329	318	DD
HERC464D	Eagle	265.2	267.0	1.8	1.2	646592	7692453	67	-57	330	409	DD
HERC464D	Eagle	279.0	286.8	7.8	0.6	646592	7692453	67	-57	330	409	DD
HERC464D	Eagle	297.0	303.0	6.0	0.7	646592	7692453	67	-57	330	409	DD
HERC464D	Eagle	324.0	330.0	6.0	1.6	646592	7692453	67	-57	330	409	DD
HERC464D	Eagle	347.0	353.0	6.0	0.9	646592	7692453	67	-57	330	409	DD
HERC751A	Eagle	63.0	69.0	6.0	0.6	646314	7692485	66	-50	333	162	DD
HERC751A	Eagle	74.0	79.0	5.0	1.3	646314	7692485	66	-50	333	162	DD
HERC751A	Eagle	111.0	142.0	31.0	1.9	646314	7692485	66	-50	333	162	DD
incl	Eagle	132.0	136.0	4.0	4.4	646314	7692485	66	-50	333	162	DD
HERC752	Eagle	337.0	345.0	8.0	0.7	646686	7692464	67	-57	327	366	DD
incl	Eagle	339.0	340.0	1.0	3.6	646686	7692464	67	-57	327	366	DD
HERC811D	Eagle	277.3	278.0	0.7	3.6	646644	7692528	67	-55	329	397	DD
HERC811D	Eagle	291.0	306.9	15.9	0.7	646644	7692528	67	-55	329	397	DD
incl	Eagle	302.0	303.0	1.0	3.4	646644	7692528	67	-55	329	397	DD
HERC811D	Eagle	321.0	325.0	4.0	0.9	646644	7692528	67	-55	329	397	DD
HERC820D	Eagle	146.0	164.0	18.0	1.5	646415	7692442	67	-56	332	325	RC
incl	Eagle	146.0	147.0	1.0	6.1	646415	7692442	67	-56	332	325	RC
HERC820D	Eagle	170.0	204.0	34.0	1.0	646415	7692442	67	-56	332	325	DD
HERC820D	Eagle	213.0	234.0	21.0	1.7	646415	7692442	67	-56	332	325	DD
incl	Eagle	221.7	222.2	0.5	31.5	646415	7692442	67	-56	332	325	DD
incl	Eagle	230.0	231.0	1.0	5.3	646415	7692442	67	-56	332	325	DD
HERC820D	Eagle	245.4	246.6	1.2	1.9	646415	7692442	67	-56	332	325	DD
HERC820D	Eagle	253.0	257.4	4.4	6.8	646415	7692442	67	-56	332	325	DD
incl	Eagle	253.0	254.0	1.0	26.9	646415	7692442	67	-56	332	325	DD
HERC823D	Eagle	234.0	241.0	7.0	0.7	646454	7692372	67	-55	326	390	RC
HERC823D	Eagle	257.3	267.7	10.4	1.7	646454	7692372	67	-55	326	390	DD
incl	Eagle	259.3	260.0	0.8	7.5	646454	7692372	67	-55	326	390	DD
incl	Eagle	265.1	266.0	0.9	5.7	646454	7692372	67	-55	326	390	DD
HERC823D	Eagle	272.0	279.8	7.8	2.4	646454	7692372	67	-55	326	390	DD
incl	Eagle	272.8	273.5	0.8	6.7	646454	7692372	67	-55	326	390	DD
incl	Eagle	279.0	279.9	0.9	6.3	646454	7692372	67	-55	326	390	DD
HERC823D	Eagle	302.9	334.7	31.8	0.9	646454	7692372	67	-55	326	390	DD
incl	Eagle	310.1	310.6	0.5	4.4	646454	7692372	67	-55	326	390	DD
incl	Eagle	314.0	315.1	1.1	7.0	646454	7692372	67	-55	326	390	DD
HERC831	Eagle	121.0	126.0	5.0	0.5	645975	7693203	66	-55	329	252	RC
HERC835	Eagle	111.0	116.0	5.0	1.2	646100	7693230	65	-54	329	246	RC
HERC835	Eagle	121.0	122.0	1.0	2.7	646100	7693230	65	-54	329	246	RC
HERC836	Eagle	166.0	167.0	1.0	2.6	646139	7693162	65	-55	332	246	RC
HERC837	Eagle	214.0	224.0	10.0	1.0	646179	7693091	65	-56	329	234	RC

HoleID	Zone	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)	Hole Type
incl	Eagle	218.0	219.0	1.0	4.4	646179	7693091	65	-56	329	234	RC
HERC840	Eagle	88.0	92.0	4.0	0.9	646014	7693134	65	-56	329	246	RC
HERC840	Eagle	188.0	190.0	2.0	2.3	646014	7693134	65	-56	329	246	RC
HERC841	Eagle	73.0	78.0	5.0	0.6	646147	7692749	66	-56	330	246	RC
HERC841	Eagle	218.0	219.0	1.0	2.6	646147	7692749	66	-56	330	246	RC
HERC845	Eagle	127.0	130.0	3.0	0.9	645949	7692773	66	-56	330	240	RC
HERC845	Eagle	163.0	166.0	3.0	1.6	645949	7692773	66	-56	330	240	RC
HERC847	Eagle	44.0	53.0	9.0	0.9	646027	7692636	67	-56	331	252	RC
HERC854D	Eagle	204.0	210.0	6.0	0.8	646823	7692537	67	-56	326	409	RC
HERC854D	Eagle	252.0	268.0	16.0	0.5	646823	7692537	67	-56	326	409	RC
HERC854D	Eagle	319.0	330.0	11.0	0.7	646823	7692537	67	-56	326	409	DD
incl	Eagle	319.6	320.0	0.4	5.4	646823	7692537	67	-56	326	409	DD
HERC854D	Eagle	345.2	347.0	1.8	1.4	646823	7692537	67	-56	326	409	DD
HERC856	Eagle	94.0	96.0	2.0	8.1	646037	7692777	66	-55	331	252	RC
incl	Eagle	94.0	95.0	1.0	14.9	646037	7692777	66	-55	331	252	RC
HERC858	Eagle	107.0	114.0	7.0	1.3	646116	7692638	66	-56	333	258	RC
incl	Eagle	113.0	114.0	1.0	6.0	646116	7692638	66	-56	333	258	RC
HERC858	Eagle	125.0	129.0	4.0	1.2	646116	7692638	66	-56	333	258	RC
HERC858	Eagle	153.0	156.0	3.0	1.0	646116	7692638	66	-56	333	258	RC
HERC858	Eagle	180.0	182.0	2.0	1.8	646116	7692638	66	-56	333	258	RC
HERC858	Eagle	226.0	227.0	1.0	2.1	646116	7692638	66	-56	333	258	RC
HERC874	Eagle	78.0	84.0	6.0	0.8	645837	7693121	67	-55	329	246	RC
HERC874	Eagle	92.0	95.0	3.0	1.0	645837	7693121	67	-55	329	246	RC
HERC875	Eagle	60.0	63.0	3.0	0.8	646068	7692565	66	-55	332	294	RC
HERC875	Eagle	247.0	252.0	5.0	5.4	646068	7692565	66	-55	332	294	RC
incl	Eagle	247.0	249.0	2.0	12.9	646068	7692565	66	-55	332	294	RC
HERC875	Eagle	257.0	272.0	15.0	5.5	646068	7692565	66	-55	332	294	RC
incl	Eagle	263.0	267.0	4.0	16.7	646068	7692565	66	-55	332	294	RC
HERC876	Eagle	66.0	81.0	15.0	0.6	646107	7692496	66	-56	331	252	RC
HERC876	Eagle	105.0	132.0	27.0	1.0	646107	7692496	66	-56	331	252	RC
HERC876	Eagle	215.0	216.0	1.0	2.6	646107	7692496	66	-56	331	252	RC
HERC877	Eagle	219.0	224.0	5.0	1.6	646147	7692426	66	-55	329	252	RC
incl	Eagle	223.0	224.0	1.0	6.6	646147	7692426	66	-55	329	252	RC
HERC879	Eagle	50.0	115.0	65.0	3.5	646355	7692547	67	-55	329	204	RC
incl	Eagle	99.0	111.0	12.0	12.8	646355	7692547	67	-55	329	204	RC
HERC884	Eagle	98.0	100.0	2.0	1.3	646662	7692495	67	-56	330	294	RC
HERC884	Eagle	145.0	153.0	8.0	0.9	646662	7692495	67	-56	330	294	RC
incl	Eagle	147.0	148.0	1.0	4.2	646662	7692495	67	-56	330	294	RC
HERC884	Eagle	164.0	168.0	4.0	1.1	646662	7692495	67	-56	330	294	RC
HERC884	Eagle	194.0	220.0	26.0	0.8	646662	7692495	67	-56	330	294	RC
incl	Eagle	206.0	207.0	1.0	7.7	646662	7692495	67	-56	330	294	RC
HERC884	Eagle	244.0	252.0	8.0	1.3	646662	7692495	67	-56	330	294	RC
HERC885	Eagle	59.0	74.0	15.0	0.9	646533	7692558	66	-56	326	186	RC

HoleID	Zone	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)	Hole Type
HERC885	Eagle	92.0	96.0	4.0	0.5	646533	7692558	66	-56	326	186	RC
HERC885	Eagle	108.0	114.0	6.0	18.2	646533	7692558	66	-56	326	186	RC
incl	Eagle	111.0	113.0	2.0	52.2	646533	7692558	66	-56	326	186	RC
HERC885	Eagle	121.0	129.0	8.0	0.5	646533	7692558	66	-56	326	186	RC
HERC885	Eagle	145.0	149.0	4.0	0.9	646533	7692558	66	-56	326	186	RC
HERC885	Eagle	167.0	184.0	17.0	1.8	646533	7692558	66	-56	326	186	RC
incl	Eagle	174.0	177.0	3.0	4.3	646533	7692558	66	-56	326	186	RC
HERC886	Eagle	63.0	67.0	4.0	2.0	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	73.0	76.0	3.0	1.7	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	99.0	101.0	2.0	1.1	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	130.0	133.0	3.0	1.4	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	144.0	170.0	26.0	0.5	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	176.0	183.0	7.0	1.4	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	213.0	228.0	15.0	2.5	646573	7692488	67	-58	327	258	RC
incl	Eagle	216.0	217.0	1.0	23.4	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	238.0	246.0	8.0	0.5	646573	7692488	67	-58	327	258	RC
HERC887	Eagle	122.0	126.0	4.0	0.9	646760	7692643	67	-56	329	204	RC
HERC887	Eagle	131.0	141.0	10.0	0.7	646760	7692643	67	-56	329	204	RC
HERC888	Eagle	97.0	101.0	4.0	3.5	646800	7692574	67	-55	332	294	RC
incl	Eagle	97.0	98.0	1.0	12.8	646800	7692574	67	-55	332	294	RC
HERC888	Eagle	216.0	230.0	14.0	13.8	646800	7692574	67	-55	332	294	RC
incl	Eagle	226.0	228.0	2.0	91.1	646800	7692574	67	-55	332	294	RC
HERC888	Eagle	255.0	257.0	2.0	1.4	646800	7692574	67	-55	332	294	RC
HERC950D	Eagle	175.0	183.0	8.0	0.9	646734	7692580	67	-56	329	360	RC
HERC950D	Eagle	214.0	222.0	8.0	1.6	646734	7692580	67	-56	329	360	DD
HERC950D	Eagle	240.9	255.5	14.6	1.9	646734	7692580	67	-56	329	360	DD
incl	Eagle	244.0	250.0	6.0	3.0	646734	7692580	67	-56	329	360	DD
HERC950D	Eagle	263.0	269.9	6.9	0.9	646734	7692580	67	-56	329	360	DD
HERC950D	Eagle	337.2	343.0	5.8	0.7	646734	7692580	67	-56	329	360	DD

Table 2: Selected Intercepts - 0.3g/t Au lower cut, 10m maximum internal waste, >20gm
Selected Intercepts - 0.3g/t Au lower cut, 10m maximum internal waste, >20gm

HoleID	Zone	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)	Hole Type
HERC464D	Eagle	234.0	249.0	15.0	1.4	646592	7692453	67	-57	330	409	RC
HERC464D	Eagle	324.0	370.0	46.0	0.5	646592	7692453	67	-57	330	409	DD
HERC751A	Eagle	109.0	142.0	33.0	1.8	646314	7692485	66	-50	333	162	DD
HERC811D	Eagle	126.0	180.0	54.0	1.3	646644	7692528	67	-55	329	397	RC
HERC820D	Eagle	146.0	267.0	121.0	1.1	646415	7692442	67	-56	332	325	DD
HERC823D	Eagle	257.3	348.2	91.0	0.8	646454	7692372	67	-55	326	390	DD
HERC875	Eagle	241.0	272.0	31.0	3.6	646068	7692565	66	-55	332	294	RC
HERC876	Eagle	51.0	132.0	81.0	0.5	646107	7692496	66	-56	331	252	RC
HERC879	Eagle	50.0	117.0	67.0	3.4	646355	7692547	67	-55	329	204	RC
HERC884	Eagle	189.0	222.0	33.0	0.7	646662	7692495	67	-56	330	294	RC
HERC885	Eagle	59.0	133.0	74.0	1.9	646533	7692558	66	-56	326	186	RC
HERC885	Eagle	145.0	184.0	39.0	1.0	646533	7692558	66	-56	326	186	RC
HERC886	Eagle	122.0	183.0	61.0	0.5	646573	7692488	67	-58	327	258	RC
HERC886	Eagle	203.0	246.0	43.0	1.1	646573	7692488	67	-58	327	258	RC
HERC888	Eagle	216.0	243.0	27.0	7.3	646800	7692574	67	-55	332	294	RC
HERC950D	Eagle	175.0	222.0	47.0	0.5	646734	7692580	67	-56	329	360	DD
HERC950D	Eagle	234.8	269.9	35.0	1.0	646734	7692580	67	-56	329	360	DD

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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. 	<ul style="list-style-type: none"> All drilling and sampling was undertaken in an industry standard manner Core samples were collected with a diamond rig drilling mainly 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. HQ and PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. Sample weights ranged from 2-4kg RC holes were sampled on a 1m basis with samples collected from a cone splitter mounted on the drill rig cyclone. 1m sample ranges from a typical 2.5-3.5kg Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles. Sample weights ranges from around 1-3kg. The independent laboratory pulverises the entire sample for analysis as described below. Industry prepared independent standards are inserted approximately 1 in 20 samples. The independent laboratory then takes the samples which are dried, split, crushed and pulverized prior to analysis as described below. Sample sizes are considered appropriate for the material sampled. The samples are considered representative and appropriate for this type of drilling. Diamond core and RC samples are appropriate for use in a resource estimate.
Drilling techniques	<ul style="list-style-type: none"> 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.). 	<ul style="list-style-type: none"> Diamond core diameters are - NQ2 (51mm), HQ3 (61mm), PQ (85mm). Reverse Circulation (RC) holes were drilled with a 5 1/2-inch bit and face sampling hammer. Aircore holes were drilled with an 83mm diameter blade bit.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> 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. RC and aircore samples were visually assessed for recovery. Samples are considered representative with generally good recovery. Deeper RC and

Criteria	JORC Code explanation	Commentary
		<p>aircore holes encountered water, with some intervals having less than optimal recovery and possible contamination.</p> <ul style="list-style-type: none"> No sample bias is observed.
Logging	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> 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 RC and diamond sample results are appropriate for use in a resource estimation, except where sample recovery is poor. The aircore results provide a good indication of mineralisation but are not used in resource estimation.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Core samples were collected with a diamond drill rig drilling NQ2, HQ3 or PQ 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. HQ and PQ core was quartered, with one quarter sent for assay. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis. RC sampling was carried out by a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m basis in bedrock and 4m composite basis in cover. Aircore samples were collected by spear from 1m sample piles and composited over 4m intervals. Samples for selected holes were collected on a 1m basis by spear from 1m sample piles. Industry prepared independent standards are inserted approximately 1 in 20 samples. Each sample was dried, split, crushed and pulverised. Sample sizes are considered appropriate for the material sampled. The samples are considered representative and appropriate for this type of drilling Core and RC samples are appropriate for use in a resource estimate. Aircore samples are generally of good quality and appropriate for delineation of geochemical trends but are not generally used in resource estimates.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The samples were submitted to a commercial independent laboratory in Perth, Australia. For diamond core and RC samples Au was analysed by a 50g charge Fire assay fusion technique with an AAS finish and multi-elements by ICPAES and ICPMS Aircore samples were analysed for Au using 25g aqua regia extraction with ICPMS finish and multi-elements by ICPAES and ICPMS using aqua regia digestion The techniques are considered quantitative in nature. As discussed previously certified reference standards were inserted by the Company and the laboratory also carries out internal standards in individual batches The standards and duplicates were considered satisfactory
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Sample results have been merged by the company's database consultants. Results have been uploaded into the company database, checked and verified. No adjustments have been made to the assay data. Results are reported on a length weighted basis.
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> Diamond and RC drill hole collar locations are located by DGPS to an accuracy of +/-10cm. Aircore hole collar locations are located by DGPS to an accuracy of +/-10cm., or by handheld GPS to an accuracy of 3m. Locations are given in GDA94 zone 50 projection Diagrams and location table are provided in the report Topographic control is by detailed airphoto and Differential GPS data.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Drill spacing varies from 80m x 40m to 320m x 80m. All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation. It has not yet been determined if data spacing and distribution of RC and diamond drilling is sufficient to provide support for the results to be used in a resource estimate. Sample compositing has not been applied except in reporting of drill intercepts, as described in this Table
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<ul style="list-style-type: none"> The drilling is believed to be approximately perpendicular to the strike of mineralisation where known and therefore the sampling is considered representative of the mineralised zone. 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.

Criteria	JORC Code explanation	Commentary
		This is allowed for when geological interpretations are completed.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Samples were collected by company personnel and delivered direct to the laboratory via a transport contractor.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> Drilling occurs on various tenements held by De Grey Mining Ltd or its 100% owned subsidiaries. The Hemi Prospect is approximately 60km SSW of Port Hedland.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> The tenements have had various levels of previous surface geochemical sampling and wide spaced aircore and RAB drilling by De Grey Mining. Limited previous RC drilling was carried out at the Scooby Prospect. Airborne aeromagnetics/radiometrics has been flown previously.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The mineralisation style is not well understood to date but is thought to be hydrothermally emplaced gold mineralisation within structures and intrusions. Host rocks comprise igneous rocks intruding Mallina Basin metasediments. Style is similar to some other Western Australian gold deposits.
Drill hole Information	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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.</i> 	<ul style="list-style-type: none"> Drill hole location and directional information provide in the report.
Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>Where aggregate intercepts incorporate short lengths of</i> 	<ul style="list-style-type: none"> Results are reported to a minimum cutoff grade of 0.5g/t gold with an internal dilution of 4m maximum. Higher grade intervals included in the above intercepts are reported at a 3g/t Au lower cut

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p> <ul style="list-style-type: none"> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<p>with an internal dilution of 2m maximum.</p> <ul style="list-style-type: none"> Wider intervals are aggregated using a 0.3g/t Au lower cut with an internal dilution of 10m maximum. Selected results over 20 gram x metres are reported using this method. Intercepts are length weighted averaged. No maximum cuts have been made.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	<ul style="list-style-type: none"> The drill holes are interpreted to be approximately perpendicular to the strike of mineralisation. Drilling is not always perpendicular to the dip of mineralisation and true widths are less than downhole widths. Estimates of true widths will only be possible when all results are received, and final geological interpretations have been completed.
Diagrams	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Plans and sections are provided in the report.
Balanced reporting	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> All drill collar locations are shown in figures and all significant results are provided in this report. The report is considered balanced and provided in context.
Other substantive exploration data	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Drilling is currently widely spaced and further details will be reported in future releases when data is available.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Follow up aircore drilling will be undertaken to test for strike extensions to mineralisation. Programs of follow up RC and diamond drilling aimed at extending resources at depth and laterally are underway.