ASX ANNOUNCEMENT
12 November 2020

# Further high-grade extensions at Crow and Aquila

## Highlights:

- High grade gold intersected at the eastern edge of Crow. Mineralisation remains open to the east. Significant results on section 30520E include:
  - **17m @ 12.9g/t Au from 91m in HERC342 (incl 7m @ 29.4g/t Au from 94m); and**
  - **5m @ 7.4g/t Au from 139m in HERC343 (incl 3m @ 11.6g/t Au from 141m)**
  - **15m @ 1.8g/t Au from 79m in HERC 350**

- Depth and strike extensions at the southwestern portion of Crow. Mineralisation remains open along strike and up and down dip. Significant results on section 30080E include:
  - **24.6m @ 1.4g/t Au from 345m in HERC246D**

- New results at Aquila extending mineralisation at depth and to the southwest. Mineralisation remains open. Significant results include:
  - **24.6m @ 2.7g/t Au from 244.36m in HERC246D (incl 5m @ 5.0g/t Au from 252m) on Section 30080E and**
  - **35.6m @ 1.0g/t Au from 419m in HEDD010 on Section 29920E**

- Seven drill rigs now operating in and around Hemi conducting infill resource drilling and testing new and extensional targets

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De Grey Managing Director, Glenn Jardine, commented:

*"The new results at Crow continue to demonstrate potential for higher grade lodes within the large, broad mineralised zones. The Company recently announced extensions to the northwest of Crow. Potential also remains for extensions to the northeast and southwest.*

*Wide spaced 80 by 80m extensional RC drilling continues in the northwest of Crow, with assay results awaited. Aircore drilling further to the west of the Crow intrusive has identified areas for follow up RC drilling. Drilling will continue at Crow to infill and expand the mineralised footprint.*

*Drilling at the western end of Aquila continues and has extended mineralisation at depth and to the west toward Falcon. A broad mineralized zone is present at least 400 metres below surface that includes narrower high grade intervals.*

*Total metres drilled at Hemi now exceed 200,000 metres since the discovery in December 2019. Seven rigs are currently operating around Hemi in support of completion of a maiden resource by the middle of 2021.*



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De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide the following drilling update at the Hemi Gold Discovery, located approximately 60km south of Port Hedland in Western Australia.

The Aquila and Crow zones are located adjacent and to the north of the large Brolga intrusion at Hemi. Extensional step out drilling in these two zones continues at a nominal 80m x 80m spacing to the northwest. Infill resource definition drilling to a 40m x 80m spacing is continuing in the central and eastern portions of Crow.

Step out and infill drilling at Hemi is on-going and the latest results at Aquila and Crow continue to firm up areas of high grade gold mineralisation (+2g/t) within a much larger and broader gold system.

The infill resource definition drilling program will continue over the coming months at all four zones identified to date at Hemi. This will enable a robust resource estimate targeting a high level of JORC 2012 Indicated category. The initial Hemi resource estimate is planned for completion by the middle of 2021.

Significant new gold results in drilling are provided in Table 1 as well as Figures 1-4.

## Crow Zone

**At Crow**, some outstanding high-grade intercepts continue to be returned north-east of the previously reported **64m @ 13.4g/t Au** from 141m in HERC238 (section 30400E). New results include:

- **17m @ 12.9g/t Au** from 91m in HERC342 (including **7m @ 29.4g/t Au**);
- **5m @ 7.4g/t Au** from 139m in HERC343 (including **3m @ 11.6g/t Au**) on section 30520E (Figure 2); and
- **15m @ 1.8g/t Au** from 79m in HERC 350.

Numerous sub-parallel zones of mineralisation over a strike length of at least 500m continue to be defined, and mineralisation remains open.

Additional Crow lodes in the footwall (north) of Aquila are also being defined with further drilling, demonstrated by an intersection of 24.6m @ 1.4g/t Au from 345m in HERC246D (Figure 3).

Other significant new drilling results at Crow are provided in Table 1.

Wide spaced 80 x 80m extensional drilling continues in the northwest of Crow, with further assay results awaited. Recent aircore drilling has defined further western extensions of the Crow intrusive and follow up RC drilling for this area is being planned.

## Aquila Zone

**At Aquila**, drilling is continuing to drill extend the Aquila high grade plunging shoot to the west. The Aquila zone now extends beyond 800m east-west and has been confirmed to depths of ~400m.

New intersections from the western end of Aquila include:

- **24.6m @ 2.7g/t Au** from 244.36m in HERC246D
  - (incl **5m @ 5g/t Au** from 252m)
- **4m @ 2.8g/t Au** from 152m in HERC291
- **35.6m @ 1g/t Au** from 419m in HEDD010
- **1.7m @ 4.5g/t Au** from 408m in HERC244D and
  - **2.3m @ 5.2g/t Au** from 425.7m

Diamond drilling is continuing to target high grade plunging shoots at Aquila (see Figure 4).

**Figure 1: Hemi - drilling location plan showing the new Aquila and Crow drilling results**

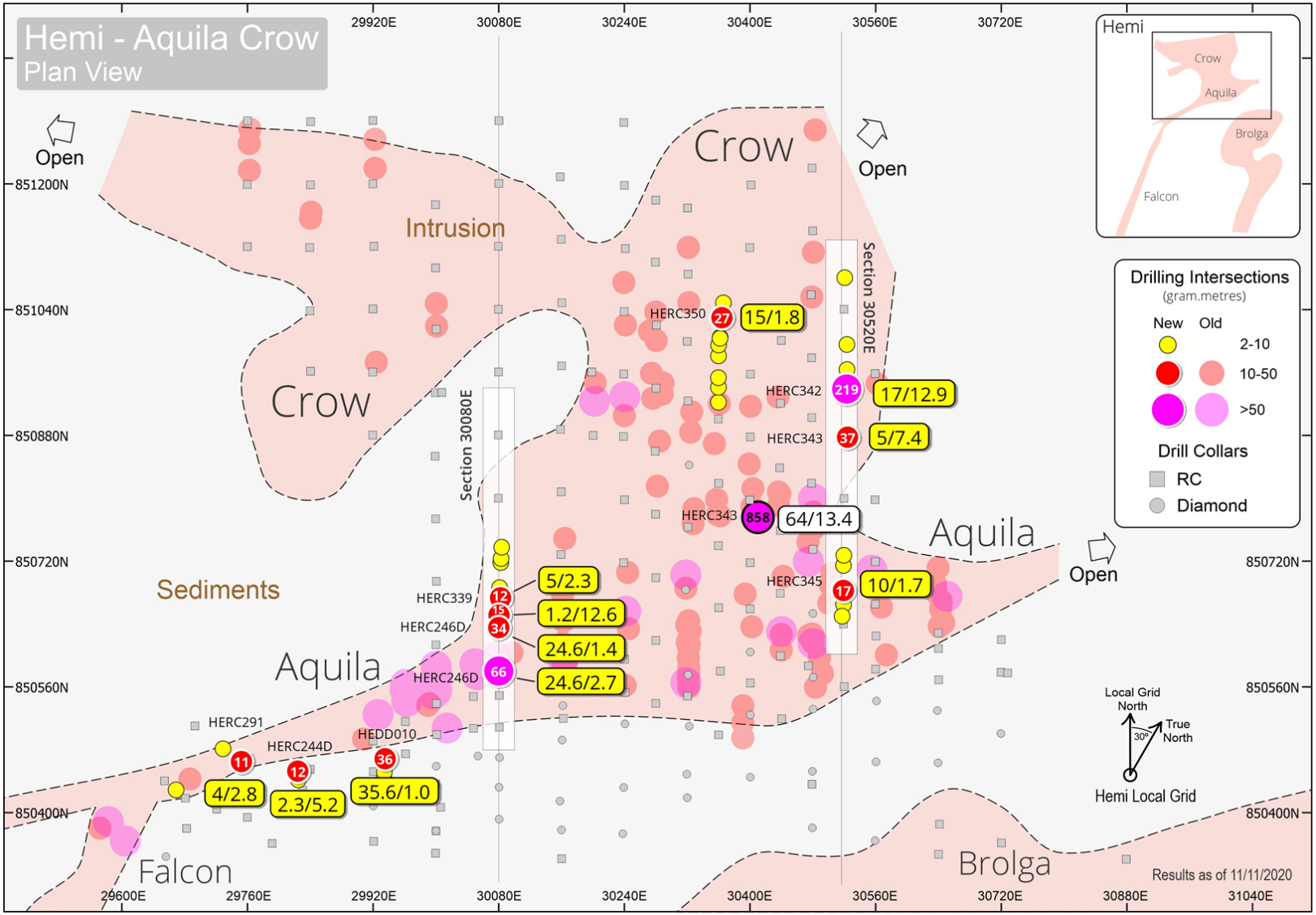


**Figure 2: Aquila/Crow – Section 30520E**

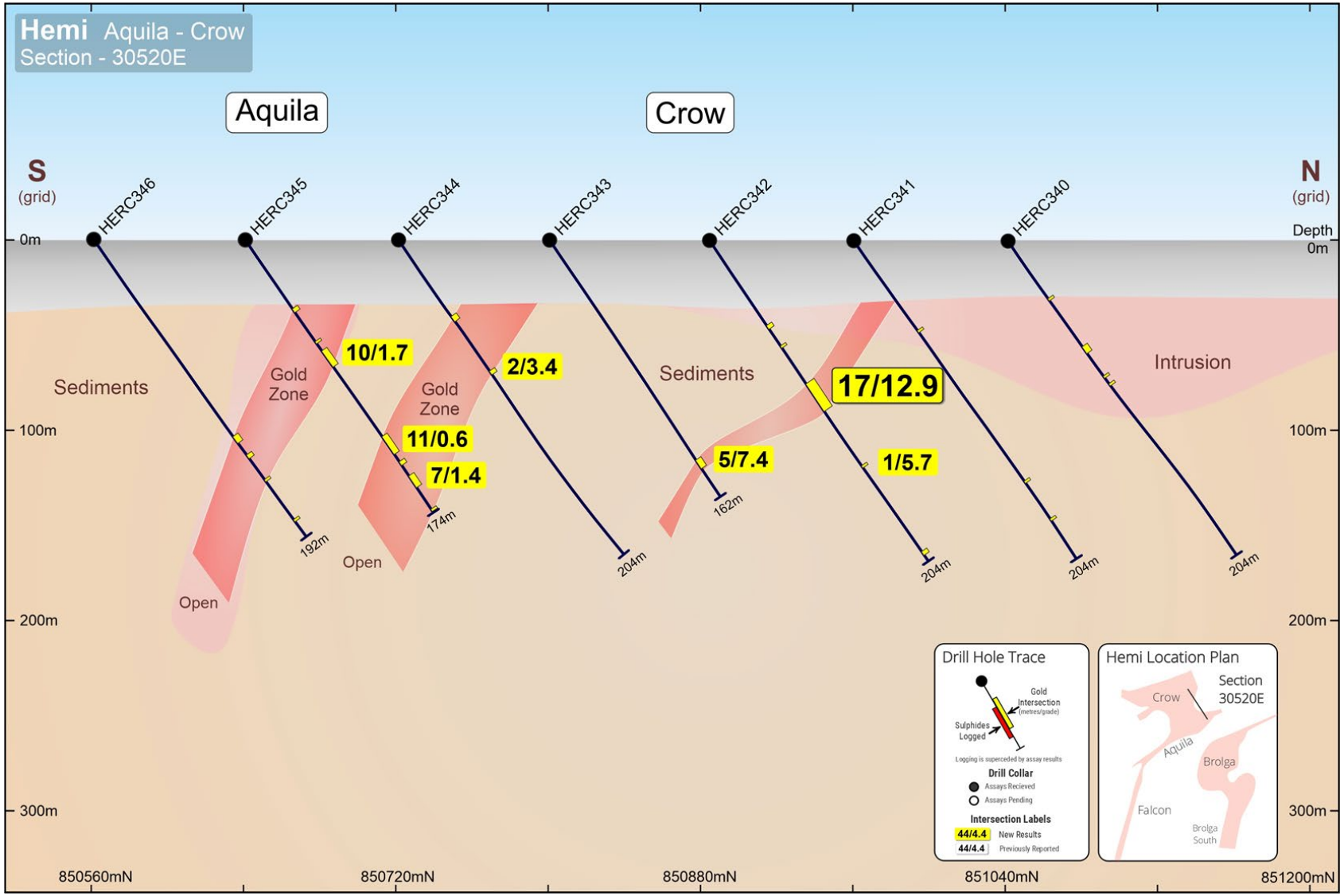


**Figure 3: Aquila/Crow – Section 30080E showing recent drill results and mineralised extensions**

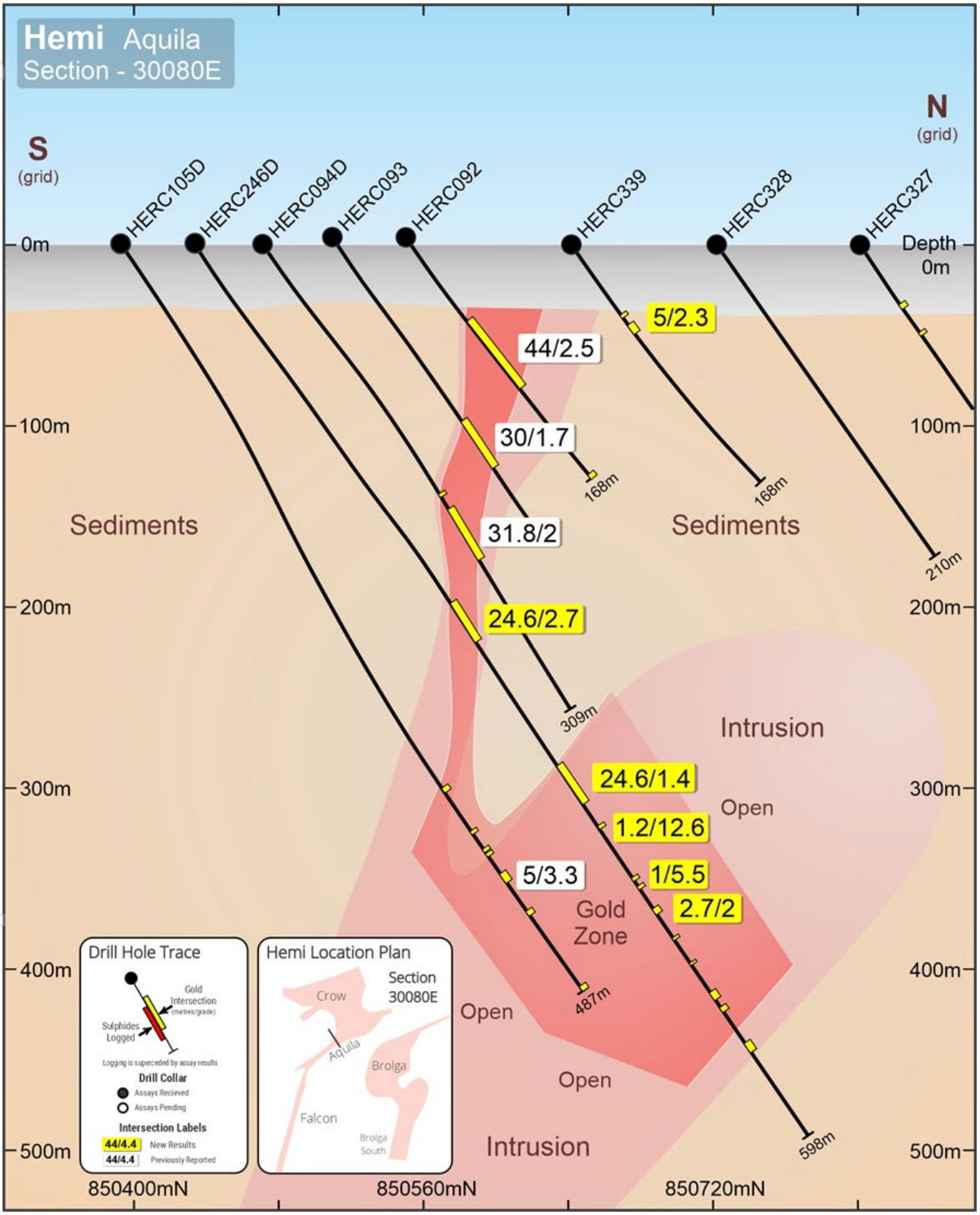
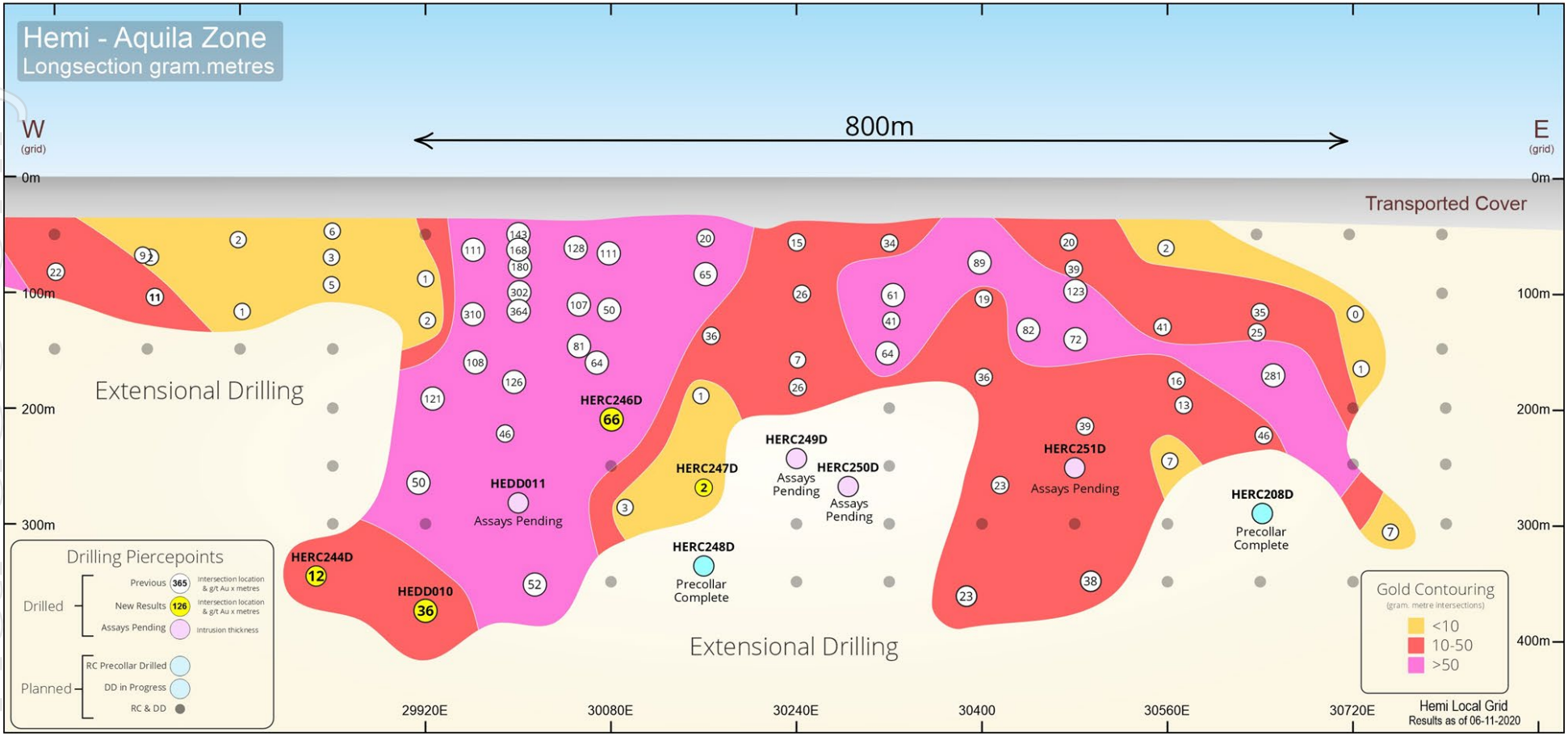


**Figure 4: Aquila Longitudinal Projection**



**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 in the financial year 2020/21** *that relates to Hemi Prospect include;*

- *HEMI – Major extension, 5 June 2020*
- *HEMI – Broad, high grade extensions at Aquila, 9 June 2020*
- *Further high grade and expanded footprint at Hemi, 22 June 2020*
- *High gold recoveries achieved at Hemi, 9 July 2020*
- *Further extensions confirmed at Brolga, 10 July 2020*
- *Hemi scale grows with Aquila new extensions, 22 July 2020*
- *Strong results boost Aquila westerly extension, 5 August 2020*
- *Aquila mineralisation extends to 400 vertical metres, New lode identified at Crow*
- *Brolga mineralisation extends north towards Aquila, northeast towards Scooby, 21 August*
- *Exceptional high grade gold intercept at Crow, 27 August 2020*
- *Falcon -Major new gold discovery at Hemi, 2 September 2020*
- *Falcon – Drilling Update, 15 September 2020*
- *Strong Brolga infill and extensions, 25 September 2020.*
- *Encouraging Extensional and Infill Drilling Results at Aquila and Crow, 7 October 2020*
- *Thick High Grade near surface hits continue at Falcon, 12 October 2020*
- *Further positive results extend Aquila and Crow, 29 October 2020*

**Table 1: Significant new results (>2 gram x m Au)**

| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| HEDD010 | Aquila | 391.0 | 392.9 | 1.9 | 2.3 | 648612 | 7691998 | 69 | -55 | 330 | 480 | DD |
| HEDD010 | Aquila | 402.3 | 411.0 | 8.7 | 1.1 | 648612 | 7691998 | 69 | -55 | 330 | 480 | DD |
| incl | Aquila | 407.7 | 408.3 | 0.6 | 6.7 | 648612 | 7691998 | 69 | -55 | 330 | 480 | DD |
| HEDD010 | Aquila | 419.0 | 454.6 | 35.6 | 1.0 | 648612 | 7691998 | 69 | -55 | 330 | 480 | DD |
| incl | Aquila | 428.7 | 429.6 | 0.9 | 3.6 | 648612 | 7691998 | 69 | -55 | 330 | 480 | DD |
| HERC244D | Aquila | 408.0 | 409.7 | 1.7 | 4.5 | 648558 | 7691929 | 69 | -56 | 330 | 511 | DD |
| HERC244D | Aquila | 425.7 | 428.0 | 2.3 | 5.2 | 648558 | 7691929 | 69 | -56 | 330 | 511 | DD |
| HERC246D | Aquila | 244.4 | 269.0 | 24.6 | 2.7 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| incl | Aquila | 252.0 | 257.0 | 5.0 | 5.0 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC278 | Aquila | 95.0 | 102.0 | 7.0 | 0.6 | 648356 | 7692044 | 69 | -56 | 267 | 222 | RC |
| HERC290 | Aquila | 62.0 | 63.0 | 1.0 | 3.2 | 648359 | 7692120 | 69 | -55 | 267 | 204 | RC |
| HERC291 | Aquila | 152.0 | 156.0 | 4.0 | 2.8 | 648439 | 7692119 | 69 | -56 | 269 | 234 | RC |
| HERC246D | Crow | 345.0 | 369.6 | 24.6 | 1.4 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| incl | Crow | 352.4 | 353.4 | 1.0 | 16.2 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 385.0 | 386.2 | 1.2 | 12.6 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| incl | Crow | 385.5 | 385.8 | 0.3 | 47.3 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 426.4 | 427.4 | 1.0 | 5.5 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| incl | Crow | 426.4 | 426.8 | 0.4 | 11.0 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 447.0 | 449.7 | 2.7 | 2.0 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 503.0 | 507.0 | 4.0 | 0.9 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 513.0 | 515.0 | 2.0 | 1.4 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC246D | Crow | 537.0 | 542.0 | 5.0 | 0.5 | 648653 | 7692247 | 69 | -56 | 332 | 598 | DD |
| HERC339 | Crow | 55.0 | 60.0 | 5.0 | 2.3 | 648549 | 7692428 | 68 | -56 | 331 | 168 | RC |
| HERC340 | Crow | 68.0 | 72.0 | 4.0 | 0.7 | 648729 | 7692994 | 67 | -57 | 331 | 204 | RC |
| **HERC342** | **Crow** | **91.0** | **108.0** | **17.0** | **12.9** | **648809** | **7692859** | **68** | **-56** | **332** | **204** | **RC** |
| incl | Crow | 94.0 | 101.0 | 7.0 | 29.4 | 648809 | 7692859 | 68 | -56 | 332 | 204 | RC |
| HERC342 | Crow | 143.0 | 144.0 | 1.0 | 5.7 | 648809 | 7692859 | 68 | -56 | 332 | 204 | RC |
| HERC342 | Crow | 198.0 | 200.0 | 2.0 | 2.3 | 648809 | 7692859 | 68 | -56 | 332 | 204 | RC |
| **HERC343** | **Crow** | **139.0** | **144.0** | **5.0** | **7.4** | **648850** | **7692785** | **68** | **-56** | **329** | **162** | **RC** |
| incl | Crow | 141.0 | 144.0 | 3.0 | 11.6 | 648850 | 7692785 | 68 | -56 | 329 | 162 | RC |
| HERC344 | Crow | 84.0 | 86.0 | 2.0 | 3.4 | 648889 | 7692716 | 68 | -56 | 328 | 204 | RC |
| HERC345 | Crow | 44.0 | 46.0 | 2.0 | 1.7 | 648929 | 7692647 | 68 | -56 | 329 | 174 | RC |
| HERC345 | Crow | 71.0 | 81.0 | 10.0 | 1.7 | 648929 | 7692647 | 68 | -56 | 329 | 174 | RC |
| HERC345 | Crow | 126.0 | 137.0 | 11.0 | 0.6 | 648929 | 7692647 | 68 | -56 | 329 | 174 | RC |
| HERC345 | Crow | 151.0 | 158.0 | 7.0 | 1.4 | 648929 | 7692647 | 68 | -56 | 329 | 174 | RC |
| HERC346 | Crow | 155.0 | 156.0 | 1.0 | 2.0 | 648970 | 7692578 | 68 | -56 | 330 | 192 | RC |
| HERC349 | Crow | 36.0 | 39.0 | 3.0 | 1.2 | 648661 | 7692793 | 67 | -56 | 332 | 222 | RC |
| HERC349 | Crow | 69.0 | 72.0 | 3.0 | 0.7 | 648661 | 7692793 | 67 | -56 | 332 | 222 | RC |
| HERC349 | Crow | 91.0 | 94.0 | 3.0 | 0.8 | 648661 | 7692793 | 67 | -56 | 332 | 222 | RC |
| HERC349 | Crow | 146.0 | 147.0 | 1.0 | 2.1 | 648661 | 7692793 | 67 | -56 | 332 | 222 | RC |
| HERC349 | Crow | 171.0 | 180.0 | 9.0 | 0.6 | 648661 | 7692793 | 67 | -56 | 332 | 222 | RC |
| HERC350 | Crow | 40.0 | 45.0 | 5.0 | 1.6 | 648621 | 7692862 | 67 | -56 | 331 | 204 | RC |
| incl | Crow | 40.0 | 41.0 | 1.0 | 5.5 | 648621 | 7692862 | 67 | -56 | 331 | 204 | RC |
| HERC350 | Crow | 79.0 | 94.0 | 15.0 | 1.8 | 648621 | 7692862 | 67 | -56 | 331 | 204 | RC |
| HERC350 | Crow | 118.0 | 120.0 | 2.0 | 1.3 | 648621 | 7692862 | 67 | -56 | 331 | 204 | RC |

# 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*** | • *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>• Core samples were collected with a diamond rig drilling mainly 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. 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.<br>• Sample weights ranged from 2-4kg<br>• 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<br>• 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.<br>• The independent laboratory pulverises the entire sample for analysis as described below.<br>• Industry prepared independent standards are inserted approximately 1 in 20 samples.<br>• The independent laboratory then takes 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. Diamond core and RC samples are appropriate 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.).* | • Diamond core diameters are - NQ2 (51mm), HQ3 (61mm), PQ (85mm).<br>• Reverse Circulation (RC) holes were drilled with a 5 1/2-inch bit and face sampling hammer.<br>• Aircore holes were drilled with an 83mm diameter blade bit. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***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>• RC and aircore samples were visually assessed for recovery.<br>• Samples are considered representative with generally good recovery. Deeper RC and aircore holes encountered water, with some intervals having less than optimal recovery and possible contamination.<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 intersections logged.* | • 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>• RC and diamond sample results are appropriate for use in a resource estimation, except where sample recovery is poor.<br>• The aircore results provide a good indication of mineralisation but are not used in resource estimation. |
| ***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.* | • 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.<br>• 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.<br>• 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.<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<br>• Core and RC samples are appropriate for use in a resource estimate.<br>• 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*** | • *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>• 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<br>• 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<br>• The techniques are considered quantitative in nature.<br>• As discussed previously 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.* | • Diamond and RC drill hole collar locations are located by DGPS to an accuracy of +/-10cm.<br>• Aircore hole collar locations are located by DGPS to an accuracy of +/-10cm., or by handheld GPS to an accuracy of 3m.<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 airphoto 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 Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Drill spacing varies from 80m x 40m to 320m x 80m.<br>• All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation.<br>• 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.<br>• Sample compositing has not been applied except in reporting of drill intercepts, as described in this Table |
| ***Orientation of data in relation to*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | • The drilling is believed to be approximately perpendicular to the strike of mineralisation where known and therefore the sampling is considered representative |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***geological structure*** | • *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.* | 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 is allowed for 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.* | • Drilling occurs on various tenements held by De Grey Mining Ltd or its 100% owned subsidiaries.<br>• The Hemi Prospect is approximately 60km SSW of Port Hedland. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • 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*** | • *Deposit type, geological setting and style of mineralisation.* | • 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*** | • *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*<br>• *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* | • Drill hole location and directional information provide in the report. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *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 to a minimum cutoff grade of 0.5g/t gold with an internal dilution of 4m maximum.<br>• Higher grade intervals included in the above intercepts are reported at a 3g/t Au lower cut with an internal dilution of 2m maximum.<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 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*** | • *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 and 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 drill collar locations are shown in figures and all significant results are provided in this report.<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.* | • Drilling is currently widely spaced and further details will be reported in future releases when data is available. |
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth 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.* | • Follow up aircore drilling will be undertaken to test for strike extensions to mineralisation.<br>• Programs of follow up RC and diamond drilling aimed at extending resources at depth and laterally are underway. |