

ASX ANNOUNCEMENT

30 November 2020

High Grade Depth Extensions and Visible Gold at Falcon**Highlights:**

- **Broad mineralised zone extended from 800m to more than 1,000m along strike and 300m below surface at Falcon**
- **31m @ 3.3g/t Au from 101m in HERC296:**
 - 50m downdip of previous intersection of **50m @ 3.3g/t Au** from 50m in HERC265
 - Mineralisation remains open across strike and down dip
- **42m of sulphide altered intrusion containing visible gold intersected in HERC402D:**
 - Extends mineralisation 50m – 100m below previous intersection of **25m @ 2.2g/t Au** from 124m in HERC256
 - Mineralisation open down dip of HERC402D and up dip of HERC256
- **Other intersections along the well mineralised zone include:**
 - **74m @ 0.9g/t Au** from 88m and **31m @ 1.3g/t Au** from 209m in HERC414
 - **32m @ 2.4g/t Au** from 43m and **8m @ 5.5g/t Au** from 99m in HERC412
- **Falcon remains open along strike, down dip and at depth with extensional RC and diamond drilling continuing**

De Grey Managing Director, Glenn Jardine, commented:

"Falcon was identified as a separate intrusion zone at Hemi in September. The Company has been following up the initial positive shallow aircore drill results with infill and extensional RC and diamond drilling.

The latest results demonstrate the gold endowment of this zone along a strike of 1,000m and to a depth of at least 300m. Mineralisation remains open down dip, along this strike and up dip on some sections.

Falcon has the potential to provide an important contribution to the overall gold endowment at Hemi. Extensional RC and diamond drilling will remain a focus at Falcon.

The Company has seven drill rigs operating on site; two aircore rigs, three RC rigs and two diamond rigs. A third diamond rig is being mobilised and is expected to commence by early December. As well as delineating the existing zones at Hemi, aircore and RC drilling is now progressively expanding to known and new intrusive targets in the Greater Hemi area."

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 new Falcon intrusion is located approximately 600m west of Brolga and immediately south of Aquila. The intrusion is now defined by aircore drilling over approximately 3.0km in strike. Strong mineralisation has been defined over a strike length of approximately 1km (Figure 1). The bedrock mineralisation is covered by approximately 30m to 40m of transported material. This is similar to the Aquila, Brolga and Crow deposits.

The mineralisation is intimately associated with highly brecciated and extensively sulphide altered portions of the north-south orientated subvertical intrusion. The style and intensity of alteration and brecciation is similar to the nearby Aquila deposit.

Significant new gold results in drilling are provided in Table 1 and Figures 1 – 4. New diamond core photographs from HERC402D are seen in Figures 4 and 5 (and included in Table 2).

RC and Diamond Drilling

Step out RC and diamond drilling results show continued robust and broad zones of gold mineralisation up to 80m wide, +250m down dip and over 1km strike, with mineralisation remaining open at depth. Many of the sections show a thicker, upper zone of mineralisation below the hanging wall of the intrusion, with a second, narrow zone of mineralisation above the footwall.

RC drilling is continuing on an 80m x 40m pattern, with diamond tails to test mineralisation at depth.

RC drilling up-dip of previous drill diamond hole HERC253D on section 7691960N intersected **32m @ 2.4g/t Au** from 43m and **8m @ 5.5g/t Au** from 99m in HERC412 (Figure 2).

Mineralisation remains open up-dip of drill hole HERC256 on section 7691560N (Figure 3).

A diamond tail on hole HERC402D on section 7691560N, has intersected highly brecciated and sulphide altered intrusion from 198-240m with the hole finishing at 400m (Figure 4). **Visible gold was noted at 210m** (Figure 5). This hole is targeting mineralisation at depth below the previously reported intersection of **25m @ 2.2g/t Au** from 124m in HERC256. Examples of the mineralisation intersected in the diamond hole at depth are shown in Figures 4 and 5. Assays remain pending for this diamond core hole, in addition to a number of RC and diamond holes drilled in the ongoing program.

Mineralisation remains open at depth on section 7691320 below HERC296 which intersected **31m @ 3.3g/t Au** from 101m extending the mineralised horizon beyond the previous result of **12m @ 2.0g/t Au** (Figure 6).

Significant new RC and diamond drilling results (>10gm*m) include:

7691960N	32m @ 2.4g/t Au from 43m in HERC412 (incl 2m @ 12.8g/t Au from 60m) and 8m @ 5.5g/t Au from 99m in HERC412 (incl 2m @ 13.4g/t Au from 104m) 5.5m @ 2.6g/t Au from 281.75m in HERC254D (incl 1.1m @ 10.8g/t Au from 286.16m)
7691880N	74m @ 0.9g/t Au from 88m in HERC414 and 10m @ 1.9g/t Au from 186m (incl 3m @ 3.3g/t Au from 188m) and 31m @ 1.3g/t Au from 209m (incl 2m @ 5.9g/t Au from 231m) 24.5m @ 0.6g/t Au from 102.52m in HERC245D and 9.5m @ 2.5g/t Au from 132m (incl 1m @ 9.4g/t Au from 136m) and 10m @ 2.7g/t Au from 160m 10m @ 1.8g/t Au from 62m in HERC413
7691800N	25.4m @ 1.8g/t Au from 226.6m in HERC236D (incl 1m @ 9.3g/t Au from 234m and 3m @ 3.2g/t Au from 244m) and 12.6m @ 1.1g/t Au from 271.36m
7691400N	8m @ 1.6g/t Au from 267.54m in HERC263D
7691320N	31m @ 3.3g/t Au from 101m in HERC296 (incl 7m @ 10g/t Au from 119m)
7691240N	10m @ 1g/t Au from 230m in HERC406
7691000N	11m @ 1g/t Au from 213m in HERC273

Figure 1: Falcon – Northern drilling location plan showing RC drilling results.

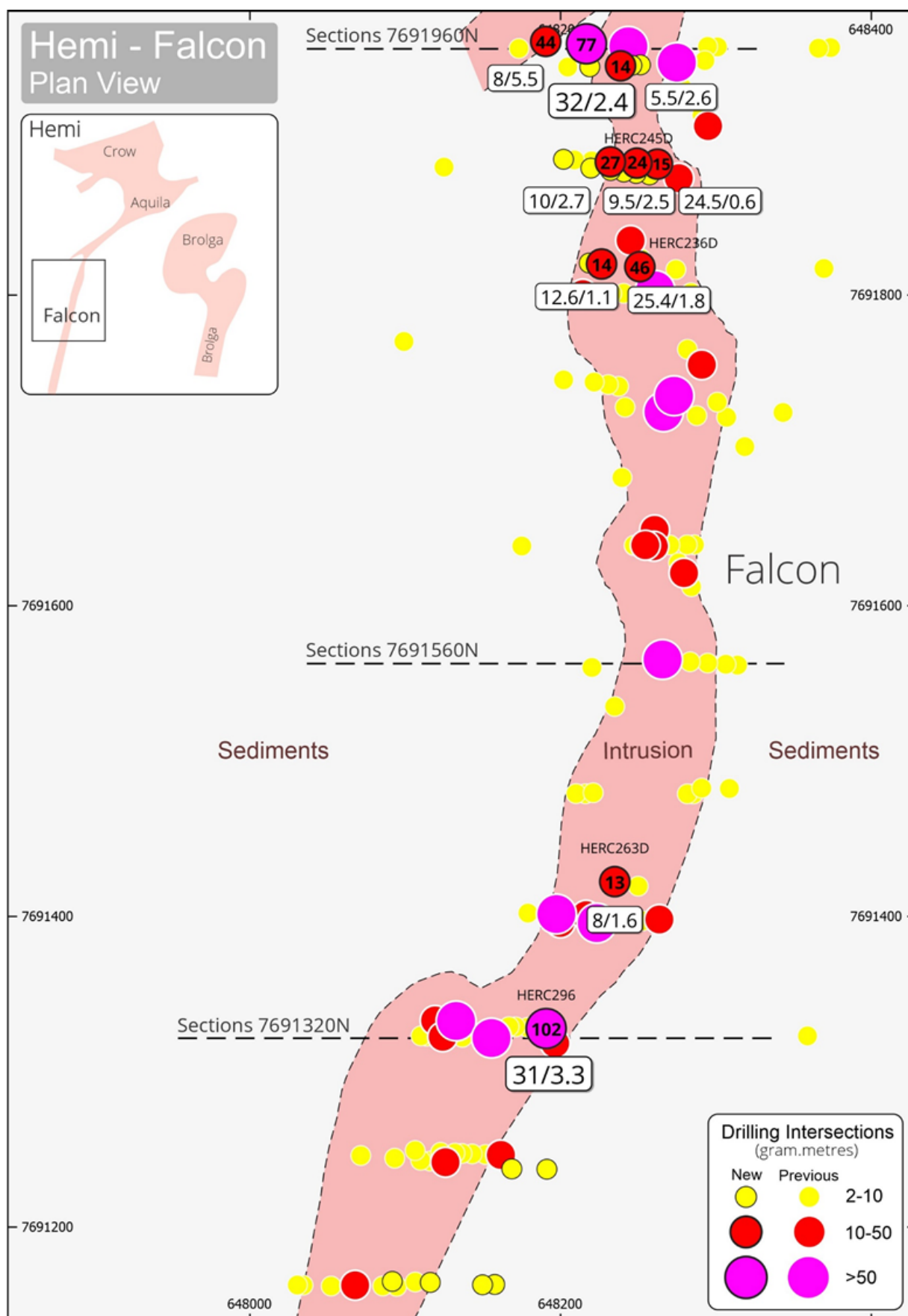


Figure 2: Falcon – Section 7691960N

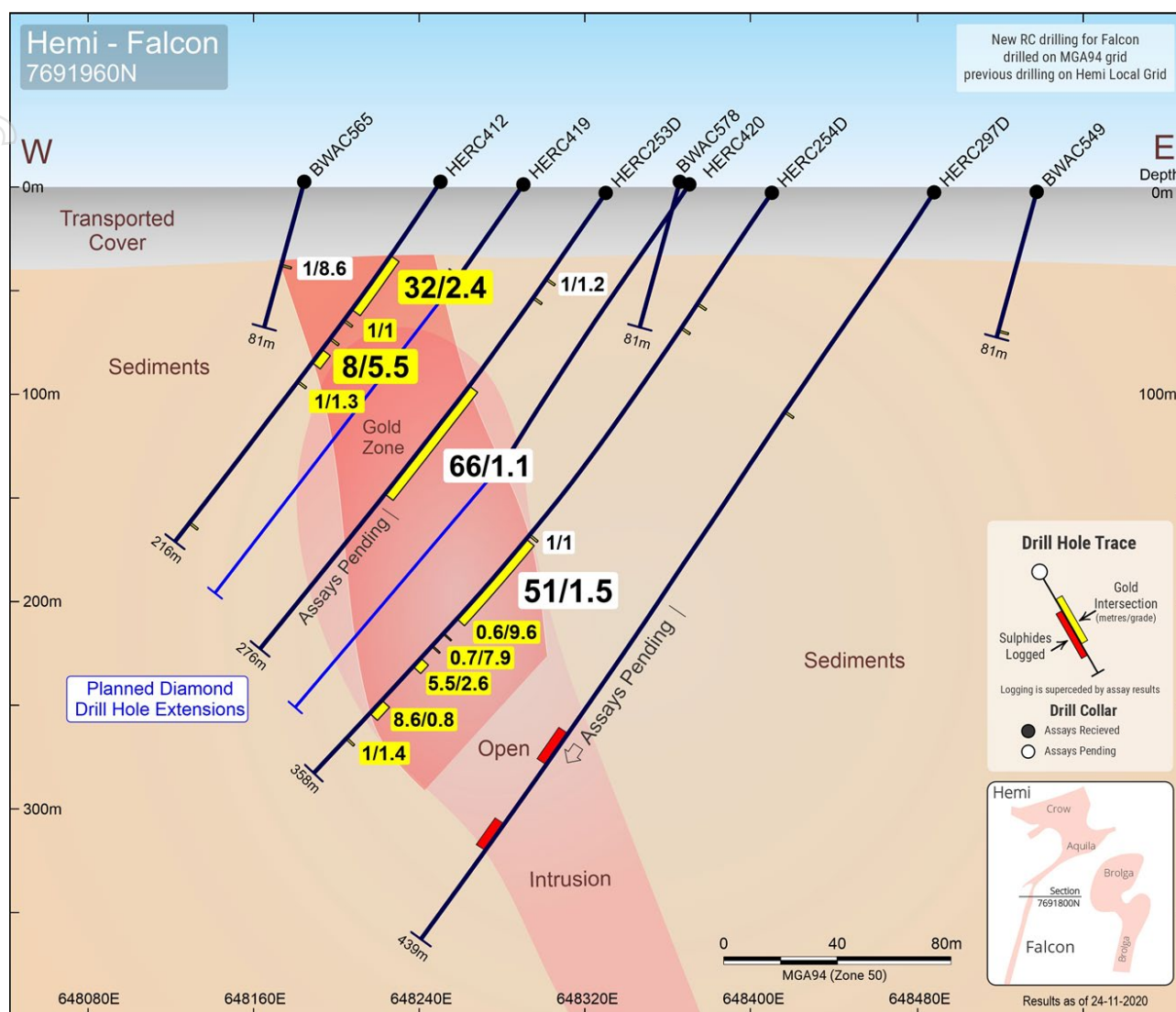


Figure 3: Falcon – Section 7691560N
(Refer to core photo in Figures 4 and 5)

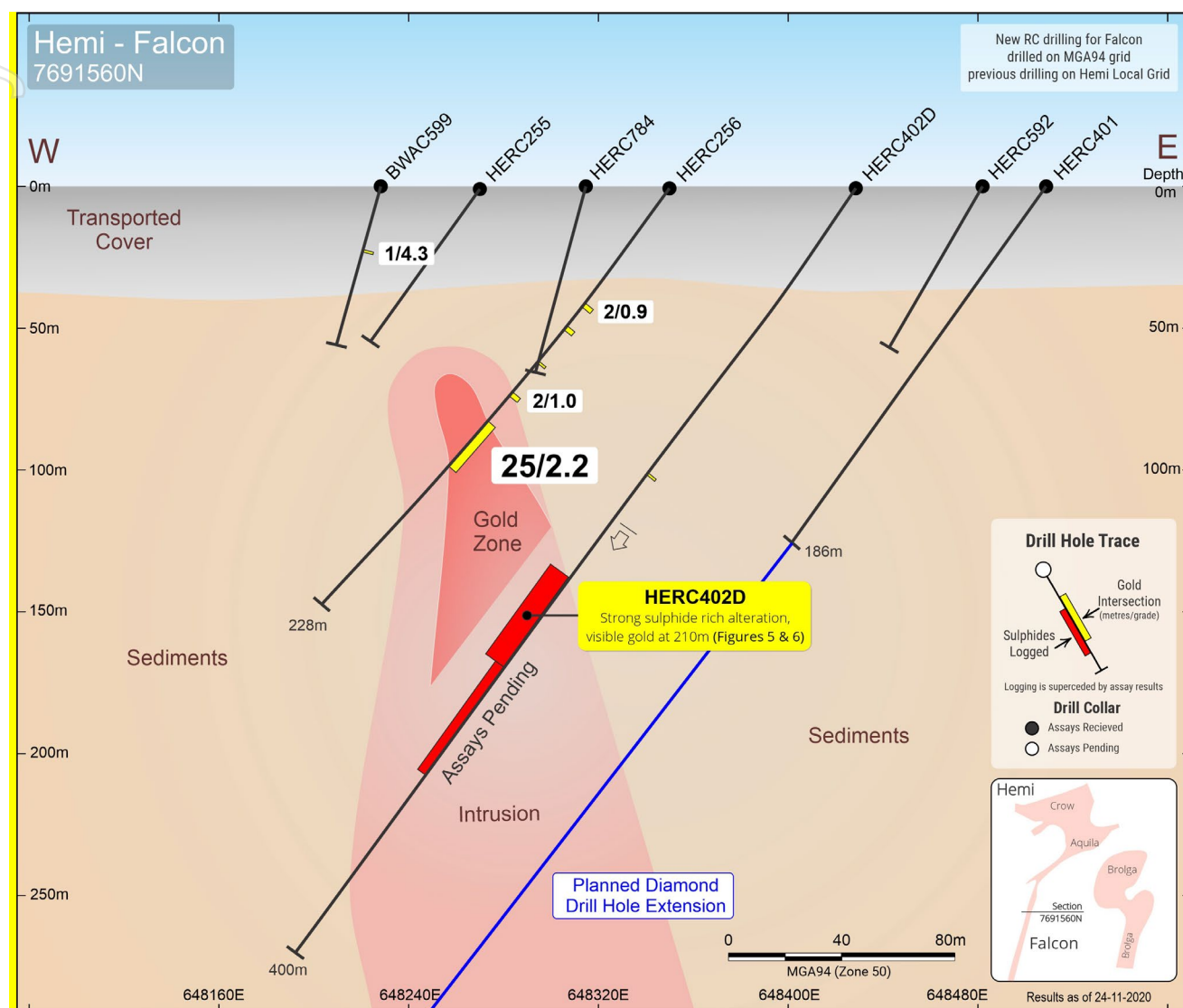


Figure 4 Falcon HERC402D – Photograph of strong sulphide rich alteration and brecciation from 234m to 238.5m (assay results pending).

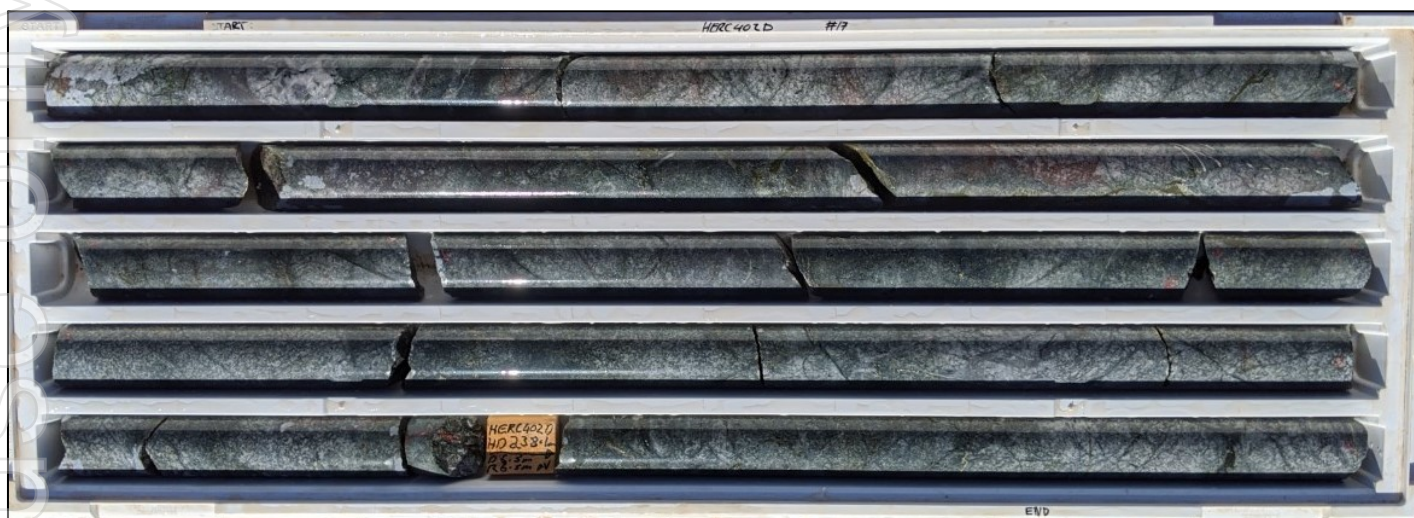
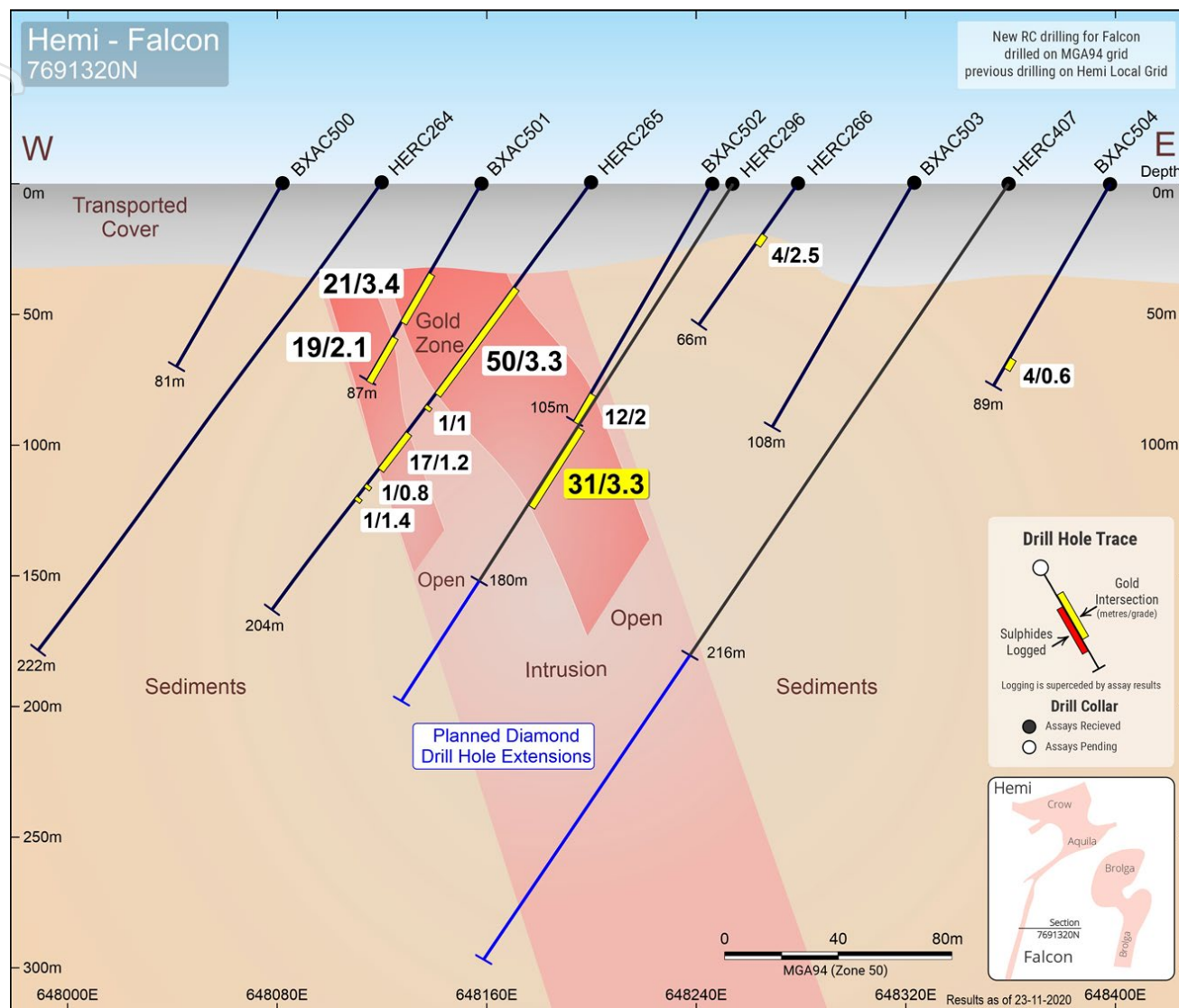


Figure 5 Falcon HERC402D – Photograph of visible gold at 210m (assay results pending).



Figure 6: Falcon – Section 7691320N



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.

Material ASX Release References since June 2020 that relate to the 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
- High-grade extensions at Crow and Aquila, 12 November 2020

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

HoleID	Zone	Depth From (m)	Depth To (m)	Down hole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (°)	Azimuth (GDA94)	Hole Depth (m)	Hole Type	Comments
HERC236D	Falcon	226.6	252.0	25.4	1.8	648402	7691817	69	-55	270	330	DD	
incl	Falcon	234.0	235.0	1.0	9.3	648402	7691817	69	-55	270	330	DD	
incl	Falcon	244.0	247.0	3.0	3.2	648402	7691817	69	-55	270	330	DD	
HERC236D	Falcon	271.4	284.0	12.6	1.1	648402	7691817	69	-55	270	330	DD	
HERC236D	Falcon	289.1	291.0	1.9	3.5	648402	7691817	69	-55	270	330	DD	
HERC245D	Falcon	102.5	127.0	24.5	0.6	648330	7691880	69	-55	269	276	DD	Significant core loss
HERC245D	Falcon	132.0	141.5	9.5	2.5	648330	7691880	69	-55	269	276	DD	Significant core loss
incl	Falcon	136.0	137.0	1.0	9.4	648330	7691880	69	-55	269	276	DD	Significant core loss
incl	Falcon	141.0	141.5	0.5	8.2	648330	7691880	69	-55	269	276	DD	Significant core loss
HERC245D	Falcon	160.0	170.0	10.0	2.7	648330	7691880	69	-55	269	276	DD	Significant core loss
HERC245D	Falcon	214.0	216.2	2.2	1.6	648330	7691880	69	-55	269	276	DD	Significant core loss
HERC254D	Falcon	265.3	265.9	0.6	9.6	648410	7691960	69	-55	269	358	DD	
HERC254D	Falcon	273.4	274.1	0.7	7.9	648410	7691960	69	-55	269	358	DD	
HERC254D	Falcon	281.8	287.3	5.5	2.6	648410	7691960	69	-55	269	358	DD	
incl	Falcon	286.2	287.3	1.1	10.8	648410	7691960	69	-55	269	358	DD	
HERC254D	Falcon	309.4	318.0	8.6	0.8	648410	7691960	69	-55	269	358	DD	
HERC261D	Falcon	256.5	261.0	4.5	0.6	648410	7691880	69	-56	268	402	DD	
HERC261D	Falcon	272.4	274.7	2.3	3.3	648410	7691880	69	-56	268	402	DD	
incl	Falcon	274.1	274.7	0.7	9.0	648410	7691880	69	-56	268	402	DD	
HERC261D	Falcon	284.6	289.8	5.2	0.6	648410	7691880	69	-56	268	402	DD	
HERC261D	Falcon	298.0	305.6	7.6	0.7	648410	7691880	69	-56	268	402	DD	
HERC261D	Falcon	323.4	323.9	0.5	5.1	648410	7691880	69	-56	268	402	DD	
HERC263D	Falcon	267.5	275.5	8.0	1.6	648399	7691400	70	-56	276	372	DD	

HoleID	Zone	Depth From (m)	Depth To (m)	Down hole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (°)	Azimuth (GDA94)	Hole Depth (m)	Hole Type	Comments
HERC270	Falcon	105.0	107.0	2.0	1.8	648180	7691160	70	-56	274	258	RC	
HERC270	Falcon	144.0	150.0	6.0	0.6	648180	7691160	70	-56	274	258	RC	
HERC273	Falcon	195.0	198.0	3.0	1.5	648080	7691000	71	-65	269	276	RC	
HERC273	Falcon	213.0	224.0	11.0	1.0	648080	7691000	71	-65	269	276	RC	
incl	Falcon	213.0	214.0	1.0	4.4	648080	7691000	71	-65	269	276	RC	
HERC274	Falcon	135.0	136.0	1.0	8.6	647999	7690920	71	-54	272	198	RC	
HERC281	Falcon	133.0	135.0	2.0	1.7	648040	7690840	71	-56	273	228	RC	
HERC282	Falcon	63.0	65.0	2.0	1.3	647880	7690760	72	-56	272	174	RC	
HERC283	Falcon	75.0	81.0	6.0	0.8	647960	7690760	71	-57	272	204	RC	
HERC286	Falcon	54.0	57.0	3.0	0.7	647882	7690680	72	-56	269	180	RC	
HERC296	Falcon	101.0	132.0	31.0	3.3	648254	7691324	70	-57	274	180	RC	
incl	Falcon	119.0	126.0	7.0	10.0	648254	7691324	70	-57	274	180	RC	
HERC403	Falcon	183.0	188.0	5.0	0.6	648259	7691159	70	-57	278	228	RC	
HERC403	Falcon	196.0	205.0	9.0	0.8	648259	7691159	70	-57	278	228	RC	
HERC404	Falcon	230.0	233.0	3.0	0.9	648239	7691080	70	-57	273	240	RC	
HERC406	Falcon	186.0	196.0	10.0	0.5	648294	7691240	70	-56	271	240	RC	
HERC406	Falcon	230.0	240.0	10.0	1.0	648294	7691240	70	-56	271	240	RC	
HERC407	Falcon	212.0	214.0	2.0	1.9	648359	7691319	70	-57	270	216	RC	
HERC412	Falcon	43.0	75.0	32.0	2.4	648250	7691960	69	-57	274	216	RC	
incl	Falcon	60.0	62.0	2.0	12.8	648250	7691960	69	-57	274	216	RC	
HERC412	Falcon	99.0	107.0	8.0	5.5	648250	7691960	69	-57	274	216	RC	
incl	Falcon	104.0	106.0	2.0	13.4	648250	7691960	69	-57	274	216	RC	
HERC413	Falcon	62.0	72.0	10.0	1.8	648290	7691880	69	-57	270	204	RC	
incl	Falcon	62.0	64.0	2.0	4.2	648290	7691880	69	-57	270	204	RC	
HERC414	Falcon	88.0	162.0	74.0	0.9	648335	7691891	69	-57	270	240	RC	

HoleID	Zone	Depth From (m)	Depth To (m)	Down hole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (°)	Azimuth (GDA94)	Hole Depth (m)	Hole Type	Comments
incl	Falcon	159.0	160.0	1.0	4.3	648335	7691891	69	-57	270	240	RC	
HERC414	Falcon	178.0	180.0	2.0	3.0	648335	7691891	69	-57	270	240	RC	
HERC414	Falcon	186.0	196.0	10.0	1.9	648335	7691891	69	-57	270	240	RC	
incl	Falcon	188.0	191.0	3.0	3.3	648335	7691891	69	-57	270	240	RC	
HERC414	Falcon	209.0	240.0	31.0	1.3	648335	7691891	69	-57	270	240	RC	Ends in mineralisation
incl	Falcon	231.0	233.0	2.0	5.9	648335	7691891	69	-57	270	240	RC	

Table 2 - Sulphide zones logged in Diamond hole (tails)

HoleID	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Sulphide Interval (m)
HERC402D	648428	7691561	69.3	-56.3	272.6	399.6	204.7-251.3
HERC297D	648488	7691959	69.0	-56.8	266.4	438.6	318.4-337.1, 370.0-373.6, 384.0-391.1

Cautionary Note: The sulphide zones listed in Table 2 are based on 1m geological logging of the drill samples at the rig. The geologist logs the rock type, alteration and determines an estimate of the sulphide abundance based on training and standardised techniques. The intervals are based on average sulphide percentages approximating >5%, however it is noted that due to the fine grained nature of the mineralisation there is an inherent difficulty in the accuracy of the estimate. The intervals remain to be assayed which will provide a more accurate sulphide abundance.

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"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<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"> <i>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.).</i> 	<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"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may</i> 	<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

Criteria	JORC Code explanation	Commentary
	<i>have occurred due to preferential loss/gain of fine/coarse material.</i>	<p>with generally good recovery. Deeper RC and 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"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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. 	<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"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<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"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<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"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<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	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	<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

Criteria	JORC Code explanation	Commentary
geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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. This is allowed for when geological interpretations are completed.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<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"> The results of any audits or reviews of sampling techniques and data. 	<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"> 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. 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. 	<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"> Acknowledgment and appraisal of exploration by other parties. 	<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"> Deposit type, geological setting and style of mineralisation. 	<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"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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 	<ul style="list-style-type: none"> Drill hole location and directional information provide in the report.

Criteria	JORC Code explanation	Commentary
	<i>of the report, the Competent Person should clearly explain why this is the case.</i>	
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 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> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</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 with an internal dilution of 2m maximum. 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.