

ASX ANNOUNCEMENT

4 February 2021

Greater Hemi: Gold targets light up at Scooby/Antwerp

Highlights:

- **Scooby - 2km x 1km gold-arsenic zone defined in aircore drilling with coincident Induced Polarisation (IP) target**
 - Significant new shallow gold intercepts in aircore include:
 - **3m @ 97.4g/t Au** from 45m in BXAC437 incl **1m @ 264.0g/t Au** from 45m
 - **10m @ 2.1g/t Au** from 48m in BWAC630
 - **3m @ 1.5g/t Au** from 48m in BWAC635
 - **2m @ 4.8g/t Au** from 39m in BXAC436
 - Previously reported RC results include:
 - **14m @ 3.5g/t Au** from 37m in SCRC007
 - **15m @ 0.7g/t Au** from 38m in SCRC001
 - 2km x 600m gradient array IP target coincident with the gold-arsenic mineralisation
- **Antwerp – ~2km x ~1km gold-arsenic zone defined in aircore drilling**
 - Significant shallow gold in previous aircore intercepts include:
 - **4m @ 21.7g/t Au** from 32m in BWAC211 (previously reported)
 - **6m @ 10.7g/t Au** from 4m in BWAC185 (previously reported)
 - **23m @ 0.6g/t Au** from 52m in BXAC052
 - Quartz veined and altered intrusion intersected in limited shallow RC drilling. Significant new results include:
 - **6m @ 1.4g/t Au** from 62m in HERC146
 - **3m @ 1.1g/t Au** from 96m in HERC146
 - Potential for Antwerp to link with the recently discovered Eagle zone
- **IP surveys planned at Antwerp, Diucon & Eagle - aid targeting beneath the transported cover**
- **Reconnaissance aircore drilling completed at Shaggy and Alectroenas – results within**
- **New Greater Hemi results follow the recent discoveries at Diucon and Eagle**

De Grey Technical Director, Andy Beckwith, commented:

“Recent exploration activities at Scooby and Antwerp have identified widespread gold mineralisation in aircore drilling warranting follow-up RC drilling. This drilling will commence in the near future in parallel with resource delineation and extension drilling at Hemi, including at the recently discovered Diucon and Eagle zones.

The new IP target coincident with gold and arsenic mineralisation at Scooby are encouraging. The IP results potentially provide a new tool to identify and prioritise targets beneath the transported cover. Diucon, Eagle and Antwerp will be our next priority IP areas.”

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide an exploration update for activities at the Greater Hemi Intrusion targets, surrounding the Hemi Gold Discovery, located approximately 60km south of Port Hedland in Western Australia.

The Greater Hemi area is approximately 15km by 10km, excluding the Brierly Link zone (Figure 1). The Greater Hemi Intrusion targets include Scooby to the east and Antwerp, Alectroenas and Shaggy to the west of Hemi.

The Company has been undertaking exploration within the Greater Hemi area using systematic aircore drilling, geophysical and geochemical techniques to identify mineralised intrusions based on recent experience from the Hemi discovery. Between January 2020 and early February 2021, the Company has drilled 2,135 aircore holes for 140,532 metres. This includes discovery drilling at Hemi, Falcon, Diucon and Eagle together with widespaced reconnaissance drilling at Scooby, Antwerp, Alectroenas and Shaggy. The aircore drilling has been an efficient discovery tool with over 20% of holes intersecting gold mineralisation >0.1g/t Au and 9% of holes defining zones >0.5g/t Au. These direct gold results together with our supporting geochemistry has been highly effective in defining the mineralised corridors for rapid follow-up RC drill testing.

Most recently, the discovery of the two new mineralised intrusions at Diucon and Eagle is a direct result of this exploration strategy. These two new zones did not show up as magnetic anomalies and were discovered using systematic aircore drilling. New geophysical techniques including induced polarisation (IP) are currently being trialled to provide additional targeting techniques due to the variation in magnetic responses. A combination of these exploration approaches is being used to identify and prioritise high prospectivity targets for follow up RC drilling at Scooby and Antwerp.

New gold intersections greater than 0.1g/t Au in aircore drilling and 0.5g/t Au in RC drilling are shown in Table 1.

Scooby

At Scooby, aircore drilling has outlined a zone of anomalous gold and arsenic mineralisation of approximately 2km in strike and up to 1km wide with a coincident bedrock conductivity IP anomaly (Figure 2). The IP anomaly is interpreted to represent disseminated sulphide-rich mineralisation within the fresh bedrock at depth.

The anomalous gold and arsenic mineralisation is based on aircore drilling. The shallow high grade intercept of **3m @ 97.4g/t Au from 45m** including **1m @ 264g/t Au and 2m @ 4.8g/t Au** occurs at the uppermost weathered bedrock interface with the transported cover sequence.

Aircore drilling at Scooby has been completed to an average depth of approximately 50 to 60 metres. This is due to the hardness of bedrock and aircore rig penetration. The shallow penetration of the aircore drilling provides information on only a relatively thin veneer of the underlying intrusion. In areas where deeper aircore drilling has been achieved, broad lower grade intercepts (i.e. 48m @ 0.2g/t Au) suggest wider zones of mineralisation and alteration occur.

Figure 1: Greater Hemi region showing Hemi and the surrounding target areas

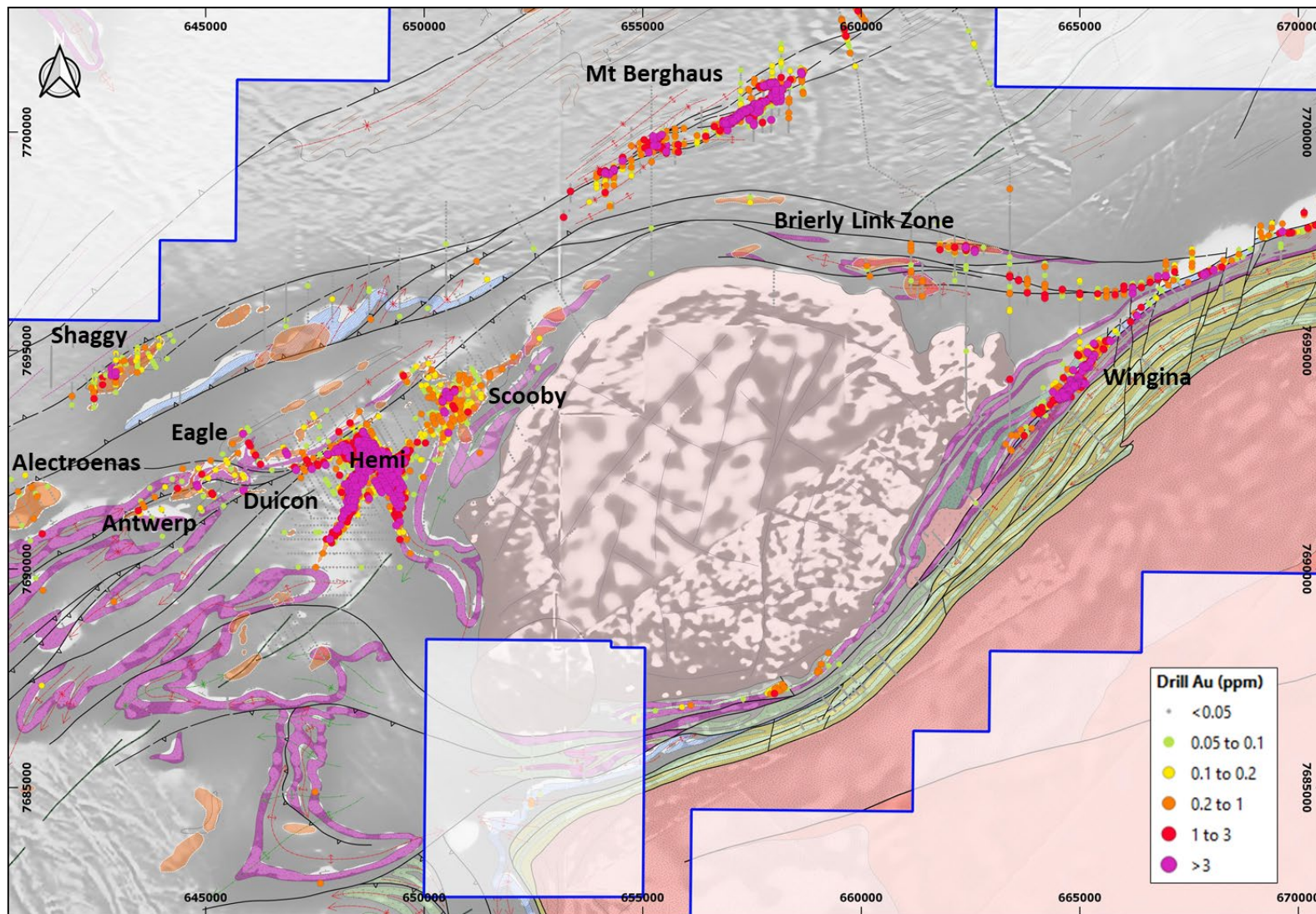
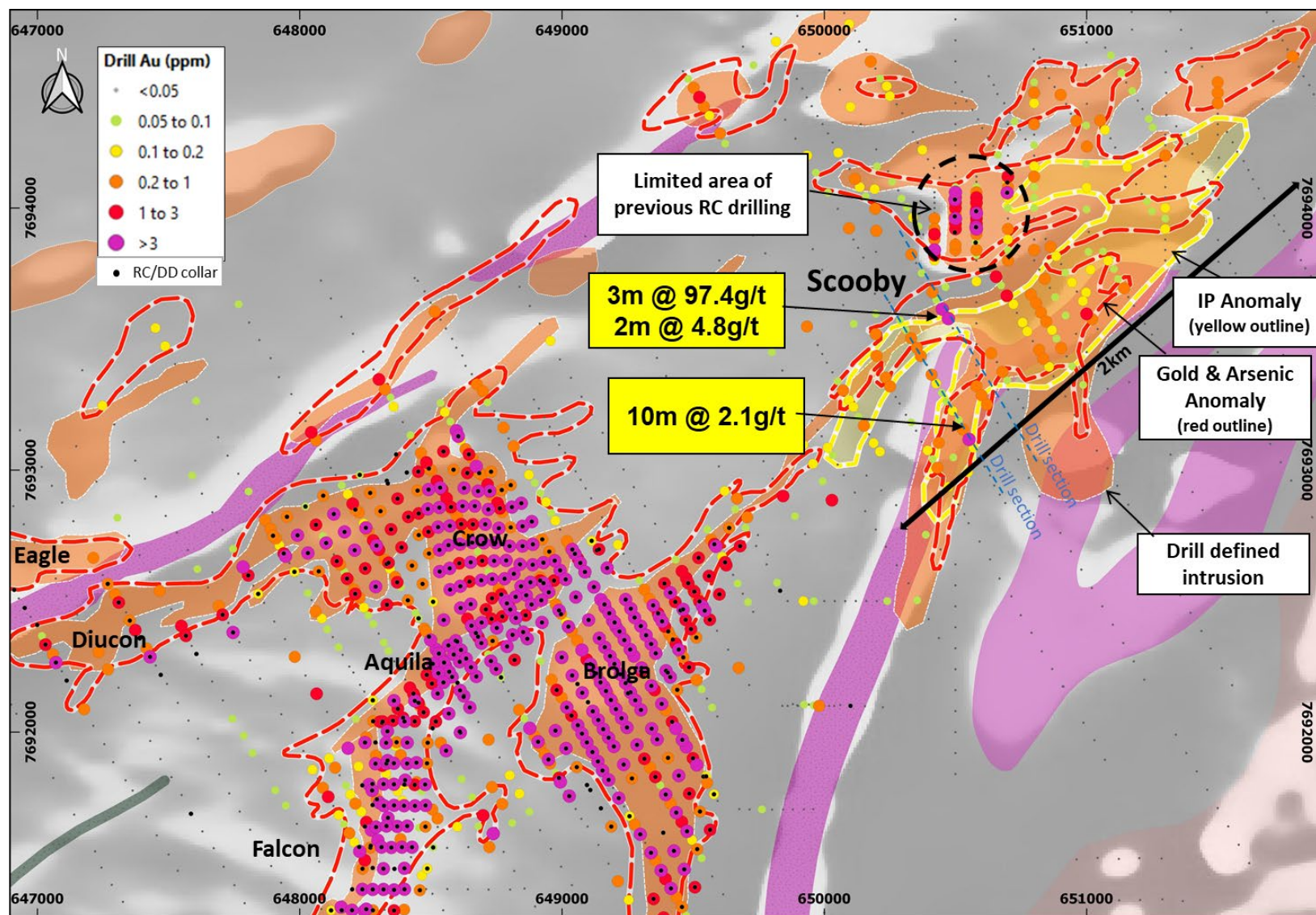


Figure 2: Large gold-arsenic anomaly and coincident IP anomaly at Scooby



Aircore drilling results at Scooby include:

- **3m @ 97.4g/t Au** from 45m in BXAC437 incl **1m @ 264g/t Au** from 45m
- **10m @ 2.1g/t Au** from 48m in BWAC630 incl **1m @ 14.1g/t Au** from 50m
- **2m @ 4.8g/t Au** from 39m in BXAC436 incl **1m @ 8.6g/t Au** from 39m
- **3m @ 1.5g/t Au** from 48m in BWAC635

The IP anomaly has been defined by a recent trial gradient array IP survey over Scooby. The survey aimed to define potential sulphide-rich zones within the bedrock intrusion. The anomaly is interpreted to represent zones of disseminated pyrite and arsenopyrite associated with the gold mineralisation in the fresh bedrock.

Limited RC drilling has previously been conducted in the northern portion of anomalous gold-arsenic mineralisation and north of the main IP anomaly (refer to Figure 2). Drilling has intersected mineralised intercepts of greater than 0.5g/t Au associated with quartz veining in the intrusion or at the supergene zone immediately below the transported sequence. Significant previously reported RC results include:

- **14m @ 3.5g/t Au** from 37m in SCRC007
- **15m @ 0.7g/t Au** from 38m in SCRC001

The Scooby target now represents an encouraging large geochemical and IP target with known gold mineralisation hosted in altered intrusion.

A program of RC drilling at Scooby will commence shortly, targeting the higher grade gold mineralisation within the IP target. This drilling will test to approximately 200m depth being the current limit of RC drilling. Mineralisation could extend beyond 200m depth and outside of the target area.

Antwerp

Widespaced aircore drilling, on variably spaced lines 160m to 320m apart, has been completed. The more recent aircore drilling highlights a series of gold-arsenic intersections distributed throughout the Antwerp intrusion complex over an area 2km x 1km. The recent result of **23m @ 0.6g/t Au** from 52m in BXAC052 demonstrates potential for a broadly mineralised system. Drilling shows that the depth of cover significantly reduces to approximately 5m in the western portion of the prospect area.

To date, limited RC drilling (six holes - refer to Figure 3) has intersected quartz veined and altered intrusion with potentially mineralisation at shallow depths (<100m).

Significant new RC results include:

- **6m @ 1.4g/t Au** from 62m in HERC146

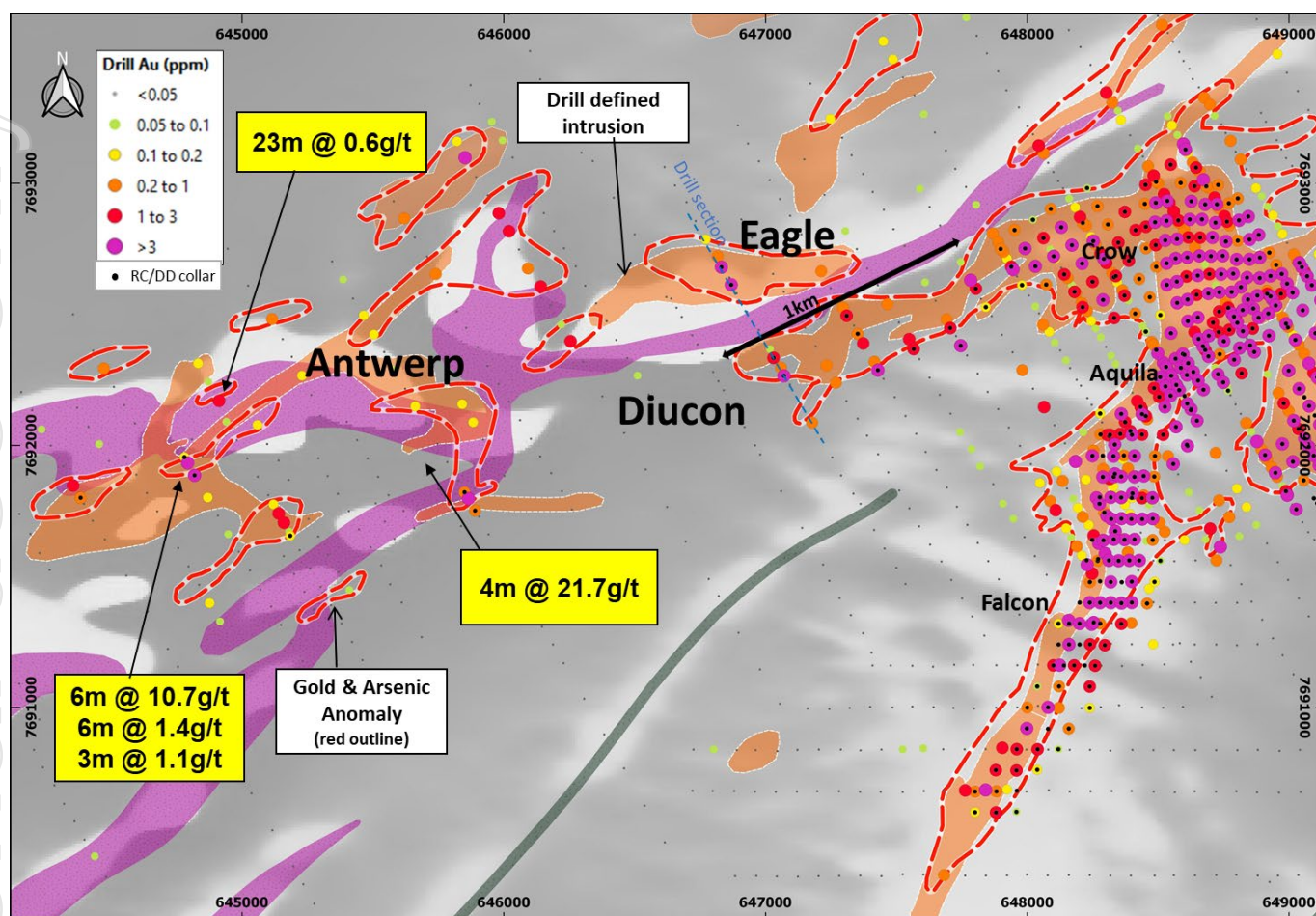
Previously reported aircore intercepts from Antwerp include:

- **6m @ 10.73g/t Au** from 4m in BWAC185
- **4m @ 21.7g/t Au** from 32m in BWAC211

The recent encouraging gold mineralisation defined in RC drilling at the Eagle intrusion, to the immediate east, has the potential to link up with zones within the Antwerp intrusion complex. Step out RC drilling will test this potential.

The trial gradient array IP survey at Scooby has provided a new tool to target potential sulphide mineralisation. Accordingly, a gradient array IP survey is planned at priority areas - Antwerp, Diucon and Eagle - to aid targeting beneath the transported cover.

Figure 3: Antwerp gold-arsenic anomalies



Alectroenas

First pass, widespaced aircore drilling on 320m spaced lines and holes spaced 80m along lines has been completed (Figure 4). Results show elevated zones at the northern and southern margins of the intrusion, to a peak result of **1.1g/t Au**, with a best intersection of **12m @ 0.5g/t Au** from 32m in BXAC876. Follow-up drilling and IP surveys are currently being planned.

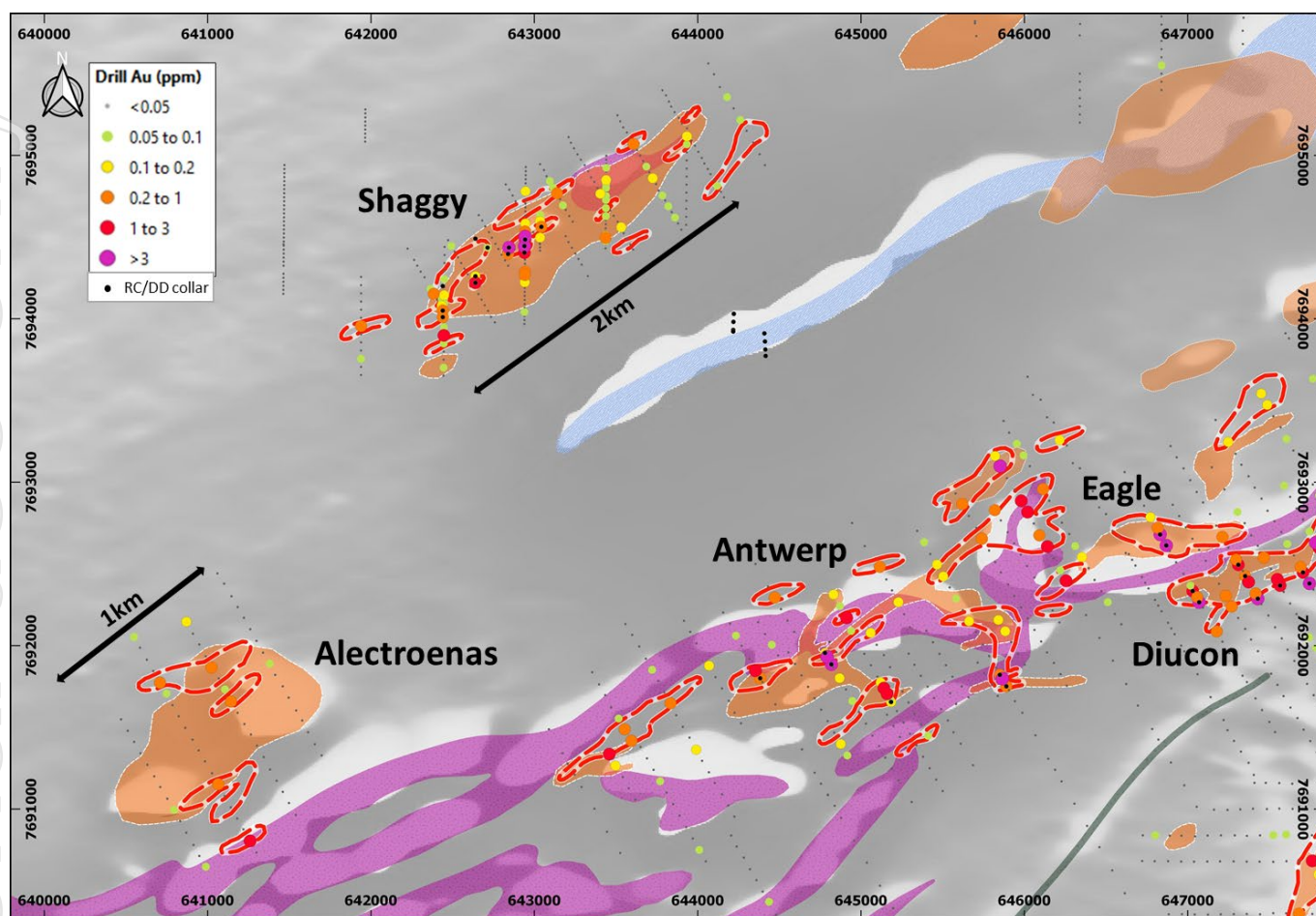
Shaggy

Historical and recent infill aircore drilling on 320m spaced lines has defined a semi continuous zone of anomalous gold-arsenic mineralisation along the northern margin of the intrusion (Figure 4). The recent aircore drilling includes anomalous gold zone less than 0.1g/t Au and additional multi-element analysis is expected to aid targeting. Historical RC and aircore drilling targeting this contact has returned significant intercepts including:

- **21m @ 0.7g/t Au** from 27m in LGAC802
- **32m @ 0.4g/t Au** from 40m in INRC189
- **13m @ 1.0g/t Au** from 39m in INRC190
- **12m @ 1.2g/t Au** from 99m in INRC192

Data review and planning of follow up work, including potential IP surveys and aircore, is underway.

Figure 4: Shaggy and Alectroenas gold-arsenic anomalies



**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 FY2021 that relate to Hemi and Greater Hemi 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, 30 November 2020*
- *Exploration Update, 4 December 2020*
- *Strong infill and extensional results at Brolga, 21 December 2020*
- *Consistent extensive gold endowment at Falcon, 13 January 2021*
- *Diucon and Eagle: Two new intrusion hosted gold discoveries at Hemi, 29 January 2021*

Table 1: Significant new aircore results (0.1g/t Au lower cut off) and RC results (0.5g/t Au lower cut off)

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL	Dip (°)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
HERC146	Antwerp	62.0	68.0	6.0	1.4	644819	7691886	68	-56	333	162	RC
incl	Antwerp	66.0	67.0	1.0	4.3	644819	7691886	68	-56	333	162	RC
HERC146	Antwerp	96.0	99.0	3.0	1.1	644819	7691886	68	-56	333	162	RC
BXAC052	Antwerp	52.0	75.0	23.0	0.6	644912	7692170	70	-60	329	75	AC
BXAC057	Antwerp	76.0	88.0	12.0	0.3	644472	7692294	66	-60	329	89	AC
BXAC102	Antwerp	12.0	16.0	4.0	0.8	643595	7691418	72	-60	329	66	AC
BXAC103	Antwerp	68.0	79.0	11.0	0.9	643459	7691336	69	-60	329	81	AC
BXAC862	Alectroenas	20.0	40.0	20.0	0.3	640708	7691773	70	-60	331	70	AC
BXAC876	Alectroenas	32.0	44.0	12.0	0.5	641260	7690805	68	-60	331	66	AC
BWAC553	Brolga-Falcon	68.0	79.0	11.0	0.3	648699	7691682	69	-60	332	81	AC
BWAC554	Brolga-Falcon	42.0	44.0	2.0	1.7	648738	7691613	70	-60	332	75	AC
BWAC554	Brolga-Falcon	52.0	55.0	3.0	0.7	648738	7691613	70	-60	332	75	AC
BXAC253	BrolgaNE	60.0	80.0	20.0	0.4	649843	7692901	68	-60	330	81	AC
BZAC189	BrolgaNE	52.0	56.0	4.0	1.2	650029	7692885	68	-60	331	81	AC
BWAC835	CrowN	52.0	56.0	4.0	0.6	648698	7693301	67	-60	332	73	AC
BWAC863	CrowN	28.0	48.0	20.0	0.8	648302	7693346	66	-60	332	81	AC
BWAC874	CrowN	40.0	48.0	8.0	0.4	648044	7693144	66	-60	332	72	AC
BWAC874	CrowN	69.0	72.0	3.0	0.7	648044	7693144	66	-60	332	72	AC
BWAC293	Scooby	32.0	47.0	15.0	0.3	651000	7693596	69	-60	2	55	AC
BWAC619	Scooby	44.0	72.0	28.0	0.2	650331	7693503	68	-60	332	81	AC
BWAC620	Scooby	64.0	76.0	12.0	0.2	650353	7693467	68	-60	332	81	AC
BWAC629	Scooby	48.0	84.0	36.0	0.2	650528	7693155	69	-60	332	105	AC
BWAC630	Scooby	48.0	58.0	10.0	2.1	650552	7693117	69	-60	332	69	AC
incl	Scooby	50.0	51.0	1.0	14.1	650552	7693117	69	-60	332	69	AC
BWAC633	Scooby	46.0	52.0	6.0	0.4	650655	7693738	68	-60	332	62	AC
BWAC635	Scooby	48.0	51.0	3.0	1.5	650696	7693665	68	-60	332	51	AC
BWAC642	Scooby	60.0	63.0	3.0	0.9	650835	7693425	68	-60	332	66	AC
BWAC655	Scooby	40.0	56.0	16.0	0.2	651052	7694334	68	-60	332	82	AC
BWAC671	Scooby	28.0	32.0	4.0	0.7	651786	7694578	68	-60	332	61	AC
BWAC968	Scooby	36.0	84.0	48.0	0.2	649502	7694459	65	-60	332	87	AC
BWAC969	Scooby	88.0	90.0	2.0	1.4	649524	7694423	65	-60	332	91	AC
BWAC983	Scooby	44.0	48.0	4.0	0.7	650094	7693923	67	-60	330	96	AC
BXAC292	Scooby	32.0	44.0	12.0	0.3	650431	7693009	69	-60	330	56	AC
BXAC434	Scooby	56.0	64.0	8.0	0.4	650412	7693679	68	-60	331	81	AC
BXAC436	Scooby	39.0	41.0	2.0	4.8	650450	7693614	68	-60	331	77	AC
incl	Scooby	39.0	40.0	1.0	8.6	650450	7693614	68	-60	331	77	AC
BXAC437	Scooby	45.0	48.0	3.0	97.4	650473	7693578	68	-60	331	69	AC
incl	Scooby	45.0	46.0	1.0	264.0	650473	7693578	68	-60	331	69	AC
BXAC440	Scooby	44.0	49.0	5.0	0.4	650636	7693446	68	-60	331	50	AC
BXAC478	Scooby	28.0	36.0	8.0	0.5	650901	7694432	67	-60	329	62	AC
BZAC092	Scooby	32.0	45.0	13.0	0.3	650788	7693670	68	-60	331	46	AC

HoleID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL	Dip (°)	Azimuth (GDA94)	Hole Depth (m)	Hole Type
BZAC095	Scooby	44.0	48.0	4.0	0.6	650846	7693567	68	-60	331	57	AC
BXAC128	Shaggy	12.0	24.0	12.0	0.2	642384	7694153	67	-60	329	33	AC

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.

Criteria	JORC Code explanation	Commentary
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 aircore holes encountered water, with some intervals having less than optimal recovery and possible contamination. No sample bias is observed.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	<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"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<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 640m 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"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is 	<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

Criteria	JORC Code explanation	Commentary
	<i>considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	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 of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Drill hole location and directional information provide in the report.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> RC results are reported to a minimum cutoff grade of 0.5g/t gold with an internal dilution of 4m maximum. Aircore results are reported at a minimum cutoff grade of 0.1g/t gold with 4m maximum internal dilution. 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"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<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"> 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. 	<ul style="list-style-type: none"> Plans and sections are provided in the report.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<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"> 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. 	<ul style="list-style-type: none"> Drilling is currently widely spaced and further details will be reported in future releases when data is available. Gradient Array Induced Polarisation survey completed at the Scooby prospect.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<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.