

Not for release to US wire services or distribution in the United States

Completion of Bookbuild for Fully Underwritten \$300 million Placement

Highlights

- Firm commitments received for a fully underwritten two tranche Placement of approximately 285.7 million shares at a price of \$1.05 per share to raise \$300 million (before costs)
- Placement pricing represents a 5.8% discount to the last closing share price and a 12.0% discount to the 5-day VWAP
- Placement bookbuild saw strong demand from leading global investor groups both domestically and offshore, providing endorsement of the outcomes of the Definitive Feasibility Study for the Hemi Gold Project and the Company's growth plan
- Major shareholder Gold Road has provided a firm commitment for 59,675,554 New Shares under the Placement to increase its De Grey shareholding to 19.9%¹
- Proceeds from the Placement², together with existing cash, to be applied to:
 - Finalising detailed engineering, updating the Project execution plan, refine the contracting strategy, advance major Project tenders and progress the approvals processes
 - Ordering of long-lead major equipment items ahead of planned construction activities
 - Early works (where approvals allow) undertaken ahead of FID
 - Continued exploration drilling at Hemi Gold Project - Greater Hemi and Regional areas
 - General working capital purposes and costs of the Placement
- The Placement² will provide significant balance sheet strength and flexibility to progress activities to support the Project execution schedule
- Proceeds from the Placement² will enable De Grey to maintain momentum of Project advancement towards production whilst de-risking future development
- Completion of the Project financing process targeted for mid-2024 ahead of FID
- In addition, Directors have subscribed for an aggregate of 619,055 New Shares at the Placement price, subject to shareholder approval, which would raise an additional \$0.6 million

¹ Assuming no convertible securities convert, shareholder approval is obtained for Tranche 2 and prior to any further issues of De Grey securities, including the proposed issue to Directors.

² Subject to shareholder approval for Tranche 2.



For personal use only

De Grey Mining Limited (ASX: DEG, "De Grey" or "Company") is pleased to advise that the Company has received firm commitments for a fully underwritten two tranche placement of approximately 285.7 million new fully paid ordinary shares ("New Shares") at a price of \$1.05 per New Share to raise \$300 million (before costs) ("Placement")

The Placement issue price represents a 5.8% discount to the closing price of \$1.115 on Wednesday, 27 September 2023 and a 12.0% discount to the 5-day VWAP of \$1.193 on Wednesday, 27 September 2023.

The Placement was strongly supported, with high levels of institutional participation that included leading global investor groups both domestically and offshore.

Gold Road Resources Limited ("**Gold Road**"), a major shareholder of the Company, has provided a firm commitment for subscribing for:

- 49,438,097 New Shares under Tranche 1 of the Placement; and
- 10,237,457 New Shares under Tranche 2 of the Placement (being 19.9% of Tranche 2).²

Proceeds from the Placement (subject to shareholder approval for Tranche 2), together with existing cash, will be applied to:

- finalising detailed engineering, updating the Hemi Gold Project ("**Hemi**" or "**Project**") execution plan, refine the contracting strategy, advance major project tenders and progress the approvals processes;
- ordering of long-lead major equipment items ahead of planned construction activities;
- early works (where approvals allow) undertaken ahead of Final Investment Decision ("**FID**");
- continued exploration drilling across both the Greater Hemi and regional areas; and
- general working capital purposes and costs of the Placement.

The Placement will provide the Company with significant balance sheet strength and flexibility to progress activities to support the Project execution schedule.

For more information on Hemi and the Definitive Feasibility Study ("**DFS**"), refer to the ASX announcement and investor presentation released on Thursday, 28 September 2023.

Placement Details

The Placement comprises the issue of approximately 285.7 million New Shares at an offer price of \$1.05 to raise total proceeds of \$300 million (before costs). The Placement is fully underwritten and will take place in two tranches:

- Tranche 1 to raise approximately \$246.0 million via the issue of 234,269,778 New Shares utilising the Company's placement capacity under ASX Listing Rule 7.1 ("**Tranche 1**"); and
- Tranche 2 to raise approximately \$54.0 million via the issue of 51,444,508 New Shares, subject to shareholder approval to be sought at a meeting of the Company expected to be held on or around Thursday, 9 November 2023 ("**Meeting**") ("**Tranche 2**").

De Grey will resume trading on the ASX from market open today, Monday, 2 October 2023. The New Shares under Tranche 1 of the Placement are expected to settle on Thursday, 5 October 2023 and be issued and commence trading on the ASX on a normal basis on Friday, 6 October 2023. New Shares issued under the Placement will rank equally with the Company's existing shares on issue.

Details of the time and venue for the Meeting will be provided in a notice of meeting to be despatched to shareholders in due course.

Canaccord Genuity (Australia) Limited is acting as Global Coordinator, Joint Lead Manager, Joint Underwriter and Joint Bookrunner to the Placement. Argonaut Securities Pty Limited is acting as Joint Lead Manager and Joint Bookrunner, and Argonaut PCF Limited is acting as Joint Underwriter to the Placement. Azure Capital Pty Ltd acted as Corporate Adviser to the Placement and Gilbert + Tobin acted as Legal Adviser.

Timetable*

Event	Date
Trading halt lifted	Monday, 2 October 2023
Settlement of New Shares under Tranche 1	Thursday, 5 October 2023
Allotment and expected commencement of trading of New Shares under Tranche 1	Friday, 6 October 2023
Meeting to approve Tranche 2	Thursday, 9 November 2023
Settlement of New Shares under Tranche 2	Thursday, 16 November 2023
Allotment and expected commencement of trading of New Shares under Tranche 2	Friday, 17 November 2023

* This timetable is indicative only and the Company reserves the right to withdraw the Placement or vary the timetable for the Placement at any time before the issue of the relevant securities without notice, subject to the ASX Listing Rules and the Corporations Act and other applicable laws. The commencement of trading and quotation of New Shares is subject to ASX confirmation. The Company gives no assurance that such quotation will be granted.

Director participation

In addition to the Placement, four Directors have also subscribed for New Shares at the Placement price of \$1.05 per New Share, subject to shareholder approval for the purposes of ASX Listing Rule 10.11, being Mr Simon Lill (in respect of 47,620 New Shares), Mr Peter Hood (in respect of 95,240 New Shares), Ms Emma Scotney (in respect of 333,335 New Shares) and Mr Paul Harvey (in respect of 142,860 New Shares). The additional \$0.6 million funds raised would be used for general working capital purposes. Shareholder approval will be sought at a Meeting scheduled for on or around 9 November 2023.

Additional information

Additional information in relation to the Placement, the underwriting agreement with the Joint Underwriters and the Company can be found in the ASX announcements and Investor Presentation released to the ASX on Thursday, 28 September 2023, which contain important information, including a summary of the material terms of the underwriting agreement, a breakdown of sources and uses of funds and the key risks and

foreign selling restrictions with respect to the Placement. Information regarding the required shareholder approvals for the issue of New Shares under Tranche 2 and the proposed Directors' participation will be set out in the notice of meeting to be despatched to shareholders in due course.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. Investors should seek appropriate professional advice before making any investment decision. All amounts are in Australian dollars unless otherwise indicated.

An Appendix 3B will be released separately and with respect to the proposed Director Participation and the subject of shareholder approval.

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

For further information, please contact:

<p>Glenn Jardine Managing Director +61 8 6117 9328 admin@degreymining.com.au</p>	<p>Peter Canterbury Chief Financial Officer +61 8 6117 9328 admin@degreymining.com.au</p>	<p>Michael Vaughan (Media enquiries) Fivemark Partners +61 422 602 720 michael.vaughan@fivemark.com.au</p>
--	---	---

ADDITIONAL INFORMATION

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and applicable US state securities laws.

Forward looking statements disclaimer

This announcement as prepared by De Grey Mining Limited (the "**Company**" or "**DEG**") includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding dates, plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining

necessary shareholder approval(s), licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant securities exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.