

ASX ANNOUNCEMENT

Quarterly Activities Report

For the period ending 30 September 2023

25 October 2023

ASX: DEG

BOARD & MANAGEMENT

Non-Executive Chairman
Simon Lill

Managing Director
Glenn Jardine

Non-Executive Directors
Peter Hood AO
Andy Beckwith
Paul Harvey
Emma Scotney

Company Secretary
Craig Nelmes

CFO
Peter Canterbury

Project Director
Peter Holmes



Mallina
Gold Project

Highlights:

- **Hemi Gold Project Definitive Feasibility Study (DFS) Released**
 - Outstanding physical and financial metrics in high confidence DFS
 - Average annual gold production and All-in Sustaining Cost (AISC) from Hemi deposits alone of:
 - 553,000oz @ \$1,229/oz in years 1 to 5
 - 530,000oz @ \$1,295/oz in years 1 to 10
 - Peak production of 570,000oz in year 2
 - Hemi-only JORC Probable Ore Reserve increases by 0.9Moz to 121Mt @ 1.5g/t Au for 6.0Moz
 - Undiscounted free cashflow of \$6.3 billion pre-tax and \$4.5 billion post tax
 - Net Present Value (NPV_{5%}) of \$4.2 billion pre-tax and \$2.9 billion post-tax
 - Internal Rate of Return (IRR) of 45% pre-tax and 36% post-tax
 - Capital cost estimate for the 10Mtpa plant and site infrastructure of \$1,298M is inclusive of \$162M of design growth allowance and contingency, plus an additional mine pre-strip capital cost of \$47M
 - Short payback period of 1.5 years pre-tax and 1.8 years post-tax due to commencement of mining operations at high margin Brolga starter pit
 - Upside opportunities to improve the production profile above DFS levels to be actively pursued
- **Project Development**
 - Grant of the Mining Lease for Hemi by the Western Australian Department of Mines, Industry Regulation and Safety
 - Based on the compelling DFS outcomes the De Grey Board has endorsed the DFS and has approved the commencement of Project implementation activities including:
 - Ordering and placing deposits, if needed, on long lead major equipment items on the Project critical path
 - Continuing to refine the Project execution plan
 - Detailed engineering and design to a high confidence level in parallel with Project approvals
 - Refining the Project contracting strategy
 - Advancing major Project tenders
 - Progressing activities to support the Project execution schedule
 - Progressing and concluding Project financing

■ All figures are expressed as Australian dollars unless otherwise stated.

■ ¹ The mine plan contains approximately 1% Inferred Mineral Resources. An Inferred Mineral Resource has a lower level of confidence than an Indicated Mineral Resource and there is no certainty that further exploration work will result in the conversion of the Inferred mineralisation into an Indicated Mineral Resource.

■ ² AISC is based on the World Gold Council 2013 guidance note and includes all onsite costs associated with mining, processing and administration including royalties, certain sustaining and project capital and provision for post-mining rehabilitation.

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Project Financing

- Shortlisted potential debt providers will be provided with the DFS and an independent technical report to facilitate final term sheets and structuring of the Project financing package
- The high confidence production profile, Tier 1 status of Hemi, location and attractive financial outcomes of the DFS are expected to support continued strong debt funding interest and capacity
- The Company will consider a Final Investment Decision (FID) in parallel with Project financing and approvals

Exploration

- Extensional results reported outside the latest Mineral Resource Estimate (MRE) and Ore Reserve at Diucon and Eagle
- Results provide the potential for increased scale of the planned Diucon-Eagle open pits as well as enhancing underground mining potential.
- Results substantially extend mineralisation by at least 250m along strike and 250m down plunge at Eagle and by up to 800m along strike to the west at Diucon

Corporate

- 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) in early October
- End of Quarter Cash of \$83M and no debt (before any proceeds of the Placement) leaves the Company in a strong financial position to continue to advance Hemi and the Company's growth strategy
- Tranche 1 of the placement settled post quarter end has added ~\$239 million (after costs) to Cash reserves
- Andy Beckwith transitions from Executive Technical Director to Non-Executive Director
- Allan Kneeshaw promoted to role of General Manager Business Development
- Appointment of Neil Foster as Chief Sustainability and Risk Officer

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Pilbara Gold Province

Hemi is the world’s premier gold development project in a Tier 1 jurisdiction with world class infrastructure at its doorstep. Hemi is positioned in the central region of the Company’s 1,500km² Hemi Gold Project which represents a provincial scale exploration opportunity that has yet to be fully tested (Figure 1). Hemi is favourably located within 10km of two major sealed highways, approximately 5km from a gas pipeline and less than 30km from a major electricity transmission line (Figure 2).

Project Milestones to Date

- Large, high value, intrusion-hosted style of gold deposit discovered in RC drilling at Hemi in February 2020 followed by the discovery of multiple large-scale deposits within the Hemi area over 18 months
- Hemi Mineral Resource Estimate (MRE) upgraded to 9.5Moz in June 2023 and Hemi Gold Project overall MRE now 11.7Moz
- Hemi Ore Reserve upgraded to 121Mt @ 1.5g/t Au for 6.0Moz in September 2023
- Release of a Scoping Study in October 2021, a Pre-Feasibility Study in September 2022 and a Definitive Feasibility Study (DFS) in September 2023
- Board endorsement of the DFS and commencement of early Project implementation activities in September 2023, targeting first gold in H2 2026

Figure 1: Hemi Gold Project showing Hemi and Regional deposits

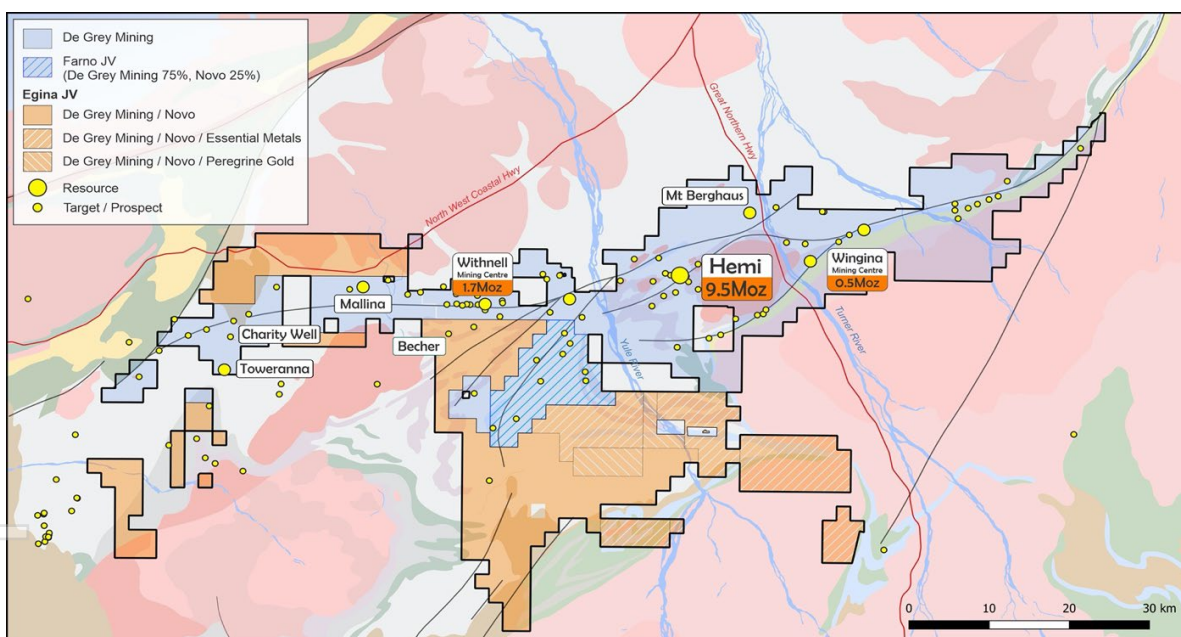
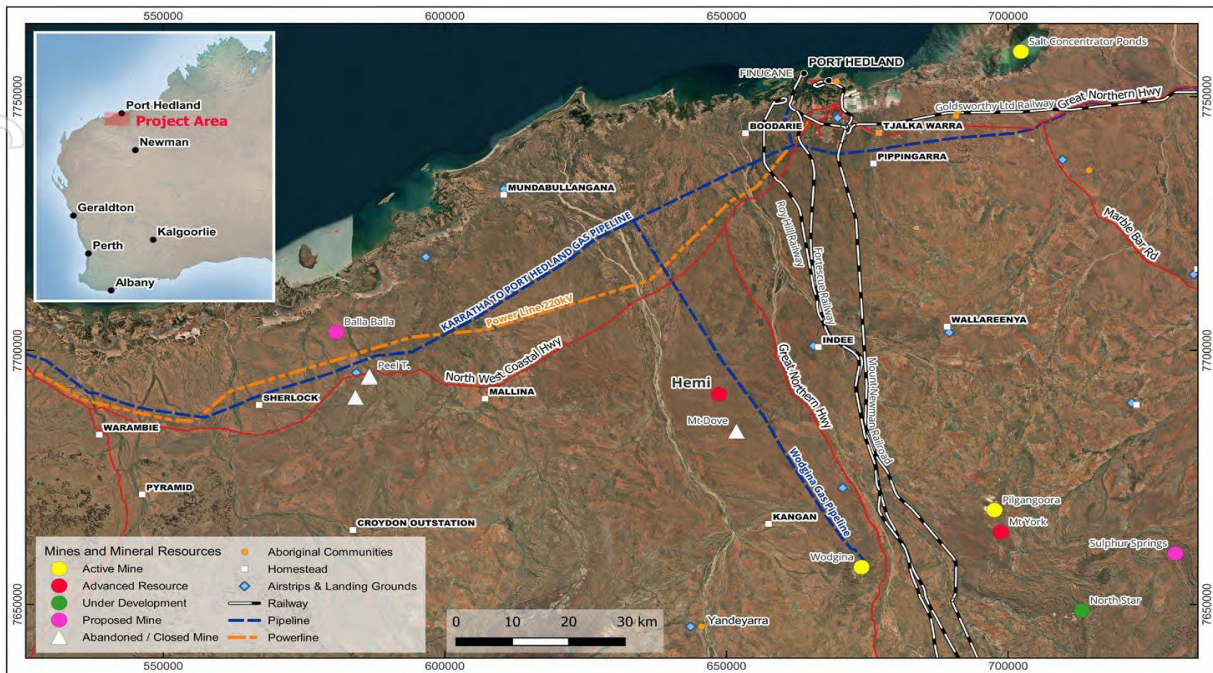


Figure 2: Hemi Project – Pilbara Region Location Map



Definitive Feasibility Study (DFS)

The DFS was completed during the quarter and confirms that the Hemi Gold Project is a globally significant Tier 1 gold project and presents a commercially attractive development opportunity, with significant upside.

The delivery of the Hemi DFS represents a whole of Company effort, along with significant contributions from the Company’s consultants, contractors and stakeholders.

A summary of the initial physical and financial evaluation of the Project is shown in Table 1. Full details of the DFS can be reviewed in the covering announcement and Executive Summary released to the ASX on 28 September 2023.

Table 1: Production and Financial Outcomes and Economic Assumptions

Key Production Outcomes	Unit	PFS	DFS
Production Sources		Hemi + Regionals	Hemi
Evaluation Period	Years	13.6	12.0
Ore Tonnes Mined	Mt	136	122
Strip Ratio – Hemi	waste:ore	6.1:1	6.6:1
Ore Processing Rate (nameplate)	Mtpa	10.0	10.0
Average Processed Grade – evaluation period	g/t Au	1.6	1.5
Average Processed Grade – Years 1 to 10	g/t Au	1.8	1.7
Average Metallurgical Recovery	%	93.6	93.5
Average Gold Production - First 5 Years	koz pa	550	553
Average Gold Production - First 10 years	koz pa	540	530
Total Recovered Gold	Moz	6.4	5.7

Key Production Outcomes (Continued)		Unit	PFS	DFS
Hemi Contribution		%	83	100
Reserve Contribution		%	80	99
Key Financial Outcomes		Unit	PFS	DFS
Gold Price		\$/oz	2,400	2,700
Spot Gold Price at time of Study		\$/oz	2,500	2,950
All In Sustaining Costs (AISC)				
Average first 5 years		\$/oz	1,220	1,229
Average first 10 years		\$/oz	1,280	1,295
Free Cash Flow (Evaluation Period)				
Pre-tax		\$ billion	5.9	6.3
Post-tax		\$ billion	4.2	4.5
EBITDA (Evaluation Period)				
		\$ billion	7.1	7.9
Payback Period				
Pre-tax		Years	1.6	1.5
Post-tax		Years	1.8	1.8
Net Present Value (NPV _{5%})				
Pre-tax		\$ billion	3.9	4.2
Post-tax		\$ billion	2.7	2.9
Internal Rate of Return (IRR)				
Pre-tax		%	51	45
Post-tax		%	41	36
Upfront Capital Cost Estimate				
Plant and Infrastructure Capital Cost		\$ million	885	1,136
Design Growth Allowance & Contingency		\$ million	100	162
Pre-strip		\$ million	68	47
Total Pre-Production Capital Costs		\$ million	1,053	1,345
Key Environmental and Social (ES) Statistics				
LOM State Royalties & Corporate Taxes		\$ billion	2.1	2.2
LOM Expenditure		\$ billion	9.1	8.6
LOM Total Economic Value Add		\$ billion	11.2	10.8
Carbon intensity		t.CO ₂ /ozpa	0.6 – 0.3	0.79 – 0.49

The DFS outcomes are based on the June 2023 Mineral Resource Estimate (MRE) (JORC 2012) released on 15 June 2023. The update showed a Global Project MRE of 277Mt @ 1.3g/t Au for 11.7Moz, representing a 1.1Moz, or 12%, increase on the 2022 MRE.

The MRE for Hemi increased by 1.0Moz to 237Mt at 1.3g/t Au for 9.5Moz. Indicated Resources at Hemi increased by 1.1Moz to 166Mt at 1.3g/t Au for 6.9Moz. This provided a strong platform for the DFS and accompanying updated Hemi Probable Ore Reserve of 121Mt at 1.5g/t Au for 6.0Moz representing an increase of 0.9Moz, or ~20%, to the maiden Hemi 5.1Moz Ore Reserve released with the PFS in September 2022.

Table 2: Updated Hemi Ore Reserve#

Deposit	Proven			Probable			Total		
	Mt	Au g/t	koz	Mt	Au g/t	koz	Mt	Au g/t	koz
Aquila/Crow	-	-	-	24.7	1.6	1,259	24.7	1.6	1,259
Brolga	-	-	-	36.5	1.6	1,829	36.5	1.6	1,829
Diucon	-	-	-	26.6	1.6	1,383	26.6	1.6	1,383
Eagle	-	-	-	13.0	1.4	598	13.0	1.4	598
Falcon	-	-	-	20.0	1.4	932	20.0	1.4	932
Total Hemi	-	-	-	120.8	1.5	6,002	120.8	1.5	6,002

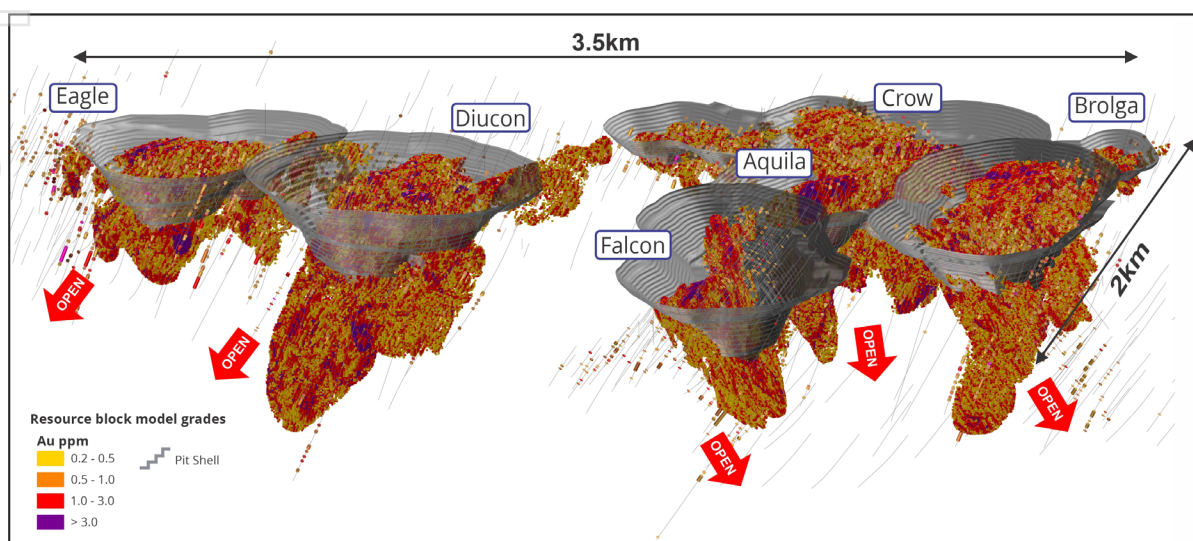
The rounding in the above tables is an attempt to represent levels of precision implied in the estimation process and apparent errors of summation may result from the rounding.

Refer to the Appendix of this document for details including JORC Table 1 disclosures

The DFS production profile comprises 99% of Ore Reserves from Hemi. The remaining 1% comprises Inferred Resources that are incidental to open pit mining. This dominant proportion of Ore Reserves in the Hemi only and Hemi plus Regional production profiles provide a high confidence level to the physical estimates contained in the DFS and simplified Project execution.

The DFS mine plan comprises open pit mining production from the Hemi deposits of Aquila, Brolga, Crow, Diucon, Eagle and Falcon (Figure 3). The Regional deposits were included in the PFS but excluded from the DFS physical and financial metrics having been studied to a PFS level and following the growth and increased JORC confidence of the Hemi deposits in the June 2023 MRE. All the Hemi deposits are located within 4km of the proposed processing plant site.

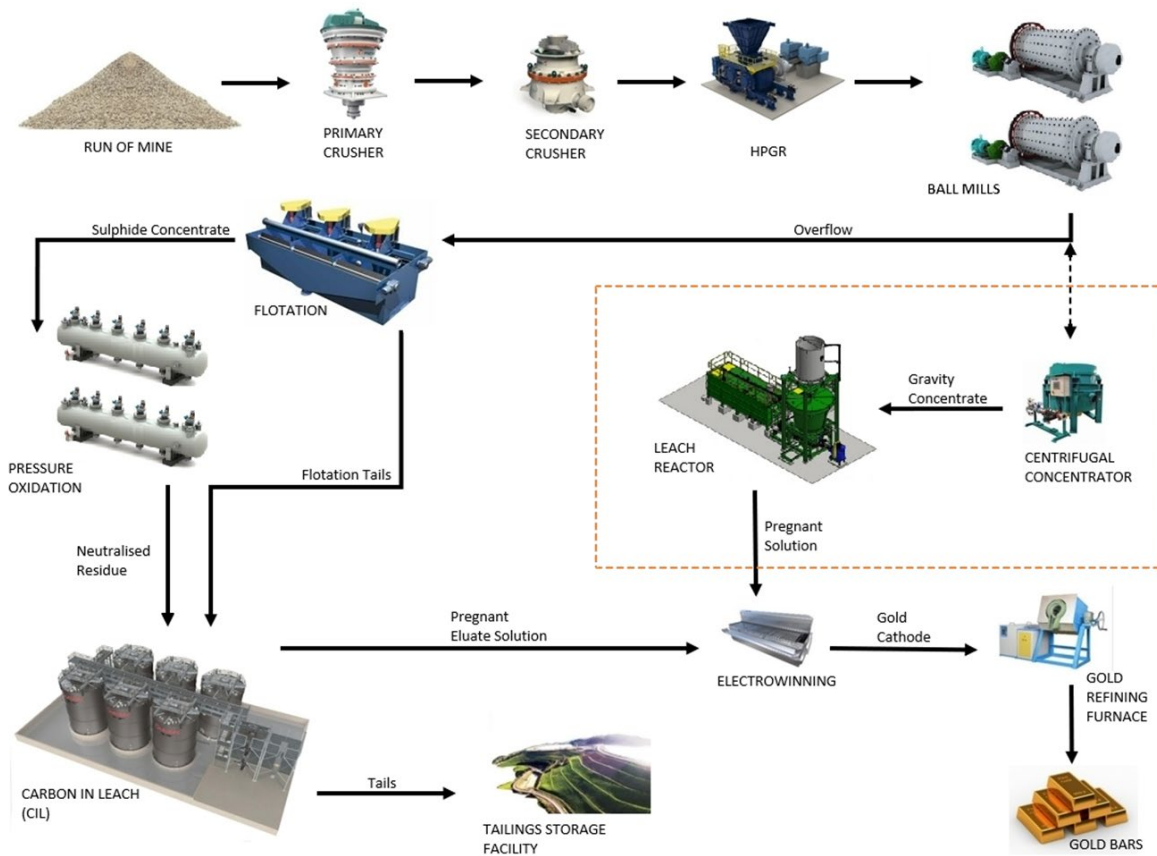
Figure 3: Hemi Pit Shell Outlines



The preferred comminution circuit and oxidation circuit for the process plant was selected during the PFS based on a detailed assessment and testwork for various options. This selection was then carried forward into the DFS where extensive pilot testwork was undertaken. The preferred comminution circuit comprises

primary and secondary crushing, high pressure grinding roller (HPGR) and ball mills followed by flotation, pressure oxidation and cyanide leaching. Similar comminution circuits are used in large scale gold projects. Hemi ore has the advantage of generating a low (8%) mass pull sulphide concentrate as feed to the POx circuit. This reduces the POx throughput to 0.8Mtpa compared with the overall plant throughput rate of 10Mtpa.

Figure 4: Simplified Process Flowsheet



Opportunities to improve the DFS production profile and financial returns early in the life of the operation are being actively pursued. The Company has already identified several opportunities to improve the DFS outcomes. These include:

- Potential to increase the scale of the Eagle and Diucon open pits based on significant extensions identified in drilling completed after the cut-off date for the June 2023 MRE and DFS mine designs
- Potential construction of a separate Regional concentrator at Withnell treating Regional deposits with an initial target production rate of 150,000ozpa from the 1.7Moz MRE centred at Withnell plus potential resource extensions
- Potential for underground production concurrent with open pit production at Hemi, currently demonstrated at Diucon and Eagle with potential from other Hemi deposits
- Design allowance and scalability of the comminution and POx circuits has been built into the DFS which gives scope to exceed nameplate throughput following commissioning

Project Development

The De Grey Board has endorsed the DFS outcomes and approved the following Project implementation activities:

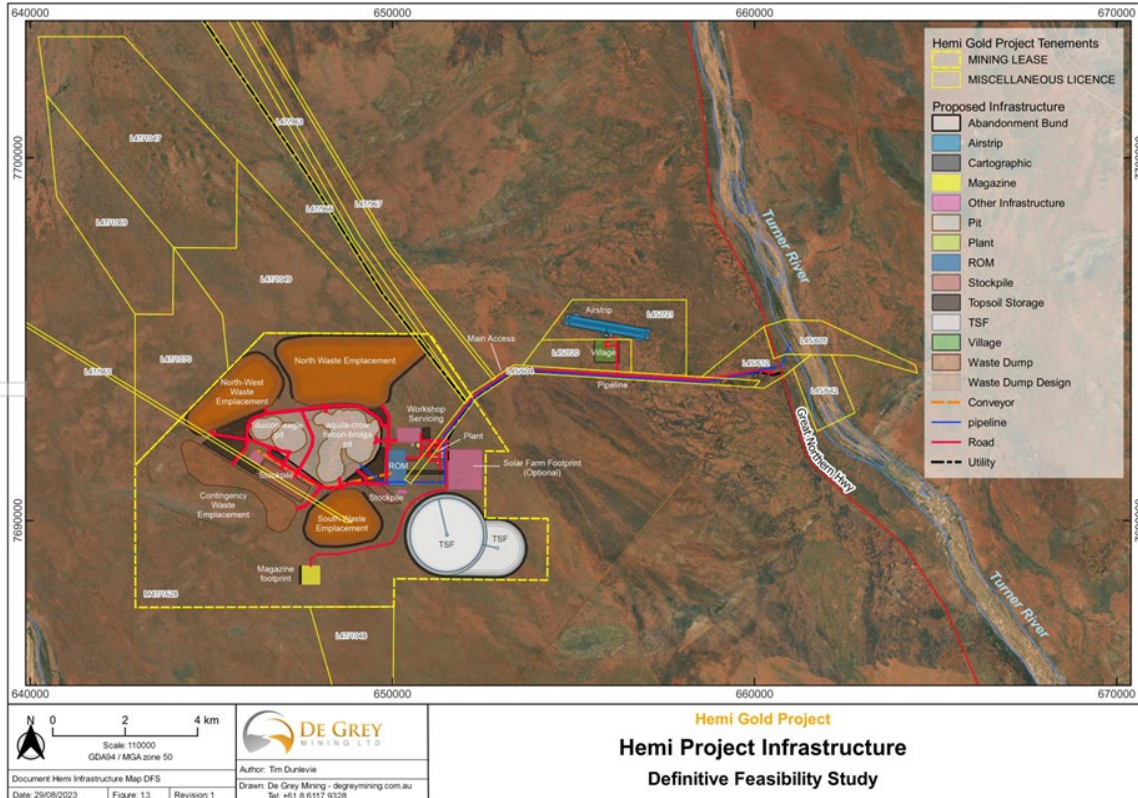
- Ordering of long lead items on critical path
- Continue to refine the project execution plan
- Detailed engineering and design to a high confidence level before Project approvals
- Refining the developed contracting strategy
- Advancing major Project tenders
- Progress activities to support the Project execution schedule
- Progress and conclude Project financing

These approvals will enable the Project to maintain its strong momentum since the discovery of Hemi in late 2019 and facilitate a pathway for first production from this Tier 1 gold project in the second half of 2026.

The Mining Agreement signed with the Kariyarra People in December 2022 covers all Hemi resources and the Project's infrastructure footprint including plant and accommodation, tailings storage facilities and waste dumps.

In September 2023, the Company was granted the Mining Lease for Hemi by the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS). Similarly, the Mining Lease (M47/1628) covers the Hemi deposits, proposed mining area and processing plant site (Figure 5). The granting of the Mining Lease represented an important milestone for the Company and de-risking of the Project on the path toward development and production.

Figure 5: Hemi Infrastructure Layout Showing Granted Mining Lease Location



In May 2023, a federal referral was lodged for Hemi in accordance with the *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act). This was followed by the submission of referral documentation under Section 38 under Part IV of the *Environmental Protection Act 1986 WA* (EP Act) in June 2023. Subsequent to the end of the quarter, the Company received notice from the WA Environmental Protection Authority (EPA) that the Section 38 referral would be assessed on referral information (with certain additional information), followed by a public review process. This approval pathway was incorporated into the timeline for the DFS.

The Board will be ready to consider a formal Final Investment Decision on the Project at the conclusion of the project financing and project approval processes, expected in the second half of 2024.

Project Financing

Formal engagement with project financiers commenced in late 2022 which has been very positive to date, including the provision of non-binding indicative terms for potential project financing earlier this year based on the PFS outcomes. Financiers will now be provided with the detailed DFS outcomes to facilitate final structuring of a project financing package. De Grey has Azure Capital as its project debt advisor and Wright Legal as its debt funding legal advisor.

Hemi's high confidence production profile, the detailed technical work completed to a DFS standard and the attractive financial outcomes provide a strong platform for De Grey to source traditional financing through debt and equity markets, or other potential alternative funding sources (e.g. royalties) to the extent these can provide enhanced returns to shareholders without increasing the risk profile.

Exploration

During the quarter, new results were reported from drilling at Diucon and Eagle, outside of the Hemi Mineral Resource reported in June 2023 and the updated Ore Reserve. The extensional drilling was completed down plunge and down dip at Eagle, and along strike at Diucon. There is potential for the extensions to be included in future open pit and underground mining plans.

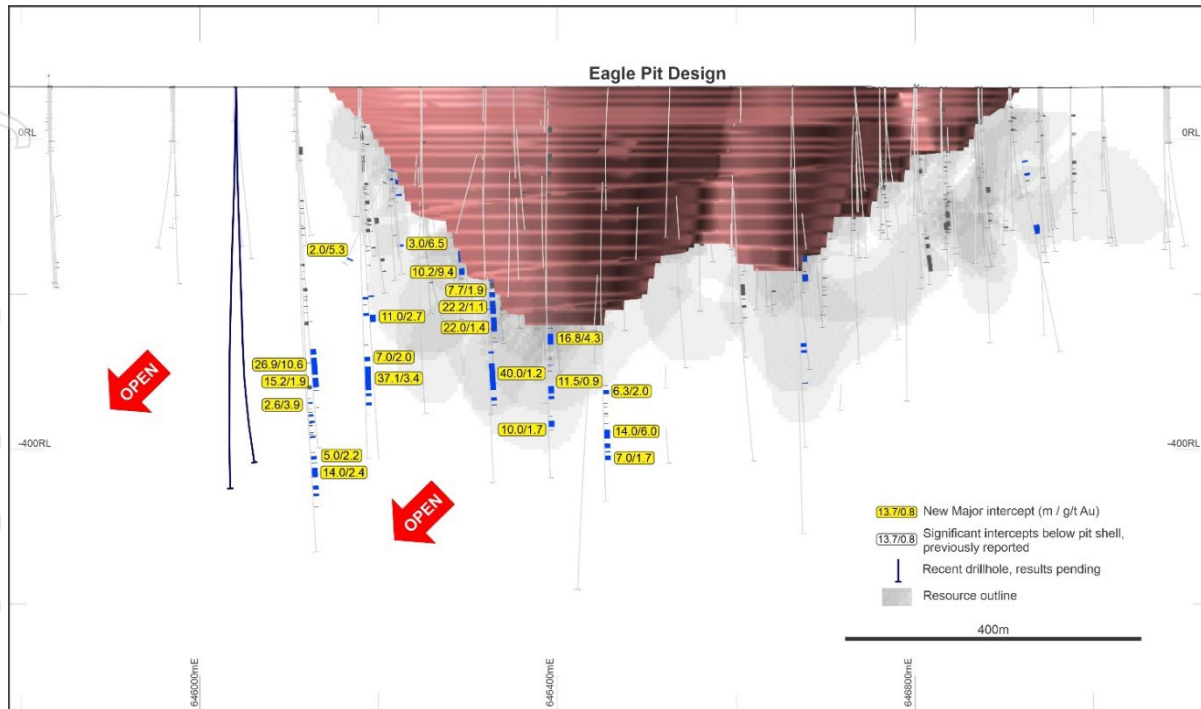
Eagle Extensional Drilling

Since the June 2023 MRE update, widely spaced (nominally 80m -160m x 160m) drilling down plunge and down dip at Eagle has demonstrated substantial extensions to known mineralisation. Significant results from this work include:

- 26.9m @ 10.6g/t Au from 425.1m (including 3.5m @ 16.7g/t Au from 434.5m and 3m @ 54.7g/t Au from 441m), and 15.2m @ 1.9g/t Au from 456.9m in HEDD192
- 14.0m @ 6.0g/t Au from 536m (including 1.0m @ 73.9g/t Au from 544m) in HEDD084
- 37.1m @ 3.4g/t Au from 431m (including 3.9m @ 15.1g/t Au from 458.3m) in HEDD083
- 11.0m @ 2.7g/t Au from 352m (including 3.0m @ 8.3g/t Au from 359m) in HERC843D
- 5.0m @ 2.2g/t Au from 557m and 14.0m @ 2.4g/t Au from 575m (including 0.9m @ 21.7g/t Au from 582.1m) in HEDD175

The Eagle mineralised intrusion has now been intersected over a strike of approximately 1,000m and a true thickness of approximately 200m, extending to at least 600m depth. Mineralisation remains open both down dip and down plunge to the west. The western-most section for which assays have been received includes 26.9m @ 10.6g/t Au in HEDD192. Assay results for two holes (HEDD196 and HEDD226) drilled on the section 80m further west are pending, as are results for HEDD230 on section 28320E (Figure 6).

Figure 6: Eagle long projection showing new drill results outside the optimised open pit shell



Diucon Extensional Drilling

A drill program targeting mainly shallow, open-pittable resources was completed along the Diucon Thrust to the west of the Diucon MRE and between the Diucon and Eagle proposed pits. If successful, resources in this area may allow expansion and deepening of the proposed Diucon and Eagle pits.

Drilling has returned some very encouraging intercepts from lodes adjacent to the Diucon Thrust (which has a strong control on mineralisation in the Hemi area), and extending up to 800m west of the Diucon MRE, with results including:

- 7.5m @ 2.1g/t Au from 447.6m in HEDD075W1
- 6.4m @ 2.9g/t Au from 141.4m in HEDD084
- 19m @ 2.0g/t Au from 270m (including 1.1m @ 12.7g/t Au from 270.6m) in HEDD085
- 8.4m @ 1.9g/t Au from 59.51m in HEDD173
- 20.0m @ 2.2g/t Au from 341m (including 5.0m @ 5.8g/t Au from 346m) and 6.0m @ 2.9g/t Au from 366m in HEDD193
- 9.7m @ 1.4g/t Au from 321m, 9.0m @ 1.9g/t Au from 350m and 8.4m @ 1.2g/t Au from 363.6m in HEDD195
- 8.8m @ 4.8g/t Au from 213.2m (including 4.0m @ 8.9g/t Au from 217m) in HEDD225
- 3.0m @ 3.5g/t Au from 84m (including 1.0m @ 9.7g/t Au from 84m) in HMRC615

The intrusive unit adjacent to the Diucon Thrust is increasing in width at depth, with subsequent increase in tenor of mineralisation. This mineralisation remains open at depth.

Corporate

Cash Position and Quarterly Cash flows

The Company ended the quarter in a very healthy cash position with cash reserves of **A\$82.9** million. This was prior to receipt of ~\$239 million (after costs) in early October 2023 and representing the first tranche of the fully underwritten \$300m placement

During the September quarter 2023:

- Net cash used in exploration activities and development totalled \$25 million, with full details of the exploration and development activities during the quarter set out in this report;
- Payments to related parties of the Company and their associates for Executive and Non-Executive Director fees, including (where applicable) superannuation, totalled \$785k; and
- Further details with respect to consolidated quarterly cash flows are available in the Appendix 5B.

Fully Underwritten \$300M Placement

Coinciding with the release of the DFS, the Company launched a fully underwritten two tranche placement of new fully paid ordinary shares to raise A\$300 million (before costs) (Placement).

On 2 October 2023, the Company announced that firm commitments were received 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. The Placement issue price represented a 5.8% discount to the closing price of \$1.115 on Wednesday, 27 September 2023 (the day prior to the launch of the Placement) 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)

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 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 provides the Company with significant balance sheet strength and flexibility to progress activities to support the Project execution schedule. The Company will now fast-track the ordering of long lead items, complete detailed engineering, refine the contracting schedule and advance major Project tenders.

Appointments of Key Personnel

Andy Beckwith moves to Non-Executive Director

In mid-July 2023, Executive Technical Director Andy Beckwith transitioned from his executive role to Non-Executive Director where he will continue to be a leader in the Company.

Andy is a deeply valued member of De Grey and led the geological team which discovered Hemi and has held senior executive roles with the Company since February 2016 where he has been central to the development and growth of De Grey. Andy has an in-depth understanding of the Company’s Hemi Gold Project and strong relationships with employees and other stakeholders.

The Board is pleased that Andy will continue to serve as a Non-Executive Director where he will remain involved in the Company's geology and technical programs.

Management Changes

During the quarter two changes were made to the senior management team at De Grey.

Allan Kneeshaw was promoted to the role of General Manager Business Development. Allan worked with De Grey as a Consulting Geologist for 18 months before joining the Company in a full-time Business Development role in mid-2019. Mr Kneeshaw was a key part of the geological team which discovered Hemi and has more than 25 years of experience in gold and base metals exploration in Australia and China.

In addition, Neil Foster joined the Company in the newly created role of Chief Sustainability and Risk Officer. The new role will further elevate the significance of sustainability and risk internally and with external stakeholders, provide increased coordination of the functions that sit within sustainability and risk and implement appropriate sustainability measures and reporting by the Company.

Mr Foster brings extensive experience in both technical and sustainability disciplines. As an Environmental Geologist and Geotechnical Engineer by qualification, Mr Foster spent his early career in major consulting businesses where he serviced companies operating in mining, oil and gas and infrastructure. He recently held positions including Group Head of Sustainability, Environment and Communities at Iluka Resources where he managed a team of over 30 people.

Share Equity and Shareholders

- As at 30 September 2023, total shares on issue of 1,561,798,520 (~12,975 shareholders);
- The Top 20 shareholders are holding ~77% of total shares on issue; and
- As at 24 October 2023:
 - total shares on issue of 1,799,095,373 (~13,500 shareholders) after:
 - on 5 October 2023 – allotment of 234,269,778 ordinary fully paid shares;
 - on 6 October 2023 – allotment of 3,027,075 ordinary fully paid shares on exercise of employee performance rights and options (various classes);
 - total outstanding unlisted securities consisted of:
 - 61,828 Options (nil exercise price), expiry date 31 July 2024; and
 - 128,170 Share rights

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Forward looking statements disclaimer

This announcement as prepared by De Grey Mining Limited (the "Company") 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 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 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.

Competent Person’s Statement

Mineral reserves and resources reporting

This Quarterly Report contains estimates of Mineral Resources. The information in this Quarterly Report that relates to the Mineral Resource Estimates has been extracted from previous ASX announcements including:

1. *Hemi Gold Project - DFS Outstanding Financial Metrics, dated 28 September 2023;*
2. *“Hemi Gold Project Resource Statement – 2023” dated 15 June 2023,*
3. *Hemi Gold Project Preliminary Feasibility Study” dated 8 September 2022; and*
4. *“Hemi Gold Project Resource Statement – 2022” dated 31 May 2022.*

Exploration results

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr. Philip 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.

The information in this report relating to Exploration Results has been extracted from the Company’s previous ASX announcements, with copies available at www.asx.com.au or www.degremining.com.au/asx-releases/. The Company is not aware of any new information or data that materially affects the information included in those announcements.

Mineral Resources – Regional

The Information in this report that relates to Wingina and Withnell Mining Centre Mineral Resources (excluding Toweranna) is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne 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 Resources and Ore Reserves”. Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mineral Resources – Hemi Mining Centre & Toweranna

The Information in this report that relates to Hemi Mining Centre and Toweranna Mineral Resources is based on information compiled by Mr. Michael Job, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Job is a full-time employee of Cube Consulting. Mr Job 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 Resources and Ore Reserves”. Mr Job consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Ore Reserves

The information in this Quarterly report that relates to Ore Reserves at the Hemi Gold Project is based on and fairly represents information and supporting documentation compiled by Mr Quinton de Klerk, a Competent Person who is a full-time employee of Cube Consulting Pty Ltd, a company engaged by De Grey. Mr de Klerk is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code). The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified in the context of the original announcement, however completion the currently in progress Definitive Feasibility Studies are expected to result in an updated Ore Reserve Statement.

Production Targets

Information in this Quarterly Report that relates to production targets and forecast financial information derived from those were last reported in the ASX announcement titled “Hemi Gold Project - DFS Outstanding Financial Metrics”, dated 28 September 2023. The total life of mine production of the Hemi Gold Project schedule is underpinned by 99% Probable Ore Reserves, with the remaining 1% being classified as Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The stated production target is based on the Company’s current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met. DEG confirms that the financial viability of the Hemi Gold Project is not dependent on the inclusion of Inferred Mineral Resources in the production schedule.

DEG confirms that it is not aware of any new information or data that materially affects the information included in that announcement. All material assumptions and technical parameters underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in that ASX announcement continue to apply and have not materially changed. DEG confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from those announcements.

Appendix 1: JORC Resource and Reserve Statements

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

Hemi Gold Project - Global Mineral Resource Estimate, June 2023

Mining Centre	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Hemi Mining Centre				165.7	1.3	6,876	70.7	1.2	2,632	236.5	1.3	9,508
Withnell Mining Centre	1.6	1.8	92	15.6	1.6	792	11.9	2.1	797	29.1	1.8	1,681
Wingina Mining Centre	3.1	1.7	173	2.5	1.5	122	6.3	1.2	243	11.9	1.4	538
Total	4.7	1.7	265	183.8	1.3	7,790	88.9	1.3	3,672	277.4	1.3	11,727

Note: The Regional resource estimates at the Withnell and Wingina Mining Centres have not changed since the April 2020 statement, except Toweranna.

Hemi Gold Project – Global Mineral Resource Estimate by Type, June 2023

Mining Centre	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au KOz	Mt	Au g/t	Au KOz	Mt	Au g/t	Au KOz	Mt	Au g/t	Au KOz
Hemi Mining Centre	Oxide				7.8	1.5	385	0.5	0.9	14	8.3	1.4	399
	Sulphide				158.0	1.3	6,491	70.2	1.2	2,619	228.2	1.2	9,109
	Total				165.7	1.3	6,876	70.7	1.2	2,632	236.5	1.3	9,508
Withnell Mining Centre	Oxide	1.0	1.8	58	2.9	1.3	122	1.7	1.3	75	5.6	1.4	255
	Sulphide	0.7	1.7	35	12.6	1.6	669	10.2	2.2	722	23.5	1.9	1,426
	Total	1.6	1.8	92	15.6	1.6	792	11.9	2.1	797	29.1	1.8	1,681
Wingina Mining Centre	Oxide	2.7	1.8	152	1.8	1.5	88	2.2	1.1	75	6.7	1.5	315
	Sulphide	0.4	1.6	21	0.7	1.6	35	4.0	1.3	168	5.1	1.4	224
	Total	3.1	1.7	173	2.5	1.5	122	6.3	1.2	243	11.9	1.4	538
Total	Oxide	3.7	1.8	210	12.6	1.5	595	4.4	1.1	163	20.6	1.5	968
	Sulphide	1.1	1.6	55	171.3	1.3	7,195	84.4	1.3	3,509	256.8	1.3	10,759
	Total	4.7	1.7	265	183.8	1.3	7,790	88.9	1.3	3,672	277.4	1.3	11,727

Hemi Gold Project – Mineral Resource Estimate by Mining Centre and Deposit, June 2023

Hemi Mining Centre

Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Aquila	Oxide				1.1	1.5	51	0.1	0.7	3	1.2	1.4	54
	Sulphide				11.6	1.5	580	7.0	1.2	280	18.7	1.4	860
	Total				12.7	1.5	631	7.2	1.2	283	19.9	1.4	913
Brolga	Oxide				3.3	1.5	159	0.1	0.8	2	3.4	1.5	161
	Sulphide				42.7	1.3	1,823	16.1	1.0	523	58.9	1.2	2,346
	Total				46.0	1.3	1,982	16.2	1.0	525	62.2	1.3	2,507
Crow	Oxide				1.2	1.2	47	0.0	0.7	1	1.3	1.2	47
	Sulphide				23.0	1.1	827	7.6	1.2	287	30.6	1.1	1,114
	Total				24.3	1.1	874	7.6	1.2	288	31.9	1.1	1,162
Diucon	Oxide				0.2	1.9	10	0.2	1.1	7	0.4	1.4	17
	Sulphide				37.1	1.3	1,580	16.8	1.4	765	53.9	1.4	2,345
	Total				37.2	1.3	1,590	17.1	1.4	773	54.3	1.4	2,363
Eagle	Oxide				0.1	1.7	8	0.0	0.7	0	0.2	1.5	8
	Sulphide				19.4	1.2	735	10.7	1.1	371	30.1	1.1	1,106
	Total				19.6	1.2	743	10.7	1.1	371	30.2	1.1	1,114
Falcon	Oxide				1.9	1.8	111	0.0	0.0	0	1.9	1.8	111
	Sulphide				24.1	1.2	946	12.0	1.0	393	36.0	1.2	1,338
	Total				26.0	1.3	1,056	12.0	1.0	393	37.9	1.2	1,449
Hemi Mining Centre	Oxide				7.8	1.5	385	0.5	0.9	14	8.3	1.4	399
	Sulphide				158.0	1.3	6,491	70.2	1.2	2,619	228.2	1.2	9,109
	Total				165.7	1.3	6,876	70.7	1.2	2,632	236.5	1.3	9,508

Withnell Mining Centre

Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au	Koz
Withnell OP	Oxide	0.6	1.4	28	0.4	1.2	14	0.2	1.1	5	1.1	1.3	48
	Sulphide	0.6	1.6	33	2.7	1.9	163	0.5	2.2	38	3.8	1.9	235
	Total	1.3	1.5	62	3.0	1.8	178	0.7	2.0	43	5.0	1.8	283
Withnell UG	Oxide							0.0	2.5	0	0.0	2.5	0
	Sulphide				0.1	4.3	16	2.4	3.9	301	2.5	3.9	317
	Total				0.1	4.3	16	2.4	3.9	301	2.5	3.9	317
Mallina	Oxide				0.5	1.3	20	1.2	1.4	53	1.7	1.3	73
	Sulphide				1.1	1.2	44	3.9	1.5	190	5.1	1.4	234
	Total				1.6	1.2	64	5.1	1.5	243	6.8	1.4	307
Toweranna OP	Oxide				0.3	1.5	13	0.1	1.6	4	0.4	1.5	18
	Sulphide				7.6	1.6	384	1.9	1.4	85	9.6	1.5	469
	Total				7.9	1.6	397	2.0	1.4	89	9.9	1.5	487
Toweranna UG	Oxide				0.0	0.0	0	0.0	0.0	0	0.0	0.0	0
	Sulphide				0.3	3.0	24	0.7	3.0	68	0.9	3.0	92
	Total				0.3	3.0	24	0.7	3.0	68	0.9	3.0	92
Camel	Oxide	0.2	2.8	16	0.3	2.6	27	0.0	1.1	2	0.5	2.6	45
	Sulphide	0.0	2.1	1	0.1	1.4	6	0.1	1.8	9	0.3	1.7	16
	Total	0.2	2.8	17	0.5	2.2	33	0.2	1.7	10	0.8	2.2	60
Calvert	Oxide				0.4	1.3	18	0.1	0.8	1	0.5	1.3	19
	Sulphide				0.6	1.3	24	0.2	1.2	9	0.8	1.3	33
	Total				1.0	1.3	42	0.3	1.2	11	1.3	1.3	52
Roe	Oxide	0.1	2.7	5	0.1	1.5	6	0.1	1.6	6	0.3	1.8	17
	Sulphide	0.0	2.5	1	0.1	2.3	5	0.2	2.2	15	0.3	2.2	21
	Total	0.1	2.7	6	0.2	1.8	11	0.3	2.0	20	0.6	2	38
Dromedary	Oxide	0.1	2.2	7	0.0	1.6	1	0.0	1.6	2	0.2	1.9	11
	Sulphide				0.0	1.6	2	0.1	1.8	5	0.1	1.7	6
	Total	0.1	2.2	7	0.1	1.6	3	0.1	1.7	7	0.3	1.9	17
Leach Pad	Oxide				0.9	0.7	19				0.9	0.7	19
	Sulphide												
	Total				0.9	0.7	19				0.9	0.7	19
Hester	Oxide				0.0	2.1	3	0.0	1.3	1	0.1	1.8	4
	Sulphide				0.0	2.1	1	0.0	1.4	2	0.1	1.6	3
	Total				0.1	2.1	4	0.1	1.4	3	0.1	1.7	7
Withnell Mining Centre	Oxide	1.0	1.8	58	2.9	1.3	122	1.7	1.3	75	5.6	1.4	255
	Sulphide	0.7	1.7	35	12.6	1.6	669	10.2	2.2	722	23.5	1.9	1,426
	Total	1.6	1.8	92	15.6	1.6	792	11.9	2.1	797	29.1	1.8	1,681

Wingina Mining Centre

Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Wingina	Oxide	2.7	1.8	152	0.6	1.3	27	0.3	1.3	14	3.7	1.6	194
	Sulphide	0.4	1.6	21	0.3	1.5	16	1.1	1.7	57	1.8	1.6	94
	Total	3.1	1.7	173	1	1.4	43	1.4	1.6	72	5.5	1.6	288
Mt Berghaus	Oxide				0.7	1.8	39	1	1.1	36	1.7	1.4	75
	Sulphide				0.3	1.7	14	2.4	1.2	92	2.7	1.2	106
	Total				1	1.7	53	3.4	1.2	128	4.3	1.3	181
Amanda	Oxide				0.5	1.3	22	0.9	0.9	25	1.4	1	46
	Sulphide				0.1	1.8	4	0.6	1.1	19	0.6	1.2	23
	Total				0.6	1.4	26	1.4	0.9	44	2	1.1	70
Wingina Mining Centre	Oxide	2.7	1.8	152	1.8	1.5	88	2.2	1.1	75	6.7	1.5	315
	Sulphide	0.4	1.6	21	0.7	1.6	35	4	1.3	168	5.1	1.4	224
	Total	3.1	1.7	173	2.5	1.5	123	6.3	1.2	243	11.9	1.4	538

Hemi Gold Project – Hemi Ore Reserve Estimate, September 2022

Mining Centre	Type	Proved			Probable			Total		
		Mt	Au g/t	Koz	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Hemi Mining Centre	Oxide	-	-	-	7.3	1.7	403	7.3	1.7	403
	Transition	-	-	-	6.0	1.7	329	6.0	1.7	329
	Sulphide	-	-	-	90.1	1.5	4,408	90.1	1.5	4,408
	Total	-	-	-	103.4	1.5	5,139	103.4	1.5	5,139

Appendix 2

Schedule of Mining Tenements and Beneficial Interests Held as at the end of the September 2023 Quarter

Project/Location	Country	Tenement	Percentage held/earning
Hemi Gold Project, Pilbara	Australia	E45/2364	100%
Hemi Gold Project, Pilbara	Australia	E45/2533	100%
Hemi Gold Project, Pilbara	Australia	E45/2983	100%
Hemi Gold Project, Pilbara	Australia	E45/2995	100%
Hemi Gold Project, Pilbara	Australia	E45/3390	100%
Hemi Gold Project, Pilbara	Australia	E45/3391	100%
Hemi Gold Project, Pilbara	Australia	E45/3392	100%
Hemi Gold Project, Pilbara	Australia	E45/4751	100%
Hemi Gold Project, Pilbara	Australia	E45/5140	100%
Hemi Gold Project, Pilbara	Australia	E45/5808	100%
Hemi Gold Project, Pilbara	Australia	E47/2502	75% ^{1a}
Hemi Gold Project, Pilbara	Australia	E47/2720	100%
Hemi Gold Project, Pilbara	Australia	E47/3399	100%
Hemi Gold Project, Pilbara	Australia	E47/3428	100%
Hemi Gold Project, Pilbara	Australia	E47/3429	100%
Hemi Gold Project, Pilbara	Australia	E47/3430	100%
Hemi Gold Project, Pilbara	Australia	E47/3504	100%
Hemi Gold Project, Pilbara	Australia	E47/3552	100%
Hemi Gold Project, Pilbara	Australia	E47/3553	100%
Hemi Gold Project, Pilbara	Australia	E47/3554	100%
Hemi Gold Project, Pilbara	Australia	E47/3750	100%
Hemi Gold Project, Pilbara	Australia	E47/4565	100%
Hemi Gold Project, Pilbara	Australia	E47/891	100%
Hemi Gold Project, Pilbara	Australia	L45/578	100%
Hemi Gold Project, Pilbara	Australia	L45/597	100%
Hemi Gold Project, Pilbara	Australia	L45/599	100%
Hemi Gold Project, Pilbara	Australia	L45/600	100%
Hemi Gold Project, Pilbara	Australia	L45/605	100%
Hemi Gold Project, Pilbara	Australia	L45/612	100%
Hemi Gold Project, Pilbara	Australia	L45/642	100%
Hemi Gold Project, Pilbara	Australia	L47/1016	100%
Hemi Gold Project, Pilbara	Australia	L47/1029	100%
Hemi Gold Project, Pilbara	Australia	L47/1048	100%
Hemi Gold Project, Pilbara	Australia	L47/1049	100%
Hemi Gold Project, Pilbara	Australia	L47/1070	100%
Hemi Gold Project, Pilbara	Australia	L47/1071	100%
Hemi Gold Project, Pilbara	Australia	L47/164	100%
Hemi Gold Project, Pilbara	Australia	L47/165	100%
Hemi Gold Project, Pilbara	Australia	L47/971	100%
Hemi Gold Project, Pilbara	Australia	L47/972	100%
Hemi Gold Project, Pilbara	Australia	L47/973	100%
Hemi Gold Project, Pilbara	Australia	L47/976	100%
Hemi Gold Project, Pilbara	Australia	L47/977	100%
Hemi Gold Project, Pilbara	Australia	M45/1294	100%
Hemi Gold Project, Pilbara	Australia	M45/1295	100%
Hemi Gold Project, Pilbara	Australia	M45/1299	100%

Project/Location	Country	Tenement	Percentage held/earning
Hemi Gold Project, Pilbara	Australia	M47/1626	100%
Hemi Gold Project, Pilbara	Australia	M47/1628	100%
Hemi Gold Project, Pilbara	Australia	M47/473	100%
Hemi Gold Project, Pilbara	Australia	M47/474	100%
Hemi Gold Project, Pilbara	Australia	M47/475	100%
Hemi Gold Project, Pilbara	Australia	M47/476	100%
Hemi Gold Project, Pilbara	Australia	M47/477	100%
Hemi Gold Project, Pilbara	Australia	M47/480	100%
Hemi Gold Project, Pilbara	Australia	P45/3029	100%
Hemi Gold Project, Pilbara	Australia	P47/1732	100%
Hemi Gold Project, Pilbara	Australia	P47/1733	100%
Hemi Gold Project, Pilbara	Australia	P47/1866	100%

^a The Company has earned a 75% interest in E45-2502, and a 25% interest held by Farno McMahon Pty Ltd, a 100% subsidiary of Novo Resources Inc.

**Schedule of Mining Tenements and Beneficial Interests
 Acquired during the September 2023 Quarter**

Project/Location	Country	Tenement	Acquisition or Grant Date
Hemi Gold Project, Pilbara	Australia	L45/612	13/09/2023
Hemi Gold Project, Pilbara	Australia	M45/1294	08/09/2023
Hemi Gold Project, Pilbara	Australia	M45/1295	08/09/2023
Hemi Gold Project, Pilbara	Australia	M45/1299	08/09/2023
Hemi Gold Project, Pilbara	Australia	M47/1628	08/09/2023