

Major Gold Extensions defined at BROLGA

BROLGA ZONE

- **Continuity of gold mineralisation confirmed at Brolga**
 - Strong gold zones defined on four adjacent 80m spaced sections 30,480E, 30,560E, 30,640E and 30,720E associated with extensive sulphide mineralisation
- **Significant new RC gold intercepts (>50gm*m) at Brolga include:**
 - 78m @ 1.8g/t Au from 40m in HERC014
 - 72m @ 1.6g/t Au from 105m in HERC015
 - 21m @ 3.6g/t Au from 45m in HERC016
 - 15m @ 5.5g/t Au from 75m in HERC016
 - 33m @ 1.6g/t Au from 41m in HERC017
 - 76m @ 1.5g/t Au from 42m in HERC023
 - 56m @ 1.1g/t Au from 93m in HERC024
- **Gold footprint increases to +340m strike, +300m width and +200m depth**
 - Significant growth potential remains
 - Many holes end in mineralisation or have further depth potential.
 - Mineralisation remains open, particularly to south and west
- **New broad sulphide intersections increase potential to +420m strike**
 - Recently completed three RC holes have intersected further sulphide mineralisation 80m along strike to west on section 30,400E and 80m to south and down dip on section 30,480E
- **Further encouraging aircore results**
 - 30m @ 1.2g/t Au from 42m in BWAC375
 - 12m @ 2.1g/t Au from 44m in BWAC417

Technical Director, Andy Beckwith, commented:

“Brolga is growing substantially, we continue to increase the overall footprint of the gold-sulphide mineralisation, particularly to the west and down dip where substantial thicknesses of mineralisation remain open.

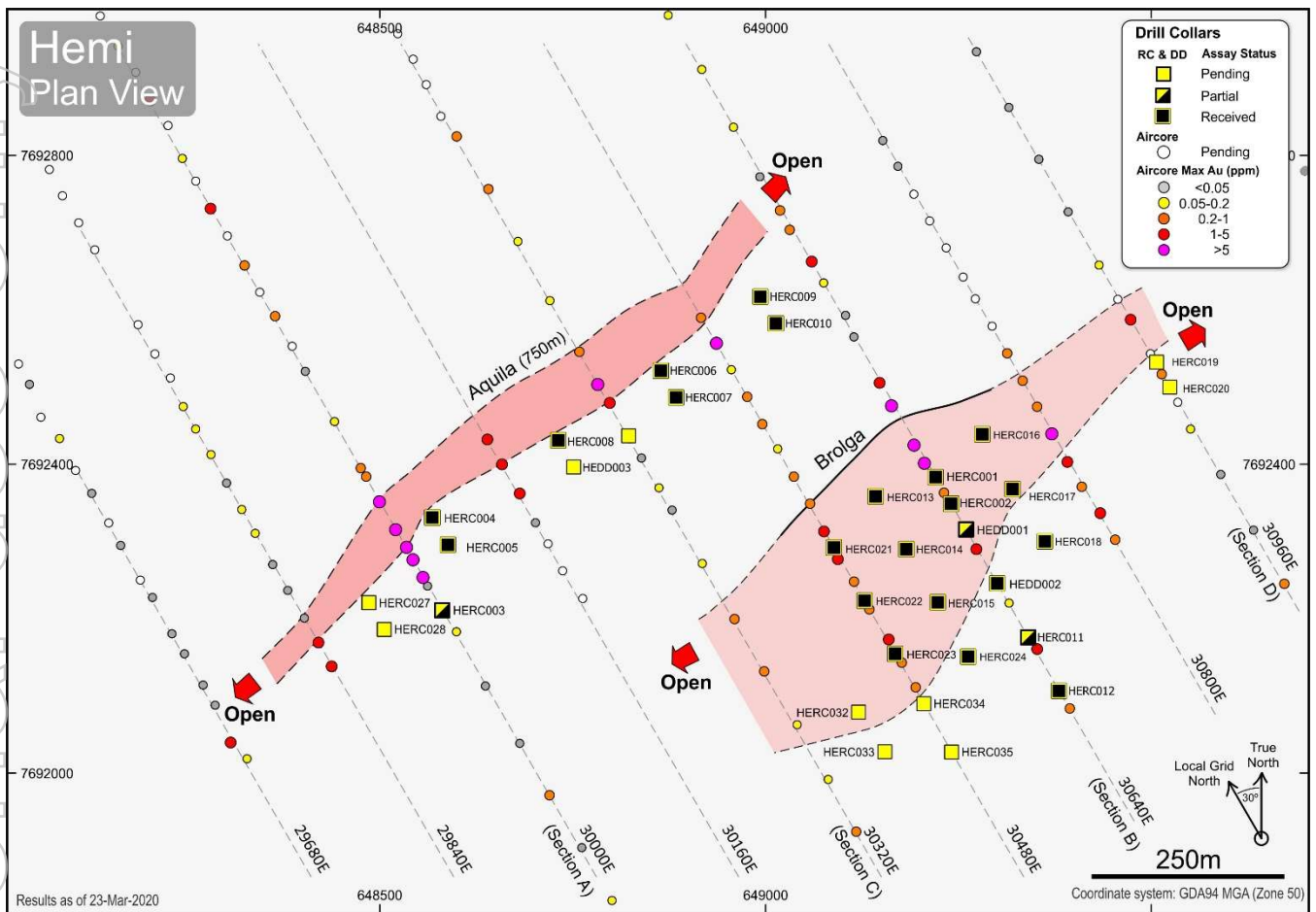
We have now confirmed the strong correlation between gold and sulphides. The recent four RC holes to the south and west have logged some of the strongest sulphide mineralisation noted to date.

Drilling is planned to continue with one RC and two diamond rigs testing the limits of mineralisation at Hemi.”

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to provide this drilling and results update for the Brolga Zone within the Hemi Discovery, located within 60km of Port Hedland, Western Australia.

This release covers the latest RC drilling results at the Brolga Zone as of 23 March 2020 (Figure 1).

Figure 1 Hemi Prospect drilling plan showing new intercepts and drill hole locations.



BROLGA ZONE

Positive gold assays have now been received for all RC drill holes on the four 80m spaced Brolga drill sections 30480E, 30,560E, 30,640E and 30720E (Figure 2).

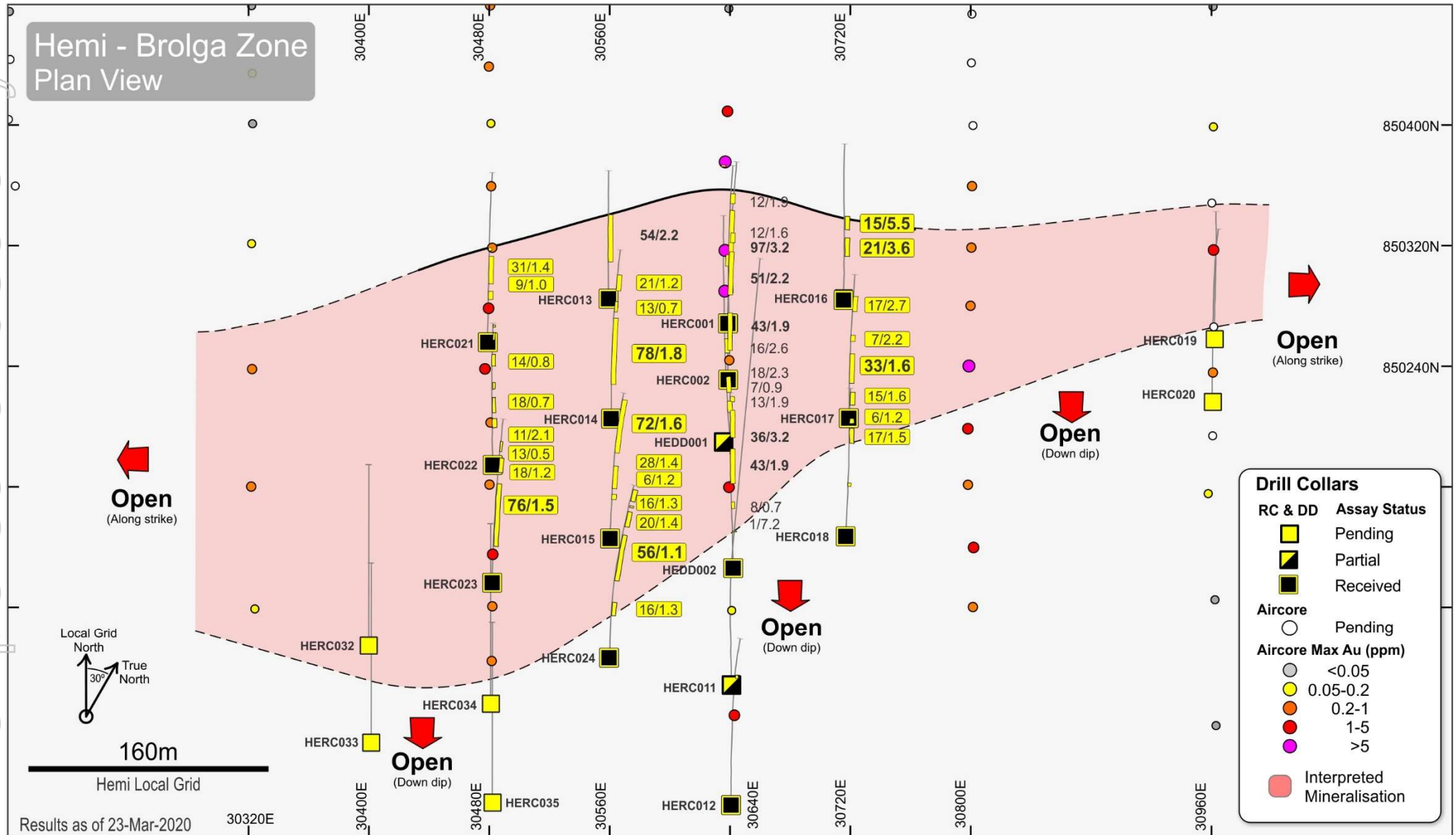
Strong and extensive gold mineralisation is now defined across the four sections and defines a robust and large growing volume of mineralised intrusive at Brolga. The gold-sulphide mineralisation is well defined by RC drilling and interpreted to be dipping moderately to the south (local grid) with a large footprint over +340m of strike, up to +300m lateral width, up to 200m depth and remains open along strike and down dip.

The importance of the shallower dipping mineralisation is significantly material as it has the potential to increase ounces per vertical metre within a future open pit and may reduce the overall strip ratio.

To date, recent RC drilling has confirmed the sulphide mineralisation in fresh intrusive correlates well with the known gold mineralisation. Ongoing RC drilling is currently underway on section 30,400E, a further 80m to the west. Geological logging of the initial two RC holes (HERC032 - 033) highlights further wide intersections of strong sulphide mineralisation. This drilling on 30,400E extends the strong sulphide mineralisation to +420m of strike and remains open. Diamond drilling is underway on 30640E and aircore drilling is testing areas north of Aquila.

Gold results remain pending for RC holes (HERC019 – 020, HERC032 – 033, HERC034 - 035) on section 30,960E, 30,480E and 30,400E respectively and diamond drilling on section 30,640E.

Figure 2 Brolga Drilling Plan (local grid) showing drilling locations and new RC drilling results.



The priority RC and diamond drilling program continues to test the scale of the Brolga and Aquila deposits on 80m spaced sections and nominal 80m spaced holes on section. The aim is to continue defining the lateral and down dip extensions to an initial nominal 400m vertical metres prior to commencing infill resource drilling. Full gold intercepts (>2gm *m) discussed in the report are listed in Table 1 and new significant sulphide zones listed in Table 2.

Section 30,400E (Figure 3)

Strong sulphide mineralisation (>5%) defined in two recent RC drill holes (HERC032-033). Sulphide mineralisation has been logged over almost the entire length of the bedrock except in the upper weathered portions where the recognition of sulphides is difficult. Potential remains to extend the mineralisation laterally and at depth.

All assays remain pending and drilling is continuing to test the lateral extents of the mineralisation.

Section 30,480E (Figure 4)

RC holes (HERC021-023) show strong gold mineralisation across the drilled section. All three RC holes define broad gold zones interpreted to dip moderately towards the south (local grid) with a lateral width of approximately 200m and down to 150m depth.

Two new step-out RC hole (HERC034 - 035) have recently been completed 80m to the south on section, testing the down dip extension and has intersected further broad sulphide rich zones. Significantly, these new holes defines increased lateral potential over +300m width with some of the most intense sulphide mineralisation (>5%) logged to date and over significant widths below the transported material. Potential remains to extend the mineralisation laterally to the south and at depth as mineralisation essentially finishes at the end of hole. Assays for these holes remain pending.

Significant new intercepts (20gm*m) on section include:

- 34m @ 1.4g/t Au** from 65m in HERC021
- 11m @ 2.1g/t Au** from 44m in HERC022
- 76m @ 1.5g/t Au** from 42m in HERC023
- 18m @ 1.2g/t Au** from 132m in HERC023

Section 30,560E (Figure 5)

New RC gold intercepts and the previously reported results (54m @ 2.2g/t Au) in hole HERC013 now define extensive gold mineralisation from immediately below the transported cover and over a lateral width of almost 300m to a depth of 170 metres below surface. Once again, the wide zone of gold mineralisation is interpreted to dip moderately towards the south and remains open providing excellent down dip and lateral potential.

Significant intercepts (20gm*m) on section include:

- 78m @ 1.8g/t Au** from 40m in HERC014
- 21m @ 1.2g/t Au** from 153m in HERC014
- 28m @ 1.4g/t Au** from 60m in HERC015
- 72m @ 1.6g/t Au** from 105m in HERC015
- 16m @ 1.3g/t Au** from 52m in HERC024
- 56m @ 1.1g/t Au** from 93m in HERC024

20m @ 1.4g/t Au from 160m in HERC024

16m @ 1.3g/t Au from 194m in HERC024

54m @ 2.2g/t Au from 42m in HERC013 - previously reported

Section 30,640E (Figure 6)

This is the original Brolga discovery section with deeper diamond drilling continuing. To date, strong and broad zones of gold mineralisation have been defined across a lateral width of approximately 200m and to a depth of approximately 200m. The mineralisation was originally interpreted to be steep to the south, however evidence suggests a shallower moderate dip. This moderate dip interpretation adds to the near surface and open pit mining potential.

Previously reported significant RC intercepts (20gm*m) on section include:

97m @ 3.2g/t Au from 35m in HERC001

43m @ 1.9g/t Au from 34m in HERC002

51m @ 2.2g/t Au from 98m in HERC002

13m @ 1.9g/t Au from 36m in HEDD001

18m @ 2.3g/t Au from 59m in HEDD001

16m @ 2.6g/t Au from 104m in HEDD001

43m @ 1.9g/t Au from 99m in HEDD002

36m @ 3.2g/t Au from 156m in HEDD002

Section 30,720E (Figure 7) - New gold assays and sulphide observations

The moderately south dipping mineralised zones on this section are interpreted to represent thinner “fingers” of the mineralised pulse of intrusion. Although the overall zone is narrower than the section to the west (local grid), it must be noted the gold mineralisation remains relatively thick with total true widths of between 36-57m in each drill hole, with some high grade zones. Notably further potential remains below holes HERC017 and 018 and also down dip.

Significant intercepts (>20gm*m) on section include:

21m @ 3.6g/t Au from 45m in HERC016

15m @ 5.5g/t Au from 75m in HERC016

33m @ 1.6g/t Au from 41m in HERC017

17m @ 2.7g/t Au from 121m in HERC017

17m @ 1.5g/t Au from 107m in HERC018

15m @ 1.6g/t Au from 150m in HERC018

Figure 3 Brolga Zone - Section 30,400E showing new sulphide zones

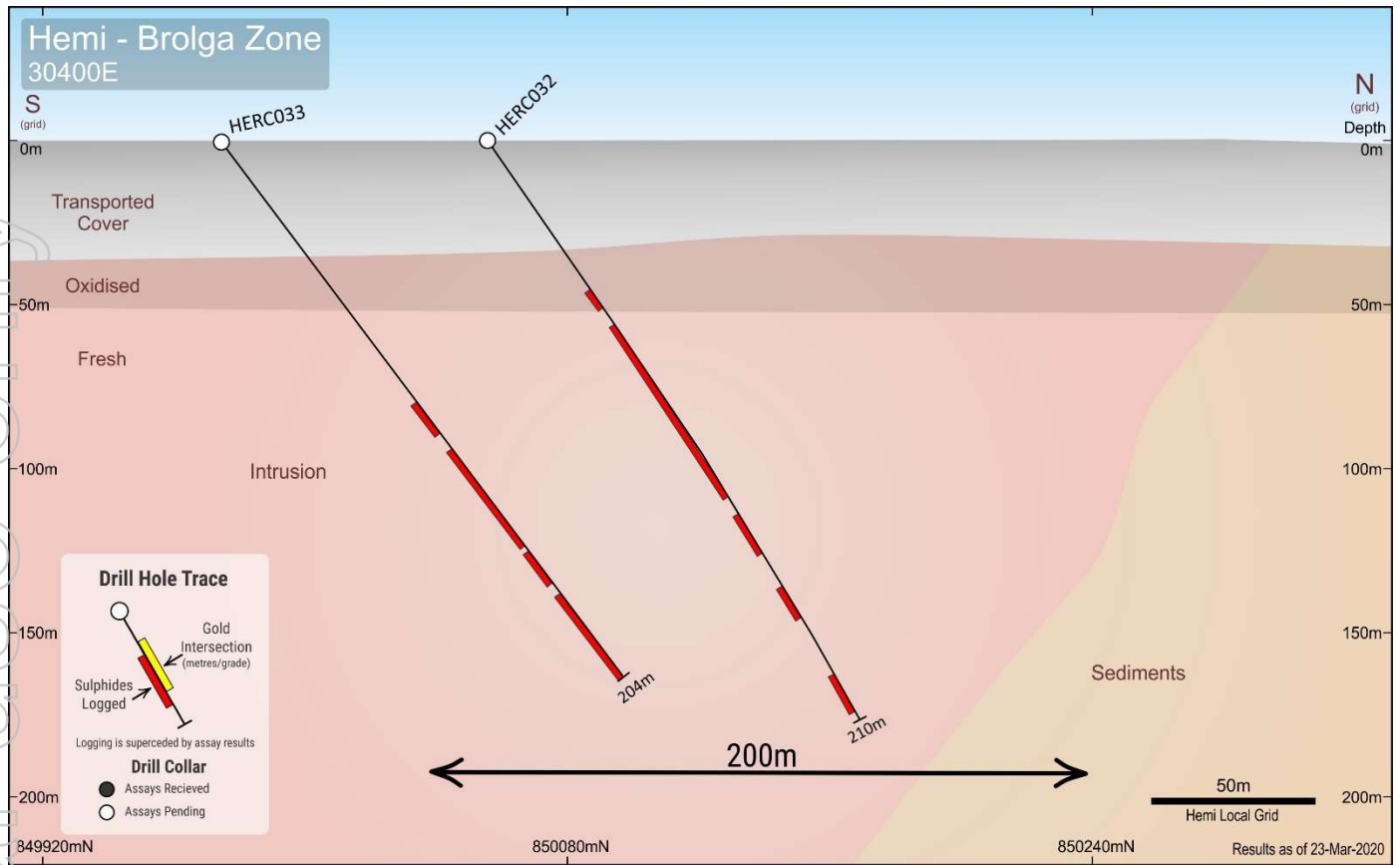


Figure 4 Brolga Zone - Section 30,480E showing new sulphide zones and drill intercepts

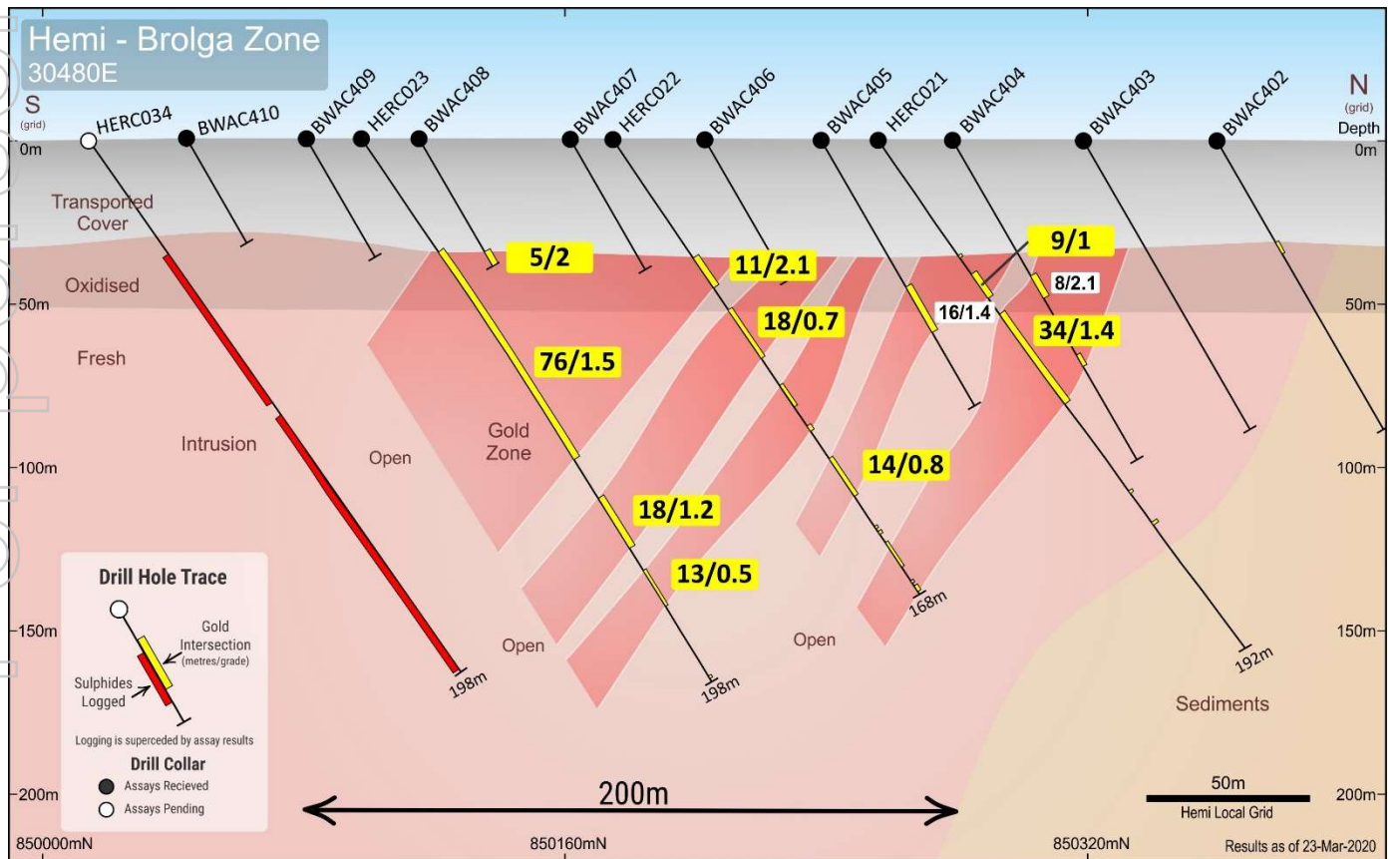


Figure 5 Brolga Zone - Section 30,560E RC drill intercepts

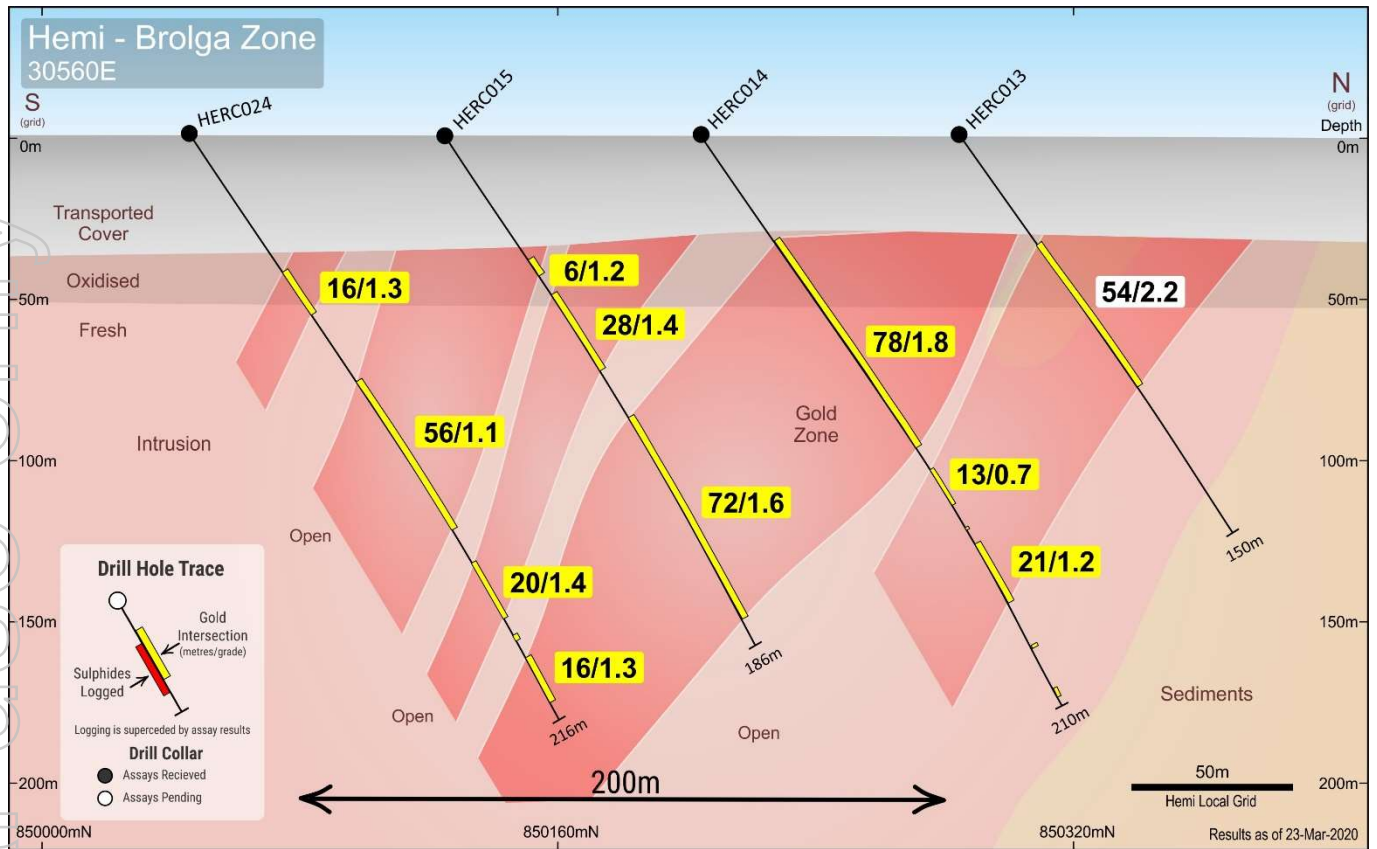


Figure 6 Brolga Zone - Section 30,640E showing gold intercepts and new diamond hole extensions

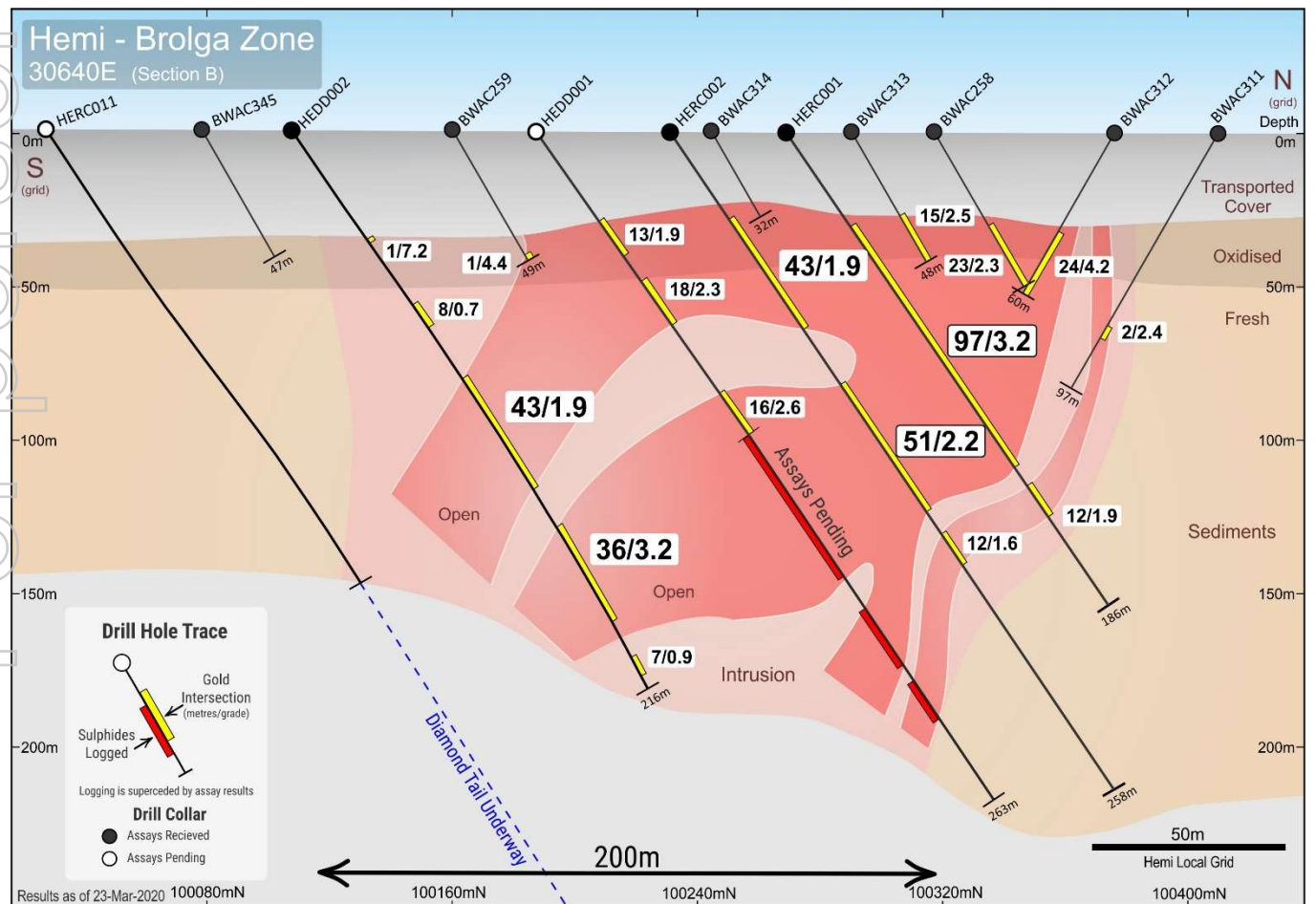
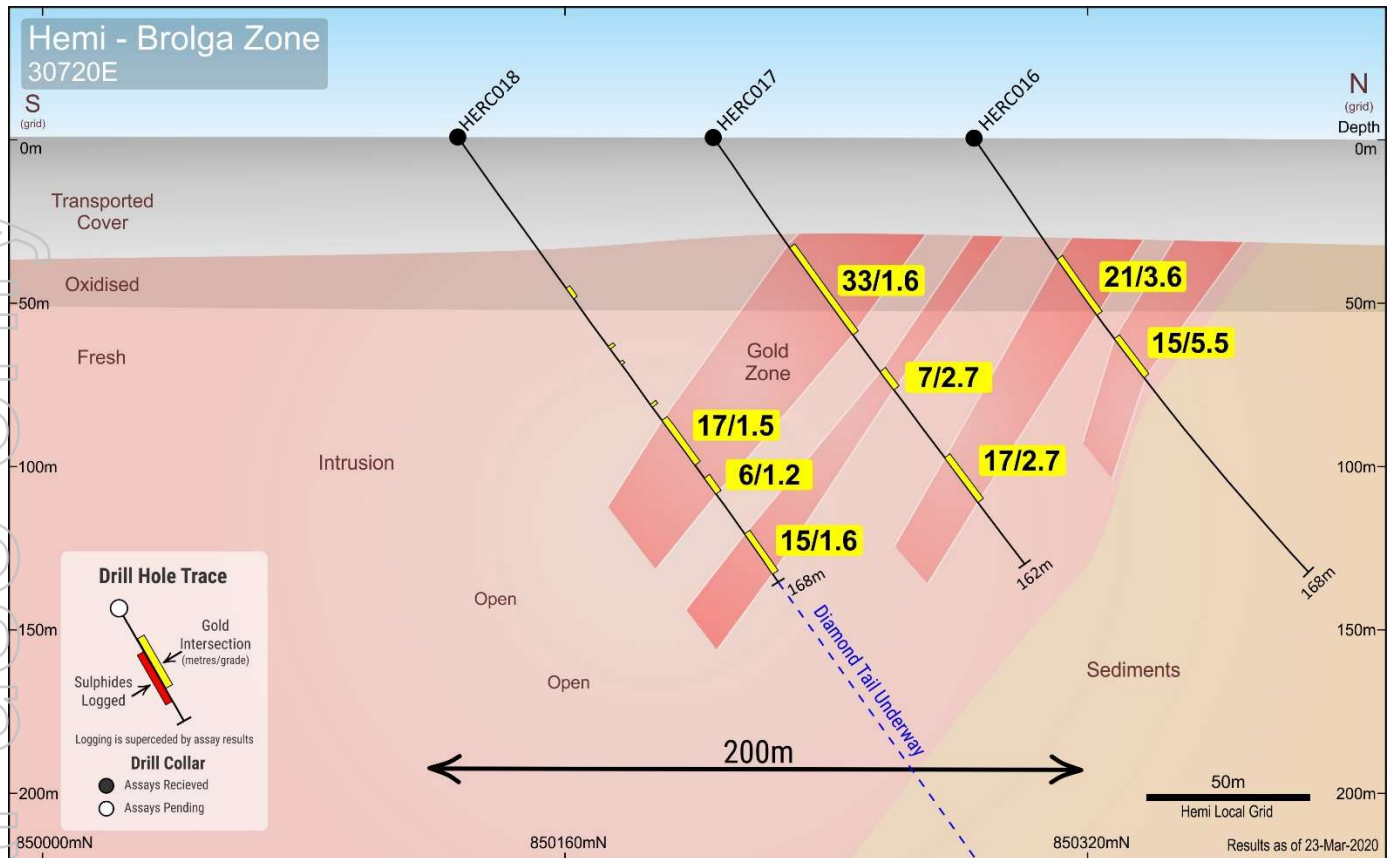


Figure 7 Brolga Zone - Section 30,720E showing RC drill intercepts



Note – all sulphides logged (Figures 3, 4 and 6) represent >5% sulphides with assays pending.

AIRCORE DRILLING RESULTS

The aircore program has been recently concentrating on extending and infilling the widespaced drilling to the north of Aquila where the previous aircore results had highlighted anomalous gold in all holes above the interpreted intrusions (Figure 1). Results remain pending for this drilling. Further encouraging priority aircore drilling results have also been received (Table 1).

Significant intercepts from the Aquila Zone include:

30m @ 1.2g/t Au from 42m in BWAC375

14m @ 1.3g/t Au from 94m in BWAC376

12m @ 2.1g/t Au from 44m in BWAC417

OPERATIONS

The Company, with the support of its various contractors, plans to continue the drilling program with 1 RC and 2 diamond rigs operating. The plan has been undertaken to maximise the protection of all personnel and reduce potential threats associated with COVID 19 and includes changed rosters to minimize travel and camp management to minimising external third party interaction. The plan is constantly being reviewed and may change at any time.

Hemi Background

Hemi is a new discovery under 30m of transported cover, with the first aircore drill results reported on 17 December 2019 and further encouraging high grade results subsequently reported during February and March 2020. Two zones of strong, broad sulphide rich mineralisation with high grade gold has been defined in the Aquila and Brolga Zones.

The gold zones represent a major new discovery for De Grey and potentially a new and exciting new style of mineralisation in the Pilbara region. The scale, grade and overall dimensions of the mineralisation defined to date is larger than all the other gold deposits De Grey has defined within the project area. Hemi has substantial potential to increase De Grey's current 1.7Moz of shallow gold resources.

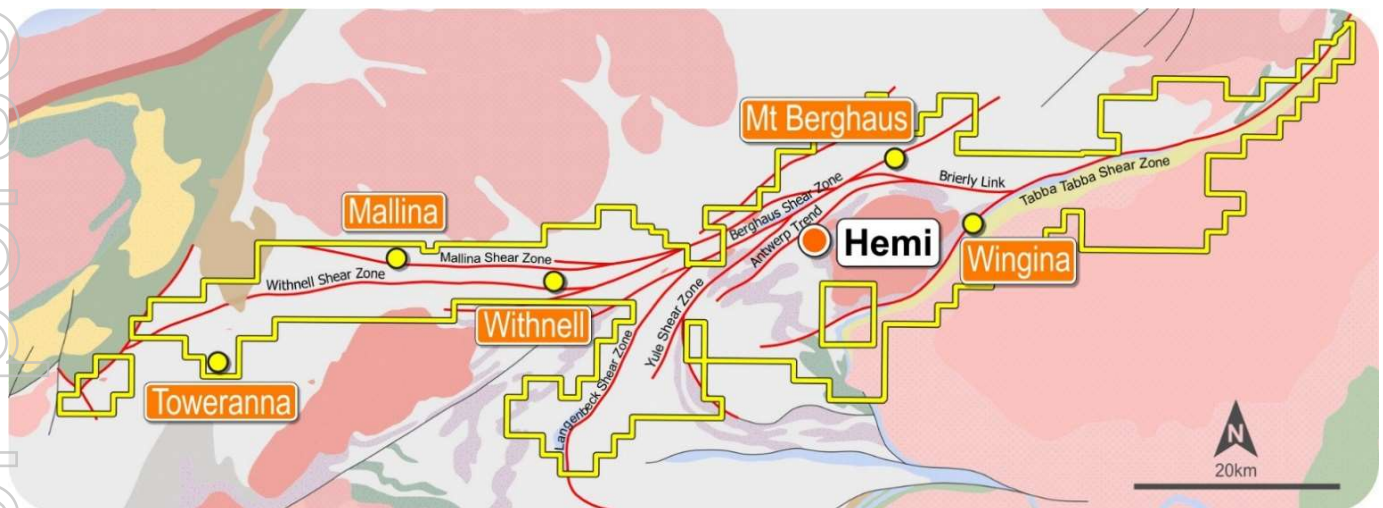
The Aquila Zone represents a 30-50m wide high grade gold zone over approximately 800m strike down to 180m below surface. Mineralisation remains open with ongoing drilling continuing.

The Brolga Zone is a substantially wider sulphide rich alteration zone, potentially up to +300m wide and is currently defined by RC drilling over +240m of strike. Mineralisation remains open and particularly to the south west and down dip with ongoing drilling continuing.

Reconnaissance aircore drilling continues to test the area immediately north of the Aquila zone where numerous earlier widespaced aircore holes encountered anomalous gold in the weathered horizon. Further potential remains for additional discoveries within this prospective corridor.

The gold mineralisation is intimately associated with strong and extensive sulphide alteration, comprising of pyrite and arsenopyrite, hosted in a stockwork within a felsic to mafic phases of the intrusion. The genetic link to the host intrusion is significant as the three interpreted large intrusions at Hemi show elevated gold in every aircore hole within the intrusions. This style of mineralisation is considered new to the Pilbara region.

Figure 6 Mallina Gold Project showing main gold deposits and the new Hemi Discovery.



This ASX report is authorised for release by the De Grey Board.

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Competent Person Statements

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.

Previously Released ASX Material References

The information in this report that relates to Hemi Prospect and the general Berghaus West area that has been previously released includes;

Resources:

- *Pilbara Gold Project increases gold resources by >20% to over 1.2Moz, 28 September 2017;*
- *2018 Total Gold Mineral Resource increases to 1.4Moz, 3 October 2018; and*
- *2019 Total Gold Mineral Resource – 21% increase to 1.7Moz, 16 July 2019.*

Exploration:

- *Multiple new targets increase exploration potential, 2 July 2019.*
- *New Gold Discoveries at Hemi and Antwerp, 17 December 2019*
- *Hemi confirms potential for major discovery, 6 February 2020*
- *Further impressive thick and high grade gold at Hemi, 11 February 2020*
- *Major extension of sulphide mineralisation at Hemi, 26 February 2020*
- *RC drilling confirms large scale gold system at Hemi, 5 March 2020*
- *Continuing extensive sulphide mineralisation intersected at Hemi, 10 March 2020*
- *Hemi continues to grow, 17 March 2020*

Table 1 Significant new Drill Intersections (>2 gram x m Au)

Hole ID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)
BWAC375	Aquila	42	72	30	1.2	648782	7692503	67	-60	330
incl	Aquila	42	44	2	7.2	648782	7692503	67	-60	330
BWAC375	Aquila	98	99	1	2.8	648782	7692503	67	-60	330
BWAC376	Aquila	94	108	14	1.3	648824	7692435	67	-60	330
BWAC376	Aquila	129	141	12	0.9	648824	7692435	67	-60	330
BWAC378	Aquila	60	72	12	0.7	648639	7692432	68	-60	330
BWAC384	Aquila	52	56	4	0.7	648306	7692039	68	-60	330
BWAC384	Aquila	76	80	4	2.1	648306	7692039	68	-60	330
BWAC394	Aquila	40	44	4	0.5	648420	7692169	68	-60	330
BWAC394	Aquila	52	56	4	1.6	648420	7692169	68	-60	330
BWAC412	Brolga	56	60	4	1.0	649334	7692508	69	-60	330
BWAC415	Brolga	60	64	4	1.9	649392	7692403	69	-60	330
BWAC417	Brolga	44	56	12	2.1	649434	7692337	69	-60	330
BWAC418	Brolga	60	64	4	0.8	649454	7692302	69	-60	330
BWAC420	Aquila	92	96	4	0.7	649060	7692663	68	-60	330
HEDD003	Aquila	103	107	4	0.6	648752	7692397	68	-55	327
HEDD003	Aquila	112	114	2	1.1	648752	7692397	68	-55	327
HERC010	Aquila	77	79	2	3.1	649014	7692583	68	-55	331
HERC012D	Brolga	48	53	5	0.8	649381	7692108	69	-55	330
HERC012D	Brolga	60	64	4	0.6	649381	7692108	69	-55	330
HERC012D	Brolga	80	83	3	1.3	649381	7692108	69	-55	330
HERC012D	Brolga	134	137	3	0.7	649381	7692108	69	-55	330
HERC014	Brolga	40	118	78	1.8	649183	7692290	69	-55	330
incl	Brolga	41	46	5	4.1	649183	7692290	69	-55	330
incl	Brolga	94	102	8	5.2	649183	7692290	69	-55	330
HERC014	Brolga	126	139	13	0.7	649183	7692290	69	-55	330
HERC014	Brolga	153	174	21	1.2	649183	7692290	69	-55	330
incl	Brolga	160	162	2	5.6	649183	7692290	69	-55	330
HERC015	Brolga	47	53	6	1.2	649222	7692221	69	-56	332
HERC015	Brolga	60	88	28	1.4	649222	7692221	69	-56	332
HERC015	Brolga	105	177	72	1.6	649222	7692221	69	-56	332
incl	Brolga	114	118	4	3.2	649222	7692221	69	-56	332
incl	Brolga	125	131	6	4.1	649222	7692221	69	-56	332
HERC016	Brolga	45	66	21	3.6	649277	7692437	69	-55	330
incl	Brolga	62	66	4	8.2	649277	7692437	69	-55	330
HERC016	Brolga	75	90	15	5.5	649277	7692437	69	-55	330
incl	Brolga	84	89	5	12.4	649277	7692437	69	-55	330
HERC017	Brolga	41	74	33	1.6	649320	7692369	68	-56	331
incl	Brolga	52	57	5	3.2	649320	7692369	68	-56	331
incl	Brolga	71	74	3	4.2	649320	7692369	68	-56	331
HERC017	Brolga	88	95	7	2.7	649320	7692369	68	-56	331
HERC017	Brolga	121	138	17	2.7	649320	7692369	68	-56	331
incl	Brolga	122	127	5	6.9	649320	7692369	68	-56	331
HERC018	Brolga	57	61	4	0.7	649357	7692301	69	-55	333
HERC018	Brolga	107	124	17	1.5	649357	7692301	69	-55	333
incl	Brolga	121	123	2	4.2	649357	7692301	69	-55	333
HERC018	Brolga	129	135	6	1.2	649357	7692301	69	-55	333
HERC018	Brolga	150	165	15	1.6	649357	7692301	69	-55	333
incl	Brolga	150	152	2	7.2	649357	7692301	69	-55	333
HERC021	Brolga	50	59	9	1.0	649087	7692293	69	-56	331
HERC021	Brolga	65	99	34	1.4	649087	7692293	69	-56	331
incl	Brolga	74	75	1	7.0	649087	7692293	69	-56	331
incl	Brolga	82	84	2	4.5	649087	7692293	69	-56	331
HERC022	Brolga	44	55	11	2.1	649130	7692224	69	-56	330

Hole ID	Zone	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)
incl	Brolga	45	47	2	4.7	649130	7692224	69	-56	330
HERC022	Brolga	63	81	18	0.7	649130	7692224	69	-56	330
HERC022	Brolga	91	99	8	0.6	649130	7692224	69	-56	330
HERC022	Brolga	118	132	14	0.8	649130	7692224	69	-56	330
HERC022	Brolga	149	158	9	0.5	649130	7692224	69	-56	330
HERC023	Brolga	42	118	76	1.5	649168	7692157	69	-56	332
incl	Brolga	55	64	9	3.1	649168	7692157	69	-56	332
HERC023	Brolga	132	150	18	1.2	649168	7692157	69	-56	332
incl	Brolga	135	136	1	3.8	649168	7692157	69	-56	332
HERC023	Brolga	158	171	13	0.5	649168	7692157	69	-56	332
HERC024	Brolga	52	68	16	1.3	649262	7692152	69	-56	331
incl	Brolga	61	62	1	3.6	649262	7692152	69	-56	331
HERC024	Brolga	93	149	56	1.1	649262	7692152	69	-56	331
incl	Brolga	138	139	1	4.1	649262	7692152	69	-56	331
HERC024	Brolga	160	180	20	1.4	649262	7692152	69	-56	331
incl	Brolga	165	166	1	3.7	649262	7692152	69	-56	331
HERC024	Brolga	194	210	16	1.3	649262	7692152	69	-56	331
incl	Brolga	201	202	1	4.0	649262	7692152	69	-56	331

Table 2 Sulphide zones logged in RC and diamond holes

Hole ID	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)	Hole Depth (m)	Sulphide Interval (m)
HERC032	649117	7692080	69.5	-55.8	328.1	210	72-131
HERC032	649117	7692080	69.5	-55.8	328.1	210	137-146
HERC032	649117	7692080	69.5	-55.8	328.1	210	163-173
HERC033	649159	7692010	69.0	-53.0	327.5	204	119-142
HERC033	649159	7692010	69.0	-53.0	327.5	204	156-168
HERC033	649159	7692010	69.0	-53.0	327.5	204	172-204
HERC034	649208	7692085	69.0	-55.0	331.5	198	44-98
HERC034	649208	7692085	69.0	-55.0	331.5	198	102-188
HERC035	649248	7692016	69.0	-55.9	330.7	216	73-89
HERC035	649248	7692016	69.0	-55.9	330.7	216	168-206

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.

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 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.
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"> 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"> 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"> RC and aircore samples were visually assessed for recovery. Samples are considered representative with generally good recovery. Deeper 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 by Company geologists. RC 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, 	<ul style="list-style-type: none"> 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.

Criteria	JORC Code explanation	Commentary
	<p><i>including for instance results for field duplicate/second-half sampling.</i></p> <ul style="list-style-type: none"> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> The samples are considered representative and appropriate for this type of drilling RC samples are mostly 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.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The samples were submitted to a commercial independent laboratory in Perth, Australia. For RC samples Au was analysed by a 50g charge Fire assay fusion technique with an AAS finish. 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"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<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"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> 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"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<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. Data spacing and distribution of RC drilling is not yet 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"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<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 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"> <i>The measures taken to ensure sample security.</i> 	<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"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<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 tenement E45/3392 held by Last Crusade Pty Ltd, which is a 100% subsidiary of De Grey Mining Ltd. 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 tenement has had some 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.
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"> 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"> 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 	<ul style="list-style-type: none"> Plans and sections are provided in the report.

Criteria	JORC Code explanation	Commentary
	<i>collar locations and appropriate sectional views.</i>	
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.
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.

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