

ASX Announcement
3 October 2018

ASX Code DEG
FRA Code WKN 633879

ABN 65 094 206 292

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RC Drilling commences at White Quartz Hill Prospect

- De-Grey has commenced an RC drilling program on the Farno McMahon JV tenement - E47-2502

White Quartz Hill prospect (“White Quartz Hill”)

- ~900m drill program is now in progress at White Quartz Hill
- Targeting large outcropping quartz veins associated with historic prospector activity over a ~200m strike length.
- Located only 9km’s south-east of the Withnell trend

Clarke Prospect (“Clarke”)

- ~700m RC drilling program to follow
- Targeting high-grade gold rock samples from outcropping quartz veins over ~150m strike length
- Both drilling programs are expected to be completed during October.
- Geological mapping of various prospects also planned



Figure 1 – Rig at its current location “White Quartz Hill Prospect”

De Grey Mining Ltd (ASX:DEG, “De Grey”, “Company”) is pleased to advise RC drilling has commenced on the Farno McMahon JV area, located approximately 100km south west of Port Hedland, in the Pilbara region of Western Australia.

The initial two targets, White Quartz Hill and Clarke prospects are located on tenement E47/2502 and De Grey has a four-year option to earn 75% of tenement E47/2502, from Farno McMahon Pty Ltd, as previously announced to the ASX on 21 August 2017.

The company has employed Castle Drilling utilizing the specialised RC drill rig to carry out the 1600m drill program on the Farno JV tenement (**Figure 1** on front page). This track mounted RC rig is compact and maneuverable over rugged terrain and has been employed to minimize environmental impact by not requiring extensive earthworks.

Archeological and ethnographical surveys were completed by the Kariyarra Native Title claimants during September 2018.

White Quartz Hill Prospect

White Quartz Hill is located 16km south east of the Withnell trend (**Figure 2**). A program of 9 RC holes for a total of ~900m has been planned to test the large north south trending series of outcropping quartz veins which have historic prospector activity adjacent to this quartz hills (**Figure 3**). De Grey has not completed any previous exploration activities on the prospect.

Figure 2 Prospects on the E47/2502 in proximity to Withnell trend

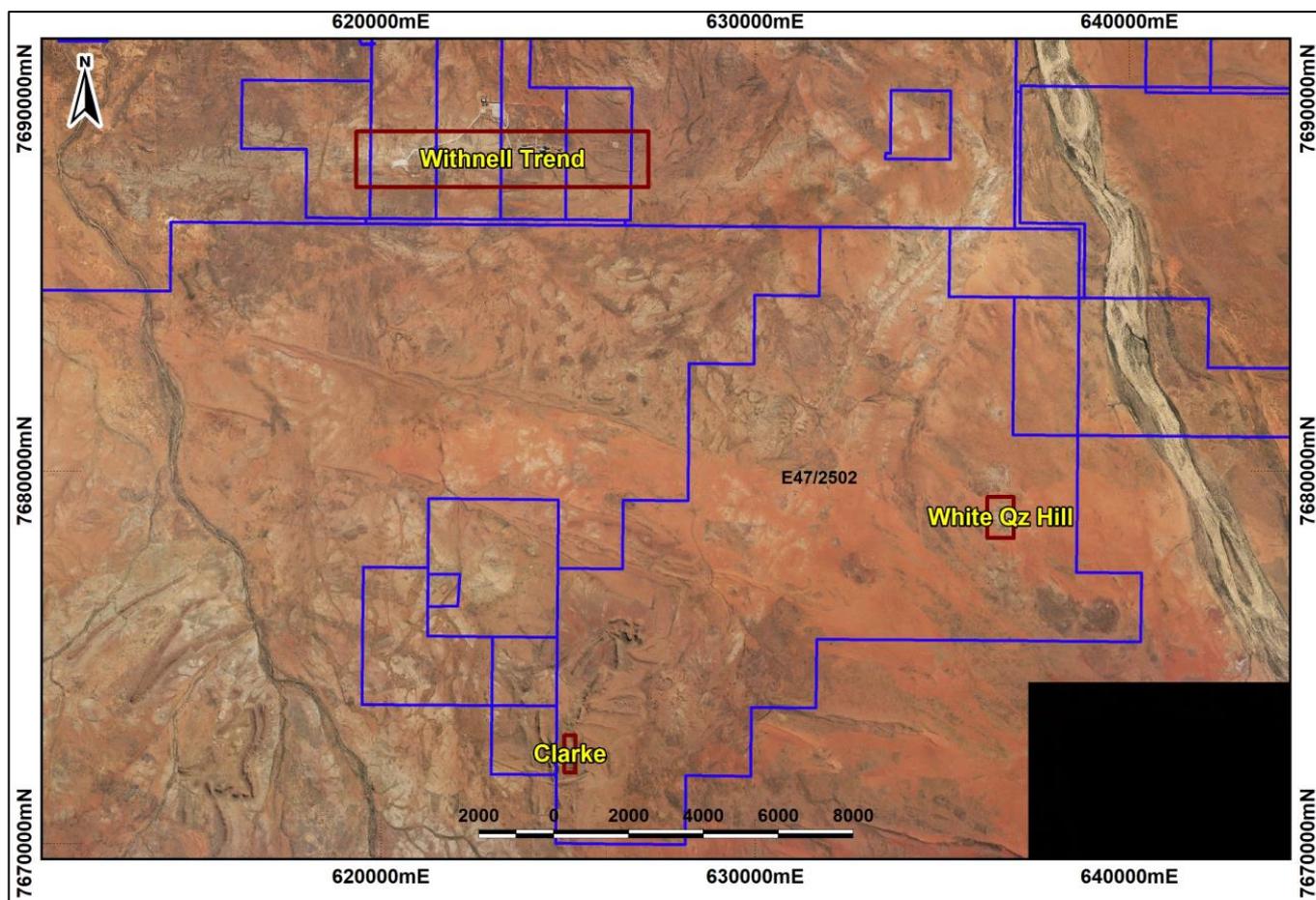
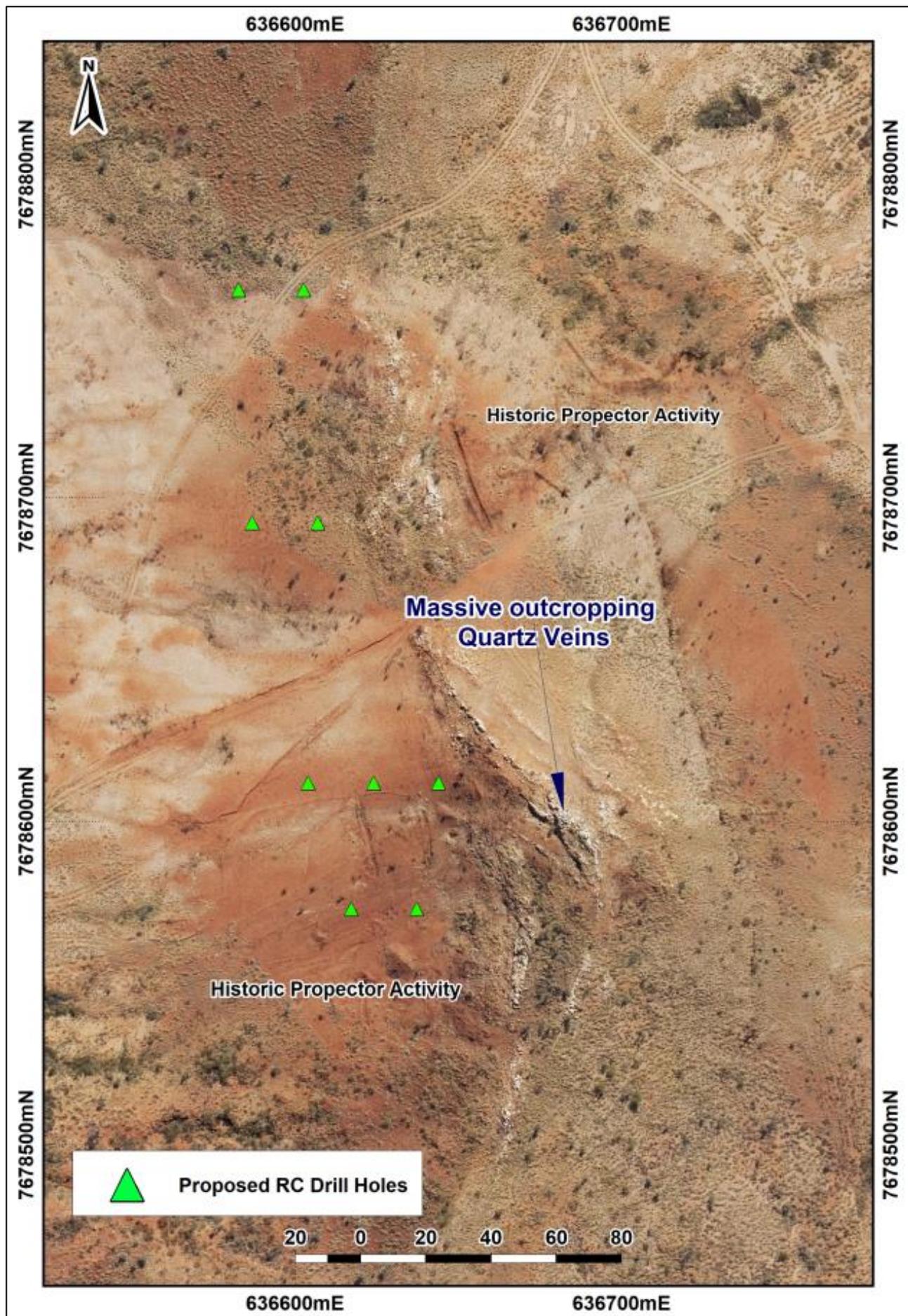


Figure 3 Proposed RC Drill locations at White Quartz Hill

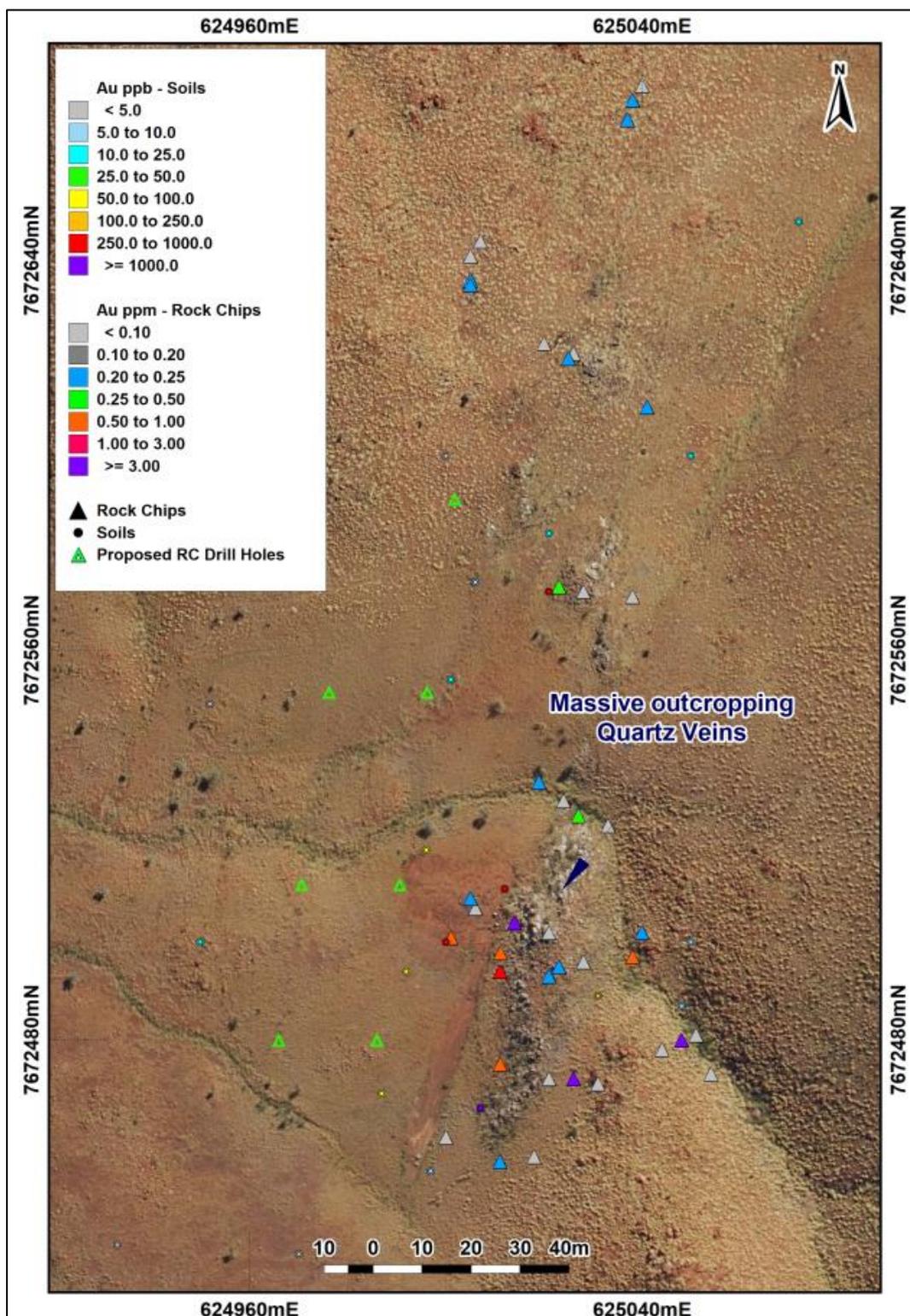


Clarke Prospect

Clarke is located 16km south of the Withnell trend. A program of 7 RC holes for a total of ~700m and have been planned to drill under both the main partially outcropping quartz vein and other smaller nearby splay veins along approximately 150m of strike (**Figure 4**).

As reported previously, rock chip and soil sampling defined a strong soil anomaly and significant high-grade rock chip assay results along the outcropping quartz veins with the following results 28.3g/t, 7.28g/t, 5.97g/t, 1.72g/t, 1.69g/t, 1.25g/t and 1.08g/t and numerous prospector metal detecting pits.

Figure 4 Proposed RC Drill locations at Clarke



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Information relating to Previous Disclosure

Information relating to Exploration Results associated with previous disclosures relating to the Clarke prospects in this report has been extracted from the following ASX announcement:

- *High grade gold rock samples increase potential at Farno McMahon JV, 29 November 2017*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Statements regarding De Grey Mining's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that De Grey Mining plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that De Grey Mining will be able to confirm the presence of additional gold mineralisation, mineral deposits, and that any mineralisation will prove to be economic or that a mine will successfully be developed on any of De Grey Mining's mineral properties.