



## ASX Announcement

29 November 2019

# \$5.0 million Capital Raising

De Grey Mining Limited (ASX: DEG, **De Grey** or **Company**) advises that it has received firm commitments for a \$5.0 million placement via the issue of approximately 111.1 million shares at \$0.045 per share to sophisticated and professional investors (**Placement**) (before costs of raising). Bell Potter Securities Limited was the Lead Manager to the Placement.

Under the Placement DGO Gold Limited intends to contribute \$500,000 of the \$5.0 million being raised, though their intent is subject to De Grey shareholder approval via an extraordinary general meeting (**EGM**).

Funds raised under the Placement will be used to continue exploration activities at Mallina, a key resource within the Mallina gold province (previously the Pilbara Gold Province). Recent drilling has shown a series of wide, high grade, shallow results with mineralisation now present over a greater than 7km strike length. Incomplete shallow (<100m) drilling to date over less than 3km of the system will now undergo a more systematic and comprehensive program.

A current 10,000m RC and diamond drilling (1 DD rig, 2RC rigs) program is scheduled to be completed by mid-December, with results being reported during January 2020. A follow up program is likely to commence in February 2020.

The Placement shares have been placed in accordance with the Company's available 15% placement capacity pursuant to ASX Listing Rule 7.1. The Placement shares will rank equally with existing De Grey ordinary shares quoted on the ASX. De Grey will allot approximately 100.0 million shares on Thursday the 5<sup>th</sup> of December 2019, with the remaining 11.1 million shares to be allotted to DGO Gold Limited post shareholder approval at an EGM, to be convened.

**Executive Chairman Mr Simon Lill said:**

*"In a perfect world every capital raise would be higher than the previous. We have however experienced a difficult period since the gold price highs in August and we have noted the declining share prices and fortunes of many of our peers in the sector. The decision to raise additional capital now was difficult but ensures funding is secured and enables ongoing exploration activity at what we consider to be one of the best greenfields gold projects in Australia. We are pressing on to establish sufficient resources before considering development or other options. We thank our colleagues DGO Gold Limited for their ongoing support of the Company and Project."*

**For further information:**

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