

# De Grey Mining Ltd

A.B.N. 65 094 206 292

23 September 2014

## ASX/MEDIA RELEASE

### DRILLING UPDATE - GREAT NORTHERN GOLD PROJECT

De Grey Mining Ltd (De Grey, ASX: **DEG**) is pleased to note the announcement by Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V: **RUG**) of the approval of their Programme of Work covering the proposed drilling at Wingina Well. The programme, planned for early October, will progress the earning of their interest in the Great Northern Gold Project under the previously reported Agreement with De Grey.

Rugby have the opportunity to earn 80% in the Great Northern Gold Project through the expenditure of \$2 Million over a three year period, with De Grey retaining 20% on a free carried basis through the period.

The four hole diamond core drilling programme is designed to extend higher grade sections of the Wingina Well deposit and De Grey looks forward to the results which Rugby anticipate will be available for release in November and December.

A copy of the Rugby Mining Limited announcement to the TSX-V has been included as Appendix 1.

#### For further information:

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#### COMPETENT PERSON'S STATEMENT

*The information in this report that relates Exploration Results was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

*Mr Batten consents to the form and context in which the Exploration Results and the supporting information are presented in this report.*

*Mr Batten is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and the Executive Chairman of De Grey Mining Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

## Appendix 1 – TSX –V Announcement



### DRILLING PERMIT APPROVED FOR THE WINGINA PROSPECT AT THE GREAT NORTHERN GOLD PROJECT, AUSTRALIA

Vancouver, B.C., September 22, 2014 – Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V: RUG) is pleased to announce that a permit has been received for the initial drilling program at the Wingina prospect within the **Great Northern Gold Project** in the Pilbara region of Western Australia.

#### Figure 1- “Wingina Prospect Location”.

Rugby’s CEO, Paul Joyce stated “Wingina is the top priority prospect at our Great Northern Gold Project. We can now move quickly to drill test a potential depth extension to a high-grade gold zone (“*Figure 2*”). Both the structural setting and the host rocks are considered favourable for such an extension to significant depth. The initial drilling program will comprise four pre-collared diamond drill holes.

“In addition to testing the continuity of the high grade footwall gold zone, this program will assist in upgrading the historical mineral resource at Wingina to NI 43-101 requirements. The program is expected to commence in early October, 2014 with results anticipated in November and December.”

#### Figure 2: “The Wingina Prospect Showing Potential High-Grade Gold Target”

#### **Cobrasco Update**

Rugby has secured the water permits and the communities’ social and access agreements necessary to initiate an exploration program at Cobrasco. One final permit is awaited and remains with the Ministry of Environment for approval. Drilling on the project is expected to follow once this permit is obtained.

Cisco Montes, the Company’s Chief Geologist and a “qualified person” within the definition of that term in NI 43-101, has supervised the preparation of the technical information contained in this news release.

#### **About Rugby**

Rugby is an emerging mineral resource company focussed on a portfolio of projects with considerable potential for significant discoveries. Rugby benefits from the experience of its directors and management, individuals that have been directly responsible for world-class mineral discoveries or have led teams responsible for such discoveries.

**Cobrasco and Comita Projects, Colombia:** Rugby owns 100% of the Cobrasco project, subject to a 1% NSR and has an option to earn up to 60% of the adjacent Comita project in western Colombia. Both projects host undrilled large scale porphyry copper-molybdenum targets which were recognised during a joint German-Colombian government sponsored exploration program over 20 years ago. No systematic exploration has been conducted since that time. Rugby is now in discussions with local drilling contractors with the goal to initiate its inaugural drill program at Cobrasco once the outstanding permit is obtained. The Company recently filed a NI 43-101 Technical Report titled, “*Cobrasco-Comita Porphyry Copper Project, Department of Chocó, Republic of Colombia*” (the “Technical Report”), with an effective date of June 25, 2014, authored by Dr. Stewart D. Redwood, an independent Qualified Person. The Technical Report is available under the Company’s profile at [www.sedar.com](http://www.sedar.com)

**The Great Northern Gold Project, Australia:** Rugby has an option to earn an 80% interest in a 714 square kilometre (“km”) tenement package (the “Tenements”) and an additional option to purchase an 80% interest in a near surface historical resource at Wingina (together with the Tenements, the “**Great Northern Gold Project**”).

**Mabuhay Project, Philippines:** The Company holds an option to acquire up to 80% of the Mabuhay project in Surigao Province. The Company considers the project to have excellent potential for the discovery of both epithermal gold deposits and gold-copper porphyry systems. An application for an Exploration Permit ("EP") is currently being processed, however grant of all titles in the Philippines remains very slow. To minimise expenditures, the project will remain under care and maintenance until the EP is granted.

For additional information you are invited to visit the Rugby Mining Limited website at [www.rugbymining.com](http://www.rugbymining.com)

## **RUGBY MINING LIMITED**

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**President and CEO**

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## **CAUTIONARY STATEMENT**

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of the British Columbia, Alberta and Ontario Securities Acts. This includes statements concerning the Company's plans at its projects including the expected approval of permits required for exploration, timing of drilling programs, high grade potential at the Great Northern Gold Project, potential for mineral discoveries on its projects and drilling costs which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the effect on prices of major mineral commodities such as copper, gold and iron by factors beyond the control of the Company; events which cannot be accurately predicted such as political and economic instability, terrorism, environmental factors and changes in government regulations and taxes; the shortage of personnel with the requisite knowledge and skills to design and execute exploration programs; difficulties in arranging contracts for drilling and other exploration services; the Company's dependency on equity market financings to fund its exploration programs and maintain its mineral exploration properties in good standing; political risk that a government will change, interpret or enforce mineral tenure, environmental regulations, taxes or mineral royalties in a manner that could have an adverse effect on the Company's assets or financial condition and impair its ability to advance its mineral exploration projects or raise further funds for exploration; risks associated with title to resource properties due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the interpretation of laws regarding ownership of mineral properties in the Philippines and in the sometimes ambiguous conveyancing characteristic of many resource properties, currency risks associated with foreign operations, the timing of obtaining permits to conduct exploration activities, the ability to conclude agreements with local communities and other risks and uncertainties, including those described in each of the Company's management discussion and analysis including those contained in its year-end financial statements for the year ended February 28, 2014 filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com). In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Figure 1 –Wingina Prospect Location Map

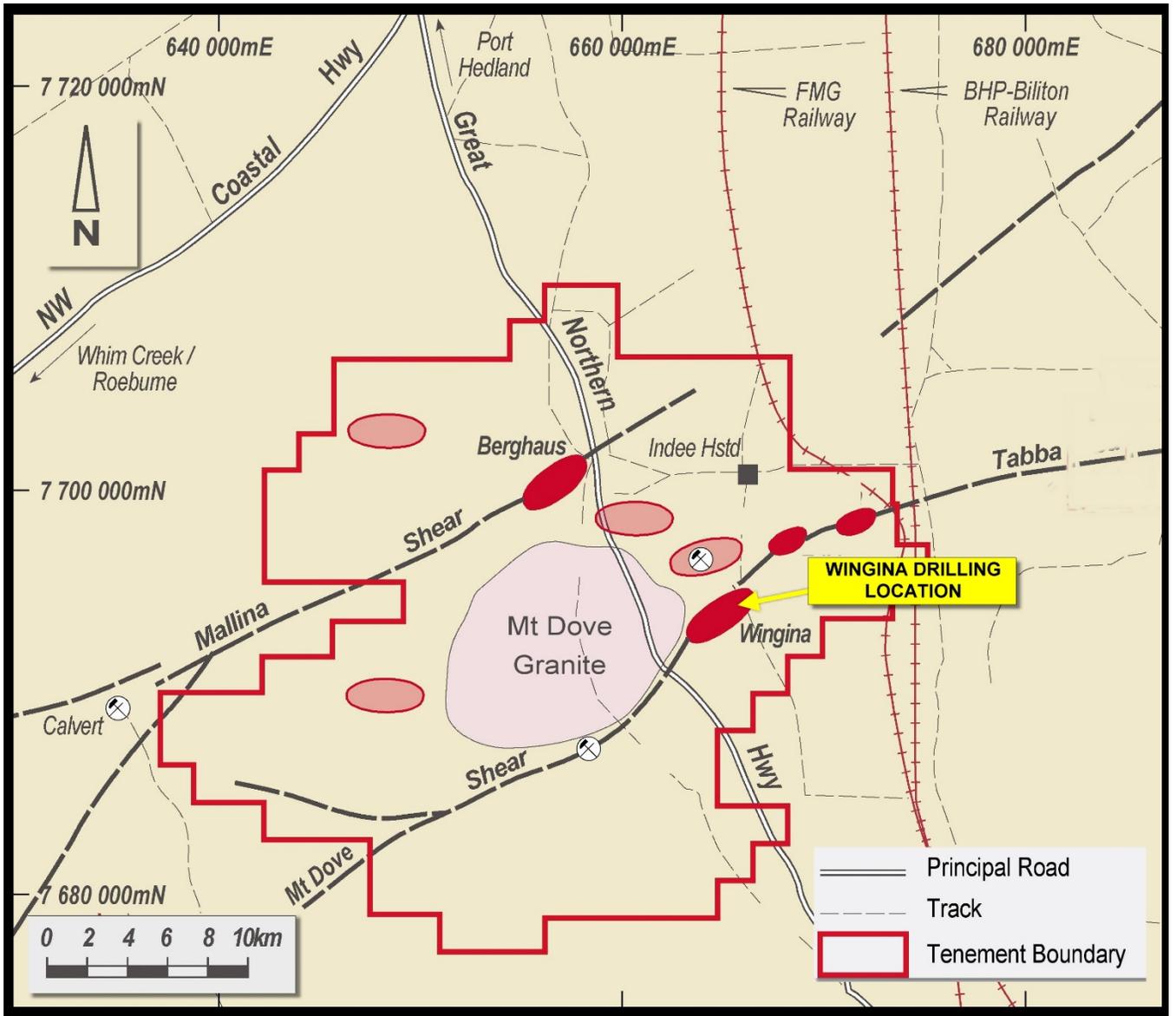


Figure 2: The Wingina Prospect Showing Potential High-Grade Gold Target

