DE GREY
MINING LTD

Annual Report

for the year ended 30 June 2019

De Grey Mining Limited
ABN: 65 094 206 292

Contents

Corporate Information

ABN 65 094 206 292

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Simon Lill (Executive Chairman)
Andrew Beckwith (Technical Director & Operations Manager)
Peter Hood (Non-Executive Director)
Eduard Eshuys (Non-Executive Director
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Frankfurt Stock Exchange (FRA code WKN 633879)

Chairman's Letter

Dear Shareholders,

I am pleased to report than your company is in a significantly stronger position today than it was twelve months ago.

Most notably, the acquisition of Indee Gold Pty Ltd the owner of a significant tenement package that forms part of the Pilbara Gold Project ("PGP"), was completed in August this year.

De Grey now owns 100% of PGP, unencumbered.

The completion of the acquisition was funded after the year end by a capital raising and entitlements issue totalling $22M, underwritten by Bell Potter, supported by many existing shareholders and introducing a number of Australian institutional investors to the company's register.

Consequently, the Company has welcomed many new shareholders to the register, perhaps most notably Northwest Non Ferrous Australia Mining Pty Ltd, the previous vendors of Indee Gold Pty Ltd and whom now hold a 6.31% interest in Company.

DGO Gold Limited, now our largest shareholder, are also to be thanked for their support and increasing their shareholding by investing a further $3.75M in the Company. Clearly all other shareholders, be they existing or new, who contributed are also thanked for their support.

The ambitious decision 2½ years ago to acquire Indee Gold for $15 million has now been vindicated. At the time of entering the option to acquire the Indee Gold landholding, the Company's market capitalisation was only $3.5M. However, the Board understood that joining the Indee and the Turner River assets would provide the opportunity for scale that is only now beginning to be recognised.

The acquisition of Indee Gold was made at the time at an effective cost of A$27.88 per oz. Since then we have spent $9.4M on the Project to increase resources on the Indee tenements by 603,400 oz to 1,141,400 oz for a total finding cost of $15.57 per oz and a total acquisition cost of $21.37 per oz.

These numbers include the defining of new resources and the conversion of a portion of resources from Inferred to Measured and Indicated categories, whilst also including activity on the conglomerate gold prospects also situated on the Indee tenements. We expect the discovery cost to continue to reduce and use by way of example recent finding costs at Toweranna where the resource has increased from 40,700 oz (Inferred) before we started drilling to 356,600 oz (284,000oz Indicated) at a finding cost of less than $10/oz. Our goal is to continue this trend of discovering low cost new resource ounces.

Our 100% owned tenement package is well located within 80km south of Port Hedland and comprises approximately 1,500 km2 of what we firmly believe will be a major new gold province of Western Australia. The potential for extension of resources and additional discovery across the tenements is extremely high and is well covered in the Operations Review. To date only 10% of the 200 plus kms of shear zones and new intrusion related targets have been drill tested in any detail, with most of that drilling less than 150m from surface. A significant aircore drilling program is underway across these highly prospective structures with the aim of further new and substantial discoveries.

De Grey's exploration team continue to achieve a high rate of drilling success, with 53% of diamond holes achieving intersections of greater than 10 gram metres (i.e. 5m x 2 gm) and 45% of RC holes greater than 5 gram metres (i.e. 5gms x 1m). The drilling results achieved to date are at least comparable to similar stage projects in the better explored Yilgarn Craton and confirm the high prospectivity in this part of the Pilbara. Resource finding costs referred above are also comparable with many Yilgarn brownfields projects adding to the company's confidence of further resource additions at reasonable exploration expense.

The discovery success to date combined with the large inventory of untested targets lends strong support to the Board's conviction that De Grey's land position encompasses one of the largest under explored gold provinces in the world in the favourable low sovereign risk environment of Western Australia.

Data on mature, well-explored gold provinces of similar scale show an asymptotic distribution of deposit size with the largest deposit in a province often containing greater than 30% of total province gold resources. Our exploration potential in the emerging Pilbara Gold Province is enhanced by the view that the largest deposits are yet to be discovered or fully delineated.

We now have 3 rigs on site concentrating on the regional aircore exploration and resource extensions at the Company's key resource areas of Withnell, Toweranna and Mallina. We are targeting each of these larger gold camps as we believe they will all grow substantially with our expectation being that each may well surpass 1M ounces in the fullness of time.

Our exploration strategy is to continue to explore and increase resources with view to de-risk future developments through a strong resource inventory of large shallow open pit and underground mines. The scale, potential and resource distribution is evolving rapidly as we advance our understanding of potential economics. Current drilling programs are designed to improve that understanding as quickly as possible, whilst continuing to increase the project's gold endowment.

We have consistently advised our short-term targets to achieve +2M ounces before the end of the year, and +3M ounces before the end of 2020. We remain confident with reaching these self-imposed milestones and believe that the bulk of those additional ounces may well be defined from the key resource centres of Withnell, Mallina and Toweranna in the current phase of exploration.

We have welcomed the experience of Messrs Peter Hood, Eduard Eshuys and Bruce Parncutt to the Board. The ability to attract high calibre Directors is testament to the quality of the project. I would urge you to read their profiles in the Director's report.

We thank Messrs. Steve Morris and Brett Lambert, both of whom stepped down from the board in August after serving the company for 5 and 2 years respectively. Their contribution and support of the company has re-established the Company with 100% ownership of a major Australian gold project.

Similarly, I wish to thank all staff members and contractors for their hard work and dedicated efforts during the last 12 months – it is not always easy through the cycles of exploration campaigns but we are all believers in the project and remain dedicated to the outcomes we are seeking to achieve.

In closing while thanking shareholders for your continuing support I also commend you to read this annual report carefully. The potential for shareholder value growth over the next several years is significant.

Yours sincerely,

Simon Lill
Executive Chairman

Review of Operations

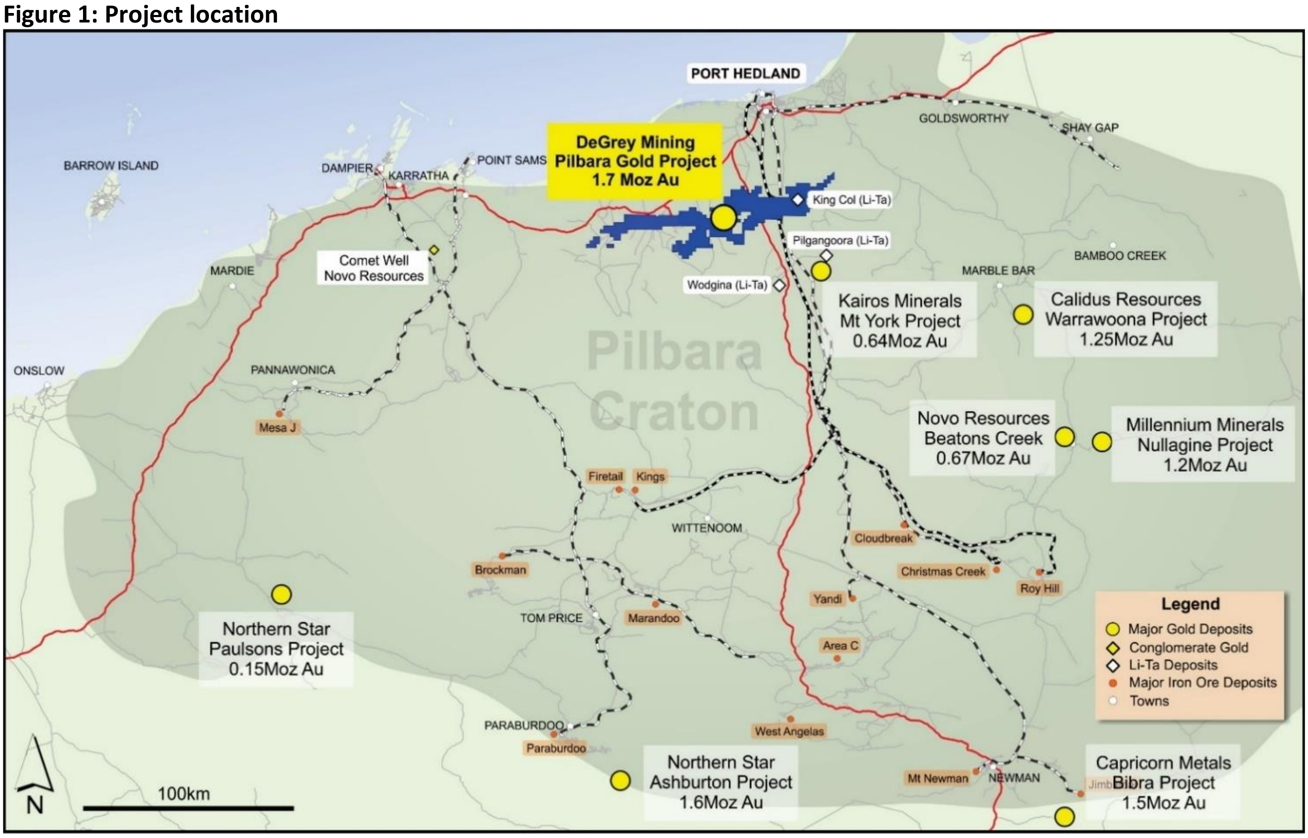
The following review of operations discusses the Company's activities during the year. De Grey's focus is on the Pilbara Gold Project (PGP), a structural shear and intrusion hosted gold project with a resource inventory of 29.65Mt @ 1.8g/t for 1.7Moz that is expected to grow substantially as further exploration advances.

During the year exploration activities continued at the PGP, located within one hour's drive from the major coastal port and mining town of Port Hedland, approximately a two hour flight direct from Perth in Western Australia (Figure 1). The acquisition of Indee Gold Pty Ltd, subsequent to the period, consolidates 100% of the key project areas and covers ~1,500km^2 of highly prospective Archaean aged rocks and controlling structures. Additional joint venture and option agreements to the immediate south provide De Grey with the right to earn between 70-80% of additional tenements. . The main joint venture tenement area is the Farno McMahon ground, EL 47/2502 where our Joint Venture partner is Novo Resources of Canada.

The PGP is an outstanding exploration and future development gold project, that is well located in an infrastructure rich area of the Pilbara. The PGP hosts the largest gold resources in the Pilbara with excellent potential for significant increases as all five major gold resource areas remain open in most directions and to date have only received relatively shallow drilling. De Grey is continuing to aggressively drill to increase overall resources with the initial corporate targets of +2.0M ounces by the end of 2019, and +3.0M plus by the end of 2020 with new discoveries expected to increase resources well beyond the stated targets as exploration advances.

The Company continues to explore and increase resources as part of the Company's overall strategy to de-risk the project prior to development.

Figure 1: Project location



The Company recognises the province scale landholding that it now controls which includes over 200km of under explored mineralised shear zones and numerous new intrusion related targets (Figure 2). De Grey estimates only 10% of the prospective NE trending shear zones have been drilled in any detail with RC and diamond drilling. Most drill holes are less than 150m in depth, with very few below 300m.

Mallina Basin – Highly Prospective Archaean Sedimentary Basin in the Pilbara region

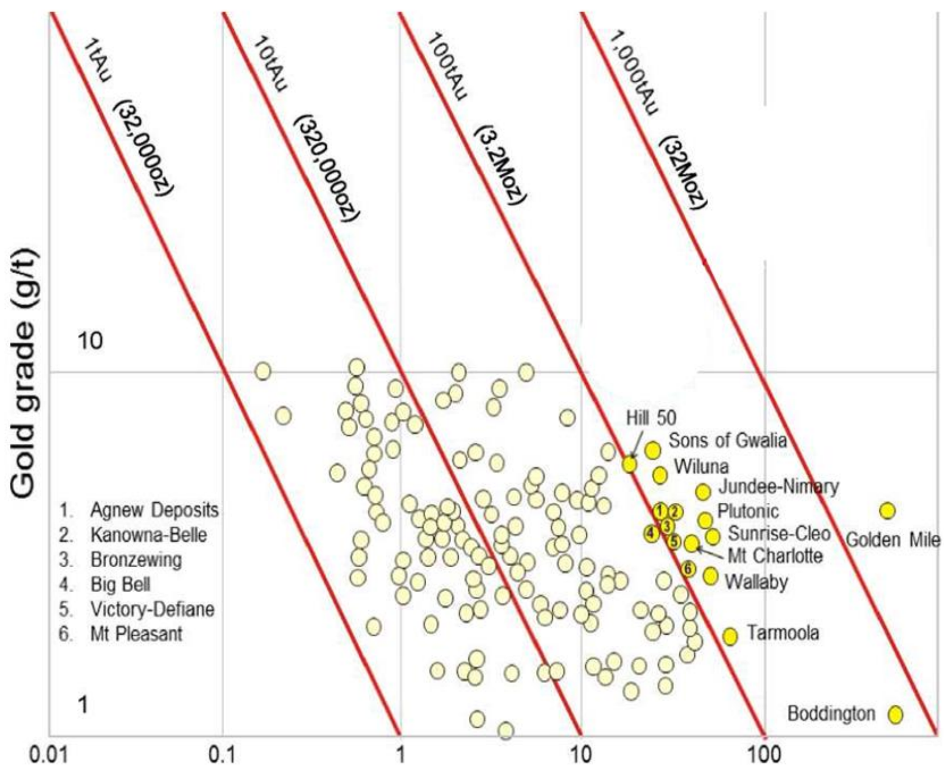
In the Pilbara, the Mallina Basin is the largest Archaean sedimentary basin by strike extent and volume and is interpreted to be controlled by large deep seated mantle tapping structures (NW corridor) that allow primary gold rich fluids to flow into the basin. This underlying "deep seated mantle tapping" architecture creates an excellent fluid pathway and the complex folding and shearing history provides excellent structural traps for gold mineralisation in the various shear zones, anticlinal structures and associated intrusions.

The shear zone style of gold mineralisation is well documented with defined resources including the Withnell, Wingina, Mt Berghaus and Mallina deposits which occur as generally steep sub vertical lodes within large regional scale shear zones. Large extents of the shear zones have highly prospective zones of strong gold and associated pathfinder elements already defined yet have not been drill tested to date. This style of mineralisation forms the largest portion of the current known resources.

During the year the resources at Toweranna were substantially increased from the previous 2.1Mt @ 2.2g/t for 143,900 oz to 5.33Mt @ 2.1g/t for 356,600oz within 200m from surface. This increase underlined the substantial potential of this intrusion style of mineralisation throughout the project area. A recent database review, has defined seven (7) new intrusion related gold targets, including five high priority drill targets with encouraging, shallow gold intersections highlighted. These five targets have not been followed up since drilling and sampling occurred between 1998 to 2005.

Project Potential

The potential to host significantly larger deposits or to grow one of the currently identified deposits, is considered likely based on evidence that most large world class gold provinces host several major deposits (>3.2Moz) and potentially one "mega" deposit (>32Moz) as seen in many highly explored gold provinces around the world. The diagram below, taken from Hagemann and Cassidy aims to demonstrate this principle for the Yilgarn.



The Yilgarn is a mature exploration region with a highly endowed inventory of large gold deposits. The deposits are dominantly hosted in structurally controlled sub-vertical shear zones and inter-related intrusives. In contrast the Mallina Basin is a very immature exploration region with all the same hall marks and styles of gold mineralisation as seen in the Yilgarn. Accordingly, De Grey is confident the PGP resources will substantially grow as exploration continues across De Grey's large land holding.

Further De Grey has reviewed all past drilling and exploration costs across the project area and has calculated overall discovery costs per inferred gold ounces at around $15-20/oz for the current 1.7Moz resource. This is below the Australian industry average of approximately $20-25/oz for inferred resources. This overall discovery costs of $15-20/oz is expected to continue and it is important to note the current discovery costs includes over 62% in the Measured and Indicated categories, making the value add to shareholders even more appealing.

Across the project, the drilling database shows a high success rate for intersecting significant gold mineralisation in diamond core and RC drilling which in turn leads to a rapid increase in resources as indicated below.

- DDH drill holes >10 gram x metres (i.e. 5m @ 2g/t) is 53%
- RC drilling >5 gram x metres (i.e. 5m @ 1g/t) is 45%

The recent resource increase at Toweranna is a prime example where a high drilling hit rate has been achieved together with a new resource increase of 212,000oz (from 143,900 ozs (2018) to 356,600 ozs (2019)) has been added for a discovery cost well below $10/oz during the last 6 months. As resource extension drilling continues to focus on the larger Withnell, Mallina and Toweranna deposits there is an expectation this lower discovery cost will continue into the new year.

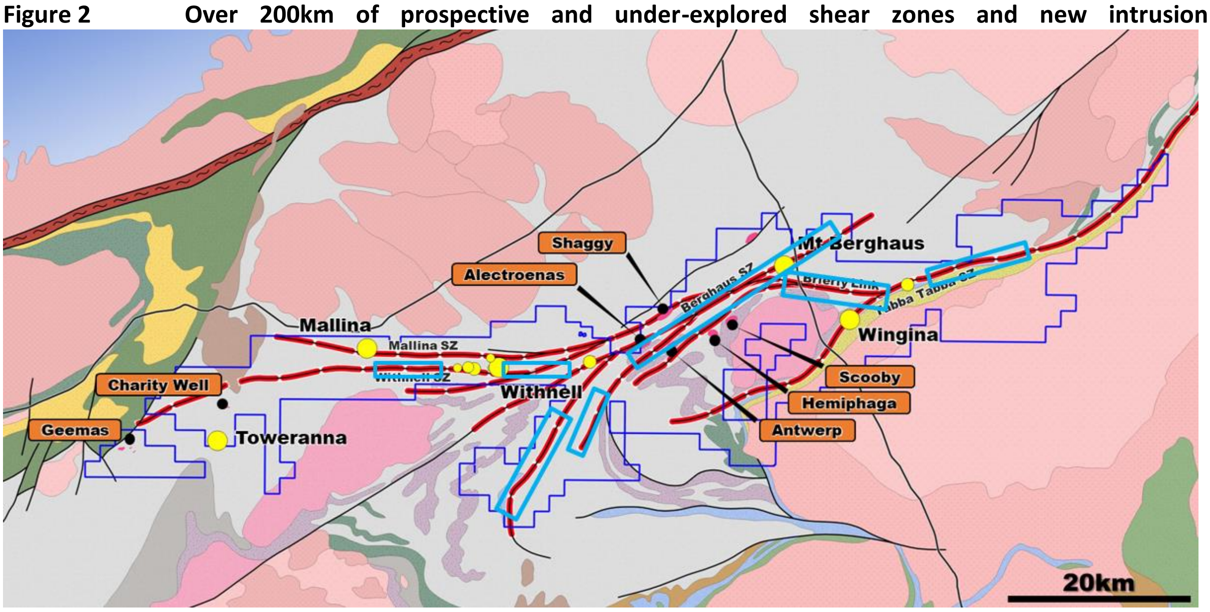
2019/2020 program

Drilling to date has defined an overall gold resource of 29.65Mt @ 1.8g/t for 1.7Moz on granted exploration and mining leases owned 100% by De Grey.

The 2019/2020 exploration program is to be directed at increases in inferred resources with 70% of the funds earmarked for step-out RC and diamond drilling at the Withnell, Mallina and Toweranna deposits as the highest priority targets.

The 2019/2020 field season will be an exciting period as the Company also undertakes a major push for new discoveries. The remaining 30% of funds is to focus on new discoveries along the prospective shear zones and intrusion targets with a substantial 70,000m aircore program currently underway. This large program has commenced (Figure 2) and aims to build on an extensive review during 2018/2019 of past drilling, geology, geophysics and geochemical sampling across the project. A new regional structural architecture, geology interpretation and prioritisation of targets has been undertaken. Outcomes of this detailed work reveal the Mallina Basin, NE trending structures and Sanukitoid intrusions correlate well with similar gold large regional scale structures as seen in the Eastern Goldfields Yilgarn Craton. These features suggest the gold mineralisation of the Pilbara is very similar in age, geometry, host rocks and alteration styles as many of the gold deposits mined throughout the Kalgoorlie to Wiluna region.

Figure 2 Over 200km of prospective and under-explored shear zones and new intrusion targets



2019 Gold Resource Increase

The new Total Mineral Resource (Table 1) encompasses drilling to 30 June 2019 and is now reported as **29.65Mt @ 1.8g/t Au (1,679,700oz)**, comprising:

- M & I (62%) 16.97Mt @ 1.8g/t Au (999,100 oz)
- Inferred (38%) 12.68Mt @ 1.7g/t Au (680,700 oz)
- Oxide (34%) 11.83Mt @ 1.5g/t Au (570,100 oz)
- Fresh (66%) 17.81Mt @ 1.9g/t Au (1,109,700 oz)
- Withnell underground 2.22Mt @ 4.1g/t Au (291,900oz)

Resource drilling undertaken during the 2018/2019 season including in excess of 21,000m of RC and 10,000m of diamond drilling and has resulted in a 21% increase in global resources. This equates to a discovery cost of around $15 per ounce. The quality of the resources is substantiated by 62% in the Measured and Indicated categories (up from 53%), mostly in the shallow open pit resources, and the relatively high grade of 1.8g/t (11% increase) which compares favourably to other recent open pit developments in Western Australia. Potential for significant increases remains at all the existing resource deposits.

Table 1 Total Gold Mineral Resources by Mining Centre

Area	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Withnell Mining Centre	Oxide	0.92	1.9	55,400	3.05	1.5	151,900	1.12	1.3	48,200	5.09	1.6	255,500
	Fresh	0.62	1.7	33,500	6.77	2.1	463,100	5.30	2.3	389,300	12.69	2.2	885,800
	Total	1.54	1.8	88,900	9.82	1.9	615,000	6.43	2.1	437,500	17.79	2.0	1,141,400
Wingina Mining Centre	Oxide	2.68	1.8	152,100	1.84	1.5	87,600	2.21	1.1	74,900	6.74	1.5	314,500
	Fresh	0.40	1.6	20,500	0.68	1.6	34,900	4.04	1.3	168,400	5.12	1.4	223,800
	Total	3.08	1.7	172,700	2.52	1.5	122,500	6.25	1.2	243,200	11.86	1.4	538,400
TOTAL Pilbara Gold Project	Oxide	3.60	1.8	207,600	4.90	1.5	239,400	3.34	1.1	123,100	11.83	1.5	570,100
	Fresh	1.02	1.6	54,000	7.45	2.1	498,000	9.34	1.9	557,600	17.81	1.9	1,109,700
	Total	4.62	1.8	261,600	12.35	1.9	737,500	12.68	1.7	680,700	29.65	1.8	1,679,700

The open pit resources are quoted using a 0.5g/t lower cut off and the Withnell underground resource using a lower grade cut of 2g/t. The resources at Mt Berghaus, Mallina, Wingina, Camel, Roe, Dromedary and Calvert remain unchanged and will be updated after further drilling is completed at each deposit.

Most significant resource changes occurred in the following deposits:

- **Toweranna open pit (5.33Mt @ 2.1g/t Au for 356,600oz)** resource model has been extended from 100m to 200m depth to reflect the recent infill and extensional drilling completed to the end of June 2019. The multiple stacked lodes remain open along strike to the NE and particularly at depth.

  In an ASX release dated 13 March 2019, De Grey defined an Exploration Target for Toweranna from 0 - 400m of 9.6Mt to 11.2Mt at a grade range of 2.1g/t to 2.3g/t for 680,000oz to 800,000oz (*includes existing resource of 2.01Mt @ 2.2g/t Au for 143,900oz*).

  Exploration Target Cautionary Statement - *The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of a mineral resource.*

  The resource increase at Toweranna reflects the increase to 200m, with drilling completed and continuing testing the target to 400m depth and beyond.

- **Withnell Underground (2.2Mt @ 4.1g/t Au for 291,900oz)** is now separated from the Withnell open pit resource using the 2017 Scoping Study nominal $1600 open pit shell number 33. The underground resource has been remodelled below this pit shell based on recent infill and stepout drilling which increased and extended the multiple high grade lodes previously defined. The global grade averages 4.1g/t Au with individual lodes ranging from 2.7g/t up to 7.3g/t. The mineralisation remains open along strike and at depth.

Withnell Gold Deposit

Withnell incorporates a single and continuous 6km long strike length of shear zone hosted gold mineralisation defined over a number of pits including the main dominant Withnell open pit and underground resource together with the small satellite deposits Camel, Roe and Dromedary. The main Withnell resource is 1.2km long with underground lodes extending to 400m in part and generally shallower depths. This resource remains extensively open at depth along multiple underground lodes. The satellite deposits represent other under drilled areas along the 6km strike length, where drilling is generally limited to only 100m depth. The immediate focus of drilling is at the main Withnell deposit and extension along strike to the west and at depth on the various underground lodes.

The recent resource update is also the first time an underground resource has been stated at Withnell. This higher grade underground resource is expected to grow during the 2019/2020 drilling program as depth extensions are tested along the multiple subvertical lodes beneath the open pit resources.

Figure 3 **Existing Withnell open pits**

Figure 4 **Existing Withnell open pits**

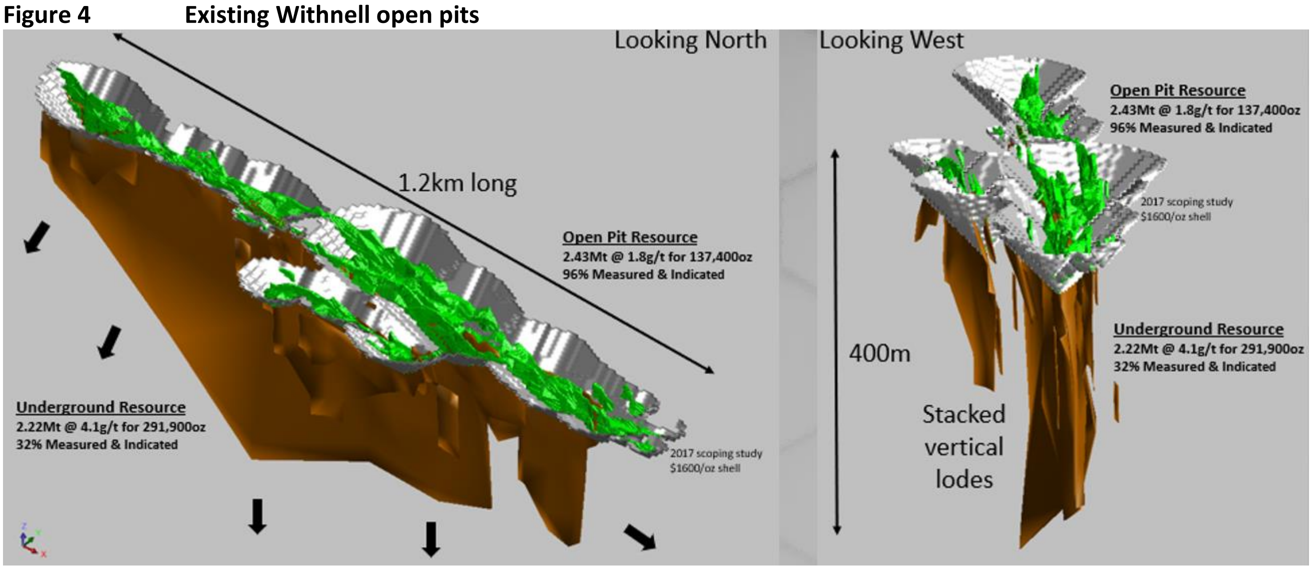
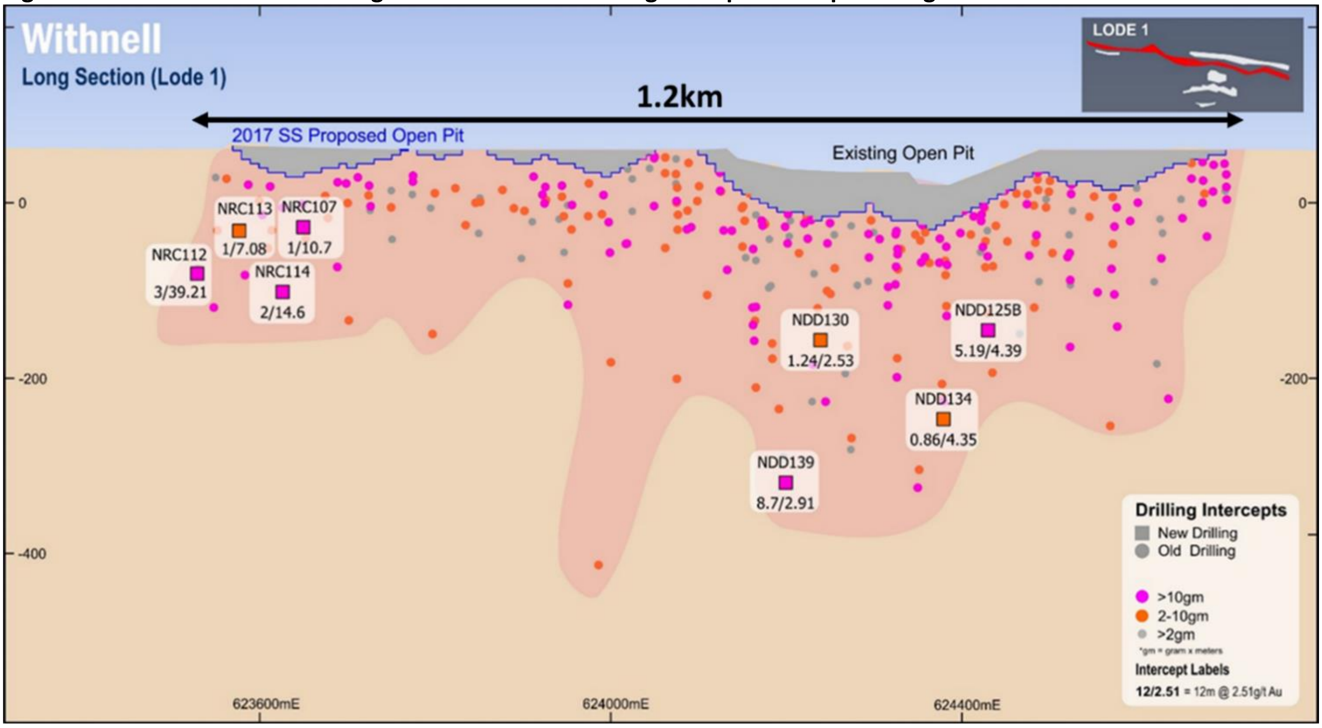


Figure 5 - Withnell Lode 1 showing recent extension drilling and open at depth along 1.2km strike

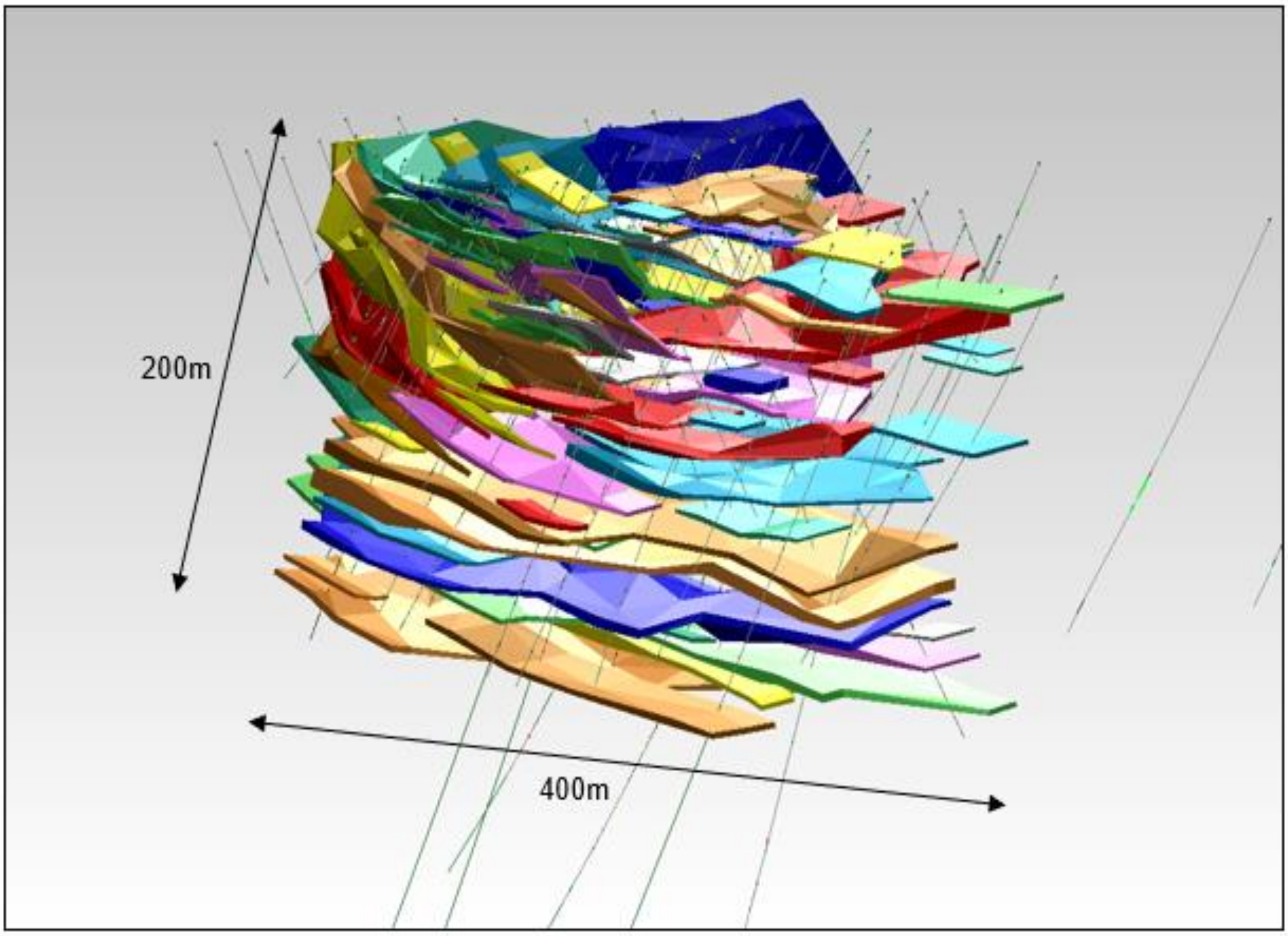


Toweranna Gold Deposit

The Toweranna deposit grew 148% to 5.33Mt @ 2.1g/t for 356,600oz during the period, through a substantial RC and diamond drilling program testing the top 200m of the deposit and now is the second largest deposit at the project. The recent drilling was completed on a nominal 40m x 40m basis and further resource potential along strike to the NE and below 200m depth is being tested as part of the current 2019 second half year program.

The deposit represents a new style of mineralisation not previously recognised in the Pilbara, yet is well known in the Yilgarn to host many multi-million ounce gold deposits. The gold mineralisation is hosted in multiple flat lying quartz - sulphide veins within a circular intrusive body and into the surrounding sediments (Figure 6) . The stacked lodes remain open to the NE and at depth. Drilling is currently underway to test for shallow open pit resources to the NE and at depth from 200m depth to a nominal 600m and a deeper drill hole is planned to test to 1000m.

Figure 6 Toweranna multiple staked quartz-sulphide lodes



The potential of this style of mineralisation is considered high, as the stacked quartz vein lodes are expected to continue at depth and the individual quartz lodes contain significant high grade veins. This style of deposit is well known in other Archean regions of the world, including the Yilgarn where examples include the Wallaby(+8moz) and Jupiter (+1.5Moz) deposits. The Lamaque and Sigma (9.5Moz combined) deposits of Canada are also two examples of large multi-million ounce deposits in similar Archaean aged intrusions.

Metallurgical testwork on dedicated drill core from Toweranna indicates the oxide and fresh ore is free milling. High gold recovery was defined in all of the oxide zone samples, ranging from 92.0% at the coarse grind size to 94.7% at 75µm within 24 hour extraction time. The fresh rock samples returned excellent results with 94.7% gold recovery at 150 µm and 96.3% at the finer grind size over the 24 hour timeframe.

Separate samples were also tested for gravity recovery, with oxide and fresh rock samples returning recoveries of 20.8% and 54.3% respectively. The high levels of gravity gold indicate that it may be possible to lift total gold recovery by installing a gravity concentrator ahead of the CIL circuit.

Comminution test work was carried out to assess the physical properties of the Toweranna samples. The oxide material was classified as soft with a low abrasion index, similar to the other deposits at the PGP. The fresh samples were classified as medium to hard with a high abrasion index.

New Toweranna style Targets

The recent 2019 drilling at Toweranna and resultant resource upgrade has established Toweranna style mineralisation as an important new style of mineralisation in the district. Review of the past data has defined 7 new targets. All seven targets are significantly larger than Toweranna, ranging in strike length from 0.5km to 2km and five are considered walk up drill targets based on encouraging historic gold results including:

Scooby **- 3m @ 2.67g/t, 2m @ 5.22g/t, 6m @ 1.03g/t and 2m @ 2.77g/t.**

Shaggy **- 12m @ 1.25g/t incl 3m @ 4.19g/t, 13m @ 0.98g/t incl 3m @ 2.86g/t**

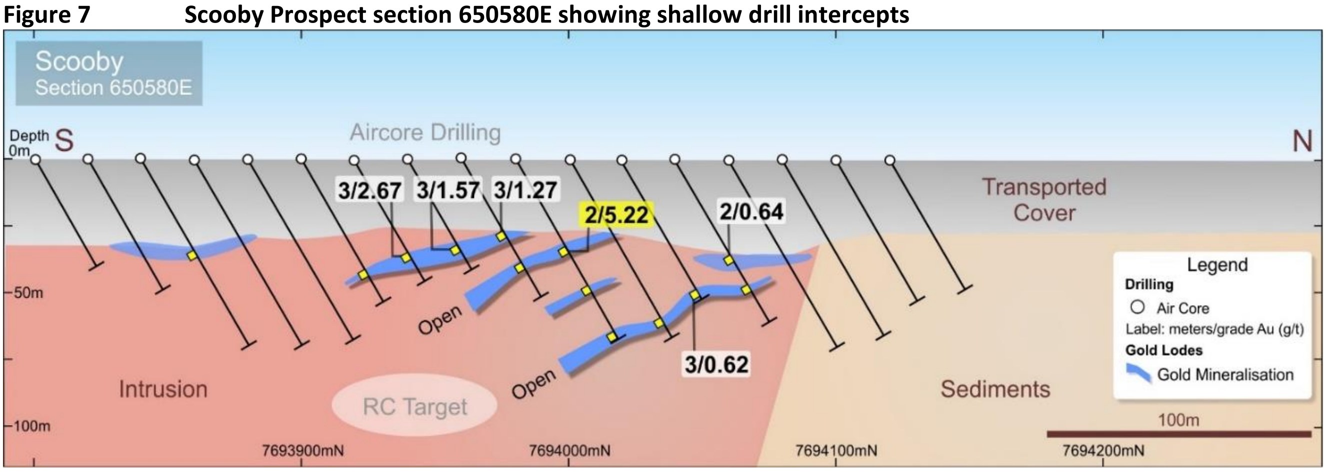
Antwerp -**16m @ 0.74g/t incl 8m @ 1.28g/t, 8m @ 0.84g/t incl 4m @ 1.25g/t**

Charity Well - **2m @ 14.28g/t, 4m @ 2.24g/t, 1m @ 7.80g/t**

Geemas - **5m @ 1.20g/t, 1m @ 13.5g/t, 1m @ 7.02g/t, 3m @ 1.10g/t**

The other two identified targets, Alectroenus and Hemiphaga have never been drill tested. Testing of these targets have commenced as part of the overall 2020 drilling programs.

Figure 7 Scooby Prospect section 650580E showing shallow drill intercepts



Mallina – New SAM geophysics data provides numerous new targets

The Mallina deposit occurs in a large 6km long shear zone with multiple lodes defined to date. Overall the deposit is extensively under drilled and as a consequence the mineralisation is less well understood. The Mallina resource was not updated in the July 2019 resource update as insufficient drilling had been completed. However drilling completed during the period has demonstrated significant zones of higher grade gold mineralisation and wider alteration zones are evident in the Central Zone. The deposit is a high priority for new resource extensions and will be targeted during the 2019/2020 program.

As examples of the large resource upside, a high grade gold (**13.4m @ 5.1g/t**) was intersected on section 609540E (Figure 8). This mineralisation appears to be spatially related to a narrow porphyry intrusion. A second broader alteration zone (up to 50m thick) occurs on section 609315E (Figure 9) with significant zone of gold mineralisation, **56m @ 3.04g/t including 30m @ 5.29g/t** intersected. Subsequent drilling below this zone has intersected **16m @ 3.0g/t including 6m @ 4.66g/t** and a lower hole intersected strong alteration but lower gold values. Supergene enrichment and possible depletion are considered important and - further drilling is required to better understanding these relationships and/or other orientations of the controlling structures.

In order to better focus drilling, a Sub-Audio Magnetic (SAM) survey was undertaken (Figure 10). The results of this survey have shown many along strike extension targets, new untested targets and potential new orientations of known gold mineralisation. As significant program of aircore drilling is currently underway to test many new SAM targets and possible structural controls in differing orientation. RC drilling for resource extensions will be planned thereafter.

Metallurgical test work on the Mallina mineralisation has been completed with results showing 94% recovery in the oxide material and 86% via a sulphide float to produce a sulphide rich concentrate with a mass pull of approximately 8.6% followed by pressure oxidation of the concentrate. This processing is in line with a proposed processing flowsheet as designed by GRES and is as expected very similar to the Withnell fresh ore processing requirements. No gravity test work has been completed to date.

Comminution test work was carried out to assess the physical properties of the Mallina samples. The oxide material was classified as soft with a low abrasion index, similar to the other deposits at the PGP. The fresh samples were classified as hard with a high abrasion index.

Figure 8 - Mallina Central Section 609540E

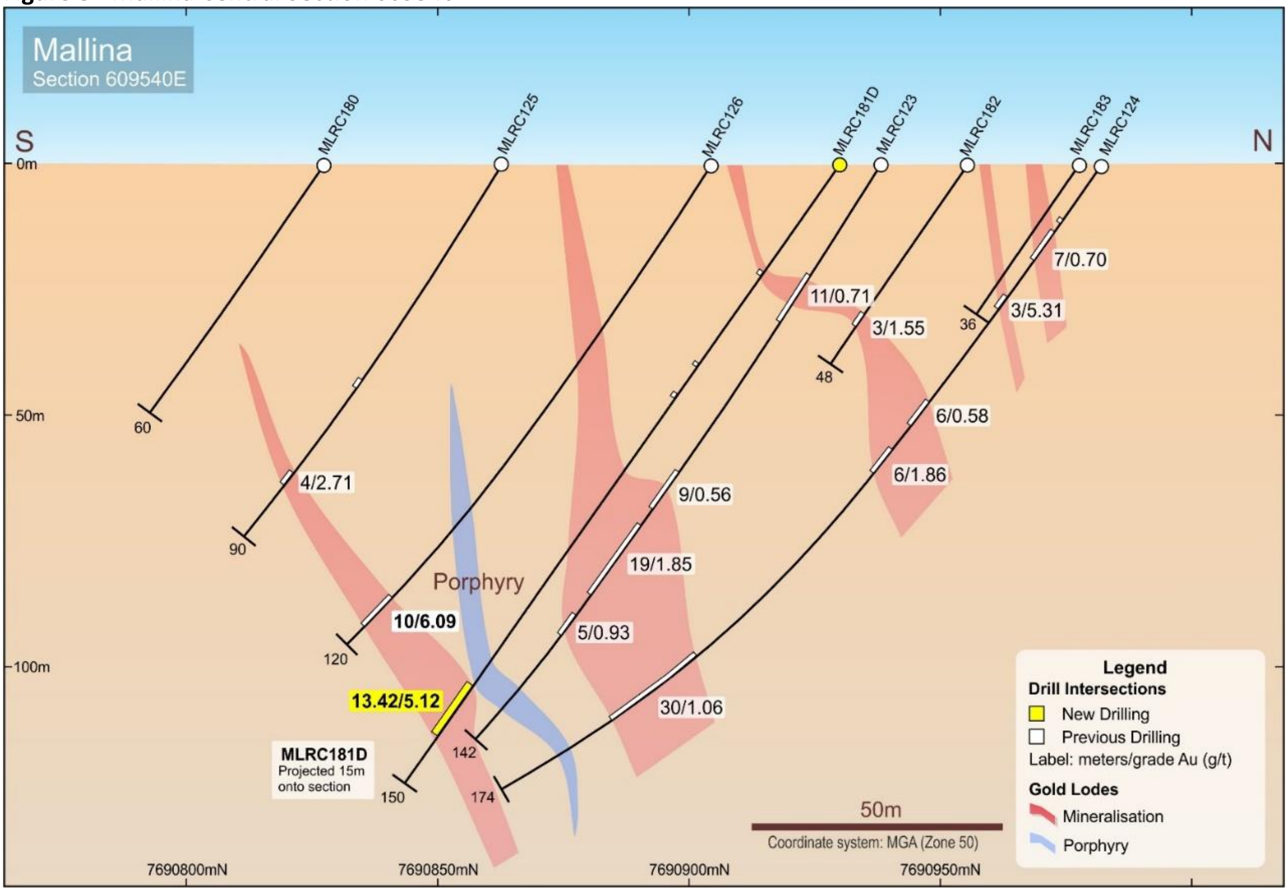


Figure 9 - Mallina Central Section 609315E

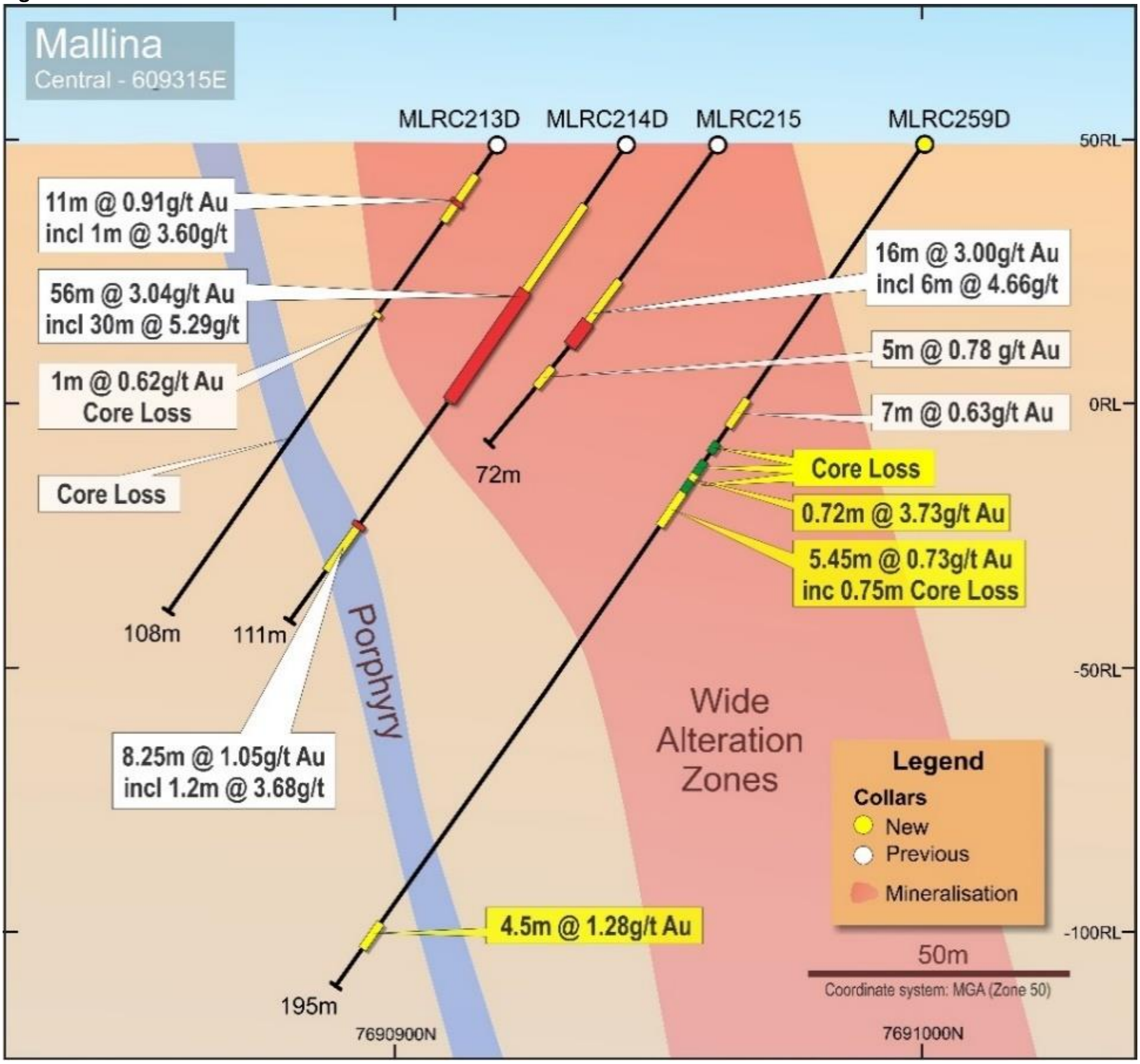
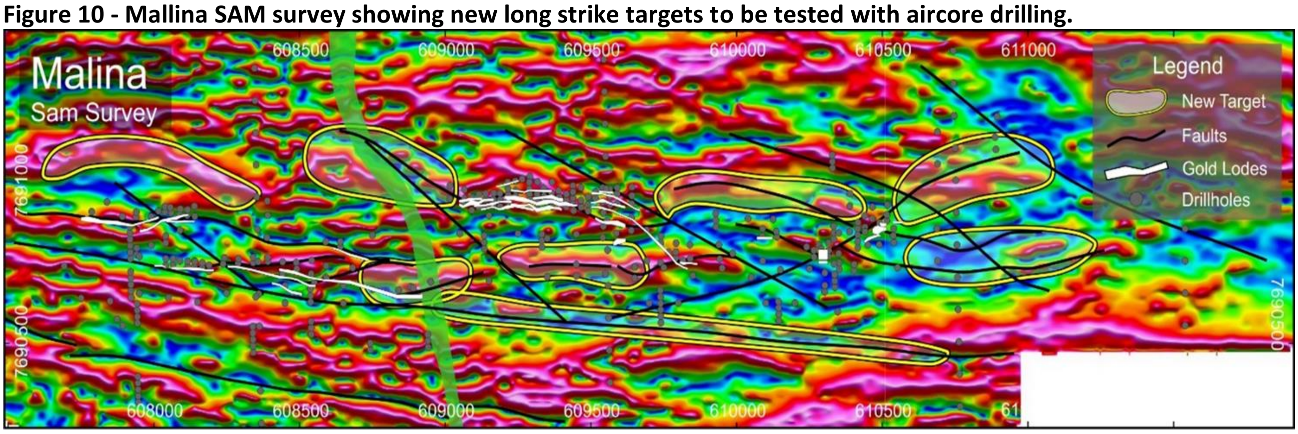


Figure 10 - Mallina SAM survey showing new long strike targets to be tested with aircore drilling.



Economic and Development studies

During the year economic evaluations continued with a major focus of work centred on determining the metallurgy of the oxide and fresh domains at each deposit. This preliminary work is now complete with all deposits showing the oxide domain recoveries of +94% and the various fresh domains ranging from free milling material with +94% recoveries to sulphide dominant mineralisation with recoveries ranging from 87% to 90%.

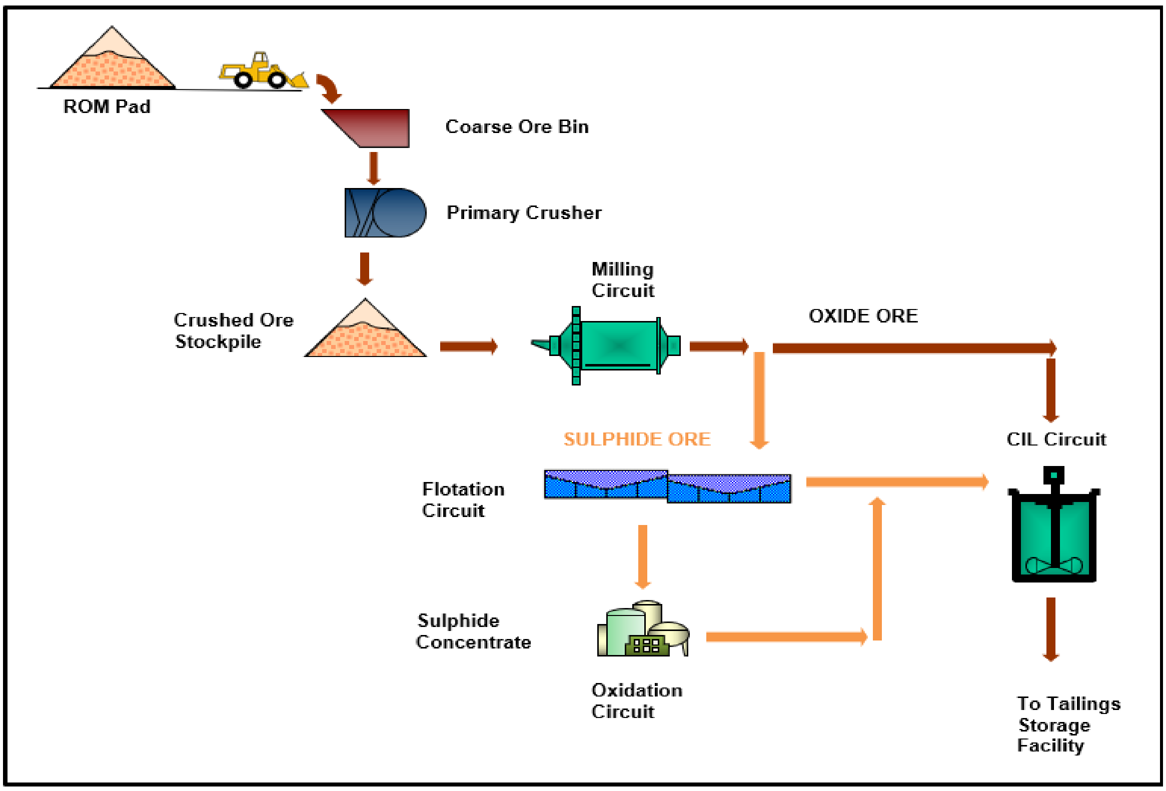
GR Engineering Services were engaged to design and cost an efficient 2Mtpa processing plant to PFS standards based on the metallurgy of the ore materials. This flowsheet design has been completed and comprises an industry standard CIL processing circuit for the oxide and free milling ores and an additional sulphide float and oxidation sub-circuit (Figure 11). Final design and costings remain to be finalised.

Cube Consulting have been engaged to assess various open pit optimisations and scheduling as a first pass evaluation. This work is currently progressing based on the recent July 2019 resources. Additionally, Cube have also been engaged to complete a high level scoping level evaluation of a Withnell underground mining operation. This assessment is currently underway based on the recent underground resource of 2.22Mt @ 4.1g/t for 291,900oz. Both assessments are advancing and further resource extension drilling recommended at all resources, particular Withnell, Mallina and Toweranna to de-risk the project with a larger resource inventory.

Ore sorting is a growing field that looks at pre-processing or conditioning of certain ore types where the ore is separated from waste material prior to processing in the processing plant. At Toweranna, preliminary ore sorting test work was competed on the various rock types and quartz vein material, by Tomra Sorting Pty Ltd (Tomra). The initial results are positive with a single pass optical sorting method, using 20-100m fragments, providing excellent separation of the gold hosting quartz veins and the non-mineralised rock types. Further detailed ore sorting is planned to be completed.

Economic evaluation of the various mining scenarios, including open pit, underground mining and the benefits of ore sorting at Toweranna continues to advance in parallel to increased resource extension drilling programs.

Figure 11 - Simplified processing circuit designed by GRES



Other Gold Activities

- **Conglomerate Gold**

Conglomerate gold is a new style of gold mineralisation recently recognised in the region. De Grey has progressed the geological understanding of this mineralisation with diamond drilling at Jarret Well and Steel Well together with bulk sampling from trenches at Loudens Patch.

At Loudens bulk 250kg sampling and on site crushing and gravity processing was carried out in order to understand the coarse gold content of the prospective conglomerate unit. Results show visible coarse grained gold is present in the conglomerate unit which is approximately 1-2m thick at Loudens West. Two trenches were completed and the average grade of the coarse gold component in each of the trenches is 3.3g/t in LTR001 and 2.4g/t in LTR002. The fine gold content remains to be tested and would be additional to the coarse gold grade.

A diamond core hole was completed at Jarret Well and another at Steel Well which has provided a detailed stratigraphic profile of the sequence and lithologies. At Jarret Well the first diamond hole intersected fresh conglomerate sequence from 57.5m to 97m depth with a pyrite rich conglomerate intersected from 73.5m to 85.1m. The pyrite bearing conglomerate contains euhedral to rounded pyrite and is interpreted to represent a similar "buck shot" pyrite rich unit as seen at Novo Resources Corp's Comet Well and Purdy's prospects.

During the year ahead the Company will continue to monitor its conglomerate peer's activities with a low level of ongoing activity whilst it continues to focus on its structural gold resource growth.

- **Lag Gravels with Novo Resources**

In July 2019, De Grey entered into a binding letter of intent (LOI) with Novo Resources Corp ("**Novo**") expanding De Grey's exploration to include gold-bearing lag gravel deposits across De Grey's large land position. Novo, with new joint venture partner Sumitomo Corporation, are currently exploring the Egina lag gravels project immediately to the south of De Grey's project. This agreement allows De Grey to tap into Novo's specialised experience and add value through the additional search for near surface gold-bearing lag gravel deposits. Importantly, the Indee Gold mining tenements, existing resources including a 300m buffer around each deposit (and any future mining lease related to these existing resource areas), in situ "hardrock" conglomerate gold targets and an existing third party gravel right are excluded from the LOI.

Under the LOI, Novo has the right to explore De Grey's project for gold-bearing lag gravel deposits for an initial three-year period having paid AUD $1 million, of which AUD $300,000 held in escrow by Novo until De Grey acquired Indee Gold Pty Ltd, which occurred subsequent to the financial year end on 22 August 2019.

Prior to the expiry of the Initial Period, Novo may elect to extend its exploration rights for an additional two years (the "Second Period") by paying an additional AUD $1 million (the "Second Payment"). Beyond the Second Period, Novo can elect to continue to extend its exploration rights in two year increments by paying an additional AUD $1 million per extension period subject to the successful submission of a mining lease application (Mining Area) or De Grey's waiver of this condition.

If a mining lease is granted over a proposed lag gravel Mining Area on De Grey's tenements, a Joint Venture is formed and Novo will be deemed to have acquired an 80% interest in the relevant initial Mining Area (and any future Mining Areas) by giving notice to DEG and on payment of a one-time amount of AUD $2 million. If the Joint Venture is established during the Initial Period, Novo will also be required to pay the Second Payment of $1M. Thereafter, the Joint Venture is to be funded pro-rata and includes an election whereby De Grey may dilute and retain to a 1% net smelter royalty.

Non Gold Assets

During the period , two diamond holes (132 metres) were completed at the King Col prospect. The drilling confirmed the strong lithium, tantalum and caesium grades previously intersected in RC drilling. The mineralisation is associated with the lithium bearing minerals of petalite, spodumene and lepidolite and caesium with pollucite. The drill core has been logged by the WA Geological Survey using the Hylogger spectral scanner as part of the EIS project funding.

The existing base metal (Zn-Pb-Cu-Au-Ag) resources and associated 60km of prospective greenstone belt stratigraphy has been reviewed and a series of new targets generated. Follow-up drilling is planned to further test these targets during 2019/2020 field season.

As part of the base metals review, Ni sulphide and Platinoid potential has been re-assessed. Specialised soil sampling is currently underway in association with the CSIRO to determine if surface sampling can be used to target the Ni sulphide style of mineralisation below the blanket of transported windblown sands. An additional two diamond holes are planned to test the platinoid potential and is co-funded by the WA Geological Survey EIS funding program.

The company is also assessing the benefits of divesting the non gold assets referred above

Corporate

The key corporate activities for the financial year and ensuing period:

- A $5.0 Million placement was completed in July 2018 under a subscription agreement with Pilbara neighbour DGO Gold Limited ("DGO") of which $250,000 had been received in the 2018 financial year. Under the agreement DGO subscribed for 25M shares at $0.20 per share, with two tranches of free attaching unlisted options, being 12.5M options exercisable at $0.25 by 30 November 2019; and 12.5M options exercisable at $0.30 by 30 May 2021. The DGO shares are subject to a 12 month escrow from the date of subscription.

- A further $6.04 Million was received during the half-year on the exercise of listed and unlisted class options.

- On 21 December 2018, the Company announced it had formally elected to extend the Settlement Date for the 100% acquisition of Indee Gold Pty Ltd ("Indee Gold") to 24 July 2019. The extension payment of A$700,000 was made to the owners of Indee Gold, being Northwest Nonferrous Australia Mining Pty Ltd ("NNAM") and the total consideration remaining reduced to:
  - ➢ Payment of $9.7M in cash; and
  - ➢ The issue of $3.0M of equity in De Grey at a price that is 90% of a 20-day VWAP immediately prior to settlement.

- Entered into a Letter of Intent (ASX: "*De Grey expands exploration potential through LOI with Novo*" 1 July 2019) with Novo Resources of Canada, allowing Novo to explore for gold bearing lag gravels across the De Grey tenements. The LOI provides for an upfront payment of $700,000 (paid) with a further $300,000 payable following completion of the Indee Gold acquisition. Novo ultimately have the right to enter into an 80:20 Joint Venture through their election, subject to additional payments and time extensions identified in the ASX release.

- Subsequent to the year end the Company finalised an A$22M capital raising with Bell Potter, comprising a $3M placement at $0.05 per share and a subsequent entitlements issue, fully underwritten by Bell Potter. This provided capital to finalise the Indee Gold Pty Ltd acquisition and additional capital to support the Company's drilling program. The acquisition included the issue of $3M of equity to the Indee Gold vendors.

Disclaimers

Competent Person

The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr. Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Beckwith is a consultant to De Grey Mining Limited. Mr. Beckwith 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. Beckwith 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 that relates to Mineral Resources 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.

Exploration Target Cautionary Statement

The information in this report that relates to Withnell Underground Exploration Target is based on, and fairly represents information and supporting documentation compiled by Mr. Andrew Beckwith, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Beckwith is a consultant to De Grey Mining Limited. Mr. Beckwith 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. Beckwith consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding De Grey's plans with respect to the mineral properties, resource reviews, programmes, economic studies and future development are forward-looking statements. There can be no assurance that De Grey's plans for development of its mineral properties will proceed any time in the future. There can also be no assurance that De Grey will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of De Grey's mineral properties.

Directors' Report

Your directors present their report on the consolidated entity comprising De Grey Mining Limited ("De Grey" or "the Company") and its controlled entities ("the consolidated entity" or "Group") for the financial year ended 30 June 2019.

All amounts are expressed in Australian dollars unless otherwise stated.

De Grey is a company limited by shares that is incorporated and domiciled in Australia.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, except as otherwise indicated:

Simon Lill
Andrew Beckwith
Peter Hood (appointed 16 November 2018)
Eduard Eshuys (appointed 23 July 2019)
Jeffrey (Bruce) Parncutt (appointed 23 July 2019)
Steven Morris (resigned 22 July 2019)
Brett Lambert (resigned 22 July 2019)

Information on Directors

Simon Lill, BSc MBA
Executive Chairman

Mr. Lill was appointed to the board in October 2013 and has a BSc and MBA, both from The University of Western Australia. He has extensive experience over three decades with ASX listed companies, spanning small cap companies to larger concerns, involving restructuring, corporate, compliance, marketing, company secretarial and management activities.

During the past three years Mr Lill has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
Mejority Capital Limited	18 May 2011	-
Purifloh Limited	2 September 2013	-
XPD Soccer Gear Group Limited	29 March 2018	-

Interest in shares and options:
13,239,063 ordinary fully paid shares
1,000,000 options over ordinary shares in De Grey Mining Limited
700,000 performance rights

Andrew Beckwith, BSc Geology, Aus IMM
Technical Director & Operations Manager

Mr Beckwith was appointed to the board in October 2017, having commenced his time with De Grey as a Technical Consultant back in February 2016.

He is a successful and experienced explorer who has previously held senior technical roles with AngloGold Ashanti, Acacia Resources, Helix Resources, Normandy NFM, North Flinders Mines, BP Minerals Australia, and Westgold Resources. At Westgold, Mr. Beckwith initially held the role of exploration manager before appointment as Managing Director. Additionally, Mr. Beckwith was an Executive director of Bulletin Resources Limited until June 2014.

During his time at Westgold, he was intimately involved in the Explorer 108 Pb-Zn-Ag and the Au-Cu Rover 1 (1.2Moz) discoveries in the Northern Territory as well as the acquisition of Central Murchison Gold Project located in Western Australia.

During the past three years Mr Beckwith has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
Carnavale Resources Limited	29 July 2014	-

Interest in shares and options:
7,631,668 ordinary fully paid shares
2,000,000 options over ordinary shares in De Grey Mining Limited
800,000 performance rights

Peter Hood, BE(Chem), MAusIMM, FlChemE, FAICD
Non-executive Director

Mr. Hood was appointed to the board on 19 November 2018. Mr. Hood, a Chemical Engineer, has had a distinguished career in the Australian Mining and Chemical Industries. He held the position of Senior Production Engineer at the Kwinana Nickel Refinery from 1971 to 1981, then Mill Superintendent of the WMC Kambalda Nickel and Gold Operations between 1982 to 1985. In 1985, he joined Coogee Chemicals Pty Ltd in the position of General Manager and then as their CEO between 1998 and 2005. He then held the position of CEO of Coogee Resources Ltd before retiring in 2008. Through that period he was part of the management team that oversaw significant growth in Coogee Chemicals company capitalisation.

During the past three years Mr Hood has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
Cue Energy Resources Limited	23 February 2018	-
GR Engineering Limited	10 February 2011	-
Matrix Composites and Engineering Limited	15 September 2011	-

Interest in shares and options:
3,000,000 ordinary fully paid shares

Committees
Remuneration Committee (appointed 29 August 2019)

Eduard Eshuys, BSc, FAusIMM, FAICD
Non-executive Director

Mr. Eshuys was appointed to the board on 23 July 2019. Mr. Eshuys is a highly experienced and well credentialled geologist with over 40 years exploration experience in Australia. His successes as Joseph Gutnick's exploration director are well known. In the late 1980s and early 1990s he led the teams that discovered the Plutonic, Bronzewing and Jundee gold deposits, and the Cawse Nickel Deposit. He has also had involvement in the Maggie Hays and Mariners nickel discoveries in the 1970's. More recently he was the Managing Director and CEO of St Barbara Limited from July 2004 to March 2009. During this time St Barbara Limited grew substantially as a gold producer.

During the past three years Mr. Eshuys has also served as a Director of the following listed companies:

Company	Date appointed	Date ceased
DGO Gold Limited	15 July 2010	-
NTM Gold Limited	26 March 2019	-

Interest in shares and options:
Nil

Committees
Remuneration Committee (Chairman, appointed 29 August 2019)

Jeffrey (Bruce) Parncutt, AO, BSc, MBA
Non-executive Director

Mr. Parncutt was appointed to the board on 23 July 2019. Mr. Parncutt is currently Chairman of investment banking group Lion Capital and has had a career spanning over 40 years in investment management, investment banking and stock broking, where he has previously held roles as Managing Director of McIntosh Securities, Senior Vice President of Merrill Lynch, Director of Australian Stock Exchange Ltd, President of the Council of Trustees of the National Gallery of Victoria, Board Member and Chairman of the NGV Foundation, member of the Felton Bequest Committee, Council member of Melbourne Grammar School. He has also held a number of listed public companies directorships, including Acrux Ltd, Praemium Limited and Stuart Petroleum Ltd.

In 2016, Mr. Parncutt was recognised as Officer in the Order of Australia in the Queen's Birthday Honours List for distinguished service to the community as a philanthropist (particularly in arts and education) and as an advocate and supporter of charitable causes, and to business and commerce. He is currently a member of The Australian Ballet Board, the University of Melbourne Campaign Board, and the University of Melbourne Centre for Positive Psychology Strategic Advisory Board, and a Trustee of the Helen MacPherson Smith Trust.

During the past three years Mr Bruce Parncutt has also served as a director of the following listed companies:

Company	Date appointed	Date ceased
Acrux Limited	30 April 2012	7 December 2016
DGO Gold Limited	23 May 2018	-

Interest in shares and options:
Nil

Committees
Remuneration Committee (Chairman, appointed 29 August 2019)

Steven Morris, Dip Fin Mkts
Non-executive Director

Mr. Morris resigned from the board on 22 July 2019.

Committees
Remuneration Committee (appointed 26 July 2018, resigned 22 July 2019)

Brett Lambert, B.AppSc (Mining Engineering), MAICD
Non-executive Director

Mr Lambert resigned from the board on 22 July 2019.

Committees
Remuneration Committee (Chairman, appointed 26 July 2018, resigned 22 July 2019)

Company Secretaries

The following persons acted as Company Secretary of the Company during the whole of the financial year and up to the date of this report:

Craig Nelmes, BBus
Mr. Nelmes is an Accountant whom joined De Grey in October 2013. He over 25 years experience in finance, secretarial, governance, financial systems and accounting services to the mining sector in Australia and overseas. His experiences include over seven years with International Accounting firm Deloitte, nine years with a multi-national resource's entity and most recently ten years with Corporate Consultants Pty Ltd, a Company providing accounting, secretarial and administrative services to ASX and TSX listed entities.

Patrick Holywell, FGIA GradDipCA GAICD BCom

Patrick Holywell is a Chartered Accountant whom joined De Grey in July 2018. He has over 15 years of experience in corporate governance, finance and accounting including employment with Deloitte and Patersons Securities Ltd. Mr Holywell has been employed by and acted as company secretary, CFO and/or director of a number of companies in the resources sector.

Principal Activities

The principal activity of the consolidated entity during the course of the year was exploration and development activities at the Pilbara Gold Project, 80 kms south west of Port Hedland in the Pilbara region of Western Australia. De Grey currently controls a considerable tenement package comprising over 1,500km^2. The tenement package is highly prospective for gold, other precious metals and also comprises significant base metals resources (Zn-Ag-Pb) as well as the recently identified lithium prospects.

Financial Review

The consolidated loss after tax for the year ended 30 June 2019 was $2,009,130 (2018: $2,476,951).

Earnings per share

The basic loss per share for the year ended 30 June 2019 was 0.50 cents per share (2018: 0.85 cents per share).

Dividends

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Significant changes in state of affairs

There were no significant changes in the nature of the activities of the Group during the period, other than those included in the Key Highlights.

Matters subsequent to the end of the financial year

There has been no matters or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years, other than;

On 16 July 2019, shareholders approved resolutions to proceed with both the Indee Gold Pty Ltd acquisition, as well as approval to issue $3M of consideration shares to NMAM. Shareholders had previously approved both resolutions on 5 October 2018 but as the Company exercised its option to extend the settlement date out to 24 July 2019, it was necessary under ASX listing rules to obtain shareholder approval again.

On 18 July 2019, the Company executed a further variation to the acquisition agreement with Northwest Nonferrous Australia Mining Pty Ltd ("NNAM") to extend the end date for completion of the Company's acquisition of Indee Gold Pty Ltd from 24 July 2019 to on or before 24 August 2019, so as to provide De Grey with the additional time required to complete a fully-underwritten Entitlement Offer capital raising.

On 24 July 2019, the Company completed a placement of 60.3 Million shares to sophisticated, professional and other exempt investor clients of Bell Potter Securities Limited ("BPS"), at a price of $0.05 per share to raise $3.017 Million (before costs of raising) as well as announcing that BPS would also be fully underwriting a Pro-rata Renounceable Entitlement Offer on a 1 for 1.28 basis to raise $19.1 Million (before costs of raising), also at an issue price of $0.05 per share. All funds settled capital raise. The capital raisings were all settled by 14 August 2019.

On 22 August 2019, settlement of the acquisition of Indee Gold Pty Ltd was completed, with the Company making the final cash payment of $9.7 Million in cash and the issue of 59,065,579 fully paid ordinary shares in the Company (at a deemed price of 5.0879 cents per share).

On 22 August 2019, the Company also allotted the following fully paid ordinary shares;

- 3,802,748 shares in lieu of supplier invoices at a deemed price of 6.5 cents per share.
- 3,950,000 shares on the exercise of performance rights to directors and employees. These represent Tranches 1, 3 and 5 (Refer Note 17(e)) where each of the respective vesting conditions had been met.

Likely developments and expected results

De Grey seeks to maximise shareholder value through its ongoing exploration and development work at The Pilbara Gold Project. The Project consists of a combination of 100% owned tenements and tenements with farm in rights in favour of De Grey, and representing a tenement package of over 1,500Km^2 in the Pilbara region of Western Australia, and +200 km of prospective shear zones hosting mineralisation that includes gold, base metals and lithium.

The Company also recognises the potential of its land package for further substantial gold discoveries with over 40 gold anomalies already identified, as well as significant underground potential at a number of the existing resources. It is also anticipated that regional exploration work through a combination of air core and RC drilling will represent part of the overall plan to increase the resource base will continue through the 2019-2020 financial year and beyond.

Aside from the shear zone hosted resources the Company also controls three zones of conglomerate gold mineralisation and intends to undertake bulk sample testing. The style of mineralisation does not lend itself to traditional sampling methods due to nuggety gold mineralisation. The potential of these zones is seen as significant, and exploration work will continue in tandem with the shear zone hosted mineralisation remaining the strong focus.

De Grey is also continuing to explore its base metals and lithium prospects and is considering mechanisms to continue to add shareholder value through various corporate strategies.

Remuneration Report (Audited)

The remuneration report is set out under the following main headings:

A. Key Management Personnel

B. Remuneration policy

C. Service agreements

D. Details of Remuneration

E. Securities Based Compensation

F. Other Transactions and Balances with Key Management Personnel

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. Key management personnel

Names and positions held of the Company's key management personnel ("Key Management Personnel") in office at any time during the financial year and up to the date of this annual report are:

Key Management Personnel	Position
Mr Simon Lill	Executive Chairman
Mr Andrew Beckwith	Technical Director & Operations Manager (appointed 26 October 2017)
Mr. Peter Hood	Non-executive Director (appointed 16 November 2018)
Mr. Eduard Eshuys	Non-executive Director (appointed 23 July 2019)
Mr. Jeffrey (Bruce) Parncutt	Non-executive Director (appointed 23 July 2019)
Mr Steven Morris	Non-Executive Director (resigned 22 July 2019)
Mr Brett Lambert	Non-Executive Director (resigned 22 July 2019)
Mr Craig Nelmes	Joint Company Secretary
Mr Patrick Holywell	Joint Company Secretary (appointed 2 July 2018)

Except as noted, the named persons held their current position for the whole of the financial year and/or at the date of this report.

B. Remuneration policy

The remuneration policy of De Grey Mining Limited has been designed by the board taking into consideration the stage of development of the Group and the activities undertaken. Its objective is to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component or fee for service (where that is applicable) and offering specific long-term incentives based on key performance areas affecting the Group's financial results or operational milestones. The board of De Grey Mining Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Group.

From time to time when reviewing the remuneration, the Company may also source external advice to assist with salary setting and determination of other benefits, including short term and long-term incentive plans.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and director and key management personnel performance. Currently, this is facilitated through the issue of options and/or performance rights to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The company believes this policy will be effective in increasing shareholder wealth.

Fixed remuneration

Fixed remuneration consists of total Directors salaries ' fees, salaries, bonus, consulting fees and employer contributions to superannuation funds, excluding performance pay (cash, shares and options). Fixed remuneration levels are reviewed annually by the board.

Executive remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework has the following components:

- Base salary (which is based on factors such as length of service, performance and experience) and (where applicable) employer contributions to superannuation;
- Consulting fees for executives providing services under a services contract;
- Short-term performance incentives taking into consideration executive and/or Company performance indicators that the Company may set from time and other matters that it deems appropriate; and
- Long-term incentives through participation in the Performance Rights ("PRP") and/or Employee Option ("EOP") Plans of De Grey Mining Limited and as approved by the Board.

Non-executive Directors' remuneration

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

Fees for non-executive directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, these directors may receive short term performance incentives and longer-term performance incentives via the EOP.

The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is currently $250,000.

The annual remuneration for each non-executive director was set in the range of $36,000 - $48,000 per annum for the 2018-2019 financial year. These fees have been determined by the Board of the Company, taking into consideration factors such as the market rates of industry peer companies and the current level of activity. Where there is a significant change in the size and scale of Company activities these annual fees will be reviewed. Where approved and at the request of the board, any of the Non-Executive Directors may from time to time be required to fulfil certain executive functions.

Use of remuneration consultants

The Board may (from time to time) engage the services of external consultants to advise on the remuneration policy and to benchmark director and key management personnel remuneration against comparable entities so as to ensure that remuneration packages are consistent with the market and are appropriate for the organisation. The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2019.

*Performance Rights **(PRP)** and Employee Option Plans (**EOP**) of De Grey Mining Limited*

The PRP and EOP were last approved by Shareholders at the 2017 and 2018 Annual General Meetings respectively.

Directors and full and part time employees of De Grey Mining Limited are eligible to participate in each Plan. Any issue of Rights or Options to Directors under either Plan will be subject to Shareholder approval pursuant to the provisions of the ASX Listing Rules and the *Corporations Act 2001.* The Directors consider that collectively the PRP and EOP represent an appropriate method to:

- Reward Directors, Key management personnel and employees for their past performance;
- Provide long term incentives for participation in the Company's future growth;
- To motivate and retain Directors, KMP and senior employees;
- Establish a sense of ownership in the Company for the Directors and employees;
- Enhance the relationship between the Company and its employees for the long-term mutual benefit of all parties; and
- Enable the Company to attract high calibre individuals who can bring specific expertise to the Company.

Voting on the Remuneration Report - 2018 Annual General Meeting

The Company received approximately 99.6% of "yes" votes on its remuneration report for the current financial year (2017: 99.4%).

C. Executive service agreements

Remuneration and other terms of employment for the executive directors and other KMP are formalised in employment or service agreements. The major provisions of the agreements relating to remuneration for the year ended 30 June 2019 are set out in the table below:

Name	Agreement	Base Salary /Fees (p.a)	Consulting/Hr	Duration	Notice Period	Termination
Simon Lill	Service	$156,000	-	Ongoing	3 months	6 months
Andrew Beckwith	Employment	$250,000	-	Ongoing	3 months	6 months
Craig Nelmes	Service	$169,698	-	Ongoing	3 months	6 months
Patrick Holywell[1]	Service	-	$140	Ongoing	1 month	1 month

D. Details of Remuneration

Details of the remuneration of the directors, the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) and specified executives of De Grey Mining Limited and the Group are set out in the following tables. The key management personnel of the Group are the Directors of De Grey Mining Limited and the Company Secretaries.

	Short-term		**Post-employment**	**Share based payments**		**Total**	***% of remuneration***
	Salary or Consulting Fees	***Bonus***	***Superannuation***	***Options***	***Performance rights***		***performance-based***
	$	$	$	$	$	$	%
Directors							
Simon Lill							
2019	**156,000**	**25,000[6]**	**-**	**42,600**	**118,627**	**342,227**	**54%**
2018	147,000	-	-	-	62,401	209,401	30%
Andrew Beckwith[3]							
2019	**223,933**	**25,000[6]**	**21,274**	**42,600**	**164,817**	**477,624**	**49%**
2018	212,216	-	14,461	26,200	86,698	339,575	33%
Steven Morris							
2019	**36,000**	**-**	**-**	**10,650**	**61,806**	**108,456**	**67%**
2018	36,000	-	-	-	32,512	68,512	47%
Brett Lambert[3]							
2019	**42,922**	**-**	**4,078**	**10,650**	**41,204**	**98,854**	**52%**
2018	24,917	-	2,082		21,675	48,674	45%
Davide Bosio[2]							
2019	**-**	**-**	**-**	**-**	**-**	**-**	
2018	19,005	-	1,995	-	-	21,000	0%
Peter Hood[5]							
2019	**27,397**	**-**	**2,603**	-	-	**30,000**	**0%**
Sub-total Directors							
2019	**486,252**	**50,000**	**27,955**	**106,500**	**386,454**	**1,057,161**	
2018	439,138	-	18,538	26,200	203,286	687,162	
Other Key management personnel							
Craig Nelmes[1]							
2019	**169,698**	**-**	**-**	**10,650**	**71,176**	**251,522**	**33%**
2018	28,059	-	-	13,100	37,441	78,600	64%
Patrick Holywell[4]							
2019	**60,690**	**-**	**-**	**4,260**	**-**	**64,950**	**7%**
Total key management personnel compensation							
2019	**716,640**	**50,000**	**27,955**	**121,410**	**457,630**	**1,373,633**	
2018	467,197		18,538	39,300	240,727	765,762	

[1]Mr Nelmes service agreement entered into from 1 May 2018 (and representing 75% of his time).

[2]Mr Bosio resigned 26 October 2017.

[3]Mr. Beckwith and Mr. Lambert were appointed directors 26 October 2017.

[4]Mr Holywell provides fee for service and was appointed 2 July 2018.

[5] Mr. Hood was appointed 16 November 2018.

[6] On 30 August 2018, the board approved each discretionary bonus on the basis of past performance, as recommended on 26 July 2018 by the Remuneration Committee.

Share-holdings of Key Management Personnel

	Opening Balance 1 July 2018	Received on exercise of options	Purchases (disposals) during the year	Other changes during the year	Closing Balance 30 June 2019
	No.	No.	No.	No.	No.
Directors					
Simon Lill	5,100,000	1,883,333[5]	-	-	6,983,333
Andrew Beckwith[1]	4,025,000	2,066,668[5]	-	-	6,091,668
Peter Hood[4]	-	-	500,000	500,000	1,000,000
Steven Morris[3]	1,310,000	1,023,334[5]	-	-	2,333,334
Brett Lambert[1,3]	-	-	-	-	-
Other executives					
Craig Nelmes	1,812,111	1,784,611[6]	44,594	-	3,641,316
Patrick Holywell[2]	-	-	-	-	-
Total	**12,247,111**	**6,757,946**	**544,594**	**500,000**	**20,049,651**

[1]Mr Beckwith and Mr Lambert were appointed directors 26 October 2017.
[2]Mr Holywell was appointed 2 July 2018.
[3]Mr Morris and Mr. Lambert both resigned as directors on 22 July 2019, and subsequent to the reporting date.
[4]Mr Hood was appointed 16 November 2018.
[5] Options all with an exercise price of $0.10cents each.
[6] 634,611 options with an exercise price of $0.04 each and 1,150,000 with an exercise price of $0.10.

Option-holdings of Key Management Personnel

	Opening Balance 1 July 2018	Options acquired as compensation	Purchases (disposals) during the year	Exercised/other changes during the year	Closing Balance 30 June 2019
	No.	No.	No.	No.	No.
Directors					
Simon Lill	1,883,333	1,000,000	-	(1,883,333)	1,000,000
Andrew Beckwith[1]	3,066,668	1,000,000	-	(2,066,668)	2,000,000
Peter Hood[4]	-	-	-	-	-
Steven Morris[3]	1,350,000	250,000	(326,666)	(1,023,334)	250,000
Brett Lambert[1,3]	-	250,000	-	-	250,000
Other executives					
Craig Nelmes	2,284,611	250,000	-	(1,784,611)	750,000
Patrick Holywell[2]	-	100,000	-	-	100,000
Total	**8,584,612**	**2,850,000**	**(326,666)**	**(6,757,946)**	**4,350,000**

[1]Mr Beckwith and Mr Lambert were appointed directors 26 October 2017.
[2]Mr Holywell was appointed 2 July 2018.
[3]Mr Morris and Mr. Lambert both resigned as directors on 22 July 2019, and subsequent to the reporting date.
[4]Mr Hood was appointed 16 November 2018.

Performance rights of Key Management Personnel

	Opening Balance 1 July 2018	Rights acquired as compensation	Purchases (disposals) during the year	Other changes during the year	Closing Balance 30 June 2019
	No.	No.	No.	No.	No.
Directors					
Simon Lill	1,500,000	-	-	-	1,500,000
Andrew Beckwith[1]	2,000,000	-	-	-	2,000,000
Peter Hood[4]	-	-	-	-	-
Steven Morris[3]	750,000	-	-	-	750,000
Brett Lambert[1,3]	500,000	-	-	-	500,000
Other executives					
Craig Nelmes	900,000	-	-	-	900,000
Patrick Holywell[2]	-	-	-	-	-
Total	**5,650,000**	**-**	**-**	**-**	**5,650,000**

[1]Mr Beckwith and Mr Lambert were appointed directors 26 October 2017.
[2]Mr Holywell was appointed 2 July 2018.
[3]Mr Morris and Mr. Lambert both resigned as directors on 22 July 2019, and subsequent to the reporting date.
[4]Mr Hood was appointed 16 November 2018.

E. Securities based compensation - options

The Company granted 2,850,000 (2018: 2,250,000) options over unissued ordinary shares during the financial year to Directors and other executives as part of their remuneration, as detailed in the table below:

	Grant Date	Expiry Date	Exercise Price (cents)	Value per option at grant date (cents)	Granted Number	Exercised Number	Vesting Date	Number Vested at end of year
2019								
Simon Lill	17 Oct 2018	31 May 2021	30.0	4.26	1,000,000	-	17 Oct 2018	1,000,000
Andrew Beckwith	17 Oct 2018	31 May 2021	30.0	4.26	1,000,000	-	17 Oct 2018	1,000,000
Steve Morris	17 Oct 2018	31 May 2021	30.0	4.26	250,000	-	17 Oct 2018	250,000
Brett Lambert	17 Oct 2018	31 May 2021	30.0	4.26	250,000	-	17 Oct 2018	250,000
Craig Nelmes	17 Oct 2018	31 May 2021	30.0	4.26	250,000	-	17 Oct 2018	250,000
Craig Nelmes	17 Oct 2018	31 May 2021	30.0	4.26	100,000	-	17 Oct 2018	100,000
2018								
Andrew Beckwith	24 Sep 2017	31 Oct 2020	10.0	2.62	1,000,000	-	24 Sep 2017	1,000,000
Craig Nelmes	24 Sep 2017	31 Oct 2020	10.0	2.62	500,000	-	24 Sep 2017	500,000

There are no performance related conditions attached to any of these issued options.

F. Securities based compensation – performance rights

There were no performance rights granted to directors and key management personnel as part of compensation during the year ended 30 June 2019. A total of 6,700,000 were granted in the prior year ended 30 June 2018 and are set out below:

	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Total
	No.	No.	No.	No.	No.	No.
2019						
Nil						
2018						
Simon Lill	200,000	200,000	500,000	500,000	100,000	1,500,000
Andrew Beckwith	400,000	400,000	400,000	400,000	400,000	2,000,000
Steve Morris	150,000	150,000	150,000	150,000	150,000	750,000
Brett Lambert	100,000	100,000	100,000	100,000	100,000	500,000
Craig Nelmes	100,000	100,000	300,000	300,000	100,000	900,000

The amortised values of rights (issued in the prior year) over ordinary shares granted, exercised and lapsed for directors as part of compensation during the year ended 30 June 2019 are set out below:

	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Total
	$	$	$	$	$	$
Simon Lill	17,479	17,479	53,399	21,530	8,739	118,626
Andrew Beckwith	34,958	34,958	42,719	17,224	34,958	164,817
Steve Morris	13,109	13,109	16,020	6,459	13,109	61,806
Brett Lambert	8,739	8,739	10,680	4,306	8,739	41,203
Craig Nelmes	8,739	8,739	32,040	12,918	8,739	71,176
						457,628

The Performance Rights shall vest upon satisfaction of the following milestones:

1. Tranche One – the Company declaring greater than 1,500,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, on or before 30 November 2019;
2. Tranche Two – the Company declaring greater than 2,000,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, or before 30 November 2019;
3. Tranche Three – settlement of the Company's 100% acquisition of Indee Gold Pty Ltd;
4. Tranche Four – The Company securing Project Financing for the Pilbara Gold Project at a minimum throughput of 1M tpa; and
5. Tranche Five – The Company confirming higher grade resources of at least 200,000 ounces and at an overall grade of greater than 5 g/t or before 30 November 2019.

[1] The vesting conditions for Tranches 1, 3 and 5 of the Performance Rights were met subsequent to the reporting date. Each of the tranches were exercised by the holders and shares allotted on 22 August 2019.

G. Other transactions and balances with Key Management Personnel

There were no other transactions and balances with key management personnel.

----------- End of Audited Remuneration Report -----------

Directors' and Committee Meetings

The number of meetings of the Company's Board of Directors and its committee's held in the 12 months to 30 June 2019 and the number of meetings attended by each Director are as per the following table:

	Directors Meetings		Remuneration Committee[1]	
	Eligible	**Attended**	**Eligible**	**Attended**
Simon Lill	8	8	-	-
Andrew Beckwith	8	8	-	-
Steven Morris[12]	8	8	1	1
Brett Lambert[12]	8	8	1	1
Peter Hood[2]	4	4	-	-
Eduard Eshuys[2]	-	-	-	-
Jeffrey (Bruce) Parncutt[2]	-	-	-	-

[1] The Remuneration Committee was formed as approved by the full board on 26 July 2018 and consisted of Mr. Lambert (Chairman of the Committee) and Mr. Morris.
[2]On 22 July 2019, both Mr Lambert and Mr. Morris resigned. On 29 August 2019, the full board of Company has appointed Mr. Peter Hood and the two new incoming directors Mr Eshuys and Mr. Parncutt to the Remuneration Committee, with Mr. Eshuys as its Chairman.

Share Options and Performance rights

At the date of this report there are 77,333,333 unissued ordinary shares in respect of which options are outstanding and 2,750,000 performance rights outstanding.

	Number	Exercise Price	Expiry Date
Unlisted options	14,250,000	10 cents	31 October 2020
Unlisted options	33,333,333	20 cents	30 November 2019
Unlisted options	12,500,000	25 cents	30 November 2019
Unlisted options	17,250,000	30 cents	30 May 2021
Performance rights Tranche 2	1,300,000	N/A	30 November 2019
Performance rights Tranche 4	1,450,000	N/A	30 November 2021

During the financial year 29,750,000 options were issued, 62,711,811 options were exercised and no performance rights either issued or exercised. Since the end of the financial year no options have been issued or exercised, with 3,950,000 performance rights exercised and no further issued.

No person entitled to exercise options and/or performance rights had or has any right by virtue of the option to participate in any share issue of the company or a right to vote at a shareholder meeting.

Environmental Regulation

The Group is subject to environmental regulation in respect to its exploration activities. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

Risk Management

The board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board. Given the size and scale of its current operations, the board and key management personnel as a group periodically assess risks and develop strategies to mitigate the impact of any perceived risks. The board endeavours to identify potential risks when carrying out strategy planning and budgeting tasks and assessment and monitoring through its board meetings.

Insurance of Directors and Officers

During the financial year, De Grey Mining Limited paid a premium to insure the directors and secretary of the Company. The total amount of insurance contract premiums paid is confidential under the terms of the insurance policy.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Non-Audit Services

The following non-audit services were provided by the Group's auditor, Butler Settineri (Audit) Pty Ltd, or associated entities (refer note 20). The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general standard of independence for auditors.

Butler Settineri received or are due to receive the following amounts for the provision of non-audit services:

	2019	2018
	$	$
Tax compliance services	**2,800**	2,200

Proceedings on behalf of the company

As at the date of this report there are no leave applications or proceedings booked on behalf of De Grey Mining Limited under section 237 of the *Corporations Act 2001*.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 33.

Signed in accordance with a resolution of the directors

Simon Lill
Executive Chairman

Perth, 25 September 2019

BUTLER SETTINERI

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of De Grey Mining Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) No contraventions of any applicable code of professional conduct in relation to the audit.

The declaration is in respect of De Grey Mining Limited and the entities it controlled during the year.

BUTLER SETTINERI (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 25 September 2019

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Butler Settineri (Audit) Pty Ltd
RCA No. 289109 ABN 61 112 942 373

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2019	Notes	Consolidated	
		2019	2018
		$	$
REVENUE & OTHER INCOME	4	**1,253,929**	184,311
EXPENDITURE			
Depreciation expense		**(182,117)**	(40,663)
Director & employee expenses		**(1,068,499)**	(480,303)
Share based payments (directors & employees)	5/28	**(751,744)**	(347,947)
Corporate and compliance expenses		**(315,451)**	(346,560)
Consulting expenses		**(48,667)**	(204,463)
Corporate advisory		**(133,501)**	(203,375)
Share based payments – corporate advisory	5	**-**	(314,880)
Investor relations & promotional expenses		**(516,929)**	(557,269)
Occupancy expenses		**(105,735)**	(37,500)
Administration and other expenses		**(140,416)**	(128,302)
LOSS BEFORE INCOME TAX		**(2,009,130)**	(2,476,951)
INCOME TAX BENEFIT / (EXPENSE)	6	**-**	-
LOSS FOR THE YEAR		**(2,009,130)**	(2,476,951)
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Other comprehensive income for the year, net of tax		**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF DE GREY MINING LIMITED		**(2,009,130)**	(2,476,951)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the company (cents per share)	27	**(0.50)**	(0.85)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Financial Position

AT 30 JUNE 2019	Notes	Consolidated 2019 $	2018 $
CURRENT ASSETS			
Cash and cash equivalents	7	**1,335,398**	1,147,538
Trade and other receivables	8	**735,031**	245,075
Inventories	9	**10,993**	19,894
Other assets	10	**29,177**	42,962
TOTAL CURRENT ASSETS		**2,110,599**	1,455,469
NON-CURRENT ASSETS			
Financial assets	11	**115,103**	200,000
Deferred exploration & evaluation expenditure	12	**30,675,391**	21,982,686
Plant and equipment	13	**729,089**	691,087
TOTAL NON-CURRENT ASSETS		**31,519,583**	22,873,773
TOTAL ASSETS		**33,630,182**	24,329,242
CURRENT LIABILITIES			
Trade and other payables	14	**1,287,046**	1,322,874
Employee benefit obligations	15	**29,429**	9,868
Contract liabilities	16	**12,700,000**	700,000
TOTAL CURRENT LIABILITIES		**14,016,475**	2,032,742
NON-CURRENT LIABILITIES			
Contract liabilities	16	-	12,700,000
TOTAL NON-CURRENT LIABILITIES		-	12,700,000
TOTAL LIABILITIES		**14,016,475**	14,732,742
NET ASSETS		**19,613,707**	9,596,500
EQUITY			
Contributed equity	17	**70,787,718**	59,464,845
Reserves	18	**1,414,570**	711,106
Accumulated losses	18	**(52,588,581)**	(50,579,451)
TOTAL EQUITY		**19,613,707**	9,596,500

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2019 Consolidated	Notes	Contributed Equity $	Reserves $	Accumulated Losses $	Total $
BALANCE AT 30 JUNE 2017		**49,108,104**	**170,530**	**(48,102,500)**	**1,176,134**
Loss for the year	18(b)	-	-	(2,476,951)	(2,476,951)
OTHER COMPREHENSIVE INCOME					
		-	-	-	-
TOTAL COMPREHENSIVE LOSS		-	-	(2,476,951)	(2,476,951)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	17(b)	10,110,003	-	-	10,110,003
Share application monies (non-refundable)	17(b)	250,000	-	-	250,000
Share issue costs	17(b)	(158,887)	-	-	(158,887)
Share based payments - options	18(a)	-	407,205	-	407,205
Share based payments – performance rights	18(a)	-	288,996	-	288,996
Transfer of reserve on expiry of options	18(a)	155,625	(155,625)	-	-
BALANCE AT 30 JUNE 2018		**59,464,845**	**711,106**	**(50,579,451)**	**9,596,500**
Loss for the year	18(b)	**-**	**-**	**(2,009,130)**	**(2,009,130)**
OTHER COMPREHENSIVE INCOME					
		-	-	-	-
TOTAL COMPREHENSIVE LOSS		**-**	**-**	**(2,009,130)**	**(2,009,130)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	17(b)	**11,453,068**	**-**	**-**	**11,453,068**
Share issue costs	17(b)	**(178,475)**	**-**	**-**	**(178,475)**
Share based payments - options	18(a)	**-**	**202,350**	**-**	**202,350**
Share based payments – performance rights	18(a)	**-**	**549,394**	**-**	**549,394**
Transfer of reserve on expiry of options	18(a)	**48,280**	**(48,280)**	**-**	**-**
BALANCE AT 30 JUNE 2019		**70,787,718**	**1,414,570**	**(52,588,581)**	**19,613,707**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Consolidated 2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Option fee received – lag gravel rights		**700,000**	-
Exploration data sale received		**150,000**	-
Royalties received		**20,335**	11,316
EIS Grant received		**7,320**	53,680
Payments to suppliers and employees		**(2,049,252)**	(2,019,783)
Interest received		**23,265**	22,596
Payments for exploration and evaluation expenditure		**(8,263,267)**	(5,153,578)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	26	**(9,411,599)**	(7,085,770)
CASH FLOWS FROM INVESTING ACTIVITIES			
Option payments to acquire tenements		**(10,000)**	(195,000)
Payments to acquire – Indee Gold Pty Ltd		**(700,000)**	(1,500,000)
Proceeds/(payments) - available for sale financial assets		**94,000**	(200,000)
Payments for plant and equipment		**(291,212)**	(593,224)
NET CASH INFLOW / (OUTFLOW) FROM INVESTING ACTIVITIES		**(907,212)**	(2,488,224)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares		**10,836,105**	9,623,390
Proceeds from application for issue of ordinary shares (non-refundable)		**-**	250,000
Payments of share issue transaction costs		**(178,475)**	(158,887)
Transaction costs related to loans & borrowings		**(150,959)**	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		**10,506,671**	9,714,503
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**187,860**	140,509
Cash and cash equivalents at the beginning of the financial year		**1,147,538**	1,007,029
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	**1,335,398**	1,147,538

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 June 2019

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of De Grey Mining Limited and its subsidiaries. The financial statements are presented in Australian dollars. De Grey Mining Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 25 September 2019. The directors have the power to amend and reissue the financial statements.

A. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. De Grey Mining Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the De Grey Mining Limited Group also comply with international Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New, revised or amending Accounting Standards and Interpretations adopted in the 2019 financial year

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 *Financial Instruments and related amending Standards;*
- AASB 15 *Revenue from Contracts with Customers* and related amending Standards; and
- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share based Payment Transactions.*

AASB 9 Financial Instruments and associated Amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments (as amended) and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives however there was no material impact on adoption of the standard. Additionally, the Group adopted consequential amendments to AASB 7 Financial Instruments: Disclosures.

In summary AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting.

AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers (as amended) which is effective for an annual period that begins on or after 1 January 2018. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the prior notion of risks and rewards. There was no material impact on adoption of the standard and no adjustment made to current or prior period amounts.

(iii) New Accounting Standards and Interpretations for application in future periods

Any new, revised or amending Accounting Standards or Interpretations issued by the AASB that are not yet mandatory have not been early adopted. These together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

AASB 16: Leases

This Standard is applicable to annual reporting periods beginning on or after 1 January 2019. When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and lease liability for all leases (excluding short-term leases with a lease term 12 months or less of tenure and leases relating to low-value assets)
- depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Group has completed a preliminary assessment as to the impact of AASB 16 and does not expect that it will have a material effect on the Group. The standard will affect primarily the accounting for the group's operating leases. As at the reporting date, the group has non-cancellable operating lease office rental commitments of $201,448, see note 22. The group has assessed that these lease commitments will likely become finance leases under the new standard, and hence an asset and corresponding financial liability of $187,287 will be recognised upon adopting the new standard.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the change in fair value of equity investments at fair value through profit or loss.

B. Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of De Grey Mining Limited ("company" or "parent entity") as at 30 June 2019 and the results of all subsidiaries for the year then ended. De Grey Mining Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Investments in subsidiaries are accounted for at cost in the separate financial statements of De Grey Mining Limited.

(ii) Joint ventures

Jointly controlled assets - the proportionate interests in the assets, liabilities and expenses of joint venture activities have been incorporated in the financial statements under the appropriate headings. Details of the joint ventures are set out in note 25.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of De Grey Mining Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly controlled entity or associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

C. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

D. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is De Grey Mining Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless that is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

E. Revenue recognition

Revenue from contract(s) with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration with the transaction price, if any, reflects concessions provided to the customers such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of the variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probably that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

F. Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

G. Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

De Grey Mining Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

H. Financial instruments

Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:
- those to be measured at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Debt instruments

Investments in debt instruments are measured at amortised cost where they have:

- contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. The measurement of credit impairment is based on the three-stage expected credit loss model described below regarding impairment of financial assets.

Financial instruments designated as measured at fair value through profit or loss

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Where a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit worthiness of the counterparty, representing the movement in fair value attributable to changes in credit risk.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

Impairment of financial assets

The entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months.

Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Recognition and derecognition of financial instruments

A financial asset or financial liability is recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers.

Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

A financial liability is derecognised from the balance sheet when the Group has discharged its obligations, or the contract is cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

I. Plant and equipment

Each class of Plant, equipment and motor vehicles is carried at historical cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

The carrying amounts are reviewed annually by Directors to ensure it is not in excess of the estimated recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts and an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation of plant and equipment is calculated using the reducing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates vary between 20% and 40% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

J. Exploration and evaluation costs

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which the expenditure is incurred where;

- The Group has secured (or has the legal right to) tenure, and/or the legal rights to explore an area of interest;
- Exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing; and
- The exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale.

Where the conditions outlined are not met in relation to specific area(s) of interest, then those exploration and evaluation costs are expensed as incurred.

K. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are paid on normal commercial terms.

L. Employee benefits

Wages and salaries, annual leave and long service leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and long service leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

M. Leases

Lease payments for operating leases (where substantially all the risks and benefits remain with the lessor) are charged as an expense in the periods in which they are incurred.

Lease incentives under operating leases, if any, are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

N. Share-based payments

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (‘equity-settled transactions’), refer to note 28.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (‘vesting date’).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Options over ordinary shares have also been issued as consideration for the acquisition of interests in tenements and other services. These options have been treated in the same manner as employee options described above, with the expense being included as part of exploration expenditure.

O. Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

P. Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Q. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

R. Significant accounting judgements estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances.

Exploration expenditure

Exploration and evaluation costs are assessed on the basis of whether or not it is appropriate to carry as a Deferred exploration asset – refer to (j) above.

Financial assets – measurement and impairment assessment

The Company is required to classify those all assets and liabilities, measured at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as level 3 (if any) is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of consideration of all available information with respect to the asset. In the case of non-listed equity investments classified as available-for-sale, the Company takes into consideration its underlying assets and liabilities, its most recent funding and any other pertinent information to support its carrying value and/or indicators of asset impairment.

2. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Board, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

A. Market risk

Foreign exchange risk

The Group has minimal operations internationally and there are currently limited exposures to foreign exchange risk arising from currency exposures.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements.

All parent entity and Australian subsidiary entity balances are in Australian dollars and all Group balances are in Australian dollars, so the Group has only minimal exposure to foreign currency risk at the reporting date.

Price risk

Given the current level of operations, the Group is not exposed to price risk.

Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The balance of cash and cash equivalents for the Group of $1,335,398 (2018: $1,147,538) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Group was 0.54% (2018: 0.70%).

Sensitivity analysis

At 30 June 2019, if interest rates had changed by -/+ 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $36,615 lower/higher (2018: $32,481 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

B. Credit risk

Credit risk arises from cash and cash equivalents (including deposits with banks and financial institutions), as well as credit exposures customers via any outstanding receivables. Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

When undertaking transactions with customers, the Company will enter into legally binding arrangements and ensures that such agreements seek to mitigate risk by undertaking a credit quality assessment of the customer that takes into account its financial position, past experience, length of time has been a customer and other factors.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The assessment of impairment losses for the current financial year is Nil (2018: Nil).

C. Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the Statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

D. Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3. Segment Information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. For management purposes, the Group has identified one reportable operating segment being exploration activities undertaken in one geographical segment being Australasia. These segments include the activities associated with the determination and assessment of the existence of commercial economic reserves, from the Group's mineral assets in the sole geographic location.

Segment performance is evaluated based on the operating profit and loss and cash flows and is measured in accordance with the Group's accounting policies.

	Minerals Exploration Australasia		Consolidated Total	
	2019	**2018**	**2019**	**2018**
	$	$	**$**	$
Segment revenue	**1,178,541**	155,684	**1,178,541**	155,684
Reconciliation of segment revenue to total revenue before tax:				
Interest revenue			**19,744**	22,596
Change in fair value of equity investments at fair value through profit or loss			**9,103**	-
Other revenue			**46,541**	6,031
Total revenue and other income			**1,253,929**	184,311
Segment results	**1,178,541**	155,684	**1,178,541**	155,684
Reconciliation of segment result to net loss before tax:				
Corporate advisory			**(133,501)**	(203,375)
Share based payments			**(751,744)**	(662,826)
Other corporate and administration			**(2,302,426)**	(1,766,434)
Net loss before tax			**(2,009,130)**	(2,476,951)
Segment operating assets	**32,160,880**	24,329,242	**32,160,880**	22,645,049
Reconciliation of segment operating assets to total assets:				
Other corporate and administration assets			**1,469,302**	1,684,194
Total assets			**33,630,182**	24,329,243
Segment operating liabilties	**13,491,175**	14,473,198	**13,491,175**	14,473,198
Reconciliation of segment operating liabilities to total liabilities:				
Other corporate and administration liabilities			**525,300**	259,545
Total liabilities			**14,016,475**	14,732,743

4. Revenue and other income

	Consolidated	
	2019	2018
	$	$
Revenue - from continuing operations		
Option fee – lag gravels (i)	**1,000,000**	-
Exploration data fee	**150,000**	-
Royalties- sands	**21,221**	11,605
Other Income		
EIS Grant	**7,320**	53,680
Interest	**19,744**	22,596
Change in fair value of equity investments through profit or loss	**9,103**	-
Other	**46,541**	96,430
	1,253,929	184,311

(i) On 28 June 2019, the Company entered into a binding Letter of Intent with Novo Resources Corp that granted them the right to explore De Grey's project for gold-bearing lag gravel deposits for an initial three-year period (the "Initial Period") by paying a non-refundable AUD $1 million, and of which AUD $300,000 has been held in escrow until De Grey has completed its 100% acquisition of Indee Gold Pty Ltd (this was subsequently completed 22 August 2019 – Refer to Notes 16 and 29). There are no other performance obligations with respect to this initial three year option fee.

5. Expenses

Loss before income tax includes the following specific expenses:

	2019	2018
Contributions to superannuation funds	**130,663**	65,879
Share based payments – options (Directors & under approved plan)	**202,350**	58,950
Share based payments – performance rights (Directors & under approved plan)	**549,394**	288,997
Share based payments – corporate advisory services	**-**	314,880

6. Income tax

	2019	2018
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	**(2,009,130)**	(2,476,951)
Prima facie tax benefit at the Australian tax rate of 27.5% (2018: 27.5%)	**(552,511)**	(681,161)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Capital raising fees	**(46,354)**	(38,988)
Other allowable expenditure	**(2,474,823)**	(1,678,129)
Sundry items	**240,256**	(18,634)
	(2,833,431)	(2,416,912)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	**2,833,431**	2,416,912
Income tax expense	-	-
(c) Unrecognised deferred tax assets		
Capital raising fees	**106,682**	103,956
Carry forward tax losses	**17,077,916**	18,341,985
Gross deferred tax assets	**17,184,598**	18,445,941

No deferred tax asset has been recognised for the above balance as at 30 June 2019 and it is not considered probable that future taxable profits will be available against which it can be utilised.

(d) Tax consolidation

Effective 1 July 2004, for the purposes of income taxation, De Grey Mining Limited and its 100% owned Australian subsidiaries formed a tax consolidated group. Members of the group have entered into a tax sharing arrangement in order to allocate income tax between the entities should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote. The head entity of the tax consolidated group is De Grey Mining Limited.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate De Grey Mining Limited for any current tax payable assumed and are compensated by De Grey Mining Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to De Grey Mining Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as current intercompany receivables or payables.

(e) Franking credits

The company has no franking credits available for use in future years.

7. Current assets – Cash and cash equivalents

	Consolidated	
	2019	**2018**
	$	**$**
Cash at bank & on hand (i)	**838,960**	116,128
Short-term & on-call deposits (ii)	**496,438**	1,031,410
	1,335,398	1,147,538

(i) Cash at bank earns interest at floating rates based on daily bank deposit rates.

(ii) Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

8. Current assets – Trade and other receivables

Trade receivables	**359,562**	3,759
GST receivable (net)	**34,140**	184,310
R&D offset receivable	**306,651**	-
Fuel tax credits receivable	**34,143**	56,279
Sundry debtors (i)	**535**	727
	735,031	245,075

(i) Sundry debtors are non-interest bearing and have repayment terms between 30 and 90 days.

9. Current assets - Inventories

Diesel fuel in stock	**10,993**	19,894
	10,993	19,984

10. Current assets – Other assets

	Consolidated	
	2019	**2018**
	$	**$**
Prepayment rents	**-**	10,000
Prepayment – other	**27,380**	31,030
Advances & deposits	**1,797**	1,932
	29,177	42,962

11. Financial assets

Financial assets at fair value through profit or loss

Current		
Listed equity securities (i)	**115,103**	-
Unlisted equity securities (i)	**-**	200,000
	115,103	200,000

(i) On 18 September 2018, the Company announced that Novo Resources Corp. of Canada ("Novo") had agreed to acquire 100% of unlisted minerals exploration entity Farno McMahon Pty Ltd. The Company accepted the Novo offer, which was combination of cash ($94,000) and scrip.

12. Non-current assets – Deferred exploration & evaluation expenditure

Beginning of financial period	**21,982,686**	980,397
Exploration expenditure - all areas of interest (i)	**8,682,705**	5,907,789
Tenement option payments (non Indee Gold Pty Ltd)	**10,000**	194,500
Indee Gold Pty Ltd – acquisition consideration paid	**-**	1,500,000
Indee Gold Pty Ltd – acquisition consideration payable	**-**	13,400,000
Expensed to P&L	**-**	-
	30,675,391	21,982,686

(i) The Group has capitalised all costs associated with The Pilbara Project.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

13. Non-current assets – Plant and equipment

Plant and equipment		
Cost	**1,349,679**	1,129,560
Accumulated depreciation	**(620,590)**	(438,473)
Net book amount	**729,089**	691,087
Plant and equipment		
Opening net book amount	**691,087**	58,361
Additions	**220,119**	673,389
Depreciation charge	**(182,117)**	(40,663)
Closing net book amount	**729,089**	691,087

14. Current liabilities – Trade and other payables

	Consolidated	
	2019	**2018**
	$	$
Trade payables	**907,792**	1,167,211
Trade payables to be settled via an equity issue	**247,178**	92,750
Other payables and accruals (i)	**132,076**	62,913
	1,287,046	1,322,874

(i) Trade, other payables and accruals are non-interest bearing and are normally settled on terms of 30-45 days.

15. Current liabilities – Employee benefit obligations

Employee benefits (i)	**29,429**	9,868

(i) The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement and has an expectation that employees will take the full amount of accrued leave or require payment within the next 12 months.

16. Current & non-current liabilities – Contract liabilities

Contract liabilities (i)	**12,700,000**	13,400,000
Consists of:		
Current	**12,700,000**	700,000
Non-current	**-**	12,700,000
	12,700,000	13,400,000

(i) On 12 February 2018, the Company executed a fully binding Share Sale Agreement (“SSA”) to acquire 100% of the issued shares in the capital of Indee Gold Pty Ltd (“Indee Gold”) from Northwest Nonferrous Australia Mining Pty Ltd (“NNAM”). During the financial year a part payment of $700,000 was paid to extend the settlement date to 24 July 2019, with agreement to extend beyond this date, so as to enable the Company to finalise a significant capital raising. Settlement has ultimately occurred, post balance date, on 22 August 2019 (refer to Note 29 – Subsequent Events).

17. Contributed equity

(a) Share capital		2019		2018	
	Issue Price	Number of shares	$	Number of shares	$
Ordinary shares fully paid		**427,590,370**	**70,787,718**	**334,468,800**	**59,464,845**
Total contributed equity		**427,590,370**	**70,787,718**	**334,468,800**	**59,464,845**
(b) Movements in ordinary share capital					
Beginning of the financial year		**334,468,800**	**59,464,846**	201,296,240	49,108,104
Issued during the current & prior years:					
Share issued in lieu of supplier invoices (non-cash)	$0.04373	**-**	**-**	7,595,324	332,113
Shares issued on exercise of options	$0.04	**3,084,611**	**123,384**	20,850,000	834,000
Placement share issue	$0.05	**-**	**-**	60,450,000	3,022,500
Shares issued on exercise of options	$0.058	**-**	**-**	5,000,000	290,000
Shares issued on exercise of options	$0.08	**-**	**-**	2,125,000	170,000
Shares issued on exercise of options	$0.10	**59,627,200**	**5,962,720**	3,068,903	306,890
Shares issued - part consideration tenement acquisition	$0.15			150,000	22,500
Placement share issue	$0.15			33,333,333	5,000,000
Shares issued - part consideration tenement acquisition	$0.22			600,000	132,000
Placement share issue	$0.20	**25,000,000**	**4,750,000**	-	250,000
Share issued in lieu of supplier invoices (non-cash)	$0.11405	**5,409,759**	**616,963**	-	-
Transaction costs		**-**	**(178,475)**	-	(158,887)
Share based payments reserve transfer on option exercise		**-**	**48,280**	-	155,625
End of the financial year		**427,590,370**	**70,787,718**	334,468,800	59,464,845

(c) Movements in options on issue		Number of options	
		2019	2018
Beginning of the financial year		**110,295,144**	62,030,714
Net issued / (exercised or cancelled) during the year:			
– Exercisable at 4 cents, on or before 10 June 2019	Unlisted	**(3,084,611)**	(20,850,000)
– Exercisable at 8 cents, on or before 25 Nov 2017	Unlisted	**-**	(2,125,000)
– Exercisable at 10 cents, on or before 30 Nov 2018	Listed	**(53,527,200)**	29,906,097
– Exercisable at 10 cents, on or before 30 Nov 2018	Unlisted	**(6,100,000)**	(1,250,000)
– Exercisable at 5.8 cents, on or before 6 Sep 2017	Unlisted	**-**	(5,000,000)
– Exercisable at 10 cents, on or before 31 Oct 2020	Unlisted	**-**	14,250,000
– Exercisable at 20 cents, on or before 30 Nov 2019	Unlisted	**-**	33,333,333
– Exercisable at 25 cents, on or before 30 Nov 2019	Unlisted	**12,500,000**	-
– Exercisable at 30 cents, on or before 30 May 2021	Unlisted	**17,250,000**	-
End of the financial year		**77,333,333**	110,295,144

(d) Movement in performance rights on issue

During the year there were no unlisted Performance Rights issued (2018: 6,700,000) to directors and employees of the Group. The movement in performance rights consists of five (5) tranches each with specific performance hurdles.

	Tranche 1[1]	Tranche 2	Tranche 3[1]	Tranche 4	Tranche 5[1]	Total
Opening balance – 1 July 2018	1,300,000	1,300,000	1,450,000	1,450,000	1,200,000	6,700,000
Performance rights issued for the year	-	-	-	-	-	-
Closing balance – 30 June 2019	1,300,000[1]	1,300,000	1,450,000[1]	1,450,000	1,200,000[1]	6,700,000

The Performance Rights shall vest upon satisfaction of the following milestones:

1. Tranche One – the Company declaring greater than 1,500,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, on or before 30 November 2019;
2. Tranche Two – the Company declaring greater than 2,000,000 ounce gold resource (JORC 2012) at an overall grade of at least 1.7 g/t and a minimum category of JORC inferred at the Pilbara Gold Project, or before 30 November 2019;
3. Tranche Three – settlement of the Company's 100% acquisition of Indee Gold Pty Ltd;
4. Tranche Four – The Company securing Project Financing for the Pilbara Gold Project at a minimum throughput of 1M tpa; and
5. Tranche Five – The Company confirming higher grade resources of at least 200,000 ounces and at an overall grade of greater than 5 g/t or before 30 November 2019.

[1] The vesting conditions for Tranches 1, 3 and 5 of the Performance Rights were met subsequent to the reporting date. Each of the tranches were exercised by the holders and shares allotted on 22 August 2019.

(e) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital. Neither the Company, nor any of its subsidiaries, holds any shares in the Company at 30 June 2019 (2018: Nil).

(f) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2019 and 30 June 2018 are as follows:

	Consolidated	
	2019	**2018**
	$	**$**
Cash and cash equivalents	**1,335,398**	1,147,538
Trade and other receivables	**735,031**	245,075
Trade and other payables (i)	**(1,039,868)**	(1,230,124)
Working capital position	**1,030,561**	162,489

(i) This is net of payables totalling $247,178 (2018: $92,750) settled/or to be settled by an equity issue of ordinary fully paid shares.

18. Reserves and accumulated losses

	Consolidated	
	2019	**2018**
	$	**$**
(a) Reserves		
Share-based payments reserve (i)	**1,414,570**	711,106
	1,414,570	711,106
Movements:		
Share-based payments reserve		
Balance at beginning of year	**711,106**	170,530
Share based payments (options) expense (*Directors & EOP plan*)	**202,350**	58,950
Share based payments (options) expense (*Corporate advisory*)	**-**	348,255
Share based payments (performance rights) expense (*Directors & PR plan*)	**549,394**	288,996
Transfer to Issued Capital on exercise/expiry of options	**(48,280)**	(155,625)
Balance at end of year	**1,414,570**	711,106
(b) Accumulated losses		
Balance at beginning of year	**(50,579,451)**	(48,102,500)
Net loss for the year	**(2,009,130)**	(2,476,951)
Balance at end of year	**(52,588,581)**	(50,579,451)

(c) Nature and purpose of reserves

(i) Share-based payments reserve - The share-based payments reserve is used to recognise the value of equity benefits provided to either employees or directors as remuneration or to suppliers as payment for products and services.

19. Dividends

	-	-

No dividends were paid during the financial year.

No recommendation for payment of dividends has been made.

20. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) Audit services		
Butler Settineri (Audit) Pty Ltd - audit and review of financial reports	**33,777**	42,737
Total remuneration for audit services	**33,777**	42,737
(b) Non-audit services		
Butler Settineri – tax compliance services	**2,800**	2,200
Total remuneration for other services	**2,800**	2,200

21. Contingent liabilities

There are no contingent liabilities or contingent assets of the Group at reporting date.

22. Commitments

	Consolidated 2019 $	2018 $
(a) Exploration commitments		
The Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in.		
Outstanding Pilbara Project exploration commitments are as follows:		
Turner River tenements (100% owned) (i)	**731,160**	756,240
Indee Gold Pty Ltd ("Indee Gold") tenements (100% owned) (ii)	**617,600**	590,100
Haoma tenement (100% owned) (iii)	**126,000**	70,000
Tenements under option agreements (iv)	**197,160**	147,280
Annual commitment for the Pilbara Project assets	**1,671,920**	1,563,620

(i) The Turner River Project tenements are owned 100% and have minimum aggregate expenditure requirements of $731,160 p.a. (2018: $756,240).

(ii) On 22 August 2019 and subsequent to the reporting date, the Indee Gold tenements became 100% owned when settlement of the acquisition of Indee Gold Pty Ltd was completed (refer in Note 29 – Subsequent events).

(iii) On 12 July 2018, the Haoma tenement became 100% owned on exercise of an option to acquire.

(iv) The tenements that remain under option and/or earn-in agreements are with respect to the Blue Moon, Farno McMahon and Vanmaris Projects, as detailed in Note 25.

(b) Capital commitments

The Group did not have any capital commitments as at the current or prior balance date.

(c) Operating lease (non-cancellable)

	2019 $	2018 $
Within one year	**100,724**	48,895
Later than one year and less than five years	**100,724**	195,580
Aggregate lease expenditure contracted for at reporting date but not recognised as liabilities	**201,448**	244,475

23. Related party transactions

(a) Parent entity

The ultimate parent entity within the Group is De Grey Mining Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 24.

(c) Transactions with related parties

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

(d) Loans to related parties

De Grey Mining Limited has provided unsecured, interest free loans to each of its wholly owned Australian subsidiaries and all of which have been fully impaired.

24. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name	Country of Incorporation	Class of Shares	Equity Holding[1]	
			2019	2018
			%	%
Beyondie Gold Pty Ltd	Australia	Ordinary	**100**	100
Domain Mining Pty Ltd	Australia	Ordinary	**100**	100
Winterwhite Resources Pty Ltd	Australia	Ordinary	**100**	100
Last Crusade Pty Ltd	Australia	Ordinary	**100**	100
Indee Gold Pty Ltd[2]	Australia	Ordinary	**-**	-

[1] The proportion of ownership interest is equal to the proportion of voting power held.

[2] **The acquisition of** Indee Gold Pty Ltd was completed on 22 August 2019, subsequent to the reporting date (Refer Note 29).

25. Interests in joint ventures / other acquisitions

(a) Attgold Pty Ltd Retained Pegmatite Rights across E45-2364 (a tenement within the Pilbara Project)

In February 2007, De Grey acquired 100% of tenement E45-2364 on exercise of an option. Under the agreement, Attgold retained the pegmatite related rights on this tenement only. The pegmatite rights give Attgold rights to explore on the tenement for pegmatite minerals, which in turn are defined as “tin, tantalum, niobium, lithium, caesium and non-gold bearing or base metal bearing aggregate.” This is subject to various clauses of priority, access and normal statutory requirements. De Grey holds all other mineral rights in this tenement, most specifically gold and base metals and the joint venture has a carrying value of nil.

(b) Mount Dove Iron Rights

On 22 September 2015, the company entered into a Deed of Termination with the Atlas Iron Group, where they relinquished their iron ore rights on any of the Turner River Project tenements, the Company shall pay Atlas Iron Limited a one-off payment of $50,000 if it mines iron ore on its tenements.

(c) Turner River Shingles, River Sand and Limestone Blocks Farm-Out

In October 2012 De Grey, through its wholly owned subsidiary Last Crusade Pty Ltd ("LC"), entered into an agreement with Mobile Concreting Solutions Pty Ltd ("MCS") under which LC facilitated the excision of graticule B703 from LC's Exploration Licence 45/3390. Under the agreement, MCS applied for a mining licence over the excised graticule to mine for shingles, river sand and limestone blocks. LC retains the right to explore for all other minerals on the affected ground and MCS pays a royalty of $0.50 per tonne to LC for all material removed. The sands mining operations commenced in the December 2013 quarter and have continued throughout the current financial year.

(d) Indee Gold Option

On 24 January 2017, De Grey initially entered into an exclusive and binding Heads of Agreement ("HoA") with current owner Northwest Nonferrous Australia Mining Pty Ltd ("NNAM") and its wholly-owned subsidiary, Indee Gold Pty Ltd ("Indee Gold"). Indee Gold owns the gold assets to the immediate west of De Grey's Turner River Project near Port Hedland, Western Australia.

De Grey executed a detailed Share Sale Agreement ("SSA") on 9 February 2018 to acquire all the shares in Indee Gold from NNAM for a total acquisition price is A$15 Million. As at the reporting date, De Grey has completed its financial obligations under the agreement via the payment of an initial Exclusivity Fee of $100,000 (paid in January 2017) and a deposit of $1.5 Million (paid in February 2018) and during the reporting period a further payment of $800,000 to extend settlement out to 24 July 2019.

As at the reporting date, the remaining consideration payable so as to effect settlement was as follows:

- $7.7 Million to be paid on Settlement scheduled on and before for 24 July 2019;
- $3 Million of Consideration Shares (new De Grey fully paid ordinary shares) to be issued on Settlement to NMAM and

Matters subsequent to the reporting date

On 16 July 2019, shareholders approved resolutions to proceed with both the Indee Gold Pty Ltd acquisition, as well as approval to issue shares to NMAM as noted above. Shareholders had previously approved both resolutions on 5 October 2018 but have taken the option to extend the settlement date during the reporting period, which required the Company to obtain shareholder again.

On 18 July 2019, the Company executed a variation to the acquisition agreement with Northwest Nonferrous Australia Mining Pty Ltd ("NNAM") to extend the end date for completion of the Company's acquisition of Indee Gold from 24 July 2019 to 24 August 2019, so as to provide De Grey with the additional time required to complete a fully-underwritten Entitlement Offer capital raising.

On 22 August 2019, settlement was completed, and the Company became the 100% shareholder of Indee Gold Pty Ltd.

(e) Farno McMahon Project Option

On 28 July 2017, De Grey secured an option to joint venture (earn-in) agreement for tenement E47/2502, representing the Farno McMahon Project. An option fee of $40,000 was paid to the Vendor granting De Grey an exclusive right and period to assess the project and on 2 October 2017, the Company elected to enter into a Joint Venture Earn-in. The vendor retains all alluvial rights.

The Joint Venture Earn-in consists of two stages:

Stage 1 - DEG to spend a minimum of $1.0M over a period of 3 years to earn 30%, as follows:

- Year 1 (to 13 December 2017) expenditure requirement of $100,000 has been met;
- Year 2 (to 13 December 2018 subsequently extended to 13 March 2019) expenditure requirement of $300,000 has been met; and
- Year 3 (to 13 December 2019) expenditure requirement of $600,000 which is in progress at the date of this report.

Stage 2 - DEG may spend a further $1.0M expenditure over an additional 1-year period (Year 4) to earn an additional 45% equity in the tenement for a total equity of 75%.

(f) Vanmaris Project Option

On 25 September 2017, secured an Option letter agreement with the owner of tenements E47/3399, E47/3428-3430, P47/1732-1733 whereby De Grey may acquire an 80% interest in each of these listed tenements, within a 4 year option period.

The terms of the letter agreement included a cash and script option payment to the vendors of $30,000 cash and 150,000 ordinary fully paid De Grey shares.

De Grey are to maintain the tenements in good standing during the option period and within the 4 year option period can elect to acquire an 80% interest on payment of $500,000 cash. The vendor retains the alluvial and prospecting rights to a depth of 3 metres.

(g) Blue Moon Project Option

On 11 October 2017, secured an Option letter agreement with the owner of tenement P47/1773 whereby De Grey may acquire a 70% interest in the listed tenements, within a 2 year option period.

The key terms of the letter agreement included a cash and script option payment to the vendors of $125,000 cash and 600,000 ordinary fully paid De Grey shares.

It is then to fund exploration at De Grey's discretion during the 2 year Option Period and after which it can elect to acquire 70% of the mineral rights of the tenement below 6m depth on payment of $500,000 cash. The Vendor retains all the mineral rights to a depth of 6 metres.

26. Statement of cash flows

	Consolidated	
	2019	**2018**
	$	**$**
Reconciliation of net loss after income tax to net cash outflow from operating activities		
Net loss for the year	**(2,009,130)**	(2,476,951)
Non-Cash Items		
Depreciation of non-current assets	**182,117**	40,663
Share based payments (options and performance rights)	**751,744**	696,201
Equity settlement of expenses	**616,964**	332,113
Gain on available for sale investments	**(9,103)**	-
Change in operating assets and liabilities		
(Increase)/decrease in trade, other receivables and assets	**(353,831)**	(145,510)
(Increase)/decrease in inventories	**8,901**	(8,200)
(Decrease)/increase in trade and other payables	**239,136**	135,953
Other Items		
Payments to acquire or option mineral tenements	**10,000**	154,500
Transaction costs – loans and borrowings	**150,959**	-
Exploration & evaluation expenditure capitalised	**(8,999,356)**	(5,814,539)
Net cash outflow from operating activities	**(9,411,599)**	(7,085,770)

27. Loss per share

	2019	2018
(a) Reconciliation of earnings used in calculating loss per share	**$**	$
Loss attributable to the owners of the company used in calculating basic and diluted loss per share	**(2,009,130)**	(2,476,951)
		Number of shares
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	**398,278,765**	291,136,047

(c) Information on the classification of options
As the Group has made a loss for the year ended 30 June 2019, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

28. Share-based payments

From time to time options are granted to;

(i) eligible employees under the Performance Rights Plan ("PRP") and/or the Employee Option Plan ("EOP") of De Grey Mining Limited to align their interests with that of the shareholders of the company.

(ii) Directors under rules comparable with the PRP and/or EOP, but subject to shareholder approval pursuant to the provisions of the ASX Listing Rules and the *Corporations Act 2001*.

(a) Options

Employee Option Plan of De Grey Mining Limited ("EOP") [1]

Shareholders last approved the EOP at the Annual General Meeting held on 28 November 2018. The EOP is designed to attract and retain eligible employees, provide an incentive to deliver growth and value for the benefit of all Shareholders and facilitate capital management by enabling the Company to preserve cash reserves for expenditure on principal activities. Participation in the Plan is at the discretion of the Board and no eligible employee has a contractual right to receive an option under the Plan.

The exercise price and expiry date for all options granted will be determined by the board prior to granting of the options, and in the case of Director options subject to shareholder approval. The options granted may also be subject to conditions on exercise and usually have a contractual life of two to three years.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share in the capital of the company with full dividend and voting rights.

There were 2,500,000 director options granted (2018: Nil) and 2,250,000 EOP options[1] granted (2018: 2,250,000) in the financial year ended 30 June 2019 and are all currently outstanding are detailed in the following table:

Grant date	Expiry date	Exercise price Cents	Balance at start of the year Number	Granted during the year Number	Expired or other change during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated – 2018							
30 Nov 2016	30 Nov 2018		**2,500,000**	-	**(2,500,000)**	-	-
30 Nov 2016	30 Nov 2018		**3,600,000**	-	**(3,600,000)**	-	-
24 Sep 2017	31 Oct 2020		**2,250,000**	-	-	**2,250,000**	**2,250,000**
17 Oct 2018	31 May 2021		-	**2,500,000**	-	**2,500,000**	**2,500,000**
17 Oct 2018	31 May 2021		-	**2,250,000**	-	**2,250,000**	**2,250,000**
			8,350,000	**4,750,000**	**(6,100,000)**	**7,000,000**	**7,000,000**

Grant date	Expiry date	Exercise price Cents	Balance at start of the year Number	Granted during the year Number	Expired or other change during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
Consolidated – 2018							
25 Nov 2014	25 Nov 2017		**2,125,000**	**-**	**(2,125,000)**	**-**	**-**
30 Nov 2016	30 Nov 2018		**3,500,000**	**-**	**(1,000,000)**	**2,500,000**	**2,500,000**
30 Nov 2016	30 Nov 2018		**3,850,000[1]**	**-**	**(250,000)**	**3,600,000**	**3,600,000**
24 Sep 2017	31 Oct 2020		**-**	**2,250,000**	**-**	**2,250,000**	**2,250,000**
			9,475,000	**2,250,000**	**(3,375,000)**	**8,350,000**	**8,350,000**

Expenses arising from options - share-based payment transactions

The weighted average fair value of the options granted during the year was $0.0426 (2018: $0.0262). The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2019	2018
Weighted average exercise price (cents)	**30.0**	10.0
Weighted average life of the option (years)	**2.6**	3.1
Weighted average underlying share price (cents)	**15.0**	6.6
Expected share price volatility	**75%**	75%
Weighted average risk-free interest rate	**1.5%**	1.5%

Historical volatility has been used as the basis for determining expected share price volatility as it assumed that this is indicative of future trends, which may not eventuate.

No assumptions have been made relating to dividends or expected early exercise of the options and there are no other inputs to the model.

The life of the options is based on historical exercise patterns, which may not eventuate in the future.

Total expenses arising from equity settled share-based payment transactions recognised during the period were as follows:

	$	$
Options issued to directors and EOP to eligible employees	**202,350**	58,950

(b) Performance rights

Employee Performance Rights Plan of De Grey Mining Limited ("PRP")

Shareholders approved the PRP at the Annual General Meeting held on 30 November 2017. The PRP, like the EOP Plan is designed to attract and retain eligible employees, provide an incentive to deliver growth and value for the benefit of all Shareholders and facilitate capital management by enabling the Company to preserve cash reserves for expenditure on principal activities. Participation in the Plan is at the discretion of the Board and no eligible employee has a contractual right to receive performance rights under the Plan.

The performance rights granted will be determined by the board prior to granting of the rights, and in the case of Director performance rights, these are subject to shareholder approval. The rights granted may be subject to performance milestones before the holder has the right to exercise (Refer **Note 17**) and can have a contractual life of up to 5 years.

Rights granted carry no dividend or voting rights. When exercisable, each right is convertible into one ordinary share in the capital of the company with full dividend and voting rights.

There were Nil performance rights granted (2018: 6,700,000) in the financial year ended 30 June 2019 and all remained outstanding as at the reporting date, as detailed in the following table:

Expenses arising from performance rights - share-based payment transactions

On 21 December 2017, 6,700,000 unlisted Performance Rights were issued to directors and employees of the Group, with vesting conditions as described in **Note 17 (e)**

	Tranche 1	**Tranche 2**	**Tranche 3[1]**	**Tranche 4[1]**	**Tranche 5**
Number Issued (No.)	1,300,000	1,300,000	1,450,000	1,450,000	1,200,000
Grant Date	21-Dec-2017	21-Dec-2017	21-Dec-2017	21-Dec-2017	21-Dec-2017
Exercise Price ($)	N/A	N/A	N/A	N/A	N/A
Expiry/Amortisation Date	30-Nov-2019	30-Nov-2019	24-Jul-2019	30-Nov-2021	30-Nov-2019
Underlying Share Price on Grant ($)	$0.17	$0.17	$0.17	$0.17	$0.17
Total Fair Value ($) – Life of Right	$221,000	$221,000	$246,500	$246,500	$204,000
Total Fair Value ($) – Expensed 30 June 2019	$113,613	$113,613	$154,858	$62,437	$104,873
					$549,394

[1] Under the performance rights plan, rights expire the earlier of any date specified on issue or 5 years. In the case of tranches 3 and 4 and for the purposes of amortisation, the fair value share-based payments have been calculated on the basis of all information available at date of this report, and board considers both dates as appropriate.

[2] On 22 August 2019 and subsequent to the reporting date, the vesting conditions on Tranches 1, 3 and 5 had been met, with 100% of those performance rights exercises and shares allotted (Refer Note 29 – Subsequent Events).

29. Events occurring after the reporting date

There have been no matters or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years, other than;

On 16 July 2019, shareholders approved resolutions to proceed with both the Indee Gold Pty Ltd acquisition, as well as approval to issue $3M of consideration shares to NMAM. Shareholders had previously approved both resolutions on 5 October 2018 but as the Company exercised its option to extend the settlement date out to 24 July 2019, it was necessary under ASX listing rules to obtain shareholder approval again.

On 18 July 2019, the Company executed a further variation to the acquisition agreement with Northwest Nonferrous Australia Mining Pty Ltd ("NNAM") to extend the end date for completion of the Company's acquisition of Indee Gold Pty Ltd from 24 July 2019 to on or before 24 August 2019, so as to provide De Grey with the additional time required to complete a fully-underwritten Entitlement Offer capital raising.

On 24 July 2019, the Company completed a placement of 60.3 Million shares to sophisticated, professional and other exempt investor clients of Bell Potter Securities Limited ("BPS"), at a price of $0.05 per share to raise $3.017 Million (before costs of raising) as well as announcing that BPS would also be fully underwriting a Pro-rata Renounceable Entitlement Offer on a 1 for 1.28 basis to raise $19.1 Million (before costs of raising), also at an issue price of $0.05 per share. All funds settled capital raise. The capital raisings were all settled by 14 August 2019.

On 22 August 2019, settlement of the acquisition of Indee Gold Pty Ltd was completed, with the Company making the final cash payment of $9.7 Million in cash and the issue of 59,065,579 fully paid ordinary shares in the Company (at a deemed price of 5.0879 cents per share).

On 22 August 2019, the Company also allotted the following fully paid ordinary shares;

- 3,802,748 shares in lieu of supplier invoices at a deemed price of 6.5 cents per share.
- 3,950,000 shares on the exercise of 3,950,000 performance rights to directors and employees. These presented Tranches 1, 3 and 5 (Refer Note 17(e)) where each of the respective vesting conditions had been met.

30. Parent entity information

	Parent Entity 2019 $	Parent Entity 2018 $
The following information relates to the parent entity, De Grey Mining Limited, at 30 June 2019. The information presented here has been prepared using accounting policies consistent with those presented in Note 1.		
Current assets	**2,225,702**	1,455,470
Non-current assets	**31,404,480**	22,873,773
Total assets	**33,630,182**	24,329,243
Current liabilities	**14,016,475**	2,032,743
Non-current liabilities	**-**	12,700,000
Total liabilities	**14,016,475**	14,732,743
Contributed equity	**70,787,718**	59,464,845
Reserves	**1,414,570**	711,106
Accumulated losses	**(52,588,581)**	(50,579,451)
Total equity	**19,613,707**	9,596,500
Loss for the year	**(2,009,130)**	(2,476,951)
Other comprehensive loss		-
Total comprehensive loss for the year	**(2,009,130)**	(2,476,951)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2019 and 30 June 2018.

Capital commitments

The parent entity had no capital commitments as at 30 June 2019 and 30 June 2018.

Accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

Director's Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 34 to 64 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2019 and of their performance for the financial year ended on that date;

(b) the audited remuneration report set out on pages 24 to 30 of the directors' report complies with section 300A of the Corporations Act 2001;

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(d) a statement that the attached financial statements are in compliance with Australian Accounting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.

Simon Lill
Executive Chairman

Perth, 25 September 2019

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DE GREY MINING LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of De Grey Mining Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2019 the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a) the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

   i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

   ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

b) The financial report also complies with the International Financial Reporting Standards as disclosed in note 1 A(i).

Basis for Opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period.

These matters were addressed in the context of our audit of the financial report as a while, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Butler Settineri (Audit) Pty Ltd
RCA No. 289109 ABN 61 112 942 373

Key Audit Matter	How our audit addressed the key audit matter
Deferred exploration and evaluation expenditure (*refer notes 1(J) and 12)* The Group operates as an exploration entity and as such its primary activities entail expenditure focussed on the exploration for and evaluation of economically viable mineral deposits. These activities are currently limited to the Pilbara region in Western Australia. All exploration and evaluation expenditure incurred during the year has been capitalised and recognised as an asset in the Statement of Financial Position. The closing value of deferred exploration and evaluation expenditure is $30,675,391 as at 30 June 2019. The carrying value of exploration and evaluation assets is subjective based on the Group's intention, and ability, to continue to explore the asset. The carrying value may also be affected by the results of ongoing exploration activity indicating that the mineral reserves and resources may not be commercially viable for extraction. This creates a risk that the asset value included within the financial statements may not be recoverable.	Our audit procedures included the following: • ensuring the Group's continued right to explore in the relevant areas of interest including assessing documentation such as exploration and mining licences; • enquiring of management and the directors as to the Group's intentions and strategies for future exploration activity and reviewing budgets and cash flow forecasts; • assessing the results of recent exploration activity to determine whether there are any indicators suggesting a potential impairment of the carrying value of the asset; • assessing the Group's ability to finance the planned exploration and evaluation activity; and • assessing the adequacy of the disclosures made by the Group in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significant in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included on pages 24 to 30 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of De Grey Mining Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BUTLER SETTINERI (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 25 September 2019

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd, and not shown elsewhere in this report, is as follows. The information is current as at 18 September 2019.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

			Ordinary shares	
			Number of holders	Number of shares
1	-	1,000	177	31,699
1,001	-	5,000	364	1,239,377
5,001	-	10,000	414	3,472,698
10,001	-	100,000	1,524	62,284,957
100,001		and over	791	871,521,980
			3,270	**938,550,711**
The number of shareholders holding less than a marketable parcel of shares are:			**770**	**2,909,706**

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are as follows:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	DGO Gold Limited	100,845,935	10.74%
2	Northwest Nonferrous Australia Mining Pty Ltd	59,065,579	6.29%
3	Merrill Lynch (Australia) Nominees Pty Ltd	55,289,316	5.89%
4	Citicorp Nominees Pty Ltd	45,737,147	4.87%
5	Kirkland Lake Gold Limited	33,333,333	3.55%
6	HSBC Custody Nominees Australia Ltd	27,366,168	2.92%
7	HSBC Custody Nominees Australia Ltd – A/C 2	20,389,359	2.17%
8	JP Morgan Nominees Australia Pty Ltd	19,587,224	2.09%
9	BNP Paribas Nominees Pty Ltd <IB AU Nominees Retail>	18,042,297	1.92%
10	Mr. Michael Lynch <Lynch Family Account>	13,983,563	1.49%
11	Ginga Pty Ltd <T G Klinger Super Fund A/C>	13,274,000	1.41%
12	Troca Enterprises Pty Ltd <Coulson Super Fund A/C>	11,424,841	1.22%
13	Morgan Stanley Australia Securities (Nominee) Pty Limited <No.1 Account>	10,801,000	1.15%
14	National Nominees Ltd	9,500,000	1.01%
15	Mr Lincoln James Topham & Mrs Pauline Margery Topham	9,212,498	0.98%
16	Mr. Andrew Rhys Jackson	9,095,000	0.97%
17	Equity Trustees Limited <Lowell Resources Ltd>	8,277,786	0.88%
18	BNP Paribas Nominees Pty Ltd <DRP>	8,194,295	0.87%
19	Nelson Enterprises	7,796,388	0.83%
20	HSBC Custody Nominees Australia Ltd - GSCO ECA	7,342,149	0.78%
		432,194,484	52.05%

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
DGO Gold Limited	100,845,935
Northwest Nonferrous Australia Mining Pty Ltd	59,065,579

(d) Unquoted (unlisted) Securities

Class	Number of Securities	Number of Holders	Holders of 20% or more of the class: Holder Name	Number of Securities
Unlisted $0.10 options, expiry 31 October 2020	2,250,000	3	Andrew Beckwith	1,000,000
			Phil Tornatora	750,000
			Craig Nelmes	500,000
Unlisted $0.10 options, expiry 31 October 2020	12,000,000	1	Corporate Resource Consultants Pty Ltd	12,000,000
Unlisted $0.20 options, expiry 30 November 2019	33,333,333	1	Kirkland Lake Gold Limited	33,333,333
Unlisted $0.25 options, expiry 30 November 2019	12,500,000	1	DGO Gold Limited	12,500,000
Unlisted $0.30 options, expiry 31 May 2021	12,500,000	1	DGO Gold Limited	12,500,000
Unlisted $0.30 options, expiry 31 May 2021	4,750,000		Simon Lill	1,000,000
			Andrew Beckwith	1,000,000
Performance rights	6,700,000	6	Andrew Beckwith	2,000,000
			Simon Lill	1,500,000

(e) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

The Quoted and unquoted (unlisted) options have no voting rights.

(f) Corporate Governance

The Board of De Grey Mining Limited is committed to Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate with Shareholders. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report.

Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at https://degreymining.com.au/corporate-governance.

(g) Application of Funds

During the financial year, De Grey Mining Limited confirms that it has used its cash and assets (in a form readily convertible to cash) in a manner which is consistent with the Company’s business objectives.

Annual Mineral Resources Statement

Withnell Mining Centre September 2019 Mineral Resources - Gold

Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Withnell Open Pit	Oxide	0.58	1.4	26,400	0.15	1.6	7,700	0.04	1.3	1,700	0.77	1.4	35,800
	Fresh	0.60	1.7	31,900	1.02	2.0	65,900	0.04	2.8	3,800	1.66	1.9	101,600
	Total	**1.17**	**1.5**	**58,300**	**1.17**	**2.0**	**73,700**	**0.08**	**2.0**	**5,500**	**2.43**	**1.8**	**137,400**
Withnell U/G	Oxide				0.03	2.9	2,800	0.00	4.4	200	0.03	3.0	3,000
	Fresh				0.64	4.4	91,200	1.55	4.0	197,700	2.19	4.1	288,900
	Total				**0.67**	**4.4**	**94,000**	**1.55**	**4.0**	**197,900**	**2.22**	**4.1**	**291,900**
Mallina	Oxide				0.45	1.3	19,100	0.55	1.2	21,300	1.00	1.3	40,500
	Fresh				0.81	1.2	31,400	2.01	1.4	88,800	2.82	1.3	120,200
	Total				**1.26**	**1.2**	**50,600**	**2.57**	**1.3**	**110,100**	**3.83**	**1.3**	**160,700**
Tower-anna	Oxide				0.62	2.4	47,700	0.25	1.6	13,100	0.86	2.2	60,800
	Fresh				3.49	2.1	236,300	0.98	1.9	59,500	4.46	2.1	295,800
	Total				**4.10**	**2.2**	**284,000**	**1.23**	**1.8**	**72,600**	**5.33**	**2.1**	**356,600**
Camel	Oxide	0.18	2.8	16,400	0.32	2.6	26,800	0.04	1.1	1,500	0.54	2.6	44,700
	Fresh	0.01	2.1	600	0.14	1.4	6,500	0.14	1.8	8,600	0.29	1.7	15,700
	Total	**0.19**	**2.8**	**17,000**	**0.46**	**2.2**	**33,300**	**0.19**	**1.7**	**10,100**	**0.84**	**2.2**	**60,400**
Calvert	Oxide				0.43	1.3	17,900	0.05	0.8	1,400	0.48	1.3	19,300
	Fresh				0.56	1.3	23,800	0.23	1.2	9,300	0.79	1.3	33,100
	Total				**0.99**	**1.3**	**41,700**	**0.28**	**1.2**	**10,700**	**1.27**	**1.3**	**52,400**
Roe	Oxide	0.06	2.7	5,500	0.13	1.5	6,000	0.11	1.6	5,700	0.30	1.8	17,200
	Fresh	0.01	2.5	1,000	0.07	2.3	5,300	0.21	2.2	14,800	0.30	2.2	21,100
	Total	**0.08**	**2.7**	**6,500**	**0.20**	**1.8**	**11,300**	**0.33**	**2.0**	**20,500**	**0.60**	**2.0**	**38,300**
Drom-edary	Oxide	0.10	2.2	7,200	0.03	1.6	1,400	0.04	1.6	2,200	0.17	1.9	10,800
	Fresh				0.03	1.6	1,700	0.08	1.8	4,700	0.12	1.7	6,400
	Total	**0.10**	**2.2**	**7,200**	**0.06**	**1.6**	**3,200**	**0.12**	**1.7**	**6,900**	**0.29**	**1.9**	**17,200**
Leach Pad	Oxide				0.86	0.7	19,300				0.86	0.7	19,300
	Fresh												
	Total				**0.86**	**0.7**	**19,300**				**0.86**	**0.7**	**19,300**
Hester	Oxide				0.04	2.1	3,000	0.03	1.3	1,100	0.07	1.8	4,100
	Fresh				0.01	2.1	900	0.05	1.4	2,100	0.06	1.6	3,100
	Total				**0.06**	**2.1**	**3,900**	**0.07**	**1.4**	**3,300**	**0.13**	**1.7**	**7,200**
Withnell Mining Centre	**Oxide**	**0.92**	**1.9**	**55,400**	**3.05**	**1.5**	**151,900**	**1.12**	**1.3**	**48,200**	**5.09**	**1.6**	**255,500**
	Fresh	**0.62**	**1.7**	**33,500**	**6.77**	**2.1**	**463,100**	**5.30**	**2.3**	**389,300**	**12.69**	**2.2**	**885,800**
	Total	**1.54**	**1.8**	**88,900**	**9.82**	**1.9**	**615,000**	**6.43**	**2.1**	**437,500**	**17.79**	**2.0**	**1,141,400**

Wingina Mining Centre September 2019 Mineral Resources - Gold

Deposit	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Wingina	Oxide	2.68	1.8	152,100	0.65	1.3	27,000	0.34	1.3	14,400	3.67	1.6	193,500
	Fresh	0.40	1.6	20,500	0.34	1.5	16,300	1.08	1.7	57,400	1.82	1.6	94,200
	Total	**3.08**	**1.7**	**172,700**	**0.99**	**1.4**	**43,300**	**1.42**	**1.6**	**71,700**	**5.49**	**1.6**	**287,700**
Mt Berghaus	Oxide				0.68	1.8	38,900	0.99	1.1	35,800	1.67	1.4	74,700
	Fresh				0.27	1.7	14,400	2.40	1.2	91,800	2.77	1.2	106,300
	Total				**0.95**	**1.7**	**53,300**	**3.39**	**1.2**	**127,600**	**4.34**	**1.3**	**181,000**
Amanda	Oxide				0.51	1.3	21,700	0.89	0.9	24,700	1.40	1.0	46,300
	Fresh				0.07	1.8	4,200	0.56	1.1	19,200	0.63	1.2	23,300
	Total				**0.58**	**1.4**	**25,800**	**1.44**	**0.9**	**43,900**	**2.03**	**1.1**	**69,700**
Wingina Mining Centre	**Oxide**	**2.68**	**1.8**	**152,100**	**1.84**	**1.5**	**87,600**	**2.21**	**1.1**	**74,900**	**6.74**	**1.5**	**314,500**
	Fresh	**0.40**	**1.6**	**20,500**	**0.68**	**1.6**	**34,900**	**4.04**	**1.3**	**168,400**	**5.12**	**1.4**	**223,800**
	Total	**3.08**	**1.7**	**172,700**	**2.52**	**1.5**	**122,500**	**6.25**	**1.2**	**243,200**	**11.86**	**1.4**	**538,400**

De Grey Mining Limited Total September 2019 Mineral Resources - Gold

Mining Centre	Type	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Withnell	Oxide	0.92	1.9	55,400	3.05	1.5	151,900	1.12	1.3	48,200	5.09	1.6	255,500
	Fresh	0.62	1.7	33,500	6.77	2.1	463,100	5.30	2.3	389,300	12.69	2.2	885,800
	Total	**1.54**	**1.8**	**88,900**	**9.82**	**1.9**	**615,000**	**6.43**	**2.1**	**437,500**	**17.79**	**2.0**	**1,141,400**
Wingina	Oxide	2.68	1.8	152,100	1.84	1.5	87,600	2.21	1.1	74,900	6.74	1.5	314,500
	Fresh	0.40	1.6	20,500	0.68	1.6	34,900	4.04	1.3	168,400	5.12	1.4	223,800
	Total	**3.08**	**1.7**	**172,700**	**2.52**	**1.5**	**122,500**	**6.25**	**1.2**	**243,200**	**11.86**	**1.4**	**538,400**
Total Pilbara Gold Project	Oxide	3.60	1.8	207,600	4.90	1.5	239,400	3.34	1.1	123,100	11.83	1.5	570,100
	Fresh	1.02	1.6	54,000	7.45	2.1	498,000	9.34	1.9	557,600	17.81	1.9	1,109,700
	Total	**4.62**	**1.8**	**261,600**	**12.35**	**1.9**	**737,500**	**12.68**	**1.7**	**680,700**	**29.65**	**1.8**	**1,679,700**

All gold deposits are reported at a 0.5g/t Au cut-off grade except Withnell Underground (beneath Pit 33 Whittle shell) where a 2.0g/t cut-off was applied and Wingina below -55mRL where a 1.0g/t Au cut-off was applied.

Turner River Project September 2019 Base Metal Mineral Resources

Deposit	Class	Tonnes Mt	Zn %	Pb %	Cu %	Au ppm	Ag ppm	Zn (Metal Tonnes)	Pb (Metal Tonnes)	Cu (Metal Tonnes)	Au Oz	Ag kOz
Discovery Massive Sulphide	Indicated	0.27	5.2	2.4	0.2	1.9	192	**13,900**	**6,400**	**600**	**16,300**	**1,600**
	Inferred	0.35	5.2	2.1	0.2	1.3	196	**18,200**	**7,100**	**600**	**14,100**	**2,200**
	Total	**0.61**	**5.2**	**2.2**	**0.2**	**1.5**	**194**	**32,100**	**13,500**	**1,200**	**30,400**	**3,800**
Discovery Deposit Halo Mineralisation	Indicated	0.15	0.9	0.5	0.1	0.9	47	**1,300**	**700**	**100**	**4,300**	**200**
	Inferred	0.63	1.1	0.5	0.1	0.6	60	**6,900**	**2,900**	**400**	**11,700**	**1,200**
	Total	**0.78**	**1.0**	**0.5**	**0.1**	**0.6**	**57**	**8,200**	**3,600**	**400**	**16,000**	**1,400**
Discovery Deposit Total	Indicated	0.41	3.7	1.7	0.2	1.6	140	**15,200**	**7,100**	**700**	**20,600**	**1,900**
	Inferred	0.98	2.6	1.0	0.1	0.8	108	**25,100**	**10,000**	**900**	**25,800**	**3,400**
	Total	**1.39**	**2.9**	**1.2**	**0.1**	**1.0**	**118**	**40,300**	**17,100**	**1,700**	**46,400**	**5,300**
Orchard Tank Deposit Total	Indicated											
	Inferred	2.08	3.4	1.4	0.1	0.7	105	**70,800**	**28,900**	**2,400**	**45,500**	**7,000**
	Total	**2.08**	**3.4**	**1.4**	**0.1**	**0.7**	**105**	**70,800**	**28,900**	**2,400**	**45,500**	**7,000**

Turner River Total September 2019 Base Metal Mineral Resources

	Class	Tonnes Mt	Zn %	Pb %	Cu %	Au ppm	Ag ppm	Zn (Metal Tonnes)	Pb (Metal Tonnes)	Cu (Metal Tonnes)	Au Oz	Ag kOz
De Grey Total	**Indicated**	**0.41**	**3.7**	**1.7**	**0.2**	**1.6**	**140**	**15,200**	**7,100**	**700**	**20,600**	**1,900**
	Inferred	**3.06**	**3.1**	**1.3**	**0.1**	**0.7**	**106**	**95,800**	**39,000**	**3,400**	**71,300**	**10,400**
	Total	**3.47**	**3.2**	**1.3**	**0.1**	**0.8**	**110**	**111,000**	**46,100**	**4,100**	**91,900**	**12,300**

Discovery and Orchard Tank deposits are reported at a 0.5% Zn cut-off grade

Review of Material Changes

Material changes have been made to the Company's Gold Mineral Resource Inventory. Between September 2018 and September 2019, the total inventory for the Pilbara Gold Project increased from 27.2Mt at 1.6g/t for 1,394koz to 29.6Mt at 1.8g/t for 1,678koz as shown below.

De Grey Mining Limited - Comparison of September 2018 and September 2019 Gold Mineral Resources

	Report Year	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Pilbara Gold Project Total	2019	4.62	1.8	261,600	12.35	1.9	737,500	12.68	1.7	680,700	29.65	1.8	1,679,700
	2018	4.47	1.7	247,400	9.85	1.6	491,800	12.93	1.6	654,500	27.25	1.6	1,393,800
	Change	3%	2%	6%	25%	20%	50%	-2%	6%	4%	9%	11%	21%

At the Withnell Mining Centre, increases are due to the delineation of a new Mineral Resource for the Withnell Underground deposit where high grade lodes were targeted by deep drilling. Toweranna and Hester deposits increased with the incorporation of successful exploration drilling results. The total Withnell Mining Centre Mineral Resource inventory at September 2019 comprised 17.8Mt at 2.0g/t Au for 1,141koz, an increase of 31% in ounces compared to the September 2018 report.

At the Wingina Mining Centre, a material increase to the Amanda Mineral Resource estimate resulted from the incorporation of successful exploration drilling results. The Mineral Resource at September 2019 for the Wingina Mining Centre comprised 11.9Mt at 1.4g/t Au for 538koz, an increase of 4% in ounces compared to the September 2018 report.

Withnell Mining Centre - Comparison of September 2018 and September 2019 Gold Mineral Resources

Deposit	Report Year	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Withnell	2019	1.17	1.5	58,300	1.84	2.8	167,700	1.64	3.9	203,400	4.65	2.9	429,300
	2018	1.02	1.3	44,100	2.79	1.7	156,600	2.56	2.1	176,600	6.37	1.8	377,300
	Change	15%	19%	32%	-34%	67%	7%	-36%	84%	15%	-27%	60%	14%
Mallina	2019				1.26	1.2	50,600	2.57	1.3	110,100	3.83	1.3	160,700
	2018				1.26	1.2	50,600	2.57	1.3	110,100	3.83	1.3	160,700
	Change				0%	0%	0%	0%	0%	0%	0%	0%	0%
Tower-anna	2019				4.10	2.2	284,000	1.23	1.8	72,600	5.33	2.1	356,600
	2018				0.72	2.3	54,400	1.29	2.2	89,500	2.01	2.2	143,900
	Change				468%	-8%	422%	-5%	-15%	-19%	165%	-7%	148%
Camel	2019	0.19	2.8	17,000	0.46	2.2	33,300	0.19	1.7	10,100	0.84	2.2	60,400
	2018	0.19	2.8	17,000	0.46	2.2	33,300	0.19	1.7	10,100	0.84	2.2	60,400
	Change	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Calvert	2019				0.99	1.3	41,700	0.28	1.2	10,700	1.27	1.3	52,400
	2018				0.99	1.3	41,700	0.28	1.2	10,700	1.27	1.3	52,400
	Change				0%	0%	0%	0%	0%	0%	0%	0%	0%
Roe	2019	0.08	2.7	6,500	0.20	1.8	11,300	0.33	2.0	20,500	0.60	2.0	38,300
	2018	0.08	2.7	6,500	0.20	1.8	11,300	0.33	2.0	20,500	0.60	2.0	38,300
	Change	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Drom-edary	2019	0.10	2.2	7,200	0.06	1.6	3,200	0.12	1.7	6,900	0.29	1.9	17,200
	2018	0.10	2.2	7,200	0.06	1.6	3,200	0.12	1.7	6,900	0.29	1.9	17,200
	Change	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Leach Pad	2019				0.86	0.7	19,300				0.86	0.7	19,300
	2018				0.86	0.7	19,300				0.86	0.7	19,300
	Change				0%	0%	0%				0%	0%	0%
Hester	2019				0.06	2.1	3,900	0.07	1.4	3,300	0.13	1.7	7,200
	2018							0.10	1.5	4,800	0.10	1.5	4,800
	Change				>	>	>	-25%	-9%	-31%	34%	11%	50%
Withnell Mining Centre	2019	1.54	1.8	88,900	9.82	1.9	615,000	6.43	2.1	437,500	17.79	2.0	1,141,400
	2018	1.39	1.7	74,800	7.33	1.6	370,400	7.43	1.8	429,200	16.16	1.7	874,300
	Change	11%	7%	19%	34%	24%	66%	-14%	18%	2%	10%	19%	31%

Wingina Mining Centre - Comparison of September 2018 and September 2019 Gold Mineral Resources

Deposit	Report Year	Measured			Indicated			Inferred			Total		
		Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz	Mt	Au g/t	Au Oz
Wingina	2019	3.08	1.7	172,700	0.99	1.4	43,300	1.42	1.6	71,700	5.49	1.6	287,700
	2018	3.08	1.7	172,700	0.99	1.4	43,300	1.42	1.6	71,700	5.49	1.6	287,700
	Change	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Mt Berghaus	2019				0.95	1.7	53,300	3.39	1.2	127,600	4.34	1.3	181,000
	2018				0.95	1.7	53,300	3.39	1.2	127,600	4.34	1.3	181,000
	Change				0%	0%	0%	0%	0%	0%	0%	0%	0%
Amanda	2019				0.58	1.4	25,800	1.44	0.9	43,900	2.03	1.1	69,700
	2018				0.57	1.3	24,800	0.69	1.2	26,000	1.26	1.3	50,800
	Change				2%	2%	4%	110%	-20%	69%	61%	-15%	37%
Wingina Mining Centre	2019	3.08	1.7	172,700	2.52	1.5	122,500	6.25	1.2	243,200	11.86	1.4	538,400
	2018	3.08	1.7	172,700	2.51	1.5	121,500	5.49	1.3	225,300	11.09	1.5	519,400
	Change				0%	0%	1%	14%	-5%	8%	7%	-3%	4%

There were no changes to the Mineral Resource estimates for the Turner River base metal deposits during the 2019 financial year.

Governance and Internal Control

The Company's procedures for the sample techniques and sample preparation are regularly reviewed and audited by independent experts.

Assays are performed by independent internationally accredited laboratories with a QAQC program showing acceptable levels of accuracy and precision.

The exploration assay results database is maintained and appropriate backed-up internally.

All De Grey Mineral Resource estimates have been undertaken independently by Payne Geological Services Pty Ltd.

COMPETENT PERSON STATEMENT

The information in this Annual Mineral Resources Statement is based on, and fairly represents information and supporting documentation prepared 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.

Mr Payne has approved this Mineral Resources Statement as a whole and consents to its inclusion in the Annual Report in the form and context in which it appears.

In relation to Mineral Resources, the Company confirms that all material assumptions and technical parameters that underpin the relevant market announcement continue to apply and have not materially changed.

Schedule of Interests in Mining Tenements

Project/Location	Country	Tenement	Percentage held/earning
Turner River	Australia	E47/891	100%
Turner River	Australia	E45/2533	100%
Turner River	Australia	E45/2364	100%
Turner River	Australia	E45/2983	100%
Turner River	Australia	E45/2995	100%
Turner River	Australia	E45/3390	100%
Turner River	Australia	E45/3391	100%
Turner River	Australia	E45/3392	100%
Turner River	Australia	E45/4751	100%
Turner River	Australia	E47/3552	100%
Turner River	Australia	E47/3553	100%
Turner River	Australia	E47/3554	100%
Turner River	Australia	E47/3750	100%
Turner River	Australia	P45/3029	100%
Turner River	Australia	P47/1827	100%
Turner River	Australia	P47/1866	100%
Blue Moon	Australia	P47/1773	0%[1]
Farno-McMahon	Australia	E47/2502	0%[2]
Indee	Australia	E47/2720	0%[3]
Indee	Australia	E47/3504	0%[3]
Indee	Australia	M47/473	0%[3]
Indee	Australia	M47/474	0%[3]
Indee	Australia	M47/475	0%[3]
Indee	Australia	M47/476	0%[3]
Indee	Australia	M47/477	0%[3]
Indee	Australia	M47/480	0%[3]
Indee	Australia	L47/164	0%[3]
Indee	Australia	L47/165	0%[3]
Vanmaris	Australia	E47/3399	0%[4]
Vanmaris	Australia	E47/3428	0%[4]
Vanmaris	Australia	E47/3429	0%[4]
Vanmaris	Australia	E47/3430	0%[4]
Vanmaris	Australia	P47/1732	0%[4]
Vanmaris	Australia	P47/1733	0%[4]

[1] De Grey Option has an option to acquire a 70% interest from tenement holder Mr. Craig Gibson (Note 25(h)).

[2] De Grey has entered into an option to joint venture agreement with Farno McMahon Pty Ltd (owned 100% by Novo Resources Corp) to earn up to a 75% interest.

[3] In February 2018, De Grey executed a fully binding share agreement to acquire 100% of Indee Gold Pty Ltd – the tenement owner (Note 25(d)) and on 22 August 2019 settlement was completed with the Company now the 100% shareholder of Indee Gold Pty Ltd as at the date of this report.

[4] De Grey Option has an option to acquire an 80% interest from tenement holder Mr. Mathew Vanmaris (Note 25(g)).