



# De Grey Mining Ltd

A.B.N. 65 094 206 292

*The Bold Explorer*

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## ASX/MEDIA RELEASE

### DE GREY IRON ORE INTERESTS UPDATE

De Grey Mining Limited (ASX code: DEG) is pleased to advise of positive results released recently by iron exploration partners Emergent Resources Limited (EMG) and Atlas Iron Limited (AGO).

#### **Beyondie Magnetite Iron Joint Venture Project**

Emergent Resources Limited (Emergent) announced the results of a successful second phase drilling program over a 7km strike length at the Beyondie Magnetite Iron Project. Wide zones of magnetite mineralisation were intersected including **86 metres at 33% iron from 30m and 60m at 34.8% iron from 16m**. (See Emergent press release of 9<sup>th</sup> June 2009).

Emergent advises that a maiden resource estimate will be released in the near future. Discussions with potential partners in China for participation and off take are being progressed by Emergent.

De Grey entered into a Joint Venture with Emergent at Beyondie in August 2008. Under the terms of the Joint Venture, Emergent have the right to earn up to 80% equity in iron and related minerals such as vanadium and manganese. Upon earning their interest, De Grey retains a 20% free carried interest in the Project through to decision to mine, at which time De Grey may elect to contribute pro rata to mine development costs or reduce to a 2% net smelter royalty.

#### **Mt Dove Iron Option**

Atlas Iron Limited (Atlas) also reported DSO grade haematite intersections from the first drilling program at **Mt Dove** within De Grey's Turner River Project in the Pilbara.

**50 metres at 59.2% iron and 0.13% phosphorous from surface in TRRC020**

**44 metres at 59.8% iron and 0.10% phosphorous from surface in TRRC012**

**36 metres at 60.9% iron and 0.13% phosphorous from 16 metres in TRRC018**

**36 metres at 60.7% iron and 0.13% phosphorous from 8 metres in TRRC016**

(See Atlas press release of 19<sup>th</sup> June 2009).

The Mt Dove Prospect forms part of De Grey's Turner River Project and is strategically located just 65 km south of Port Hedland, 35 km northwest of Wodgina and only 15 km from the Great Northern Highway. Atlas reports that 'results indicate an exploration target of 2 to 3 million tonnes of DSO at 57% to 60% iron within the

target areas drilled to date. Several lower priority targets in the area still remain to be tested. Given its location and grade, the Mt Dove Prospect is expected to provide blending opportunities for the Wodgina operation.'

Shareholders will recall Atlas entered into an agreement with De Grey in April 2008 whereby Atlas acquired an option buy the iron ore rights over the Mt Dove Project in the Pilbara Western Australia.

If Atlas exercise the option, De Grey will receive \$650,000 in cash or 325,000 Atlas shares (at De Grey's election) which shall occur no later than 12 months from the date of the formal agreement (unless extended by mutual agreement) and 1% gross sales royalty.

**For further information:**

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