

Not for release to US wire services or distribution in the United States

15 May 2024

Dear Shareholder

DE GREY MINING LIMITED (ASX: DEG) – RETAIL ENTITLEMENT OFFER NOW OPEN

On Wednesday, 8 May 2024, De Grey Mining Limited (ABN 65 094 206 292) (the **Company** or **De Grey**) announced that it was conducting a fully underwritten institutional placement (**Institutional Placement**) to raise approximately A\$344 million (before costs), and a fully underwritten 1 for 7.95 pro-rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) to raise approximately A\$256 million (before costs), via the issue of new fully paid ordinary shares in the Company (**New Shares**) at a price of A\$1.10 per New Share (**Offer Price**), to raise in aggregate approximately A\$600 million (before costs).

The Institutional Placement and the Entitlement Offer are together the **Offer**.

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to eligible retail shareholders (as defined below) (**Retail Entitlement Offer**) at the same Offer Price and ratio. The Institutional Entitlement Offer has closed and the results were announced to ASX on Friday, 10 May 2024.

The proceeds of the Offer, together with existing cash, are expected to fully fund the equity component of the Hemi Gold Project financing, including ordering of long lead items, early works (including engineering, where approvals allow), initial project infrastructure costs, initial project construction costs, commissioning working capital, exploration and studies, corporate costs and general working capital and Offer costs.¹ Please refer to De Grey's announcement and investor presentation lodged with the Australian Securities Exchange (**ASX**) on Wednesday, 8 May 2024 for further details.

Entitlement Offer

The purpose of this letter is to inform you about the Entitlement Offer and to explain that if you are an Eligible Retail Shareholder (defined below), you will be able to subscribe for 1 New Share for every 7.95 existing De Grey fully paid ordinary shares (**Shares**) held by you at 7:00pm (AEST) on Friday, 10 May 2024 (**Record Date**).

New Shares issued under the Entitlement Offer will be fully paid and rank equally with existing Shares from the date of issue.

The Entitlement Offer is fully underwritten. Canaccord Genuity (Australia) Limited (ABN 19 075 071 466) is acting as global coordinator, joint lead manager, joint underwriter and joint bookrunner to the Offer. Argonaut PCF Limited (ACN 099 761 547) is acting as joint underwriter, and Argonaut Securities Pty Limited (ACN 108 330 650) is acting as joint lead manager and joint bookrunner, to the Offer.

The Entitlement Offer is being made by the Company without a prospectus or other disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (the **Corporations Act**) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) (together, the **ASIC Instruments**).

¹ Based on current information, estimates and assumptions, including as to time and cost.

Eligible Retail Shareholders

"Eligible Retail Shareholders" are those persons who:

1. are registered as a holder of one or more existing Share(s) as at the Record Date;
2. as at the Record Date, have a registered address on the De Grey share register in Australia or New Zealand or are a person that De Grey has determined in its discretion is an Eligible Retail Shareholder;
3. are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of such person in the United States);
4. if an International Institutional Investor, did not receive an offer to participate (other than as nominee) or were otherwise ineligible to participate in the Institutional Entitlement Offer; and
5. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus or other disclosure document or any lodgement, filing, registration or qualification.

Shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer.

Retail Offer Booklet

This letter is not an offer document but is a notice of some key terms and conditions of the Retail Entitlement Offer. Full details of the Retail Entitlement Offer are set out in the Retail Entitlement Offer Booklet (**Retail Offer Booklet**). Terms capitalised but otherwise not defined in this letter have the meaning given in the Retail Offer Booklet.

Eligible Retail Shareholders can access a copy of the Retail Offer Booklet via the Offer website at <https://investor.automic.com.au>, together with a personalised Entitlement and Acceptance Form which contains details of their entitlements under the Retail Entitlement Offer.

For further information, please contact the De Grey Offer Information Line on 1300 126 515 (within Australia) or +61 2 8072 1451 (outside Australia) between 8:30am and 6:00pm (AEST) on Monday to Friday or email hello@automicgroup.com.au, before the close of the Retail Entitlement Offer at **5.00pm (AEST) on Monday, 27 May 2024** (unless extended).

You should read the Retail Offer Booklet carefully and in its entirety before deciding whether to participate in the Retail Entitlement Offer.

Actions which may be taken by Eligible Retail Shareholders

If you are an Eligible Retail Shareholder, you may take any one of the following actions:

1. take up all of your entitlement and apply for additional New Shares up to 50% over your entitlement under the top-up facility (subject to scale back in accordance with the policy detailed in the Retail Offer Booklet);
2. take up all of your entitlement and not apply for any additional New Shares under the top-up facility;
3. take up part of your entitlement and allow the balance to lapse, in which case you will receive no value for those lapsed entitlements; or

4. do nothing, in which case your entitlement will lapse and you will receive no value for those lapsed entitlements.

Your entitlements under the Retail Entitlement Offer may have value and it is important you determine whether to take up (in whole or in part) or do nothing in respect of your entitlement. There are a number of matters that you should consider in relation to taking up your entitlement. You should ensure that you understand the tax consequences of any action that you take, and you should consider seeking advice from your professional adviser.

The Entitlement Offer is non-renounceable and therefore your entitlement will not be tradeable on the ASX or any other exchange, cannot be sold and is not otherwise transferable. This means that you will not receive any value for entitlements you do not take up and your percentage shareholding in the Company will be reduced.

Taking up an entitlement

If you wish to take up all, or part of, your entitlements under the Retail Entitlement Offer, please pay your application monies by following the instructions set out on the personalised Entitlement and Acceptance Form. If you are unable to pay by BPAY® (because you are a New Zealand based shareholder without an Australian bank account) or are having difficulty paying by BPAY® you are able to pay via EFT as per the instructions on the form.

Application Monies must be received before **5:00pm (AEST) on Monday, 27 May 2024**.

Nominees must not take up entitlements under the Retail Entitlement Offer on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States.

To download your entitlement and Entitlement and Acceptance Form you have the following three choices:

<p>I already have an online account with the Automic Share registry</p>	<p>https://investor.automic.com.au Select: "Existing Users Sign In". Once you have successfully signed in, click on "Documents and Statements". Download the Retail Offer Booklet and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your Entitlement and Acceptance Form. Do not return your Entitlement and Acceptance Form.</p>
<p>I don't have an online account with Automic – but wish to register for one</p>	<p>https://investor.automic.com.au/#/signup Select: De Grey Mining Limited from the dropdown list in the ISSUER field. Enter your holder number SRN / HIN (from your latest Holding Statement). Enter your Postcode (Aust only) or Country of Residence (if not Australia). Tick box "I am not a robot", then Next Complete prompts. Once you have successfully signed in, click on "Documents and Statements". Download the Retail Offer Booklet and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your Entitlement and Acceptance Form. Do not return your Entitlement and Acceptance Form.</p>
<p>I don't have an online account with Automic – but want to use Automic for this Offer only</p>	<p>https://investor.automic.com.au/#/loginsah Select: De Grey Mining Limited from the dropdown list in the ISSUER field. Enter your holder number SRN / HIN (from your latest Holding Statement). Enter your Postcode (Aust only) or Country of Residence (if not Australia). Tick box "I am not a robot", then Access.</p>

Once you have successfully signed in, click on “Documents and Statements”.

Download the Retail Offer Booklet and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your Entitlement and Acceptance Form.

Do not return your Entitlement and Acceptance Form.

Note: If you are unable to access <https://investor.automic.com.au> online, you can obtain a copy of the Retail Offer Booklet and your Entitlement and Acceptance Form – initially by calling Automic on 1300 288 664 or emailing hello@automicgroup.com.au and asking them to mail a paper copy of the Retail Offer Booklet and your Entitlement and Acceptance Form to you free of charge. After your request has been acknowledged by Automic you will need to provide your SRN or HIN and postcode to complete this request. To apply under the Entitlement Offer using these paper copy documents, you will still need to make payment via BPay® or via Electronic Funds Transfer (EFT). For New Zealand shareholders please follow the instructions on your Entitlement and Acceptance Form to make payment via Electronic Funds Transfer (EFT).

Key dates

Event	Date
Announcement of the Offer	Wednesday, 8 May 2024
Record Date for eligibility in the Retail Entitlement Offer (7:00pm AEST)	Friday, 10 May 2024
Retail Offer Booklet despatched, Retail Entitlement Offer opens	Wednesday, 15 May 2024
Retail Entitlement Offer closes (5:00pm AEST)	Monday, 27 May 2024
Notification to ASX of results of the Retail Entitlement Offer	Wednesday, 29 May 2024
Issue of New Shares under the Retail Entitlement Offer	Monday, 3 June 2024
Expected date for trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 4 June 2024

Note: The above timetable is indicative only and De Grey reserves the right to amend any or all of these events, dates and times in its absolute discretion, subject to the Corporations Act, ASX Listing Rules and other applicable laws. Any extension to the closing date for the Retail Entitlement Offer will have a consequential effect on the anticipated date for issue of New Shares under the Retail Entitlement Offer. The Company's directors also reserve the right not to proceed with the whole or part of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice at any time prior to allotment of New Shares. In that event, the relevant application monies will be refunded without interest in accordance with the Corporations Act and the Retail Offer Booklet. Quotation of the New Shares is subject to ASX discretion.

Additional Information

Further details of the Entitlement Offer are set out in the announcement and investor presentation lodged with ASX on Wednesday, 8 May 2024 and in the Retail Offer Booklet available at <https://investor.automic.com.au>.

Thank you for your continued support of De Grey.

Yours faithfully



Simon Lill
Non-Executive Chairman

For further information, please contact:

Glenn Jardine Managing Director +61 8 6117 9328 admin@degreymining.com.au	Simon Lill Chair of the Board +61 8 6117 9328 admin@degreymining.com.au	Michael Vaughan (Media enquiries) +61 422 602 720 michael.vaughan@fivemark.com.au
--	--	--

IMPORTANT NOTICES

The Entitlement Offer is being made by De Grey in accordance with section 708AA of the Corporations Act as modified by the ASIC Instruments, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of De Grey and the JLM Group. Each of De Grey and the JLM Group and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit an offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in De Grey.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this document is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

Not for release or distribution in the United States

*This letter has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person who is acting for the account or benefit of any person in the United States. Any securities described in this letter have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States, except in transactions exempt from, or not subject to, the registration of the US Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.*

Forward-Looking Statements

This letter as prepared by De Grey includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding dates, plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant securities exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Important Notice to Nominees

Because of legal restrictions, you must not send copies of this letter nor any material relating to the Retail Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws. The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

