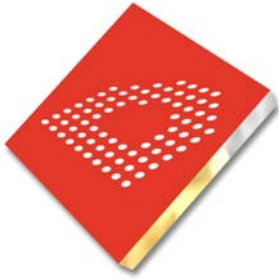

Reconnaissance Rock Sampling at Yandearra

Please find attached a report by Chalice Gold's joint venture partner for the Yandearra Gold Project, detailing results from a recent reconnaissance rock chip sampling program at the project.



Andrew Bantock
Executive Chairman

22 January 2008



De Grey Mining Ltd

A.B.N. 65 094 206 292

The Bold Explorer

22 January 2008

ASX/MEDIA RELEASE

RECONNAISSANCE ROCK SAMPLING CONFIRMS GOLD AND COPPER POTENTIAL AT YANDEYARRA

De Grey Mining Limited (ASX code: DEG) is pleased to report significant gold, copper and silver assays from reconnaissance rock sampling completed in the new Yandeyarra Joint Venture Project. The Yandeyarra JV covers 55 kilometres strike of Archaean rocks in the Pilbara Well Greenstone Belt, centred 100 kilometres south of Port Hedland. De Grey is targeting gold and VMS-style base metals mineralisation.

Parts of the Pilbara Well Greenstone Belt have previously been explored variously for gold, copper and nickel but previous exploration has been commodity specific and limited to particular target areas. Based on the experience of discovering the virgin VMS-style gold and base metals mineralisation in the nearby Turner River Belt, and the belief that such systems are more common in the Pilbara than has previously been recognized, De Grey plans a comprehensive 2008 exploration program at Yandeyarra. The reconnaissance sampling undertaken in December 2007 was a "sighter" to plan 2008 work.

Newly appointed Managing Director Gary Brabham said "Samples from copper showings assaying 50g/t Ag and 1g/t Au, and samples from gold prospects returning significant copper and silver assays clearly indicate potential for high-value polymetallic mineralisation at Yandeyarra. The fact that we can go to an area known as a copper anomaly and get a sample grading over 7g/t Au tells us that this exploration is far from over in this belt. We're gearing up for a program that will use fresh geological thinking and good old-fashioned field work to do this area justice."

For further information:

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Technical Report

Geological Reconnaissance Rock Sampling – Yandeyarra JV

De Grey Mining Limited's new Yandeyarra Joint Venture with Chalice Gold Mines Limited was announced on 16th November 2007. The exploration Joint Venture covers a 503km² area immediately south of De Grey's Turner River Project in the Pilbara of Western Australia, 100km south of Port Hedland (Figure 1).

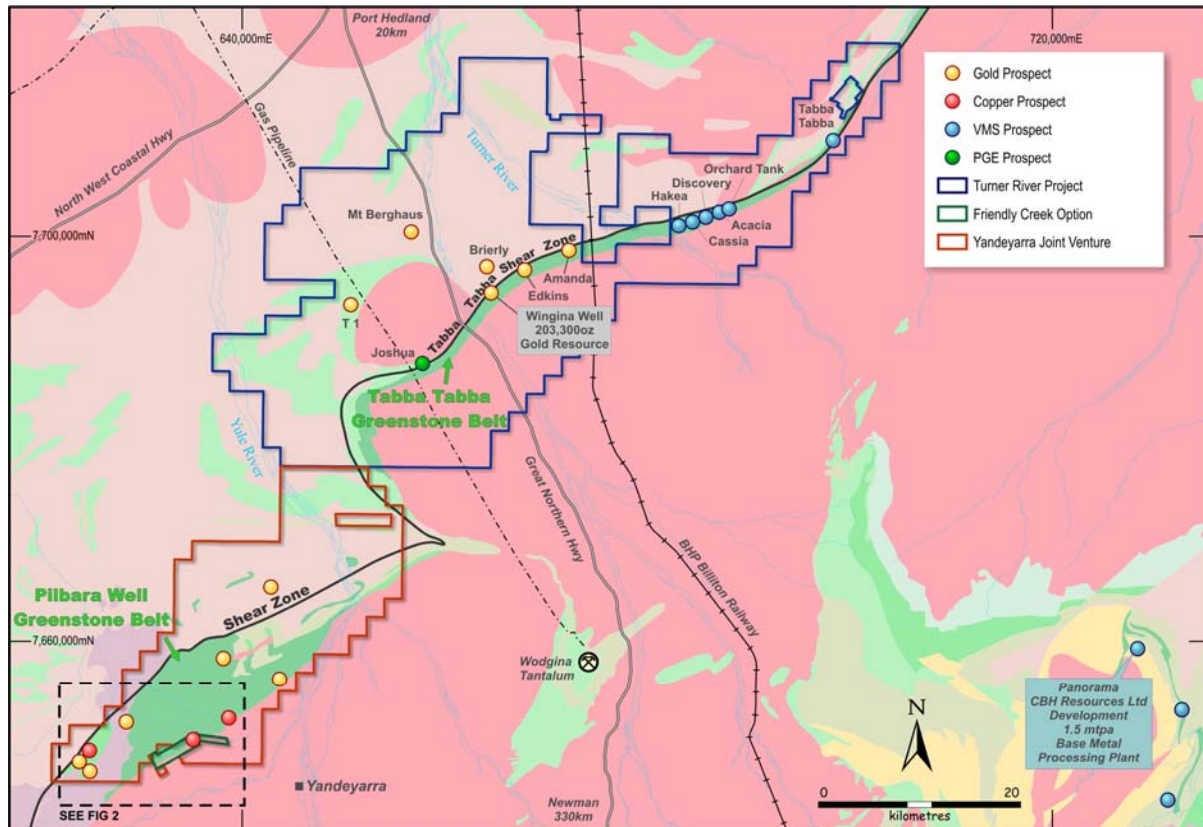


Figure 1 – Location of Yandeyarra Joint Venture Project

Assay results from 42 rock samples collected during geological reconnaissance in December 2007 have now been received and confirm the potential for gold, silver and copper mineralisation in the project area (see Table 1).

Sampling of the **Pilbara Well East** copper occurrence (Figure 2) listed in the Geological Survey of Western Australia's WAMIN database returned up to 7.33% copper from malachite stained chlorite schist collected from two shallow prospecting pits. The new sampling shows that significant levels of silver and gold accompany the copper mineralisation with up to 50g/t silver and 1.01g/t gold returned from the copper rich samples. The sub vertical mineralisation has not yet been drill tested and the base metal potential of the 15 kilometre strike continuation of this stratigraphic horizon is completely untested to the northeast.

Sampling of a pyritic quartz vein within ultramafic rocks from the historic **Teichman** gold workings returned an assay of 25.5g/t. The prospect has not been drill tested to date.

Another WAMIN gold occurrence at **Pride North Northeast** was reported during nickel exploration in the 1970's. A gossanous quartz-carbonate vein 1-2m in width

can be traced over a distance of at least 100m. The single sample collected returned 32.3g/t gold, 4.5g/t silver and 0.14% copper. This gold mineralisation and surrounding area over a 6km strike length has not been tested by drilling or even gold in soil surveys.

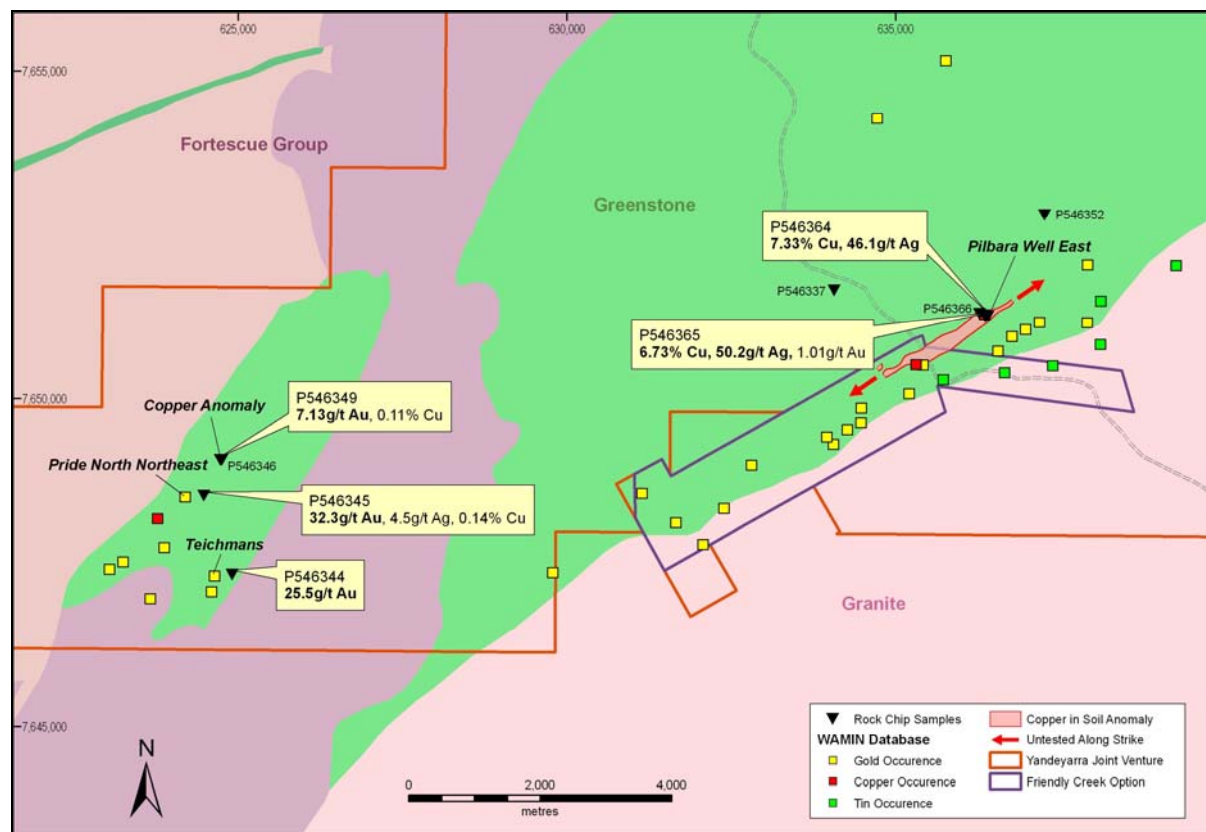


Figure 2 – Mineral occurrences and location of significant rock sample results at Yandeyarra

Elsewhere, soil sampling (for copper and nickel only) during the 1970's identified a high tenor **Copper Anomaly** of up to 825ppm over 700m strike length open to the north over strongly weathered felsic tuff. Four rock samples collected from this area during the recent reconnaissance work confirm copper anomalism up to 1,900ppm in weathered saprolite but also identify previously unknown associated gold mineralisation of up to 7.13g/t. As previous soil sampling was assayed for copper and nickel only and there is no drilling in the area, the gold potential of this new prospect remains to be assessed.

The Pilbara Well Greenstone Belt is a somewhat 'forgotten corner' of the Pilbara in terms of modern mineral exploration. These early results together with other known gold and base metal occurrences confirm the prospectivity of the Yandeyarra Project and present De Grey with immediate follow-up targets. Soil sampling, geological mapping and further sampling are scheduled to commence in early 2008 in order to define priority gold and base metal targets for early drill testing.

**TABLE 1 –YANDEYARRA JOINT VENTURE PROJECT
GEOLOGICAL RECONNAISSANCE ROCK SAMPLING**

| SAMPLE ID | East | North | Gold g/t | Silver g/t | Copper % | Platinum g/t |
|------------------|-------------|--------------|-----------------|-------------------|-----------------|---------------------|
| P546337 | 634,067 | 7,651,651 | 0.01 | 0.8 | 0.19 | 0 |
| P546344 | 624,907 | 7,647,317 | 25.5 | 0.85 | 0.01 | 0 |
| P546345 | 624,478 | 7,648,517 | 32.3 | 4.5 | 0.14 | 0 |
| P546346 | 624,750 | 7,649,069 | 0.63 | 0.4 | 0.19 | 0 |
| P546349 | 624,728 | 7,649,065 | 7.13 | 1.3 | 0.11 | 0.11 |
| P546352 | 637,267 | 7,652,805 | 0.37 | 5.1 | 0.00 | 0 |
| P546364 | 636,404 | 7,651,258 | 0.28 | 46.1 | 7.33 | 0 |
| P546365 | 636,370 | 7,651,243 | 1.01 | 50.2 | 6.73 | 0 |
| P546366 | 636,278 | 7,651,294 | 1.50 | 1.55 | 0.32 | 0.18 |

Note: Samples are surface in situ rocks. Coordinates are MGA zone 50. Analyses are by Ultra Trace Laboratories Perth using an Aqua Regia digest and Inductively Coupled Plasma (ICP) Mass or Optical Emission Spectrometry finish.

The information in the report to which this statement is attached that relates to Mineralisation is based on information compiled by Mr David Hammond, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hammond has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 JORC Code Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.