De Grey Mining Ltd

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De Grey Mining excavating conglomerate gold horizon in Pilbara Gold Rush territory

De Grey Mining Ltd (ASX:DEG) will begin testing what could be more conglomerate gold nuggets from its Pilbara Gold Project 80 kilometres southwest of Port Hedland.

The company, whose 1.2 million ounce Pilbara project resource is made up of structural gold, has started trenching with an excavator to expose a conglomerate horizon at Loudens Patch.

READ: De Grey Mining finds high-grade gold lodes beneath Withnell open pit

Earlier today the company reported it had found high-grade structural gold beneath a planned open pit at Withnell on the project.

This afternoon the company said its trenching and bulk-sampling program at Loudens Patch would focus on the Louden West area.

More than 200 gold nuggets were discovered in the area with metal detectors, with De Grey saying today the nuggets were "associated with limited conglomerate outcrops and historic alluvial workings."

READ: De Grey Mining partner snapped up by deal-hungry Novo Resources

Loudens South is the company’s next conglomerate horizon target before it moves on to fellow Pilbara Gold prospects Jarret Well and Steel Well.

De Grey has found thicker conglomerate units at the two well prospects.

Earlier this year, in March, the company reported it had found widespread visible gold and nuggets at its project.

The Pilbara region has enjoyed a renaissance gold rush since watermelon seed-style conglomerate gold nuggets were found in the region by prospectors.
De Grey Mining hits high-grade gold at Mt Berghaus, likely to add to Pilbara bounty

Canadian giant Novo Resources (TSX-V:NVO) (CVE:NVO) (FRA:1NO) (OTCMKTS:NSRPF) jumped at the conglomerate gold opportunity and snapped up land rights, holding onto conglomerate booties Comet Well and Purdy's Reward.

The high-profile Canadian began accumulating holdings in the Pilbara region in 2011 with its investment in the Beatons Creek Gold Project and tenements held by explorationist Mark Creasy.

Last week Novo announced it would snap up De Grey Mining Limited's joint venture partner in the Pilbara's Egina district for $8 million, in a cash-and-scrip deal with Farno McMahon Pty Ltd and its shareholders.

De Grey was a 4% shareholder in Farno and accepted Novo's cash and scrip offer, to bank $100,000 cash and secure $220,000 of Novo shares at C$4.107 each.


Novo Resources Corp is also farming into a 70% interest in the four tenements that make up Pioneer Resources Ltd's (ASX:PIO) Kangan Gold Project in Engina district.

READ: Pioneer Resources outlines Pilbara gold strategy

De Grey shareholders will vote on 11 resolutions at its shareholder meeting this week, wading in on whether to back the company's proposed acquisition of Indee Gold Pty Ltd from Northwest Nonferrous Australia Mining Pty Ltd and change De Grey's scale of operation.

Earlier this year, De Grey agreed to buy up all of Indee's shares and needs shareholder backing of the transaction.

If approved, the company will need to serve up $10.4 million cash and $3 million De Grey shares if investors back its share-issue.

De Grey will hold a general meeting this Friday at 11am local time at Perth's QV1 Conference Centre at 250 St Georges Terrace.
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