



30 July 2014

Ref: LET14.0009

Attn: **Jeremy Newman**
Advisor, Listing Compliance (Perth)
ASX Compliance Pty Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: Jeremy.newman@asx.com.au

Dear Jeremy,

Response to price and volume query

We refer to the correspondence dated 30 July 2014 regarding the movement in price and traded volumes of the Company's securities since Tuesday 29 July 2014.

In response to the trading activity, the Company makes the following comments:

- (a) The Company is aware that two shareholders have recently advised the ASX that they have ceased to be substantial shareholders of the Company. The Company understands that the two shareholders continued to hold significant holdings following them ceasing to be substantial shareholders. However, as these shareholders are no longer substantial shareholders of the Company they are not required to disclose their trading activity in the Company's securities to the ASX.
- (b) The Company has for some time been negotiating with a party, for that party to farm into tenements owned by the Company. Due to the length of the negotiations to date and the keys terms yet to be agreed upon, the Company is of the view that it is not appropriate to, nor is it required to pursuant to the Listing Rules and the Corporations Act, release details of the negotiations to the market. At present the Company is unable to provide timing for the announcement of details of the negotiations due to the matters discussed above. However we wish to note that the Company is working hard to finalise a deal which the Board believes will provide long term benefits to the Company and is in the best interests of its shareholders. The Company will announce the outcome of current negotiations as soon as practicable and in accordance with our statutory obligations.
- (c) On 29 July 2014 the Company had cash at bank of \$2.56M and is fully funded for planned exploration activities for the current financial year.
- (d) The Company intends to release its Quarterly Activities Report and Appendix 5B (Quarterly Cash Flow Statement) to the ASX by the end of the day.

In response to the queries raised in your correspondence dated 30 July 2014, the Company's response is as follows:

- 1. Other than the above, the Company is not aware of any information that has not been announced which, if known, could explain the recent trading in the securities of the Company.



- 2. (a) Yes, in relation to the matters referred to in (b) above.
- 2. (b) No.
- 2. (c) Please refer to (b) above.
- 3. No, other than those facts listed above.
- 4. Peel confirms that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be "David Lim", is positioned above the printed name and title.

David Lim
Company Secretary



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

GPO Box D187
PERTH WA 6840

Telephone 61 8 9224 0000
Facsimile 61 8 9381 1322
www.asx.com.au

30 July 2014

Mr David Lim
Company Secretary
Peel Mining Limited

By Email: cosec@peelmining.com.au

Dear David

Peel Mining Limited (the “Company”) - ASX price and volume query

We have noted a change in the price of the Company’s securities from a closing price of 11.5 cents on Tuesday 29 July 2014, to an intra-day low of 10 cents today. We have also noted an increase in the volume of trading in Company’s securities over this period.

In light of the price and volume change, ASX asks you to respond separately to each of the following questions:

1. Is the Company aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Company relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Company’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Company may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Company may have for the recent trading in its securities?
4. Please confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1:30pm WST today**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Company's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Company's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at jeremy.newman@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Company to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Company's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Company's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Jeremy Newman

Adviser, Listings Compliance (Perth)