

HIGHLIGHTS FOR DECEMBER QUARTER 2021

- **Maiden Indicated and Inferred Mineral Resource Estimate (MRE) for Wirlong delivers 2.45Mt @ 2.4% Cu, 8.7g/t Ag for 57,900t contained Cu and 686,000oz contained Ag**
- **Wirlong maiden resource definition and infill drilling** returns further high-grade copper hits including:
 - **205m @ 1.4% Cu, 3g/t Ag** from 434m in WLDD040
 - **11m @ 2.93% Cu, 10g/t Ag** from 388m including:
 - **4.88m @ 6.04% Cu, 20g/t Ag, 0.66g/t Au** from 393m in WLDD043
 - **3m @ 4.33% Cu, 23g/t Ag** from 314m in WLDD041
 - **3m @ 7.39% Cu, 41g/t Ag** from 255m and **4m @ 1.92% Cu, 5g/t Ag** from 330m in WLDD046
 - **3.9m @ 3.55% Cu, 8g/t Ag** from 474.9m in WLDD045
- **Mallee Bull resource upgrade drilling ongoing** returning new, high-grade copper hits including:
 - **26.84m @ 3.12% Cu, 23g/t Ag** from 542.16m including:
 - **3.44m @ 4.43% Cu, 76g/t Ag, 0.62g/t Au** from 542.16m and
 - **10m @ 5.92% Cu, 30g/t Ag** from 553m in MBDD053
 - **22m @ 2.75% Cu, 34g/t Ag** from 464m including:
 - **5.1m @ 5.9% Cu, 55g/t Ag** from 477m in MBDD057
- **Wirlong returns further excellent metallurgical results** from early testwork:
 - Locked cycle flotation yields **95% copper recoveries to 32% copper concentrate grade**
- **Excellent ore-sorting results at Wirlong and Mallee Bull** highlight pre-concentration potential:
 - Wirlong achieved high waste rejection of 35% to 62% with low copper losses of <6%
 - Mallee Bull achieved high waste rejection of 17% to 41% with low copper losses <8%
- Purchase of Shuttleton Station provides Peel with security of tenure and land access at Wirlong
- Permitting and pre-development studies continuing to focus on developing the Mallee Bull and Wirlong copper assets as a priority in accordance with the company's '**Copper First**' strategy

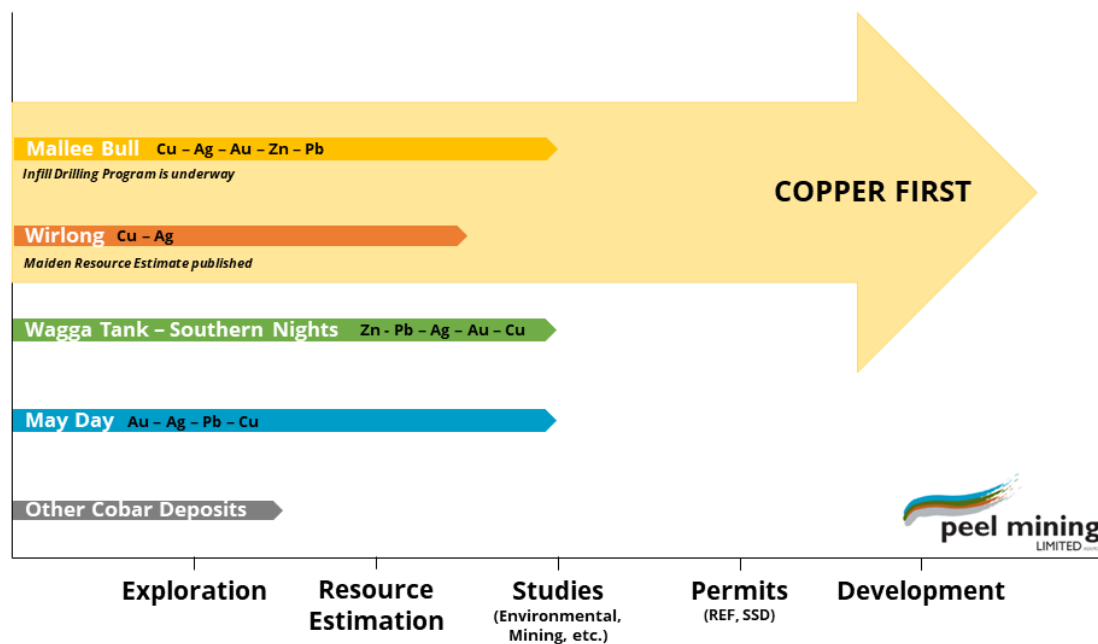
PLANS FOR MARCH QUARTER 2022

- Continued drilling at Wirlong targeting resource growth and upgrade potential
- Continued resource infill drilling at Mallee Bull ahead of an upgrade to the current mineral resource estimate
- Mallee Bull Review of Environmental Factor (REF) report and Environmental Assessment is expected to be completed and submitted during the upcoming quarter, as part of permitting process for the proposed exploration decline; and
- Review of Environmental Factors (REF) permitting process to commence at Wirlong.

PRE-DEVELOPMENT ACTIVITIES

SOUTH COBAR PROJECT DEVELOPMENT STRATEGY

Peel’s South Cobar Project (SCP) contains the Mallee Bull, Wirlong, Southern Nights, Wagga Tank and May Day deposits. The project is centered on establishing a critical mass of high-quality copper dominant mineral resources to support a new mining development. The project is focused on a copper first strategy, where it will seek to develop its Mallee Bull and Wirlong copper dominant deposits first. These copper dominant deposits present an opportunity to take advantage of a strong copper market, simplifying the notional sequencing of the deposits and metallurgical processes, and allowing for the potential staging of capital.



During the quarter the company released its Maiden Mineral Resource Estimate (MRE) for Wirlong (see further on in this release for more detail) which delivered **2.45Mt @ 2.4% Cu, 8.7g/t Ag for 57,900t contained copper and 686,000oz contained silver**. The MRE uses a A\$90/t Net Smelter Return (NSR) cutoff to generate mineable shapes (utilizing Stope Shape Optimisation) including minimum mining width and internal dilution. The MRE provides Peel with further foundation to its copper first development strategy, adding further copper-rich resources to Peel’s high-grade Mallee Bull copper deposit.

METALLURGICAL TESTWORK

Following the positive ore-sorting testwork results from the Wirlong and Mallee Bull deposits in the previous quarter, the company undertook baseline flotation and locked cycle testwork on the ore-sorted samples. This was to not only simulate a realistic process flowsheet, incorporating ore sorting technology, but to further assess and optimize the recovery process and resultant concentrate grades.

The testwork program was conducted by ALS Metallurgy Lab in Burnie, Tasmania, and was designed to establish a preliminary flowsheet and assess recoverability of the Wirlong and Mallee Bull copper mineralisation (separately) into flotation concentrates. Following initial grind establishment and two-staged “cleaner” sequential flotation process, a six-stage repetitive locked cycle test was undertaken on

samples from both deposits to simulate operation of a continuous circuit where an intermediate recirculation process of the cleaner stream(s) is performed. Results from both tests are shown in tables 1-4 below.

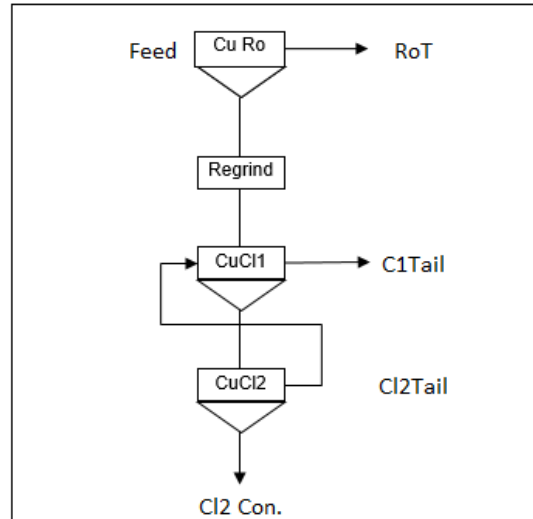


Figure 1. Wirlong and Mallee Bull Sequential Flotation & Locked Cycle Testing Process

Table 1. Wirlong Copper Sequential Flotation Test Results

| SAMPLE ID | WLDD033 | |
|------------------|-----------------|-------------------|
| Stage | Cu Recovery (%) | Cu Conc Grade (%) |
| Rougher | 99.1 | 19.58 |
| Cleaner 1 | 98.3 | 28.42 |
| Cleaner 2 | 97.5 | 31.68 |

Table 2. Wirlong Copper Locked Cycle Test Results

| Sample ID | WLDD033 | | | |
|----------------|-----------------|-------------------|-----------------|---------------------|
| Stage | Cu Recovery (%) | Cu Conc Grade (%) | Ag Recovery (%) | Ag Conc Grade (ppm) |
| Rougher | 98.8 | 20.1 | 63.4 | - |
| Cleaner | 97.1 | 33.4 | 58.1 | 94 |

Previously reported locked cycle flotation results for non-sorted Wirlong WLDD009, WLDD011 and WLDD013 resulted in Cu flotation recoveries of between 94.6% and 95.6% at 32.2% and 33.8% Cu grade. The flotation recovery following ore sorting is likely slightly improved due to the rejection of some fine-grained disseminated Cu mineralisation.

Table 3. Mallee Bull Copper Sequential Flotation Test Results

| Sample ID | MBDD041 Composite | |
|------------------|-------------------|-------------------|
| Stage | Cu Recovery (%) | Cu Conc Grade (%) |
| Rougher | 96.0 | 17.8 |
| Cleaner 1 | 94.5 | 26.5 |
| Cleaner 2 | 93.0 | 29.8 |

Table 4. Mallee Bull Copper Locked Cycle Test Results

| Sample ID | MBDD041 Composite | | | |
|-----------|-------------------|-----------------|-------------------|-----------------|
| | Stage | Cu Recovery (%) | Cu Conc Grade (%) | Ag Recovery (%) |
| Rougher | 94.2 | 17.2 | 81.9 | - |
| Cleaner | 92.6 | 31.8 | 75.8 | 265 |

Previous locked cycle flotation testing of a non-sorted high grade (4.88% Cu) sample selected from MBDD009 achieved 94.2% Cu recovery at 30.2% Cu grade – whereas the current sorted sample assayed 2.23% Cu and achieved 92.6% Cu recovery at a 31.8% Cu grade.

The ore-sorted sample metallurgical test work from both Wirlong and Mallee Bull is seen as highly encouraging as the Company progress its South Cobar Project mining studies.

COMMINATION TESTWORK RESULTS SUMMARY

Ore sorted Wirlong and Mallee Bull samples (Sample A, B and C) were supplied to ALS to undergo comminution testwork. The testwork included SMC, bond ball mill and abrasion index testing.

Bond Work Index – Abrasion (Ai)

The Bond Abrasion Index (Ai) is a measure of the abrasiveness of an ore – the composite is tumbled in a mill fitted with a paddle of known weight. After the process is finished, the mass of the paddle is weighed again, and the percentage wear of the paddle is the Ai. Ai is used to determine the wear rates of liners and grinding media consumption.

Table 5. WLDD033 Bond Abrasion Index Results

| WLDD033 | AI |
|---------|--------|
| A | 0.0839 |
| B | 0.0521 |
| C | 0.0326 |

Table 6. MBDD041 Bond Abrasion Index Results

| MBDD041 | AI |
|---------|--------|
| A | 0.0821 |
| B | 0.0701 |
| C | 0.0480 |

Bond Work Index – Ball Mill (BW_i)

The Bond Ball Mill Work Index (BW_i) is used to calculate the power requirements to grind ore to a typical ball mill product. BW_i values for the Wirlong ore samples in Table 8 tested were classified as hard. BW_i values indicate for the Mallee Bull ore samples in Table 9 tested were classified as hard to very hard.

Table 7. Bond Work Index Classification

| Material Property | Very Soft | Soft | Medium | Hard | Very Hard |
|------------------------------|-----------|--------|---------|----------|-----------|
| Bond BW _i (kWh/t) | <7 | 7 to 9 | 9 to 14 | 14 to 20 | >20 |

Table 8. WLDD033 Bond Ball Mill Work Index Results

| WLDD033 | Bond BMWi (kWh/t) | Closing Screen Size (µm) | Classification |
|---------|-------------------|--------------------------|----------------|
| A | 18.3 | 106 | Hard |
| B | 19.2 | 106 | Hard |
| C | 19.7 | 106 | Hard |

Table 9. MBDD041 Bond Ball Mill Work Index Results

| MBDD041 | Bond BMWi (kWh/t) | Closing Screen Size (µm) | Classification |
|---------|-------------------|--------------------------|----------------|
| A | 17.0 | 106 | Hard |
| B | 20.4 | 106 | Very Hard |
| C | 20.6 | 106 | Very Hard |

SMC Testwork

The SMC suite of testwork is intended to provide parameters for use in comminution modelling.

Table 10. WLDD033 SMC parameters

| WL Sample | SMC | | | | | | | | | | |
|-----------|------|------|-------|----------------|---------------------------|---------|----------------------|------|-----|------|-------|
| | A | b | A x b | t _a | Dwi (kWh/m ³) | Dwi (%) | Mi Parameter (kWh/t) | | | SG | SCSE |
| | | | | | | | Mia | Mih | Mic | | |
| A | 64.8 | 0.60 | 38.9 | 0.35 | 7.4 | 60.0 | 19.7 | 14.9 | 7.7 | 2.89 | 10.44 |
| B | 64.2 | 0.73 | 46.9 | 0.41 | 9.63 | 44.0 | 16.9 | 12.3 | 6.4 | 2.93 | 9.63 |
| C | 63.9 | 0.56 | 35.8 | 0.32 | 8.0 | 67.0 | 21.1 | 16.1 | 8.3 | 2.87 | 10.82 |

Table 11. MBDD041 SMC parameters

| MB Sample | SMC | | | | | | | | | | |
|-----------|------|------|-------|----------------|---------------------------|---------|----------------------|------|-----|------|-------|
| | A | b | A x b | t _a | Dwi (kWh/m ³) | Dwi (%) | Mi Parameter (kWh/t) | | | SG | SCSE |
| | | | | | | | Mia | Mih | Mic | | |
| A | 67.1 | 0.65 | 43.6 | 0.33 | 7.8 | 65.0 | 17.5 | 13.3 | 6.9 | 3.40 | 10.49 |
| B | 69.8 | 0.51 | 35.6 | 0.32 | 8.2 | 69.0 | 21.0 | 16.2 | 8.4 | 2.92 | 10.99 |
| C | 62.2 | 0.67 | 41.7 | 0.36 | 7.1 | 56.0 | 18.5 | 13.9 | 7.2 | 2.98 | 10.30 |

ENVIRONMENT AND PERMITTING

Review of Environmental Factors (REF)

In the previous quarter R.W Corkery & Co. Pty. Limited (Corkery) prepared a briefing document for the development of proposed exploration declines and associated surface infrastructures at Mallee Bull. The briefing paper was then submitted to the government agencies and to specialist consultants for addressing agency requirements in the REF. Peel has commissioned several environment specialist consultants to undertake environmental assessment on biodiversity, heritage, air quality, noise and vibration at the Mallee Bull site in compliance with regulatory requirement.

During the December quarter, Peel and Corkery worked closely with the specialist consultants to provide the requested information and conduct biodiversity surveys as part of the preparation of the environmental assessment.

Approval of the Review of Environmental Factors (REF) will allow the company to establish exploration declines from which underground resource definition can continue. It will also allow the company to seek approval for conversion to a full mining operation, with the benefit of established infrastructure. It is anticipated that the regulatory approval for the exploration decline will take between six to nine months after the submissions are made.

Water Monitoring Bore (WMB) Drill Program at Mallee Bull and Wirlong

In the previous quarter, Peel commenced a Water Monitoring Bore (WMB) drill program at Wirlong and Mallee Bull, however due to persistent wet weather affecting access to site it was postponed. The program was designed to investigate the pre-mining baseline of groundwater environment and to collect sufficient groundwater information for the environmental regulatory compliance submissions. During the December quarter Peel has completed all proposed drilling program at Wirlong and Mallee Bull. A total of 14 water monitoring bores have been drilled. Two holes (one from Wirlong and one from Mallee Bull) have been fitted with a Vibrating Wire Piezometers (VWPs) to provide information regarding the vertical hydraulic gradient throughout the fractured rock aquifer.

The WMB Drilling program was successful at Wirlong establishing two water monitoring bores yielding water flows greater than 5 litres per second. Monitoring bores drilled at Mallee Bull did not intersect significant water flows and hence the company is looking to further extend the Water Monitoring Bore (WMB) drilling program at Mallee Bull in the coming months.

Next Steps

The Company will look to complete the Environment Assessment and submission of final draft of Review of Environmental Factors (REF) to the NSW Department of Planning and Environment-Resource Regulator. Hydrological, environmental and metallurgical testing and mine development planning will also continue in advance of preparation of mining studies during the quarter.

EXPLORATION ACTIVITIES

WIRLONG - COPPER, SILVER; WESTERN NSW.

Wirlong is located ~75km south of Cobar, NSW and about 40km north of Peel's Mallee Bull copper deposit. Wirlong represents a classic Cobar-style Cu-Ag deposit analogous to the CSA mine. Strong copper mineralisation commences at ~60m below surface and has been defined to at least 600m below surface. Drilling at Wirlong has been designed to drill test the upper ~500m of the Wirlong Central zone where high-grade copper (chalcopyrite) mineralisation is understood to be structurally controlled on a NW-SE orientation. The deposit remains open along strike and at depth.

A maiden Indicated and Inferred Mineral Resource Estimate (MRE) for Wirlong, released during the December quarter, delivered **2.45Mt @ 2.4% Cu, 8.7g/t Ag for 57,900t contained copper and 686,000oz contained silver**. Full details on the MRE can be found in announcement "High Grade Maiden Copper Resource at Wirlong" on the 29th of November 2021. The MRE has been constrained and reported within mineable shapes generated at A\$90/t NSR with a minimum mining width of three metres and includes internal dilution. The MRE for the Wirlong deposit is reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code (2012)).

Table 12. Wirlong Maiden Mineral Resource Estimate Summary as at November 2021

| WIRLONG MAIDEN MINERAL RESOURCE ESTIMATE | | | | | |
|--|--------------|------------|------------|------------------|-------------------|
| Resource Classification | Tonnes (Kt) | Cu (%) | Ag (g/t) | Contained Cu (t) | Contained Ag (oz) |
| Indicated | 860 | 2.3 | 9.1 | 19,800 | 252,000 |
| Inferred | 1,590 | 2.4 | 8.5 | 38,200 | 435,000 |
| Total Resource | 2,450 | 2.4 | 8.7 | 57,900 | 686,000 |

Note: The Wirlong MRE utilises A\$90/tonne NSR cut-off mineable shapes that include minimum mining widths and internal dilution. Figures are rounded to reflect the precision of estimates and include rounding errors.

The Wirlong Indicated & Inferred MRE is the product of 41,612m of RC and diamond drilling completed by Peel since 2014. Exploratory drilling at Wirlong in early 2015 identified significant primary copper mineralisation with follow-up drilling in late 2015 yielding strong copper mineralisation and confirming the potential of the prospect. Mineral Resource Estimate drilling to date has focused on a relatively confined zone covering ~350m of strike of the greater prospect area. The bulk (~79%) of the drilling has been focused on the high-grade MBX (Massive Breccia Mineralisation) lens following its recognition in late 2018.

The MRE has been completed by independent mining consultant Mr Jonathon Abbott of MPR Geological Consultants Pty Ltd (MPR). Mr Abbott accepts responsibility for the block modelling and the MRE. Mr Robert Tyson, an employee of Peel Mining, accepts responsibility for the geological interpretation, sampling and analytical data upon which the MRE is based. NSR calculations and mineable shape creation was completed by Antcia Consulting Pty Ltd.

NET SMELTER RETURN

For the reporting of the MRE, a Net Smelter Return (NSR) value has been used to reflect the polymetallic nature of mineralisation. NSR in A\$/t, represents the potential economic value of mineralisation net of

all costs after it leaves site, and was applied to each block within the block model after estimation. The NSR (A\$/t) formula includes assumptions regarding metal prices, exchange rates, metallurgical recoveries, metal marketing terms (including payabilities and deductions/penalties), freight, smelting and refining charges, and royalties.

The NSR formula is:

NSR = (metal grades x metallurgical recoveries x payabilities x A\$ metal prices) less (concentrate freight and treatment charges, penalties and royalties)

Metal price assumptions were based on late 2021 Australian dollar metal pricing and are listed in Table 14; metallurgical recovery assumptions are listed in Table 15.

Table 13. Wirlong Maiden Mineral Resource Estimate (by Domain) as at November 2021

| WIRLONG MAIDEN MINERAL RESOURCE ESTIMATE | | | | | | |
|--|-------------------------|--------------|------------|-------------|------------------|-------------------|
| Domain | Resource Classification | Tonnes (Kt) | Cu (%) | Ag (g/t) | Contained Cu (t) | Contained Ag (oz) |
| MBX | Indicated | 450 | 3.1 | 11.3 | 13,900 | 163,000 |
| | Inferred | 930 | 2.8 | 10.1 | 26,000 | 302,000 |
| | Sub-total | 1,380 | 2.9 | 10.5 | 39,900 | 465,000 |
| B | Indicated | 170 | 1.3 | 6.7 | 2,200 | 37,000 |
| | Inferred | 170 | 1.6 | 4.9 | 2,700 | 27,000 |
| | Sub-total | 340 | 1.4 | 5.8 | 4,900 | 63,000 |
| C | Indicated | 120 | 1.5 | 6.4 | 1,800 | 25,000 |
| | Inferred | 120 | 1.5 | 7.0 | 1,800 | 27,000 |
| | Sub-total | 240 | 1.5 | 6.7 | 3,600 | 52,000 |
| D | Indicated | 70 | 1.9 | 8.1 | 1,300 | 18,000 |
| | Inferred | 290 | 2.0 | 7.0 | 5,800 | 65,000 |
| | Sub-total | 360 | 2.0 | 7.2 | 7,100 | 83,000 |
| E | Indicated | 50 | 1.1 | 4.8 | 600 | 8,000 |
| | Inferred | 70 | 1.5 | 5.0 | 1,100 | 11,000 |
| | Sub-total | 120 | 1.3 | 4.9 | 1,600 | 19,000 |
| All | Indicated | 860 | 2.3 | 9.1 | 19,800 | 252,000 |
| | Inferred | 1,590 | 2.4 | 8.5 | 38,200 | 435,000 |
| | Total Resource | 2,450 | 2.4 | 8.7 | 57,900 | 686,000 |

Note: The Wirlong MRE utilises A\$90/tonne NSR cut-off mineable shapes that include minimum mining widths and internal dilution. Figures are rounded to reflect the precision of estimates and include rounding errors.

MINING ASSUMPTIONS

The MRE is constrained and reported within mineable shapes produced by Deswik's Stope Shape Optimiser using an NSR cut-off of A\$90/t. SSO runs were performed by Antcia Consulting Pty Ltd with NSR inputs supplied by Peel Mining. The mineable shapes were based upon the smallest mineable unit (SMU) for the SSO shapes being 5m long, 5m high, with a minimum mining width of 3m. These inputs were used to provide a balance between practical mining and mineralisation shapes.

CUT-OFF VALUES

The reported MRE includes internal dilution, where required, representing mineralisation estimated at below the A\$90/t NSR cut off but does not include footwall or hanging wall dilution outside the mineralised domains. The cut-off value includes assumptions regarding mine operating, processing and site administration costs. Material at this cut-off within mineable shapes, is considered by Peel to have reasonable prospects of eventual economic extraction.

Table 14. Metal price assumptions used in MRE

| COMMODITY PRICE | PRICE ASSUMPTION |
|-------------------------|------------------|
| A\$ Copper Price | 13,014/tonne |
| A\$ Silver Price | 32.87/ounce |

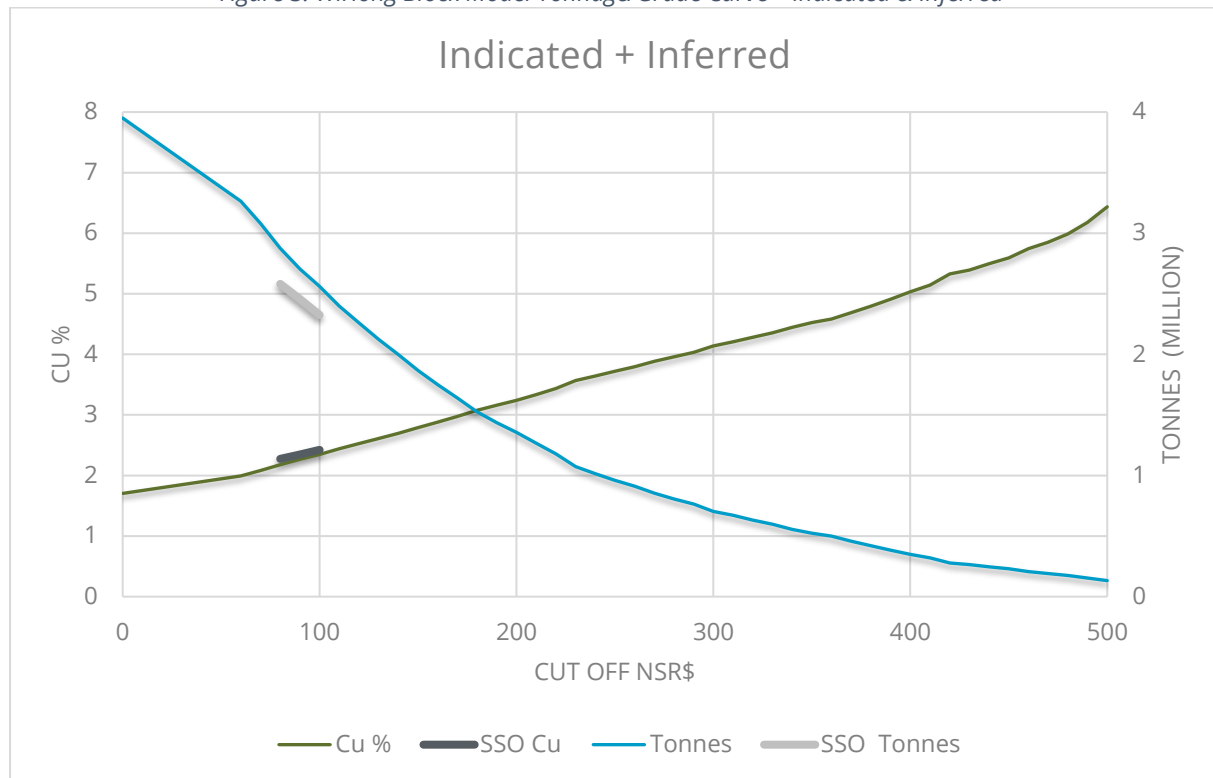
Metallurgical testwork completed by Peel at ALS Burnie has guided the company's metallurgical assumptions for the Wirlong MRE. Cumulative metallurgical recoveries for copper and silver are listed in Table 15. Metallurgical testwork at ALS Burnie remains ongoing. It is Peel Mining's opinion that all elements included in the conceptual processing flowsheet have a reasonable potential to be recovered and sold.

Table 15. NSR metallurgical recovery assumptions used in MRE

| METAL | CUMULATIVE RECOVERY (%) |
|---------------|-------------------------|
| Copper | 95 |
| Silver | 65 |

Figure 3 shows Wirlong’s full block model tonnage/grade curve for Indicated and Inferred classified estimates at incremental A\$10 NSR cutoffs ranging from \$A0/t to A\$500/t with SSO modelling from A\$80/t to A\$100/t shown as bold.

Figure 3. Wirlong Block Model Tonnage/Grade Curve – Indicated & Inferred



Note: Figure 3 shows NSR-tonnage curves from evaluation of the combined models on a block-by-block basis for cut offs of A\$0 to A\$500/tonne in A\$10 increments relative to the combined Mineral Resource Estimates.

The mineralised domain wire-frames used for modelling were constructed by MPR on the basis of drill hole intercepts specified by Peel for each mineralised zone using preliminary wire-framed interpretations by Peel as a guide. The intercepts specified by Peel are based on regular one metre down-hole intervals, and include un-assayed intervals based on geological logging. The domains were interpreted with a minimum horizontal width of generally around one metre.

The mineralised domains comprise five lenses, dipping steeply northeast to vertical, designated as the main MBX lens and the parallel lenses B, C, D and E. The domains generally strike on a northwest-southeast trend towards around 310, trending slightly towards the west, towards around 290 to 300, in the east of the deposit. Figure 4 shows a long section (looking southwest) of the main MBX Lens showing Indicated and Inferred SSO-constrained model blocks. Figure 5 shows a cross section highlighting Indicated and Inferred SSO-constrained blocks.

Initial wire-frames constructed for the MBX and lens B wire-frames were truncated by a surface representing the base of oxidation supplied by Peel, which ranges from around 27 to 55m depth averaging around 44m depth in the mineralised domain area. The other domain wire-frames do not intersect this surface and the modelled mineralisation includes only interpreted un-oxidised mineralisation.

The mineralised domains are extrapolated well beyond drill hole intercepts. Only portions of the domains tested by generally 80 by 80m and closer spaced drilling and extrapolated to around 40m from drill intercepts are included in Mineral Resource estimates.

Drilling continued during the December quarter to establish a Maiden copper-dominant resource and to infill and extend the known mineralisation zone. 11 diamond drillholes were completed during the December quarter for a total of 5,535.4m. Assay results have been returned for a further eight diamond drillholes completed in the June quarter and for one drillhole completed in the September quarter. Full details on assays released to the market can be found in announcements: "Peel Achieves 205m @ 1.4% Copper at Wirlong" on the 27th of October 2021 and "Further High-Grade Assays from Wirlong and Mallee Bull" on the 29th of December 2021.

Highlights from diamond drilling assays returned and released to the market during the December quarter include:

- **205m @ 1.4% Cu, 3g/t Ag** from 434m in WLDD040
- **5m @ 1.78% Cu, 8g/t Ag** from 200m and **3m @ 2.15% Cu, 9g/t Ag** from 289m in WLDD037
- **16m @ 1.55% Cu, 8g/t Ag** from 314m including **3m @ 4.33% Cu, 23g/t Ag** from 314m in WLDD041
- **11m @ 2.93% Cu, 10g/t Ag** from 388m including **4.88m @ 6.04% Cu, 20g/t Ag, 0.66g/t Au** from 393m in WLDD043
- **3.9m @ 3.55% Cu, 8g/t Ag** from 474.9m in WLDD045
- **3m @ 7.39% Cu, 41g/t Ag** from 255m and **4m @ 1.92% Cu, 5g/t Ag** from 330m in WLDD046

As reported previously, WLDD040 which returned **205m @ 1.4% Cu, 3g/t Ag** from 434m intersected the widest copper mineralised interval to date at Wirlong. A structural review has highlighted the potential for mineralisation to continue along strike to the south-east of WLDD040 with drilling planned to test this position.

Mineralisation returned from resource definition drilling appears generally consistent with Peel's geophysical and geological modelling. Processing and assaying are continuing with further results anticipated in the coming weeks which will inform subsequent MRE updates as Wirlong continues to evolve. At 31 December 2021, a total of 18 drill holes from the 2021 drill program required processing and assaying. The Company has been working diligently through this backlog during the month of January 2022.

Next Steps

Drilling will continue during 2022 at Wirlong to grow and upgrade the current resource base. A review of drilling is currently being undertaken to ensure the Company maximises planned resource upgrades which will form the basis of future mining studies on the deposit.

Figure 4 - MBX Lens long section looking southwest showing Indicated and Inferred SSO model blocks

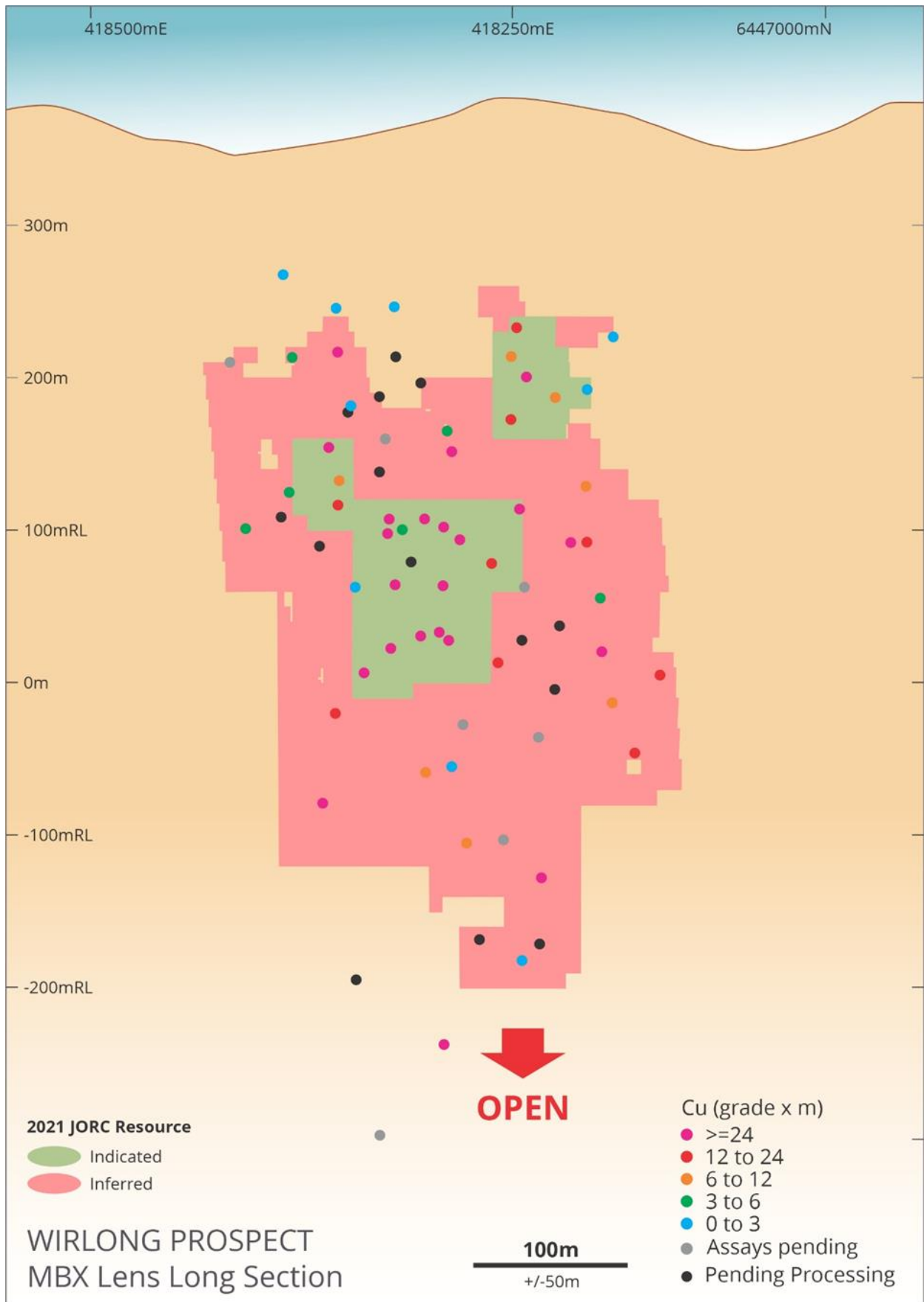
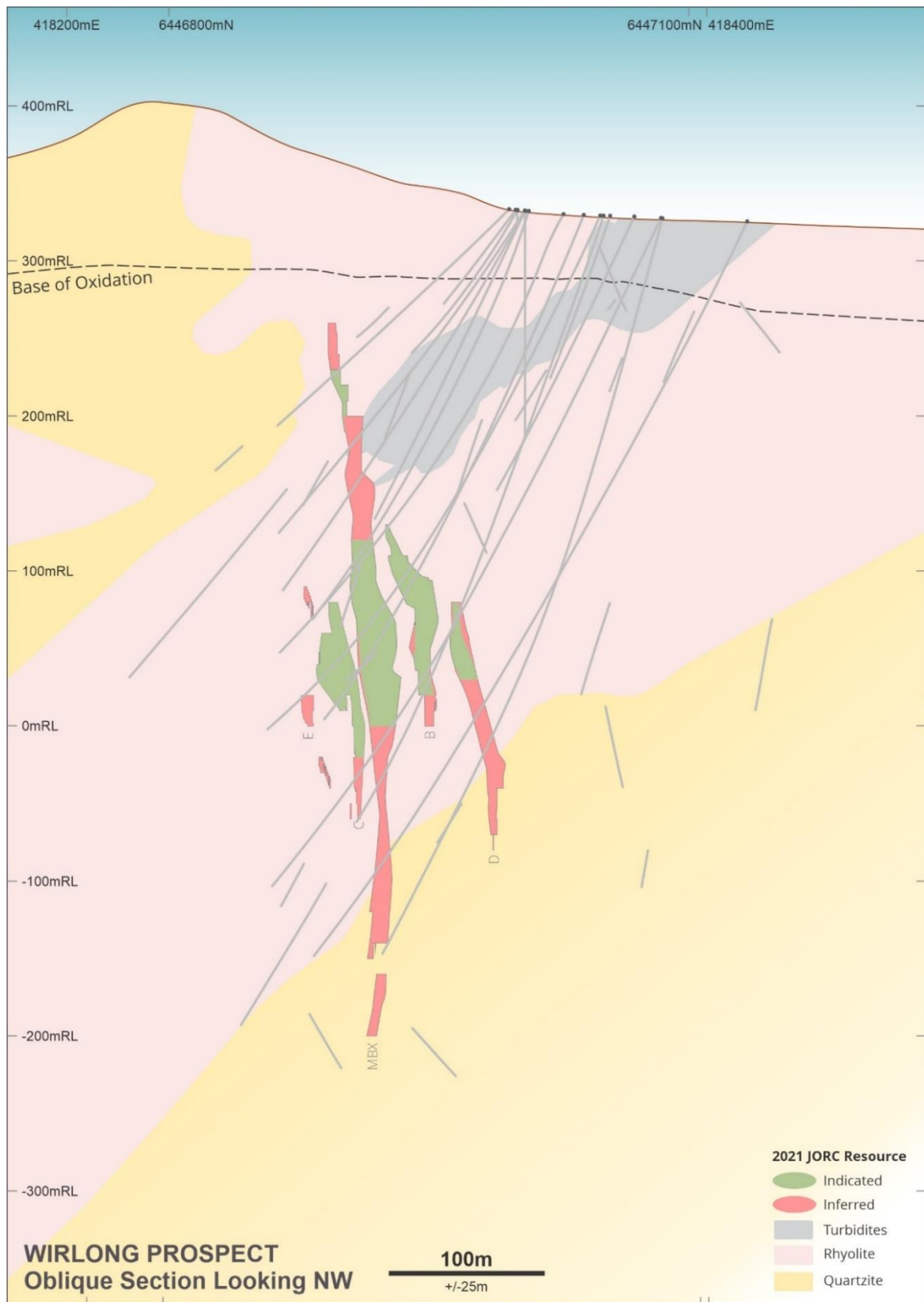


Figure 5 - Wirlong oblique cross section looking northwest showing Indicated and Inferred SSO blocks



MALLEE BULL - COPPER, SILVER, GOLD, LEAD, ZINC; WESTERN NSW.

Mallee Bull represents one of Australia's highest grade undeveloped copper deposits and is located ~100km south of Cobar, NSW and ~40km south of Peel's Wirlong copper deposit. The Company is currently undertaking Resource upgrade drilling at the Mallee Bull deposit. These drilling results will be applied to its 2017 resource estimate for Mallee Bull (See Mineral Resource Estimates), which comprises 6.76 Mt at 1.8% Cu, 31g/t Ag, 0.4g/t Au, 0.6% Pb, 0.6% Zn (2.6% CuEq) containing approximately 119,000t Cu, 6.6 Moz Ag, 83,000 oz Au, 38,000t Pb, 38,000t Zn (using a 1% CuEq cut-off). Refer to 6th July 2017 announcement "Mallee Bull Resource Grows by 65% to 175,000t CuEq" for further details. This drilling is part of the Company's strategy to advance each of the Company's deposits to mineable resources in order to achieve critical mass.

The resource upgrade drilling program is primarily designed to convert Inferred classified resources to Indicated classification. Drilling is being undertaken by two, double shifting multi-purpose drill rigs, with initial focus on the zone between 300m and 500m below surface where the bulk of Mallee Bull's contained copper is located.

14 diamond drillholes were completed during the December quarter (MBDD068, MBDD070-MBDD082) for a total of 8,043.3m. Assay results returned from Mallee Bull during the quarter confirmed significant high-grade copper mineralised intercepts. Full details on assays released to the market can be found in announcements: "Peel Achieves 205m @ 1.4% Copper at Wirlong" on the 27th of October 2021 and "Further High-Grade Assays from Wirlong and Mallee Bull" on the 29th of December 2021.

Highlights from diamond high-grade copper assays returned and released to the market during the December quarter include:

- **26.84m @ 3.12% Cu, 23g/t Ag** from 542.16m including: **3.44m @ 4.43% Cu, 76g/t Ag, 0.62g/t Au** from 542.16m and **10m @ 5.92% Cu, 30g/t Ag** from 553m in MBDD053
- **22m @ 2.75% Cu, 34g/t Ag** from 464m including **5.1m @ 5.9% Cu, 55g/t Ag** from 477m in MBDD057
- **9m @ 3.53% Cu, 27g/t Ag** from 412m including **3.75m @ 7.08% Cu, 52g/t Ag** from 416m in MBDD065

Significantly, MBDD065 mineralisation occurs 20m further south than the current resource model, with mineralisation visible in the adjacent up-dip holes, confirming the resource remains open to the south.

A total of 26,000m of diamond drilling has been completed since the resource infill drilling program commenced. A review of drilling is currently being conducted to determine the amount of additional drilling required in 2022 to maximize resource confidence for mining studies. Prior to release of the quarterly, all outstanding Mallee Bull drill holes from the 2021 program had been processed and submitted to the laboratory for assay.

The true width of Mallee Bull intercepts reported is estimated to be approximately 40-60% of the downhole widths.

Next Steps

As mentioned above a review of drilling completed is currently underway, with the outcome seeking to identify strategic infill targets to optimise the resource upgrade outcome in anticipation of mining study work in 2022. Metallurgical testwork, geotechnical studies, and underground mining studies will be ongoing to assist the Company with collating and releasing mining studies on the project as part of the broader South Cobar Project.

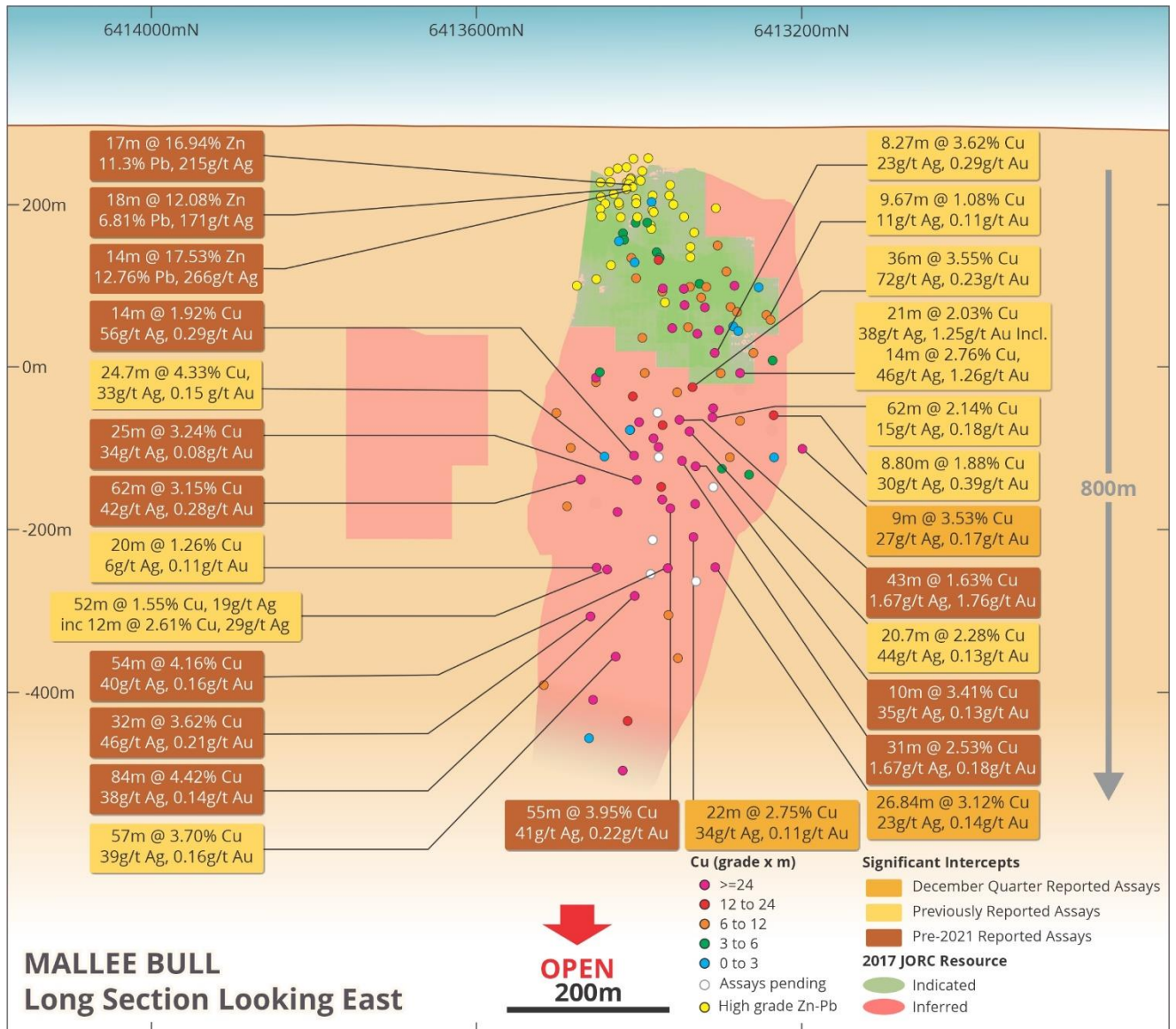


Figure 6 - Mallee Bull Long Section

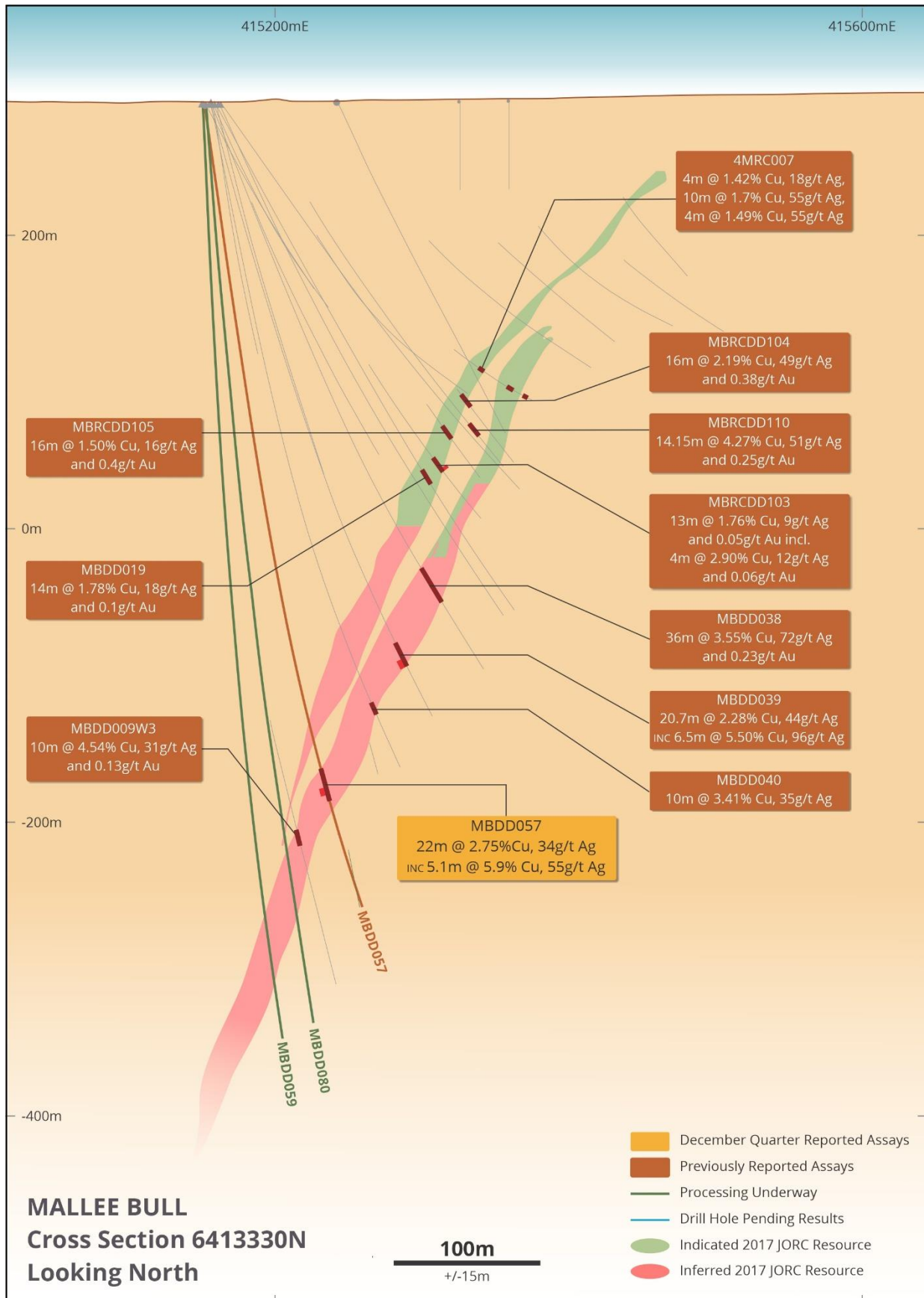


Figure 7 - Mallee Bull cross section

CORPORATE

SHUTTLETON STATION PURCHASE

In December, Peel Mining purchased Shuttleton Station, located ~70km south of Cobar NSW. The station comprises more than 12,000 acres of Western Lands Lease and importantly, contains the immediate footprint of Peel's 100%-owned Wirlong copper deposit. Under the terms of the purchase and sale agreement with a private landholder, Peel has paid a 10% deposit of \$183,000 with the balance of \$1,647,000 payable upon settlement for total consideration of \$1.83 million. Settlement is subject to Minister's consent to transfer title and is anticipated for first half 2022.

The acquisition of Shuttleton provides Peel with security of tenure and land access as Wirlong progresses towards development. Furthermore, Shuttleton could potentially yield environmental (biodiversity and carbon) offsets in the future and studies around this ancillary benefit will be undertaken as part of Peel's South Cobar Project development plans.

FINANCE

At the end of the quarter the Company had approximately **\$5.615 million cash at bank**. Included in the Appendix 5B – Section 6 are amounts paid to the Directors of the Company during the December quarter totalling \$220,750, comprising \$200,602 of remuneration payments to Directors and the Managing Director including superannuation. Payments of \$10,248 were made to Mr Simon Hadfield (Peel Mining's Chairman) for rental of office space and associated costs. Payments of \$9,900 were paid to a RIU Conferences Pty Ltd, which Mr Hadfield is a director, for investor conference expenses.

This announcement has been authorised by the Board of Directors of the Company.

For further information, please contact:

Rob Tyson – Peel Mining Limited Managing Director: +61 (0)420 234 020

Jim Simpson – Peel Mining Limited – Executive Director Mining: +61 (8) 9382 3955

Nathan Ryan – NWR Communications: +61 (0)420 582 887

COMPETENT PERSONS STATEMENTS AND MINERAL RESOURCE ESTIMATES

The information in this report that relates to Exploration Results is based on information compiled by Mr Rob Tyson, who is a fulltime employee of the company. Mr Tyson is a member of the Australasian Institute of Mining and Metallurgy. Mr Tyson has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Tyson consents to the inclusion in this report of the matters based on information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures.

Past Exploration results reported in this announcement have been previously prepared and disclosed by Peel Mining Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.peelmining.com.au for details on past exploration results.

Table 16: Wirlong Mineral Resource Estimate

| Resource Classification | Tonnes Kt | Cu (%) | Ag (g/t) | Contained Cu (t) | Contained Ag (oz) |
|-------------------------|--------------|------------|------------|------------------|-------------------|
| Indicated | 860 | 2.3 | 9.1 | 19,800 | 252,000 |
| Inferred | 1,590 | 2.4 | 8.5 | 38,200 | 435,000 |
| Total Resource | 2,450 | 2.4 | 8.7 | 57,900 | 686,000 |

The information in this announcement that relates to Mineral Resource estimates is based on information compiled by Mr Jonathon Abbott, who is a Member of The Australian Institute of Geoscientists. Mr Abbott is a full time employee of MPR Geological Consultants Pty Ltd and 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 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 17: May Day Mineral Resource Estimate

| COMBINED MAY DAY INDICATED MINERAL RESOURCE ESTIMATES (ROUNDED) | | | | | | | |
|---|----------|---------------|--------------|-------------|-------------|-------------|-------------|
| | | Cut off \$NSR | Tonnes Kt | Au g/t | Ag g/t | Zn % | Pb % |
| Open Pit | Oxide | \$27/t | 510 | 1.03 | 20.4 | - | - |
| | Sulphide | \$37/t | 390 | 1.00 | 28.2 | 1.31 | 0.84 |
| | Subtotal | | 900 | 1.02 | 23.8 | 0.57 | 0.36 |
| Underground (Sulphide) | | \$80/t | 170 | 1.03 | 39.4 | 1.67 | 1.21 |
| Combined | | | 1,070 | 1.02 | 26.3 | 0.74 | 0.50 |

The information in this announcement that relates to Mineral Resource estimates is based on information compiled by Mr Jonathon Abbott, who is a Member of The Australian Institute of Geoscientists. Mr Abbott is a full time employee of MPR Geological Consultants Pty Ltd and 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

2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 18: Mallee Bull Mineral Resource Estimate

| Resource Classification | Kt | CuEq % | Cu % | Ag g/t | Au g/t | Pb % | Zn % |
|-------------------------|--------------|------------|------------|-----------|------------|------------|------------|
| Indicated | 1,340 | 2.15 | 0.91 | 30 | 0.4 | 0.96 | 1.23 |
| Inferred | 5,420 | 2.7 | 2 | 31 | 0.4 | 0.5 | 0.4 |
| Total Resource | 6,760 | 2.6 | 1.8 | 31 | 0.4 | 0.6 | 0.6 |

The information referred to in this announcement in relation to the Mallee Bull Resource Estimate is based on information compiled by Mr Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. At the time of calculating the Resource Estimate Mr Abbott was a full-time employee of MPR Geological Consultants Pty Ltd and is an independent consultant to Peel Mining Ltd. Mr Abbott has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Mineral Resources and Ore Reserves'. Mr Abbott consented to the release of the matters based on his information in the form and context in which it appears.

Table 19: Wagga Tank – Southern Nights Mineral Resource Estimate

| Southern Nights Mineral Resource Estimate | | | | | | |
|---|--------------|------------|------------|-----------|------------|------------|
| Resource Classification | Tonnes (Kt) | Zn (%) | Pb (%) | Ag (g/t) | Cu (%) | Au (g/t) |
| Indicated | 2,540 | 5.90 | 2.30 | 88.9 | 0.19 | 0.33 |
| Inferred | 1,600 | 3.7 | 1.4 | 59 | 0.3 | 0.3 |
| Total Resource | 4,140 | 5.0 | 2.0 | 77 | 0.2 | 0.3 |
| Wagga Tank Mineral Resource Estimate | | | | | | |
| Resource Classification | Tonnes (Kt) | Zn (%) | Pb (%) | Ag (g/t) | Cu (%) | Au (g/t) |
| Indicated | 410 | 4.67 | 2.52 | 64.3 | 0.50 | 0.53 |
| Inferred | 400 | 5.3 | 2.3 | 98 | 0.3 | 0.5 |
| Total Resource | 810 | 5.0 | 2.4 | 81 | 0.4 | 0.5 |
| Combined Southern Nights-Wagga Tank Mineral Resource Estimate | | | | | | |
| Resource Classification | Tonnes (Kt) | Zn (%) | Pb (%) | Ag (g/t) | Cu (%) | Au (g/t) |
| Indicated | 2,950 | 5.73 | 2.33 | 85.5 | 0.23 | 0.36 |
| Inferred | 2,000 | 4.0 | 1.6 | 67 | 0.3 | 0.3 |
| Total Resource | 4,950 | 5.0 | 2.0 | 78 | 0.3 | 0.4 |

The information in this report that relates to Exploration Results and sampling information is based on information compiled by Mr Jason McNamara who, at the time of reporting, was a fulltime employee of the company. Mr McNamara is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr McNamara has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as

Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McNamara consents to the inclusion in this report of the matters based on information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures.

The information in this announcement that relates to grade estimation and the Mineral Resource Estimate for Southern Nights-Wagga Tank is based on information compiled by Mr Jonathon Abbott, who is a Member of The Australian Institute of Geoscientists. Mr Abbott is a full time employee of MPR Geological Consultants Pty Ltd and 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 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This release may include aspirational targets. These targets are based on management's expectations and beliefs concerning future events as of the time of the release of this document. Targets are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Peel Mining that could cause actual results to differ materially from such statements. Peel Mining makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

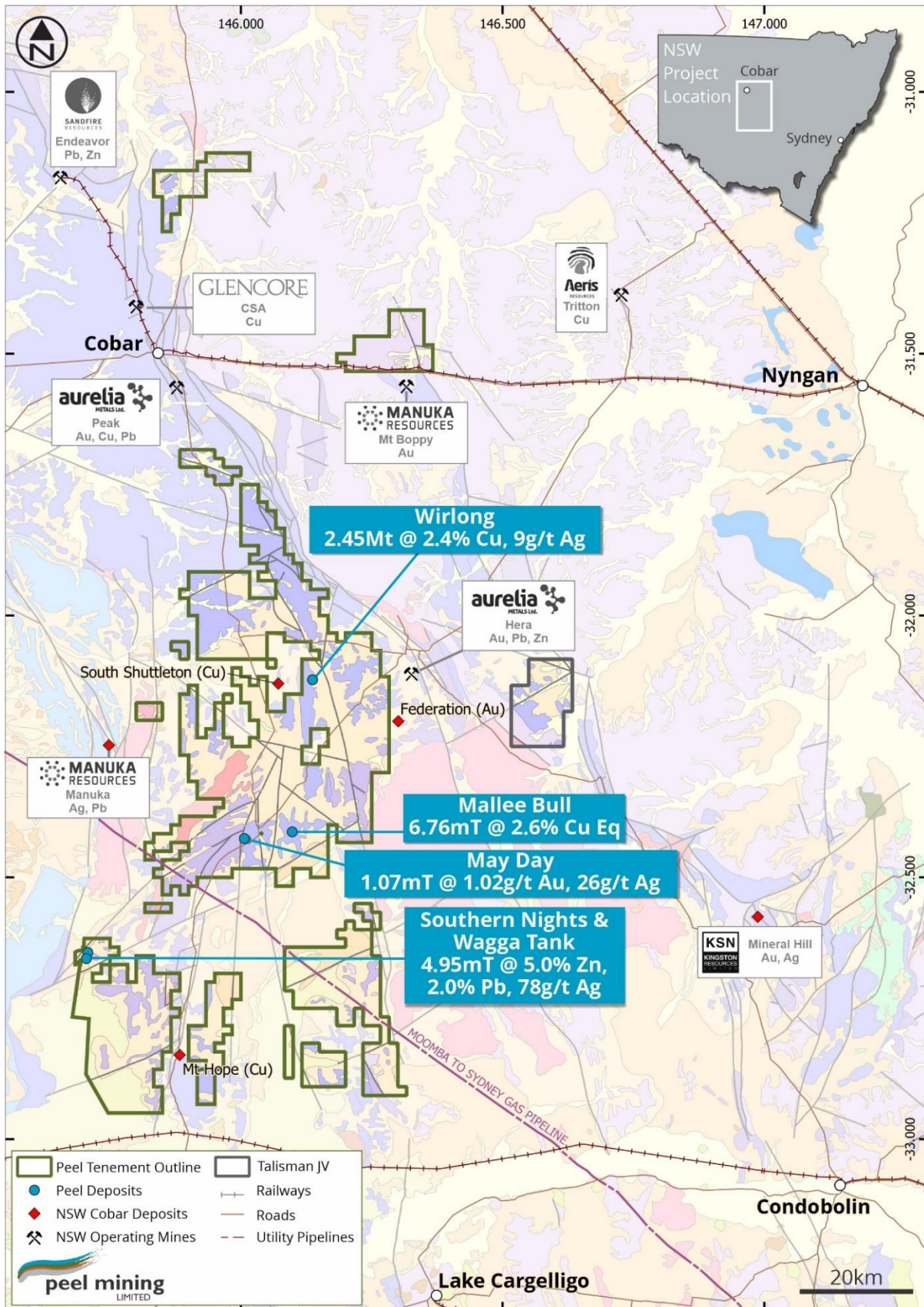


Figure 8 – South Cobar Project Tenements and Prospects

DRILL HOLES DRILLED IN THE QUARTER ENDED 31 DECEMBER 2021

Table 20: Mallee Bull Diamond Drillhole Collars (Assays returned in December quarter)

| Hole ID | Easting | Northing | Azi | Dip | Final Depth (m) |
|---------|-----------|------------|-------|--------|-----------------|
| MBDD053 | 415143.88 | 6413305.95 | 86.96 | -85.33 | 606.70 |
| MBDD057 | 415151.00 | 6413330.01 | 93.65 | -81.71 | 558.90 |
| MBDD065 | 415147.00 | 6413195.00 | 87.95 | -80.01 | 531.40 |

Table 21: Wirlong Diamond Drillhole Collars (Assays returned in December quarter)

| Hole ID | Easting | Northing | Azi | Dip | Final Depth (m) |
|---------|-----------|------------|--------|--------|-----------------|
| WLDD037 | 418379.81 | 6446986.52 | 204.66 | -60.40 | 325.30 |
| WLDD041 | 418323.78 | 6447058.79 | 206.42 | -62.83 | 390.30 |
| WLDD043 | 418485.28 | 6447092.91 | 204.90 | -68.16 | 770.10 |
| WLDD044 | 418349.00 | 6447118.00 | 204.81 | -63.64 | 468.90 |
| WLDD045 | 418354.00 | 6447134.00 | 200.73 | -64.26 | 699.90 |
| WLDD046 | 418384.00 | 6447090.00 | 202.96 | -63.92 | 532.00 |

DRILL HOLES DRILLED IN THE QUARTER ENDED 31 DECEMBER 2021

Table 22: Mallee Bull Diamond Drillhole Collars

| Hole ID | Easting | Northing | Azi | Dip | Final Depth (m) |
|----------|-----------|------------|--------|--------|-----------------|
| MBDD066* | 415172.00 | 6413412.00 | 96.77 | -83.00 | 549.70 |
| MBDD068 | 415169.42 | 6413410.32 | 101.26 | -85.07 | 630.90 |
| MBDD069* | 415197.00 | 6413523.00 | 88.98 | -61.71 | 417.60 |
| MBDD070 | 415164.46 | 6413411.31 | 97.71 | -88.00 | 720.80 |
| MBDD071 | 415197.32 | 6413519.73 | 102.09 | -85.84 | 711.60 |
| MBDD072 | 415162.30 | 6413368.76 | 96.08 | -74.00 | 450.80 |
| MBDD073 | 415199.43 | 6413519.10 | 105.99 | -79.37 | 576.30 |
| MBDD074 | 415159.80 | 6413364.61 | 105.68 | -82.00 | 555.70 |
| MBDD075 | 415198.34 | 6413519.42 | 100.08 | -84.90 | 690.00 |
| MBDD076 | 415158.00 | 6413364.98 | 106.59 | -87.79 | 634.60 |
| MBDD077 | 415172.75 | 6413430.67 | 96.34 | -84.00 | 600.80 |
| MBDD078 | 415160.45 | 6413387.59 | 94.65 | -81.23 | 567.90 |
| MBDD079 | 415179.11 | 6413474.69 | 94.64 | -80.33 | 567.70 |
| MBDD080 | 415151.40 | 6413337.82 | 87.12 | -85.98 | 630.60 |
| MBDD081 | 415155.29 | 6413267.61 | 95.11 | -79.80 | 501.80 |
| MBDD082 | 415309.65 | 6413303.62 | 94.04 | -62.15 | 203.80 |

*Drillholes commenced in September 2021 quarter and completed in December quarter.

Table 23: Wirlong Diamond Drillhole Collars

| Hole ID | Easting | Northing | Azi | Dip | Final Depth (m) |
|----------|-----------|------------|--------|--------|-----------------|
| WLDD049* | 418415.00 | 6446968.00 | 211.58 | -58.57 | 501.60 |
| WLDD050* | 418371.00 | 6446973.00 | 209.17 | -56.14 | 423.70 |
| WLDD051 | 418427.35 | 6446991.80 | 205.00 | -65.30 | 105.70 |
| WLDD052 | 418370.75 | 6446970.58 | 202.98 | -55.72 | 300.20 |
| WLDD053 | 418427.48 | 6446991.51 | 203.50 | -62.70 | 525.70 |
| WLDD054 | 418324.67 | 6447059.98 | 213.72 | -62.99 | 531.80 |
| WLDD055 | 418442.80 | 6447019.53 | 203.23 | -63.97 | 561.80 |
| WLDD056 | 418324.93 | 6447060.25 | 213.77 | -68.31 | 510.10 |
| WLDD057 | 418483.54 | 6447097.17 | 203.46 | -66.12 | 699.80 |
| WLDD058 | 418486.33 | 6447094.26 | 210.70 | -62.60 | 641.80 |
| WLDD059 | 418521.43 | 6447073.88 | 199.80 | -61.80 | 733.20 |

*Drillholes commenced in September 2021 quarter and completed in December quarter.

PEEL MINING LIMITED TENEMENT HOLDINGS

| TENEMENT | PROJECT | LOCATION | OWNERSHIP | CHANGE IN QUARTER |
|----------|-------------------|------------------|-----------|---------------------|
| EL7519 | Gilgunnia South | Cobar, NSW | 100% | |
| EL7976 | Mundoe | Cobar, NSW | 100% | |
| EL8070 | Tara | Cobar, NSW | 100% | |
| EL8071 | Manuka | Cobar, NSW | 100% | |
| EL8105 | Mirrabooka | Cobar, NSW | 100% | |
| EL8112 | Yackerboon | Cobar, NSW | 100% | |
| EL8113 | Iris Vale | Cobar, NSW | 100% | |
| EL8114 | Yara | Cobar, NSW | 100% | |
| EL8117 | Illewong | Cobar, NSW | 100% | |
| EL8125 | Hillview | Cobar, NSW | 100% | |
| EL8126 | Norma Vale | Cobar, NSW | 100% | |
| EL8201 | Mundoe North | Cobar, NSW | 100% | |
| EL8307 | Sandy Creek | Cobar, NSW | 100% | |
| EL8314 | Glenwood | Cobar, NSW | 100% | |
| EL8345 | Pine Ridge | Cobar, NSW | 100% | |
| EL8534 | Burthong | Cobar, NSW | 100% | |
| EL7461 | Gilgunnia | Cobar, NSW | 100% | |
| ML1361 | May Day | Cobar, NSW | 100% | |
| EL6695 | Wagga Tank | Cobar, NSW | 100% | |
| EL7226 | Wongawood | Cobar, NSW | 100% | |
| EL7484 | Mt View | Cobar, NSW | 100% | |
| EL8414 | Mt Walton | Cobar, NSW | 20% | 80% |
| EL8447 | Linera | Cobar, NSW | 100% | |
| EL8751 | Nombinnie | Cobar, NSW | 100% | |
| EL6961 | McGraw | Cobar, NSW | 100% | |
| EL7711 | Ruby Silver | Armidale, NSW | 0% | 100% - Relinquished |
| EL8326 | Attunga | Attunga, NSW | 100% | |
| EL8450 | Beanbah | Cobar, NSW | 100% | |
| EL8451 | Michelago | Cooma, NSW | 20% | 80% |
| EL8656 | Marigold | Cobar, NSW | 100% | |
| EL8655 | Brambah | Cobar, NSW | 100% | |
| EL8872 | Gromit | Cobar, NSW | 100% | |
| EL9284 | Florida | Cobar, NSW | 100% | |
| EL8877 | Thunderdome | Broken Hill, NSW | 100% | |
| EL9108 | Thunderdome South | Broken Hill, NSW | 100% | |

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Peel Mining Limited

ABN

42 119 343 734

Quarter ended ("current quarter")

31 December 2021

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (217) | (410) |
| (e) administration and corporate costs | (117) | (531) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 4 | 9 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | 116 | 163 |
| 1.9 Net cash from / (used in) operating activities | (214) | (769) |

| | | |
|--|---------|---------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | (335) | (496) |
| (d) exploration & evaluation | (4,605) | (9,946) |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | 40 | 30 |
| 2.6 | Net cash from / (used in) investing activities | (4,900) | (10,412) |

| | | | |
|-------------|---|----------|----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | - | - |

| | | | |
|-----------|--|---------|----------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 10,729 | 16,796 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (214) | (769) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (4,900) | (10,412) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 5,615 | 5,615 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 5,615 | 10,729 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 5,615 | 10,729 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 221 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | - |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (769) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (9,946) |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (10,715) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 5,615 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 5,615 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.53 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: No. Cash outflows were high during the quarter due to resource drill-out activities requiring multiple drill rigs at multiple sites. This is expected to reduce significantly over the coming quarter as this work approaches completion. | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: The Company believes it has sufficient funding and liquid assets to achieve the programs of work outlined for this financial year. However, the Company realises it will require additional funding as it moves its South Cobar Project towards development. | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company believes it has sufficient funding and liquid assets to achieve the programs of work outlined for this financial year.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31/01/2022

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.