peel mining LIMITED

ASX ANNOUNCEMENT **19th JULY 2017**

NEW HIGH-GRADE RESULTS ADVANCE MALLEE BULL MINE PLAN

- **T1 (Mallee Bull) infill drilling for prefeasibility purposes returns new high-grade Zn-Pb-Ag mineralisation with better results including:**
  - **16m @ 13.52% Zn, 7.61% Pb, 191 g/t Ag and 1.31 g/t Au from 74m in MBRCDD065**
  - **5m @ 5.47% Zn, 7.63% Pb, 102 g/t Ag and 0.14 g/t Au from 76m in MBRC066**
  - **3m @ 19.79% Pb, 53 g/t Ag and 0.36 g/t Au from 62m in MBRC067**
  - **4m @ 5.64% Zn, 3.29% Pb, 52 g/t Ag and 0.20 g/t Au from 64m in MBRC068**
  - **4m @ 6.76% Pb, 46 g/t Ag and 0.53 g/t Au from 62m in MBRC069**
- **T1 drilling complete with further assays awaited; metallurgical and geotechnical work continuing; environmental baseline studies commenced**
- **Wirlong drilling continues to return significant new copper mineralisation (as indicated by geological logging and portable XRF analyser; assays awaited) including:**
  - **26m @ 2.89% Cu from 286m in WLRC026 (extension)**
  - **9m @ 8.59% Cu from 299m in WLRC052**
  - **23m @ 0.82% Cu from 179m in WLRC053**
- **Wagga Tank drilling returns significant new Zn-Pb-Ag intercept (as indicated by geological logging and portable XRF analyser; assays awaited):**
  - **6m @ 7.37% Zn, 1.81% Pb, 10 g/t Ag from 282m**

Peel Mining (ASX:PEX) ("Peel" or "the Company") is pleased to report the continued receipt of excellent drilling results from the Company's key prospects - namely T1 (Mallee Bull), Wirlong and Wagga Tank - all located near Cobar in western New South Wales.

The results support Peel's belief in the potential of its strategic land position in the Cobar Basin and the Company's aim of building a camp of high-grade base and precious metals deposits that can ultimately be developed into mines.

Mallee Bull/T1 (Peel 50%, CBH Resources 50%)

Peel is currently undertaking a pre-feasibility study on the high-grade, near-surface zinc-lead-silver-gold T1 lens at the Mallee Bull Project. The aim of the study is to investigate the conceptual development of T1 as a "dig and truck" operation, under which ore would be milled at joint venture partner CBH's Endeavor mine approximately 150km away, where surplus milling capacity exists. Prefeasibility concepts will consider open pit and underground mining scenarios, followed by the development of an exploration decline to ~300m below surface to enable the underground drilling of the primary Mallee Bull copper mineralisation. Peel and CBH believe this scenario could allow for a reduction in total capital expenditure and the staged mining development of the Mallee Bull deposit.

As part of the prefeasibility study, 39 RC/diamond drillholes were recently completed for 5,732.4m (4,927.6m RC and 803.8m diamond). The primary aim of this drilling was to infill to a maximum 20m by 20m drill spacing, and to define the limits of T1 mineralisation. The results will be included in an update to the geological and resource model for T1, which will form the basis for prefeasibility economic modelling. The drilling has also provided material for ongoing metallurgical testwork, and for geotechnical review. Other recent activities at Mallee Bull/T1 include the completion of an initial environmental baseline study, and the establishment of environmental and groundwater monitoring systems.

Recent assay results follow-on from metallurgical drillhole MBDD028 which returned T1's best result to date, comprising **13.5m @ 21.1% Zn, 14.1% Pb, 268 g/t Ag from 82m**; and continue to provide encouragement for the establishment of a high-grade mining reserve at T1. Highlights from recent assays include:

- **16m @ 13.52% Zn, 7.61% Pb, 191 g/t Ag and 1.31 g/t Au from 74m in MBRCDD065**
- **5m @ 5.47% Zn, 7.63% Pb, 102 g/t Ag and 0.14 g/t Au from 76m in MBRC066**
- **3m @ 19.79% Pb, 53 g/t Ag and 0.36 g/t Au from 62m in MBRC067**
- **4m @ 5.64% Zn, 3.29% Pb, 52 g/t Ag and 0.20 g/t Au from 64m in MBRC068**
- **4m @ 6.76% Pb, 46 g/t Ag and 0.53 g/t Au from 62m in MBRC069**

Further assay results are expected to be available within the next 2-3 weeks, with the completion of the prefeasibility study expected during the September quarter.

Wirlong (Peel 60%, JOGMEC 40%)

Ongoing drilling and geophysics at Wirlong are aimed at better defining and extending the known footprint of significant copper mineralisation discovered by Peel and joint venture partner JOGMEC. Wirlong bears the hallmarks of a Cobar-style deposit, with similarities to the CSA copper mine.

Drilling at Wirlong continues to identify significant copper mineralisation, with several strong new intercepts recorded. The results are preliminary and based on observations from geological logging, and indications from portable XRF analysers (pXRF), with assays awaited. Highlights include:

- **26m @ 2.89% Cu from 286m in WLRC026 (extension)**
- **9m @ 8.59% Cu from 299m in WLRC052**
- **23m @ 0.82% Cu from 179m in WLRC053**

Drillholes WLRC026, WLRC052 and WLRC053 were all drilled in a position approximately updip of drillholes WLDD001, WLRCDD015 and WLRCDD043, all of which intersected strong copper mineralisation. WLRC026 was extended from 277m to 350m, following recognition of continued potential beyond prior end-of-hole. Drillholes WLRC052-053 followed on from the intersection in WLRC026, with drillhole WLRC052 intersecting a zone of very strong massive chalcopyrite mineralisation from 300-304m, with pXRF indicating values up to 20% copper.

Drillhole WLRCDD043W1 was designed to test an offhole downhole electromagnetic (DHEM) anomaly centred north of WLRCDD043. WLRCDD043W1 was drilled to 869.8m and intercepted a zone of sub-economic copper mineralisation at ~720m downhole. The position of the mineralisation coincides approximately with the expected position of the target DHEM conductor plate. Recently completed downhole electromagnetic and gyroscopic surveys confirm that the DHEM target was successfully intersected, however the relatively weak mineralisation observed indicates that the drillhole likely intersected a structural "pinch" zone in the Wirlong copper system.

Recent drilling and DHEM results indicate that the Wirlong copper system is structurally dislocated and possibly constitutes a series of stacked, short-strike length, shoot-like structures. This is a typical feature of Cobar-style mineralisation and deposits. Peel remains highly encouraged by results to date, and the economic potential of the Wirlong copper system. Work remains ongoing at the time of reporting.

Wagga Tank (Peel 100%)

Drilling currently underway at the Wagga Tank prospect, comprising an initial program of ~3,000m of RC/diamond drilling, is aimed at increasing the footprint of this significant base and precious metals deposit, and testing for a possible high-grade gold shoot. Drilling has been slower than expected primarily due to disruption by heavy rain at the start of the drilling program.

Encouragingly the first step-out drillhole completed at Wagga Tank has returned significant new mineralisation including a zone of massive sulphides containing strong sphalerite and galena mineralisation. The results are preliminary and based on observations from geological logging, and indications from portable XRF analysers (pXRF), with assays awaited. The best intercept from drillhole WTRCDD020 was:

- **6m @ 7.37% Zn, 1.81% Pb, 10 g/t Ag from 282m**

Drilling at Wagga Tank is continuing along with general prospecting of several new target areas including the Mt Allen and Double Peak/Mt Dromedary historic mines/workings. Other activities recently completed within Peel's 100%-owned ground include a high-resolution airborne magnetic survey and several induced polarisation and gravity geophysical surveys. Interpretation and review of this data is ongoing at the time of reporting. Further information will be included in the upcoming quarterly report.

For further information, please contact:

Rob Tyson – Peel Mining Managing Director (+61 420 234 020).
Luke Forrestal – Media + Capital Partners (+61 411 479 144).

Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by 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.

The information in this report that relates to the Mallee Bull Mineral Resource estimates, and reported by the Company in compliance with JORC 2012 is based on information compiled by Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. Jonathon Abbott is 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 undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Abbott consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

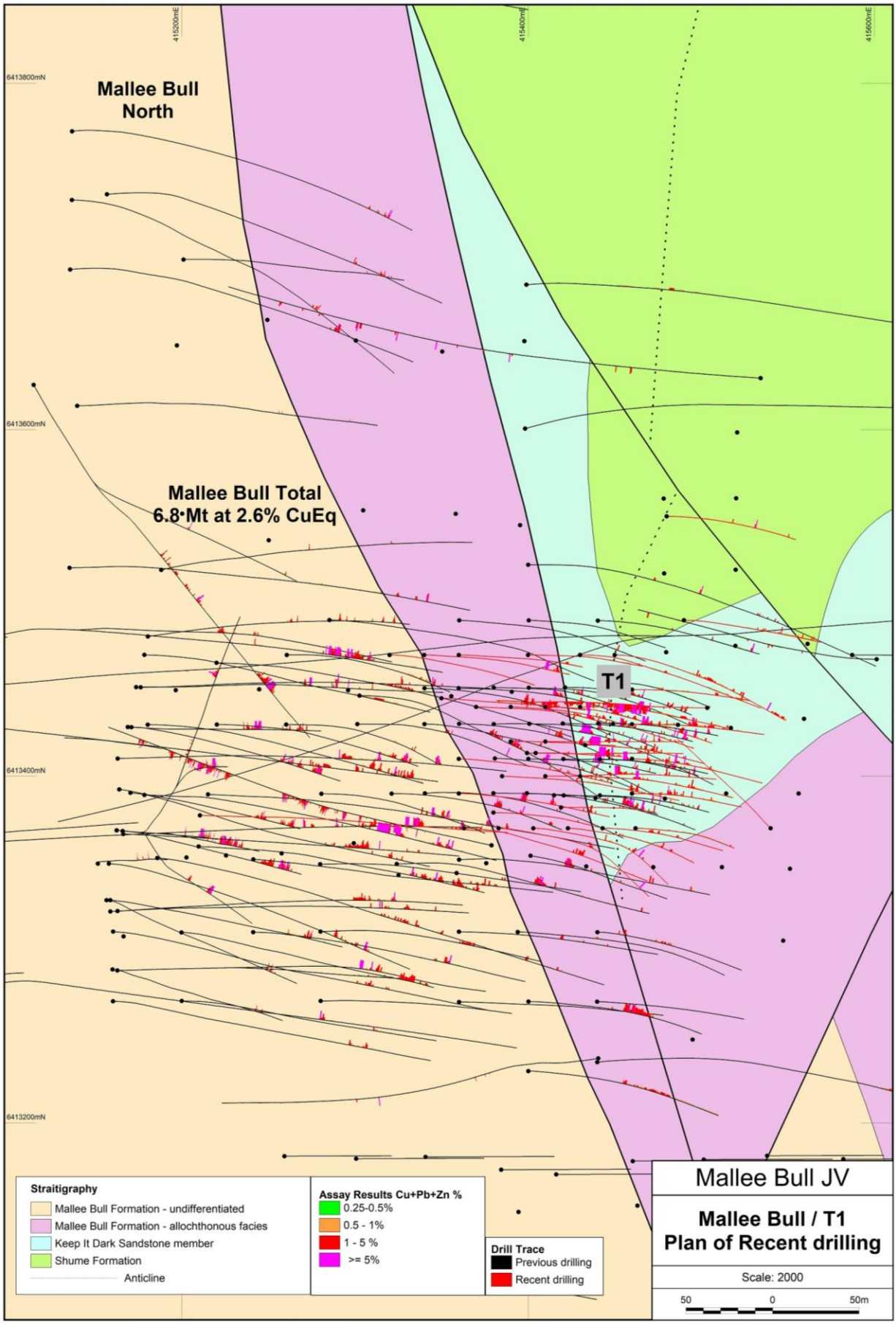

Figure 1 – Mallee Bull Drilling Plan (Cu+Pb+Zn Histogram/Geology)

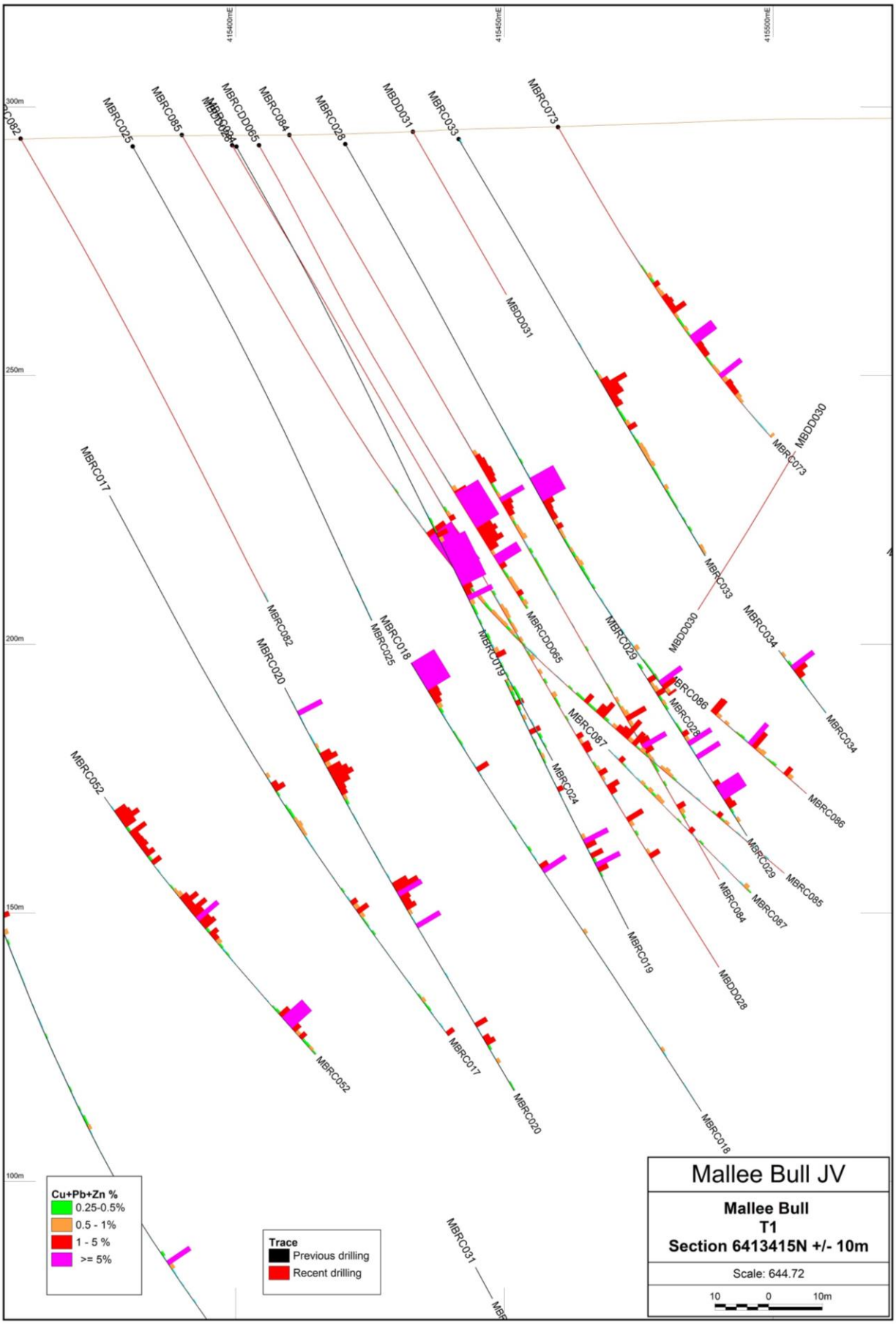

Figure 2 – Mallee Bull/T1 Cross Section 6413415N (Cu+Pb+Zn Histogram)

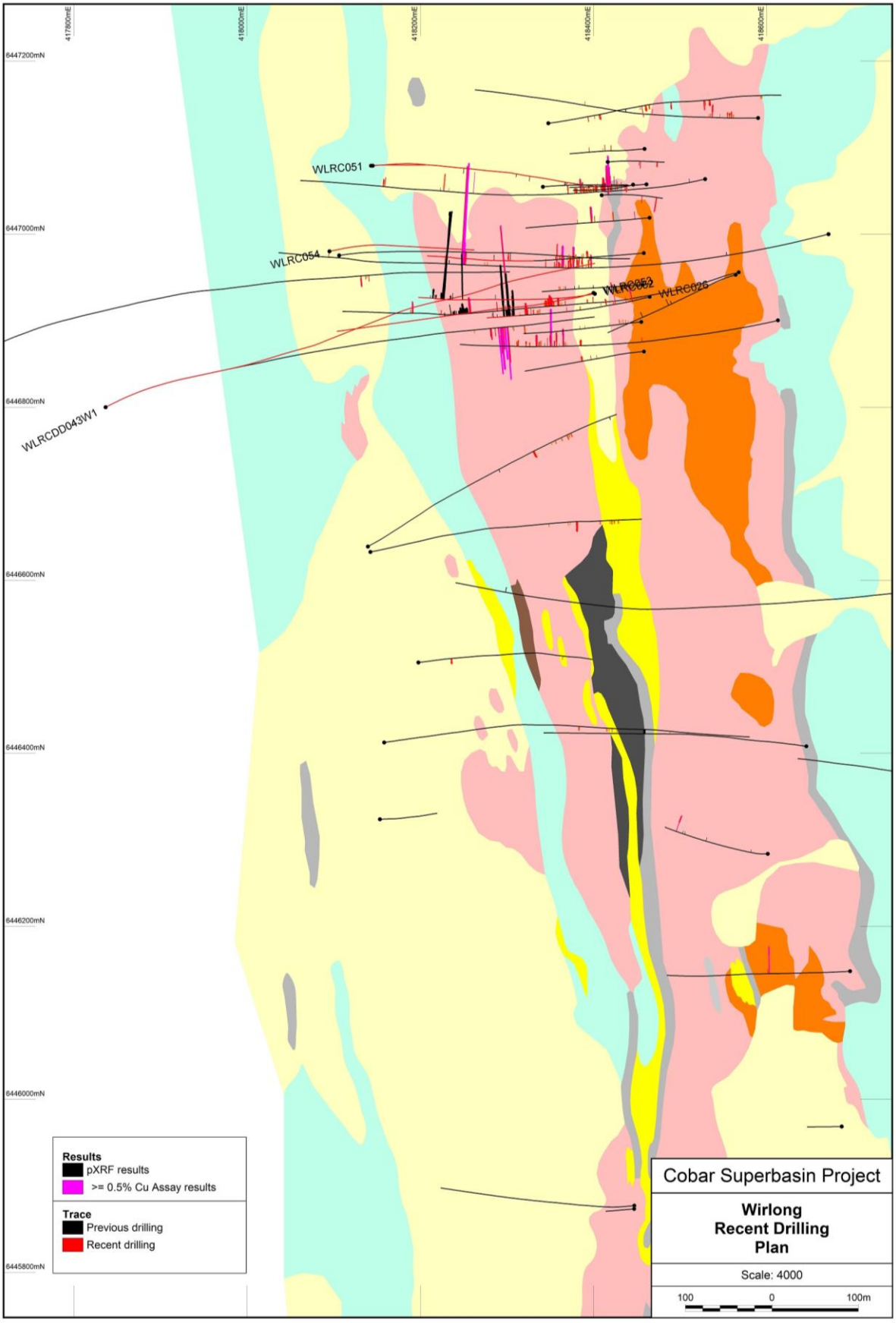

Figure 3 – Wirlong Drilling Plan (Cu assay and pXRF Histogram/Geology)

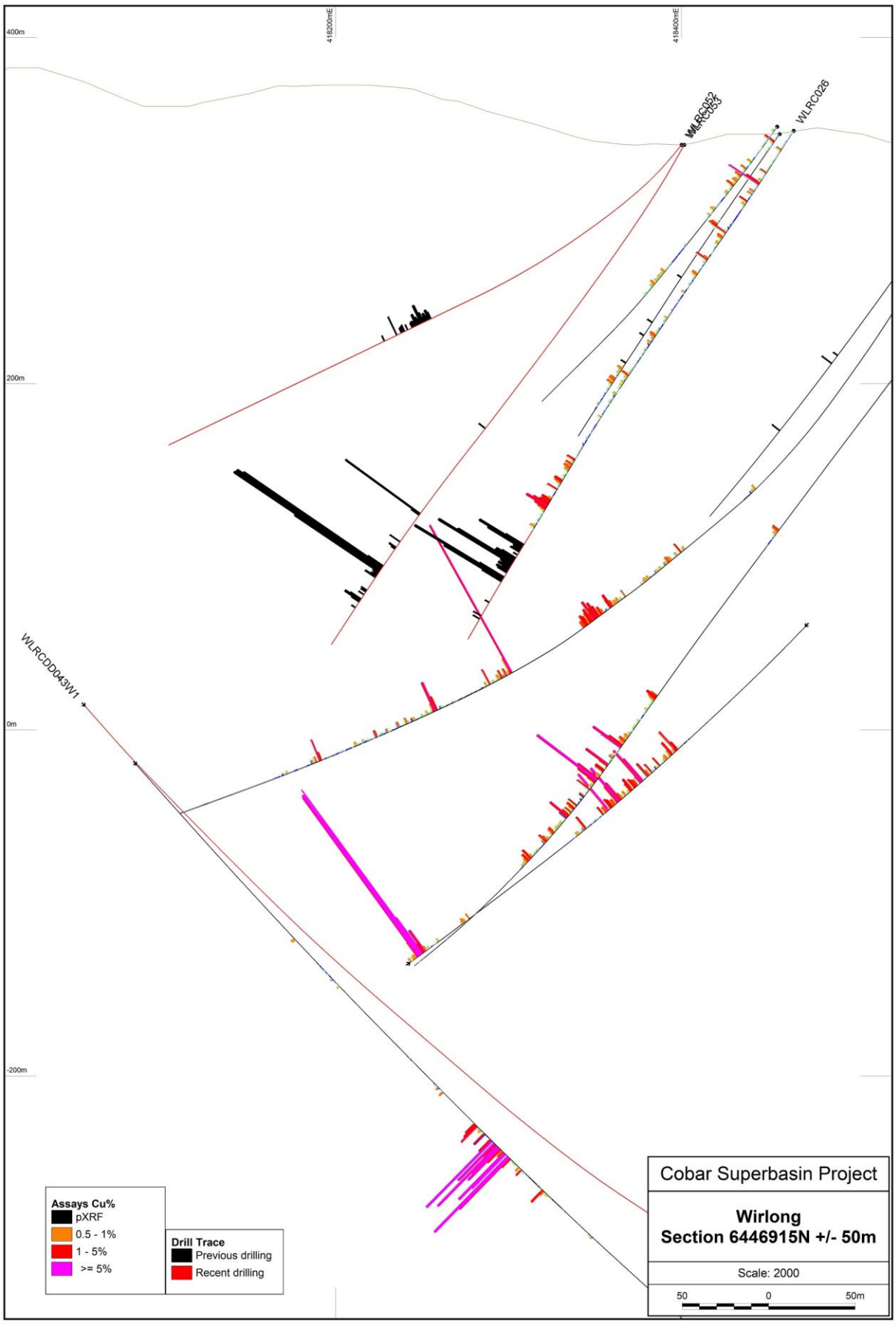

Figure 4 – Wirlong Cross Section 6446915N (Cu assay and pXRF Histogram)

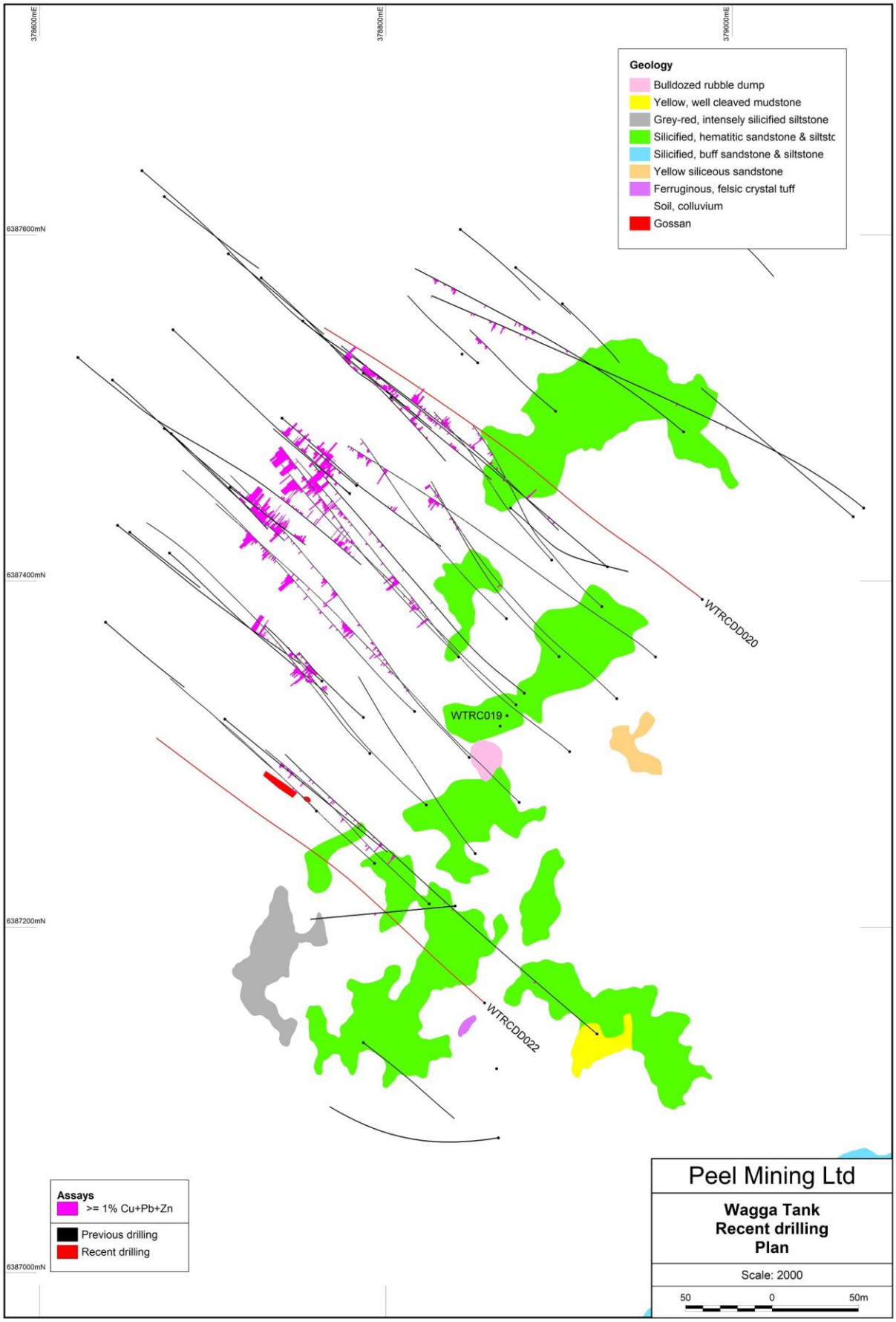

Figure 5 – Wagga Tank Drilling Plan (Assays/Geology)

Peel Mining Cobar Background

Peel Mining Ltd has been active in the Cobar Superbasin since March 2010. In that time, Peel has grown to become NSW's predominant greenfield's explorer, gaining the largest single company holding in the Cobar Superbasin.

The Mallee Bull Project/CBH JV (50% Peel) is centred on the namesake Mallee Bull copper deposit, discovered in August 2011. Mallee Bull represents one of the highest grade, undeveloped copper resources in Australia with an updated resource estimate published in July 2017:

Cut off CuEq	Category	Kt	Grade							Contained Metal					
			CuEq %	CuEq Kt	Cu%	Pb%	Zn%	Au g/t	Ag g/t	CuEq kt	Cu kt	Pb kt	Zn kt	Au koz	Ag Moz
1.00	Indicated	1,340	2.15	28.8	0.91	0.96	1.23	0.40	30	29	12	13	17	17	1.3
	Inferred	5,420	2.7	146	2.0	0.5	0.4	0.4	31	146	107	25	22	66	5.4
	Total	**6,760**	**2.6**	**175**	**1.8**	**0.6**	**0.6**	**0.4**	**31**	**175**	**119**	**38**	**38**	**83**	**6.6**

Activities at Mallee Bull are currently focused on completing a prefeasibility study on the T1 lens.

Peel (CSP) Pty Ltd/JOGMEC JV (Peel 60%; JOGMEC earning up to 50%) comprises 15 tenements covering ~2,500 sqkm. JOGMEC is earning up to 50% by up to $7m expenditure. Investigations so far have resulted in the discovery of a significant copper mineralised system at the Wirlong prospect. Wirlong has received minimal modern exploration and is defined by >2 km strike of sheared volcanics and sediments; large multi-element soil geochemical anomalies; and coincident/semi-coincident geophysical anomalies (K/Th radiometric, magnetic, IP, EM, gravity)

Drill highlights to date include:

- *9m @ 8.0% Cu, 17 g/t Ag, 0.21 g/t Au from 616m (incl. 2.82m @ 21.85% Cu, 46 g/t Ag, 0.62 g/t Au from 619.68m) and 38m @ 1.18% Cu, 4g/t Ag from 450m in WLDD001*
- *4.9m @ 4.3% Cu, 13g/t Ag from 402.1m (incl. 0.9m @ 19.5% Cu, 58 g/t Ag from 402.1m) and 22m @ 1.0% Cu, 4g/t Ag from 332m in WLRCDD015*
- *26m @ 1.21% Cu, 5 g/t Ag from 227m and 10m @ 1.01% Cu, 4 g/t Ag from 288m in WLRCDD024*
- *9m @ 3.29% Cu, 18 g/t Ag from 70m in WLRC035*
- *17m @ 4.59% Cu, 8 g/t Ag from 738m in WLRCDD043*

Wagga Tank (Peel 100%) is located ~130 km S of Cobar, ~50 km SW of Malle Bull. Effectively "landbanked" by majors since last drilling in 1989. Mineralisation is defined as a reactivated VHMS (or Sedex?) sulphide deposit. Mineralisation straddles the contact between volcaniclastics and siltstone-slates; broad zone of intense tectonic brecciation and hydrothermal alteration. 42 historic drillholes; highlights include:

- *32m @ 3.00 g/t Au, 24 g/t Ag from 10m*
- *20m @ 3.11 g/t Au, 63 g/t Ag from 28m*
- *25.9m @ 8.74% Zn, 3.39% Pb, 82 g/t Ag from 141.6m*
- *15.7m @ 10.39% Zn, 4.43% Pb, 69 g/t Ag from 215.6m*
- *24m @ 2.73% Cu, 0.56 g/t Au, 13 g/t Ag from 86m*
- *20.3m @ 2.17% Cu, 0.76 g/t Au, 9 g/t Ag from 184.4m*

Peel's maiden 18-drillhole programme (7 drillholes require extension) targeting primary mineralisation confirms historic data; highlights include:

- *12m @ 3.09% Cu, 97 g/t Ag, 1.36 g/t Au from 92m*
- *8m @ 8.54% Zn, 6.20% Pb, 134 g/t Ag, 1.45% Cu from 173m*
- *27m @ 10% Zn, 6.41% Pb, 89 g/t Ag, 0.42 g/t Au, 0.21% Cu from 240m (eoh)*
- *15m @ 8.5% Zn, 4.11% Pb, 114 g/t Ag, 1.57 g/t Au, 0.3% Cu from 280m*
- *17m @ 2.65 g/t Au, 0.54% Cu, 11 g/t Ag from 211m (eoh)*
- *16m @ 3.27 g/t Au, 0.35% Cu, 1.1% Zn, 0.57% Pb, 12 g/t Ag from 226m*

Drilling at Wagga Tank is currently underway and is aimed at increasing the footprint of mineralisation.

Table 1 – Mallee Bull T1 Prefeasibility Drill Collars

Hole ID	Northing	Easting	Type	Dip	Azimuth	Depth (m)	Comment
MBDD028	6413413	415399	DDH	-60.1	90.4	177.8	Complete
MBDD029	6413440	415503	DDH	-53.8	268.5	201.7	Complete
MBDD030	6413372	415542	DDH	-50.0	314.8	117.4	Complete
MBDD031	6413418	415434	DDH	-60.0	90.0	120.6	Complete
MBDD032	6413390	415409	DDH	-50.0	60.0	44.5	Complete
MBRC066	6413400	415411	RC	-60.0	90.0	157.0	Complete
MBRC067	6413400	415431	RC	-60.0	90.0	140.0	Complete
MBRC068	6413440	415431	RC	-60.0	90.0	140.0	Complete
MBRC069	6413430	415461	RC	-60.0	90.0	120.0	Complete
MBRC070	6413450	415461	RC	-60.0	90.0	120.0	Complete
MBRC071	6413470	415451	RC	-60.0	90.0	157.0	Complete
MBRC072	6413470	415432	RC	-60.0	90.0	157.0	Complete
MBRC073	6413410	415463	RC	-60.0	90.0	120.0	Complete
MBRC074	6413390	415463	RC	-60.0	90.0	120.0	Complete
MBRC075	6413370	415464	RC	-60.0	90.0	110.0	Complete
MBRC076	6413370	415445	RC	-60.0	90.0	120.0	Complete
MBRC077	6413370	415427	RC	-60.0	90.0	130.0	Complete
MBRC078	6413370	415405	RC	-60.0	90.0	140.0	Complete
MBRC079	6413370	415384	RC	-60.0	90.0	150.0	Complete
MBRC080	6413370	415364	RC	-60.0	90.0	160.0	Complete
MBRC081	6413390	415363	RC	-65.0	90.0	180.0	Complete
MBRC082	6413410	415362	RC	-60.0	90.0	180.0	Complete
MBRC083	6413400	415383	RC	-60.0	90.0	180.0	Complete
MBRC084	6413420	415411	RC	-60.0	90.0	160.0	Complete
MBRC085	6413420	415394	RC	-60.0	90.0	180.0	Complete
MBRC086	6413440	415412	RC	-60.0	90.0	160.0	Complete
MBRC087	6413440	415392	RC	-60.0	90.0	180.0	Complete
MBRC088	6413440	415373	RC	-60.0	90.0	150.0	Complete
MBRC089	6413470	415339	RC	-60.0	90.0	152.0	Complete
MBRC090	6413470	415360	RC	-60.0	90.0	140.0	Complete
MBRC091	6413382	415422	RC	-60.0	90.0	100.0	Complete
MBRC092	6413380	415383	RC	-60.0	90.0	120.0	Complete
MBRC093	6413470	415320	RC	-60.0	90.0	162.0	Complete
MBRC094	6413470	415401	RC	-60.0	90.0	120.0	Complete
MBRC095	6413445	415355	RC	-60.0	90.0	162.0	Complete
MBRC096	6413490	415488	RC	-60.0	90.0	150.0	Complete
MBRC097	6413550	415482	RC	-60.0	90.0	150.0	Complete
MBRCDD064	6413377	415211	RCD	-72.1	91.1	303.7	Complete
MBRCDD065	6413413	415406	DDH	-60.0	90.0	99.7	Complete

Table 2 – Wirlong Phase 4 Drill Collars

Hole ID	Northing	Easting	Type	Dip	Azimuth	Depth (m)	Comment
WLRC026	6446927	418465	RC	-55.8	258.5	350.0	Complete
WLRC032	6446978	418458	RC	-55.2	268.7	444.0	Complete
WLRC048	6443821	418550	RC	-57.0	270.0	348.0	Complete
WLRC049	6443033	418854	RC	-56.0	234.7	299.0	Complete
WLRC050	6447077	418142	RC	-60.0	85.0	150.0	Complete
WLRC051	6447077	418144	RC	-55.0	85.0	480.0	Complete
WLRC052	6446936	418394	RC	-60.0	261.8	354.0	Complete
WLRC053	6446935	418392	RC	-50.0	260.0	349.0	Complete
WLRC054	6446980	418095	RC	-67.0	75.0	-	Underway
WLRCDD043W1	6446800	417837	DDH	-60.9	62.6	869.8	Complete

Table 3 – Wagga Tank Phase 2 Drill Collars

Hole ID	Northing	Easting	Type	Dip	Azimuth	Depth (m)	Comment
WTRC019	6387319	378875	RC	-90.0	0.0	132.0	Water Bore
WTRC021	6386354	378698	RC	-60.0	270.0	204.0	Incomplete
WTRCDD020	6387390	378983	RCD	-50.0	312.0	399.5	Complete
WTRCDD022	6387162	378858	RCD	-50.0	312.0	369.0	Complete
WTRCDD023	6387333	379041	RCD	-50.0	312.0	-	Underway

Table 4 – Mallee Bull Significant Assay Results

Hole ID	From m	To m	Zn %	Pb %	Ag g/t	Au g/t	Cu %
MBRCDD065	73	74	0.74	0.08	3	0.02	0.01
MBRCDD065	74	74.4	1.70	0.73	24	0.17	0.04
MBRCDD065	74.4	75	22.70	22.60	622	3.35	0.09
MBRCDD065	75	76	21.60	10.10	275	4.86	0.05
MBRCDD065	76	77	28.80	15.35	468	3.79	0.09
MBRCDD065	77	78	32.40	18.95	530	2.78	0.30
MBRCDD065	78	79	32.30	17.85	479	4.04	0.55
MBRCDD065	79	79.6	33.40	20.10	520	2.78	0.43
MBRCDD065	79.6	80	3.95	1.79	27	0.07	0.03
MBRCDD065	80	81	7.99	3.57	41	0.07	0.10
MBRCDD065	81	82	5.06	2.37	33	0.12	0.09
MBRCDD065	82	83	2.07	0.88	15	0.21	0.03
MBRCDD065	83	84	2.44	1.04	18	0.32	0.02
MBRCDD065	84	85	2.02	0.78	13	0.06	0.02
MBRCDD065	85	86	2.48	1.05	14	0.07	0.05
MBRCDD065	86	87	1.31	0.53	8	0.03	0.02
MBRCDD065	88	88.4	7.65	4.22	82	0.17	0.28
MBRCDD065	88.4	89	40.90	24.10	506	0.92	0.46
MBRCDD065	89	90	13.90	6.34	120	0.15	0.31
MBRCDD065	90	91	0.42	0.76	12	0.23	0.02

Hole ID	From m	To m	Zn %	Pb %	Ag g/t	Au g/t	Cu %
MBRCDD065	94	95	0.20	0.59	5	0.01	0.01
MBRCDD065	95	96	0.19	0.64	4	0.01	0.01
MBRCDD065	96	97	0.47	0.61	4	0.11	0.02
MBRC066	69	70	1.45	0.01	1	-0.01	0.01
MBRC066	70	71	1.00	0.28	16	0.04	0.01
MBRC066	71	72	1.01	0.40	25	0.06	0.01
MBRC066	72	73	0.82	0.20	15	0.05	0.01
MBRC066	73	74	0.22	0.20	21	0.05	0.01
MBRC066	76	77	3.99	2.35	55	0.07	0.05
MBRC066	77	78	12.75	6.17	78	0.19	0.15
MBRC066	78	79	8.90	23.10	288	0.26	0.84
MBRC066	79	80	1.07	3.00	42	0.12	0.78
MBRC066	80	81	0.65	3.53	47	0.05	0.34
MBRC066	81	82	0.61	0.79	10	0.01	0.07
MBRC066	82	83	0.43	0.74	9	0.01	0.06
MBRC066	84	85	0.42	0.92	9	0.03	0.03
MBRC066	85	86	0.21	0.83	9	0.02	0.03
MBRC066	86	87	0.86	0.83	9	0.28	0.02
MBRC066	88	89	0.27	0.51	4	0.14	0.01
MBRC066	89	90	0.20	0.67	5	0.05	0.01
MBRC066	91	92	0.36	0.65	8	0.06	0.04
MBRC066	118	119	0.64	0.29	12	0.05	0.08
MBRC066	119	120	1.49	2.85	65	1.09	0.21
MBRC066	121	122	0.43	1.55	20	0.07	0.12
MBRC066	136	137	1.28	2.00	36	0.26	0.42
MBRC067	60	61	0.16	0.88	27	0.15	0.12
MBRC067	61	62	0.18	0.97	6	0.08	0.05
MBRC067	62	63	0.83	34.20	71	0.61	0.15
MBRC067	63	64	0.33	15.80	57	0.29	0.16
MBRC067	64	65	0.71	9.36	31	0.19	0.08
MBRC067	65	66	0.73	0.54	2	0.03	0.02
MBRC067	66	67	0.37	1.04	3	0.03	0.02
MBRC067	69	70	0.24	0.82	2	0.03	0.03
MBRC067	71	72	0.26	0.57	2	0.02	0.03
MBRC067	73	74	0.56	0.47	6	0.02	0.05
MBRC067	97	98	0.79	0.29	7	0.07	0.14
MBRC067	100	101	0.57	0.16	3	0.02	0.02
MBRC067	106	107	0.51	0.25	6	0.43	0.02
MBRC067	107	108	0.93	0.72	17	0.60	0.08
MBRC067	109	110	2.48	2.07	46	0.55	0.32
MBRC067	111	112	0.48	0.55	10	0.28	0.06
MBRC067	113	114	0.54	0.35	6	0.79	0.04
MBRC068	59	60	0.15	1.29	43	0.08	0.05
MBRC068	61	62	0.80	0.82	39	0.12	0.07

Hole ID	From m	To m	Zn %	Pb %	Ag g/t	Au g/t	Cu %
MBRC068	62	63	0.18	2.65	9	0.10	0.01
MBRC068	63	64	1.88	2.40	13	0.08	0.05
MBRC068	64	65	4.86	2.77	32	0.12	0.07
MBRC068	65	66	8.02	4.39	73	0.28	0.09
MBRC068	66	67	5.03	3.31	57	0.21	0.10
MBRC068	67	68	4.63	2.69	46	0.20	0.07
MBRC068	68	69	1.43	0.86	15	0.23	0.03
MBRC068	69	70	0.56	0.23	4	0.04	0.01
MBRC068	72	73	0.69	0.26	4	0.07	0.02
MBRC068	73	74	3.92	2.01	33	0.40	0.09
MBRC068	74	75	0.98	0.38	7	0.06	0.02
MBRC068	85	86	0.61	0.13	1	0.01	0.00
MBRC068	87	88	0.59	0.12	1	0.01	0.01
MBRC068	88	89	0.55	0.14	1	0.01	0.01
MBRC068	89	90	0.70	0.14	1	0.01	0.01
MBRC068	93	94	0.54	0.19	1	0.02	0.01
MBRC068	100	101	0.06	1.08	9	0.03	0.02
MBRC068	101	102	0.04	1.20	10	0.03	0.02
MBRC068	102	103	0.07	1.25	11	0.03	0.03
MBRC068	103	104	0.05	1.38	12	0.04	0.03
MBRC068	104	105	0.04	1.02	9	0.03	0.02
MBRC068	105	106	0.02	0.56	5	0.02	0.03
MBRC068	129	130	0.25	0.20	8	0.74	0.28
MBRC068	135	136	0.92	0.72	19	0.21	0.13
MBRC069	37	38	0.04	0.39	39	0.08	0.08
MBRC069	38	39	0.26	2.26	30	0.29	0.10
MBRC069	39	40	0.06	0.71	5	0.05	0.03
MBRC069	42	43	0.13	0.61	9	0.06	0.05
MBRC069	45	46	0.14	0.95	1	0.03	0.05
MBRC069	58	59	0.68	0.09	12	0.08	0.02
MBRC069	59	60	2.18	0.32	31	0.23	0.02
MBRC069	60	61	1.80	0.24	23	0.22	0.02
MBRC069	61	62	0.07	1.14	13	0.32	0.01
MBRC069	62	63	0.18	16.55	105	1.22	0.05
MBRC069	63	64	0.09	4.62	40	0.37	0.04
MBRC069	64	65	0.39	1.94	15	0.16	0.02
MBRC069	65	66	0.54	3.94	25	0.38	0.02
MBRC069	66	67	0.54	1.24	10	0.12	0.01
MBRC069	67	68	0.69	0.20	4	0.02	0.01
MBRC069	68	69	0.53	0.19	4	0.05	0.01
MBRC069	69	70	0.79	0.16	2	0.04	0.01
MBRC069	70	71	0.72	0.19	3	0.01	0.01
MBRC069	71	72	0.65	0.14	2	0.02	0.01
MBRC069	72	73	0.73	0.23	3	0.02	0.01

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Hole ID	From m	To m	Zn %	Pb %	Ag g/t	Au g/t	Cu %
MBRC069	73	74	0.86	0.24	4	0.01	0.01
MBRC069	74	75	0.59	0.18	3	0.02	0.01
MBRC069	75	76	0.56	0.18	3	0.01	0.01
MBRC069	76	77	0.93	0.33	5	0.02	0.01
MBRC069	77	78	0.85	0.41	5	0.06	0.01
MBRC069	78	79	1.30	2.04	23	0.35	0.06
MBRC069	79	80	0.64	0.63	8	0.02	0.06
MBRC069	80	81	0.29	1.46	18	0.04	0.06
MBRC069	88	89	0.15	0.84	15	0.02	0.02
MBRC069	89	90	0.08	0.71	13	0.01	0.02
MBRC069	90	91	0.07	0.62	7	0.01	0.02
MBRC069	91	92	0.05	0.82	8	0.01	0.02
MBRC069	92	93	0.01	0.91	9	0.01	0.02
MBRC069	93	94	0.01	0.53	6	0.01	0.01
MBRC070	39	40	0.03	0.23	134	0.29	0.06
MBRC070	40	41	0.02	0.12	228	0.17	0.04
MBRC070	41	42	0.02	0.09	26	0.05	0.03
MBRC070	42	43	0.06	0.18	49	0.06	0.03
MBRC070	56	57	0.14	0.51	1	0.01	0.01
MBRC070	61	62	0.17	0.61	2	0.35	0.01
MBRC070	88	89	0.74	0.98	18	0.05	0.01
MBRC070	89	90	0.31	1.02	17	0.06	0.01
MBRC070	90	91	0.15	1.18	14	0.05	0.02
MBRC070	106	107	0.13	0.53	8	0.13	0.04
MBRC071	83	84	2.25	1.10	11	0.01	0.03
MBRC071	84	85	0.63	0.32	3	-0.01	0.01
MBRC071	85	86	0.52	0.97	10	0.01	0.04
MBRC071	86	87	0.40	0.56	6	0.01	0.02
MBRC071	89	90	0.57	0.40	4	0.01	0.01
MBRC071	90	91	0.70	0.34	3	0.01	0.01
MBRC071	91	92	0.60	0.38	3	0.01	0.01
MBRC071	92	93	0.84	0.73	6	0.02	0.01
MBRC071	93	94	0.89	0.61	6	0.02	0.01
MBRC071	94	95	1.05	0.62	6	0.02	0.01
MBRC071	95	96	0.88	0.35	3	0.01	0.01
MBRC071	96	97	0.79	0.36	3	0.01	0.01
MBRC071	97	98	0.55	0.28	3	0.04	0.01
MBRC071	98	99	0.72	0.32	3	0.02	0.01
MBRC071	102	103	0.66	0.19	2	0.04	0.00
MBRC071	103	104	0.50	0.17	2	0.01	0.01
MBRC071	104	105	0.55	0.23	3	0.02	0.01
MBRC071	113	114	1.17	0.43	4	0.03	0.00
MBRC071	114	115	0.56	0.40	4	0.02	0.01
MBRC071	119	120	1.17	0.65	19	0.61	0.38

Hole ID	From m	To m	Zn %	Pb %	Ag g/t	Au g/t	Cu %
MBRC071	120	121	0.06	0.02	1	0.61	0.03
MBRC071	141	142	0.12	4.95	96	0.44	0.30
MBRC071	145	146	0.45	0.66	6	0.05	0.02
MBRC071	147	148	0.82	0.44	4	0.06	0.02
MBRC071	148	149	0.63	0.50	4	0.15	0.01
MBRC071	149	150	0.81	0.30	3	0.02	0.02
MBRC071	150	151	0.61	0.39	3	0.03	0.02
MBRC071	151	152	0.51	0.27	2	0.03	0.01
MBRC071	152	153	0.63	0.32	3	0.02	0.01
MBRC071	153	154	0.90	0.37	3	0.03	0.01
MBRC071	154	155	0.91	0.47	3	0.04	0.01
MBRC071	155	156	0.57	0.33	2	0.06	0.01
MBRC071	156	157	0.59	0.36	3	0.04	0.01
MBRC072	87	88	0.91	0.07	2	0.02	0.11
MBRC072	88	89	0.84	0.20	5	0.08	0.26
MBRC072	133	134	0.27	0.69	5	0.03	0.01
MBRC072	134	135	0.08	0.75	6	0.11	0.01
MBRC072	143	144	2.50	2.09	44	0.26	0.31

Table 1 - Section 1: Sampling Techniques and Data for Mallee Bull/Cobar Superbasin/Wagga Tank Projects

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond and reverse circulation (RC) drilling were used to obtain samples for geological logging and assaying. • Diamond core was cut and sampled at 1m intervals. RC drill holes were sampled at 1m intervals and split using a cone splitter attached to the cyclone to generate a split of 2-4kg to ensure sample representivity. • Multi-element readings were taken of the diamond core and RC drill chips using an Olympus Delta Innov-X portable XRF tool. Portable XRF tools are routinely serviced, calibrated and checked against blanks/standards.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling to date has been a combination of diamond, reverse circulation and rotary air blast. Reverse circulation drilling utilised a 5 1/2 inch diameter hammer. A blade bit was predominantly used for RAB drilling. NQ and HQ coring was used for diamond

Criteria	JORC Code explanation	Commentary
		drilling.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recoveries are recorded by the drillers in the field at the time of drilling and checked by a geologist or technician • RC and RAB samples are not weighed on a regular basis due to the exploration nature of drilling but no significant sample recovery issues have been encountered in a drilling program to date. • Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking and depths are checked against the depths recorded on core blocks. Rod counts are routinely undertaken by drillers. • When poor sample recovery is encountered during drilling, the geologist and driller have endeavoured to rectify the problem to ensure maximum sample recovery. • Sample recoveries at Wirlong and Mallee Bull to date have generally been high. • Sample recoveries at Wagga Tank have been variable with broken ground occurring in places and poorer sample recoveries encountered. Insufficient data is available at present to determine if a relationship exists between recovery and grade. This will be assessed once a statistically valid amount of data is available to make a determination.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core and drill chip samples are geologically logged. Core samples are orientated and logged for geotechnical information. Drill chip samples are logged at 1m intervals from surface to the bottom of each individual hole to a level that will support appropriate future Mineral Resource studies. • Logging of diamond core, RC and RAB samples records lithology, mineralogy, mineralisation, structure (DDH only), weathering, colour and other features of the samples. Core is photographed as both wet and dry. • All diamond, RC drill holes in the current program were geologically logged in full except at Wagga Tank where logging is still underway.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• Drill core was cut with a core saw and half core taken. • The RC drilling rigs were equipped with an in-built cyclone and splitting system, which provided one bulk sample of approximately 20kg and a sub-sample of 2-4kg per metre drilled.

Criteria	JORC Code explanation	Commentary
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All samples were split using the system described above to maximise and maintain consistent representivity. The majority of samples were dry. • Bulk samples were placed in green plastic bags, with the sub-samples collected placed in calico sample bags • Field duplicates were collected by re-splitting the bulk samples from large plastic bags. These duplicates were designed for lab checks. • A sample size of 2-4kg was collected and considered appropriate and representative for the grain size and style of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• ALS Laboratory Services were used for Au and multi-element analysis work carried on out on 3m to 6m composite samples and 1m split samples. The laboratory techniques below are for all samples submitted to ALS and are considered appropriate for the style of mineralisation defined at Mallee Bull: ○ PUL-23 (Sample preparation code) ○ Au-AA25 Ore Grade Au 30g FA AA Finish, Au-AA26 Ore Grade Au 50g FA AA Finish ○ ME-ICP41 35 element aqua regia ICP-AES, with an appropriate Ore Grade base metal AA finish ○ ME-ICP61 33 element 4 acid digest ICP-AES, with an appropriate Ore Grade base metal AA finish ○ ME-MS61 48 element 4 acid digest ICP-MS and ICP-AES, with an appropriate Ore Grade base metal AA finish • Assaying of samples in the field was by portable XRF instrument Olympus Delta Innov-X Analyser. Reading time was 20 seconds per reading with a total 3 readings per sample. • The QA/QC data includes standards, duplicates and laboratory checks. Duplicates for drill core are collected by the lab every 30 samples after the core sample is pulverised. Duplicates for percussion drilling are collected directly from the drill rig or the metre sample bag using a half round section of pipe. In-house QA/QC tests are conducted by the lab on each batch of samples with standards supplied by the same companies that

Criteria	JORC Code explanation	Commentary
		supply our own.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All geological logging and sampling information is completed in spreadsheets, which are then transferred to a database for validation and compilation at the Peel head office. Electronic copies of all information are backed up periodically. • No adjustments of assay data are considered necessary.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A Garmin hand-held GPS is used to define the location of the samples. Standard practice is for the GPS to be left at the site of the collar for a period of 5 minutes to obtain a steady reading. Collars are picked up after by DGPS. Down-hole surveys are conducted by the drill contractors using either a Reflex gyroscopic tool with readings every 10m after drill hole completion or a Reflex electronic multi-shot camera will be used with readings for dip and magnetic azimuth taken every 30m down-hole. QA/QC in the field involves calibration using a test stand. The instrument is positioned with a stainless steel drill rod so as not to affect the magnetic azimuth. • Grid system used is MGA 94 (Zone 55). All down-hole magnetic surveys were converted to MGA94 grid.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data/drill hole spacing is variable and appropriate to the geology and historical drilling. • 3m to 6m sample compositing has been applied to RC drilling at Mallee Bull for gold and/or multi-element assay.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Most drillholes are planned to intersect the interpreted mineralised structures/lodes as near to a perpendicular angle as possible (subject to access to the preferred collar position).

Sample security	• *The measures taken to ensure sample security.*	• The chain of custody is managed by the project geologist who places calico sample bags in polyweave sacks. Up to 5 calico sample bags are placed in each sack. Each sack is clearly labelled with:
		  ○ Peel Mining Ltd
		  ○ Address of Laboratory
		  ○ Sample range
		• Detailed records are kept of all samples that are dispatched, including details of chain of custody.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data is validated when loading into the database. No formal external audit has been conducted.

Table 1 - Section 2 - Reporting of Exploration Results for Mallee Bull/Cobar Superbasin/Wagga Tank Projects

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Mallee Bull prospect is wholly located within Exploration Licence EL7461 "Gilgunnia". The tenement is subject to a 50:50 Joint Venture with CBH Resources Ltd, a wholly owned subsidiary of Toho Zinc Co Ltd. • The Cobar Superbasin Project comprises of multiple exploration licences that are subject to a farm-in agreement with JOGMEC whereby JOGMEC can earn up to 50%. • The Wagga Tank Project comprises of EL6695, EL7226, EL7484 and EL7581 and are 100%-owned by Peel Mining Ltd, subject to 2% NSR royalty agreement with MMG Ltd. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Work at Mallee Bull was completed in the area by several former tenement holders including Triako Resources between 2003 and 2009; it included diamond drilling, IP surveys, geological mapping and reconnaissance geochemical sampling around the historic Four Mile Goldfield area. Prior to Triako Resources, Pasminco Exploration explored the Cobar Basin area for a "Cobar-type" or "Elura-type" zinc-lead-silver or copper-gold-lead-zinc deposit. • Work at Wagga Tank was completed by multiple previous explorers including Newmont, Homestake, Amoco, Cyprus, Arimco, Golden Cross, Pasmico and MMG.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Mallee Bull prospect area lies within the Cobar-Mt Hope Siluro-Devonian sedimentary and volcanic units. The northern Cobar region consists of predominantly sedimentary units with tuffaceous member, whilst the southern Mt Hope region consists of predominantly felsic volcanic rocks; the Mallee Bull prospect seems to be located in an area of overlap between these two regions. Mineralization at the Mallee Bull discovery features the Cobar-style attributes of short strike lengths (<200m), narrow widths (5-20m) and vertical continuity, and occurs as a shoot-like structure dipping moderately

Criteria	JORC Code explanation	Commentary
		to the west. • Wagga Tank, a volcanic-hosted massive sulphide (VHMS) deposit, is located ~130 km south of Cobar on the western edge of the Cobar Superbasin. The deposit is positioned at the western-most exposure of the Mt. Keenan Volcanics (Mt. Hope Group) where it is conformably overlain by a poorly-outcropping, distal turbidite sequence of carbonaceous slate and siltstone. Mineralisation is hosted in a sequence of rhyodacitic volcanic and associated volcaniclastic rocks comprising polymictic conglomerate, sandstone, slate, crystal-lithic tuff and crystal tuff. This sequence faces northwest, strikes northeast-southwest and dips range from moderate westerly, to vertical, and locally overturned to the east. Mineralisation straddles the contact between the volcaniclastic facies and the siltstone-slate facies where there is a broad zone of intense tectonic brecciation and hydrothermal alteration (sericite-chlorite with local silicification).
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All relevant information material to the understanding of exploration results has been included within the body of the announcement or as appendices. • No information has been excluded.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No length weighting or top-cuts have been applied. • No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect*	• True widths are generally estimated to be about 90-100% of the downhole width unless otherwise indicated.

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	*to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to Figures in the body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results are reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other substantive exploration data are available.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future work at Mallee Bull and Cobar Superbasin Project will include geophysical surveying and RC/diamond drilling to further define the extent of mineralisation at the prospects. Down hole electromagnetic (DHEM) surveys will be used to identify potential conductive sources that may be related to mineralisation. • Drilling at Wagga Tank is continuing and geophysical surveys are also planned.