ASX ANNOUNCEMENT 18th SEPTEMBER 2017

APOLLO HILL MINERAL RESOURCE UPDATED TO JORC CODE 2012

- **No change to the previously disclosed Mineral Resource estimate of 17.2Mt @ 0.9 g/t Au for 505,000 ounces of gold (using 0.5 g/t Au cutoff)**
- **Update brings Apollo Hill Mineral Resource estimate into line with JORC Code 2012**

In anticipation of Peel Mining Ltd's ("Peel" or "the Company") plans to vend its 100%-owned Apollo Hill Gold Project into Saturn Metals Limited (Saturn), and list the subsidiary on the ASX via an initial public offering (Public Offer), the Company advises that the Apollo Hill Mineral Resource estimate has been updated to comply with the 2012 version of the JORC code. Apollo Hill is located about 50 km south-east of Leonora and comprises a package of mineral tenements covering an area of about 1,000 km^2 within the highly mineralised North-Eastern Goldfields of Western Australia.

The Mineral Resource estimate was previously reported in September of 2011 under the 2004 version of the JORC code (see ASX announcement: "48% Jump in Apollo Hill Gold Resource to 505,000oz", dated 9th September 2011). There is no difference in the numbers between the versions (see Apollo Hill Resource estimates table below), however the current version has additional background information and disclosure around the Mineral Resource, predominantly contained within the appended "Table 1 – Apollo Hill (JORC Code 2012)".

The resource estimate at a range of gold cut-off grades is shown in the following table:

Apollo Hill Inferred Resource estimates to 180 metres depth (190mRL) Cut Off

Cut Off	Ra			Apollo Hill			Total		
Au g/t	Mt	Au g/t	koz	Mt	Au g/t	koz	Mt	Au g/t	koz
0.2	2.4	0.7	54	43	0.5	691	45.4	0.5	745
0.4	1.5	1.0	48	22	0.8	566	23.5	0.8	614
0.5	**1.2**	**1.1**	**42**	**16**	**0.9**	**463**	**17.2**	**0.9**	**505**
0.6	1.0	1.2	39	12	1.0	386	13.0	1.0	424
0.8	0.7	1.4	32	7	1.2	270	7.7	1.2	302
1.0	0.5	1.6	26	4	1.4	180	4.5	1.4	206
1.2	0.4	1.8	23	2	1.6	103	2.4	1.6	126

Apollo Hill Mineral Resource Estimation Summary

The Apollo Hill Project (*see Figure 1*) comprises two deposits, the main Apollo Hill deposit in the north of the project area, and the smaller Ra deposit in the south. Gold mineralisation at the project is associated with quartz veins and carbonate-pyrite alteration along a north-east dipping contact between felsic rocks to the west, and mafic dominated rocks to the east. The combined mineralised zones extend over a strike length of about 1.4 km, and have been intersected by drilling to a maximum depth of about 350m below surface.

Within the area covered by the current model, the study database contains 136 aircore, 214 reverse circulation (RC), and 59 diamond holes for 26,761m of drilling. An additional 135 RAB holes in this area were not included in the resource dataset. Peel's RC and diamond drilling provides approximately 18 per cent of the mineralised composites used for resource estimation.

Mineralised domains used for the estimates capture zones of continuous mineralisation with gold grades above approximately 0.1 g/t. Outlines were digitised on cross sections aligned with the drilling traverses and linked to form closed three dimensional wireframes. In addition to the mineralised domain, the estimates include a background domain which contains only rare, isolated mineralised drill results. The estimates include surfaces representing the base of oxidation and top of fresh rock as interpreted by Peel.

Peel completed a total of 52 immersion density measurements from samples obtained from diamond core drilling. These spatially clustered samples are of uncertain representivity. The current estimates include densities specified by Peel and range from 1.8 t/bcm for oxidised Ra mineralisation to 2.8t/bcm for fresh mafic Apollo Hill mineralisation.

Mineral Resources were estimated by Multiple Indicator Kriging, with block support correction to reflect likely open pit mining selectivity, a method that has been demonstrated to provide reliable estimates of gold resources recoverable by open pit mining for a wide range of mineralisation styles. Although the model estimates extend to around 290m depth, the reported resources only include estimates to about 180m below surface to reflect realistic extraction depths. Peel believes that the shallow and extensive nature of mineralisation at the Apollo Hill gold project suggests that the project has reasonable prospects for eventual economic extraction.

Apollo Hill deposit details

At Apollo Hill, two zones of mineralisation have been identified: West (or Main) Zone and the East Zone. The current resource extends for about 1,100m in strike. The gold mineralisation dips to the north-east at 45-60 degrees and is accompanied by quartz veins and carbonate-pyrite alteration associated with a structurally deformed mafic-felsic lithological contact. Mineralisation is present at surface.

The Apollo Hill mineralisation has been tested generally by 30m spaced, 45 degrees trending traverses of drill holes generally inclined towards the south-west. Across strike spacing is variable. For most traverses, the upper approximately 50m has been tested by holes spaced at around 20-30m. Below this depth the coverage is variable, ranging from around 20m spacing on some sections to commonly greater than 60m.

The western mineralised domain has an average width of about 100m while the eastern domain has an average width of about 170m. Metallurgical testwork by Peel Mining has been favourable showing gold extraction levels of more than 60% by gravity separation alone and greater than 92% of gold extractable via gravity and cyanidation.

Ra deposit details

The Ra gold deposit is covered by a layer of transported material, with mineralisation hosted by dolerite rock and dipping 30-60 degrees to the east. The current resource at Ra has a strike length of about 300m, with mineralisation open along strike and at depth.

Ra deposit mineralisation has been tested by generally 20m spaced, 45 degree trending traverses of drill holes inclined towards the south-west. Across strike spacing is generally around 15m to a depth of approximately 60m below surface. Below this depth, sampling is limited to rare, broadly and irregularly spaced drill holes.

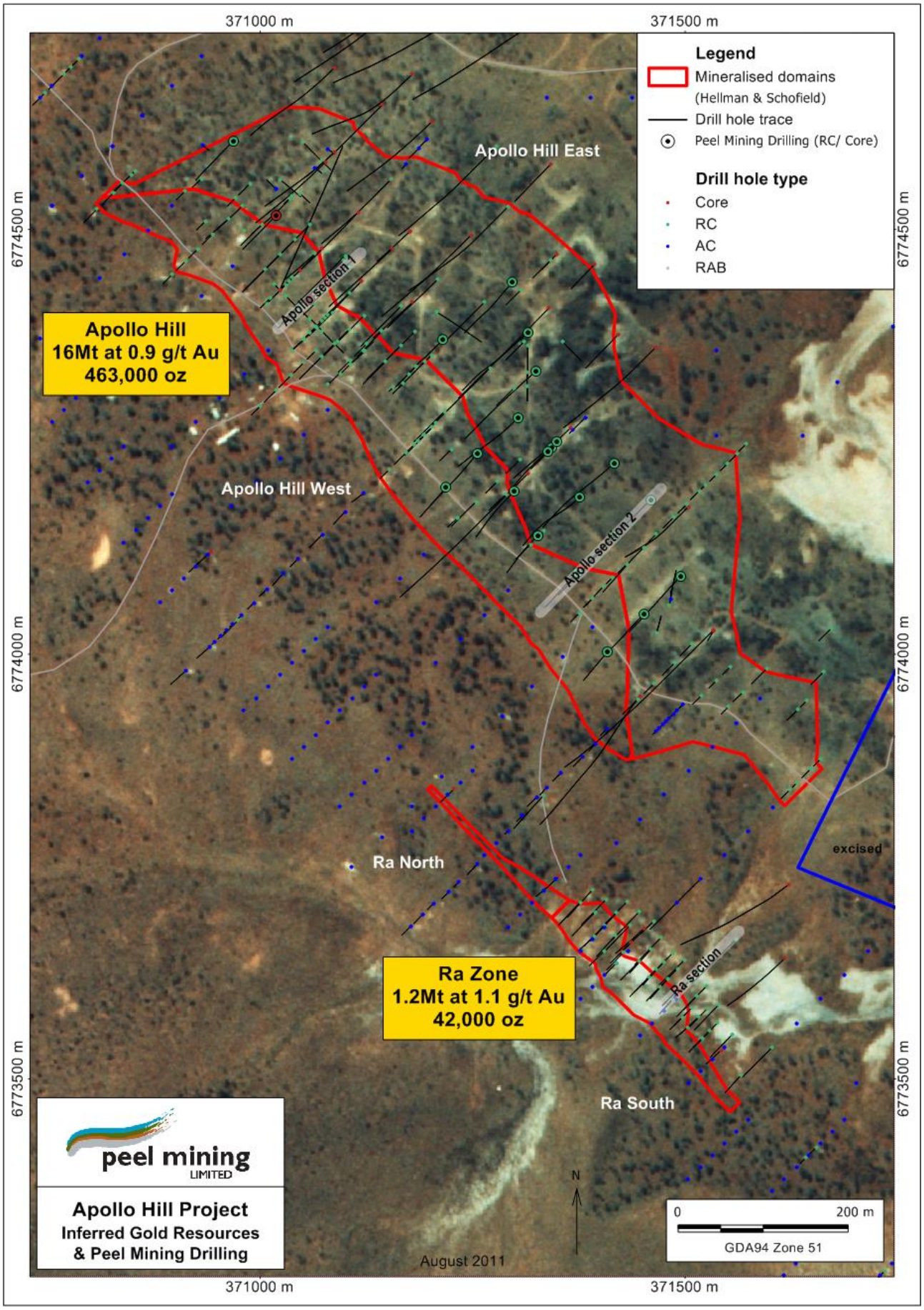

Figure 1 – Apollo Hill Gold Project Drilling and Resource Domains

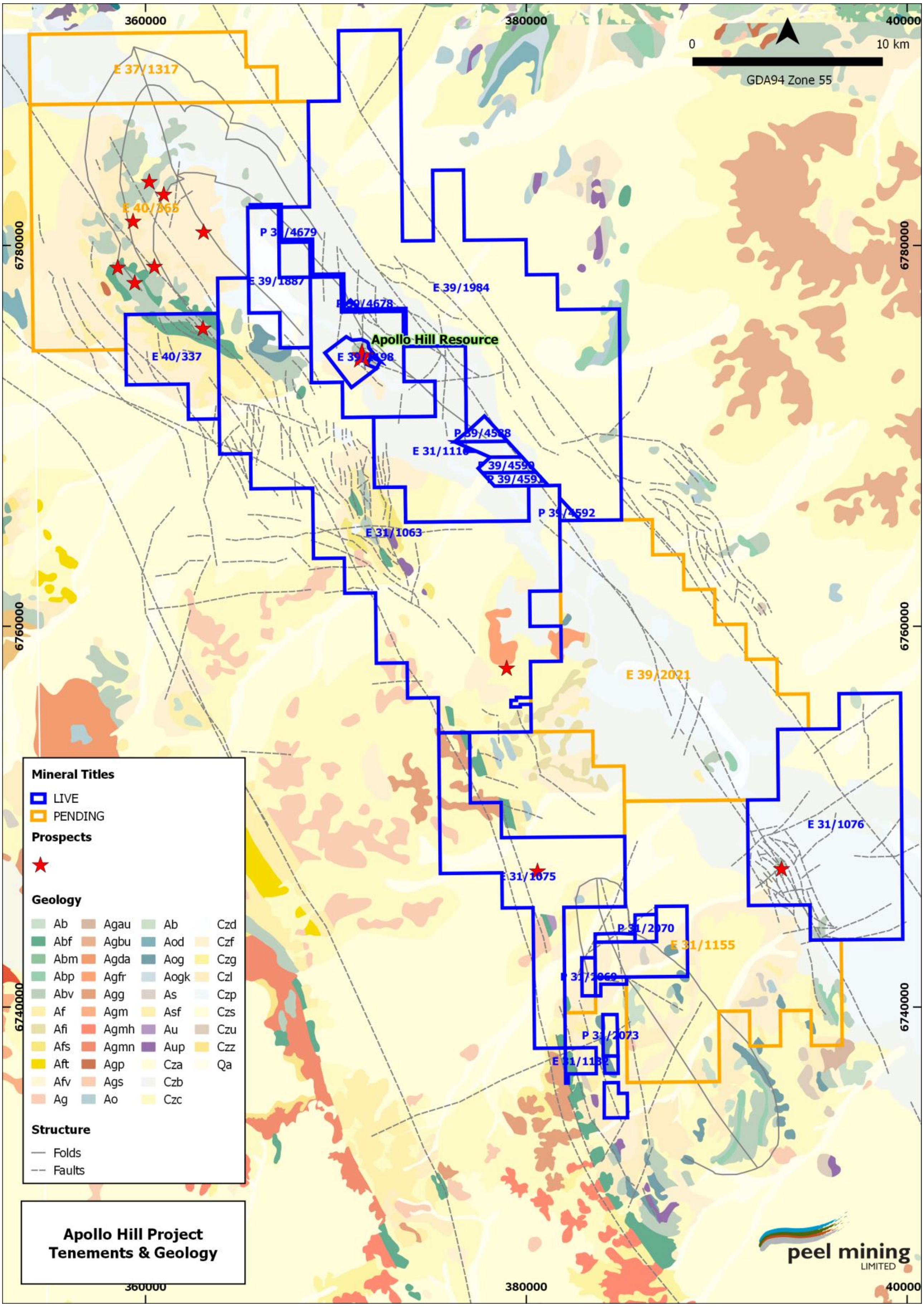

Figure 2 - Apollo Hill Gold Project Tenements & Geology

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 Statement

The information in this report that relates to the Apollo Hill 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". At the time of construction of the Apollo Hill estimates Mr Abbott was an employee of Hellman & Schofield Pty Ltd. 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.

Table 1 - Apollo Hill (JORC Code, 2012 Edition)

Section 1 Sampling Techniques and Data

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.*	• Apollo Hill drilling includes RAB, aircore, RC, and diamond drilling by Battle Mountain, Fimiston Mining, Homestake, MPI, Hampton Hill, Apex Minerals and Peel Mining since the mid 1980s. • The database contains 136 aircore, 214 RC, and 59 diamond holes for 26,761 m, along with 135 RAB holes that were not included in the resource dataset. • Peel's RC and diamond drilling provides around 18% of the estimation dataset. The remaining data are primarily from RC and diamond drilling by Battle Mountain (33%), Apex Minerals (18%), Fimiston Mining (13%), and Hampton Hill (12%). Homestake and MPI holes provide 5% and 1% of the data respectively. The estimation dataset is approximately evenly split between RC and diamond drilling with a minor contribution from aircore holes (0.1%).
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Measures taken to ensure the representivity of Peel's RC and diamond sampling include close supervision by geologists, use of appropriate sub-sampling methods, routine cleaning of splitters and cyclones, and RC rigs with sufficient capacity to provide generally dry, reasonable recovery samples. Information available to demonstrate sample representivity includes RC sample weights, field duplicates and core recovery measurements. • Few details of drilling and sampling methods for older drilling are available.
	• *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*	• Peel Mining: RC holes were sampled over 1m intervals by cone-splitting. Diamond core was generally sampled over 1m intervals and quartered for assaying with a diamond saw. RC and diamond samples were analysed by ALS in Kalgoorlie. At ALS samples were oven dried and crushed to 90% passing 2mm, and pulverised to 95% passing 106 microns, with analysis by 50g fire assay. • Battle Mountain: Aircore and RC holes were sampled over 1m intervals and commonly composited to 2m for analysis by AAS. Diamond core was analysed by screen fire assay or AAS. • Apex Minerals: RC holes were sampled over 1m intervals by riffle splitting and analysed by 50g fire assay, or less commonly Leachwell.

Criteria	JORC Code explanation	Commentary
		• Homestake: Aircore holes were composite sampled with analysis by aqua regia. Diamond core was halved by diamond saw and analysed by 50g fire assay. • Fimiston Mining: RC samples were collected over 1m intervals, with selected un-mineralised intervals composited to 2m for assaying. Dry samples were riffle split. Wet samples were collected by spearing. Analysis was by 50g fire assay.
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).*	• The estimation dataset is approximately evenly split between RC and diamond drilling with around 0.1% from aircore holes. • Peel RC drilling used generally 5.5 " face-sampling bits. Fimiston RC drilling employed 4.5" face sampling bits. Few details of older RC drilling procedures are available. • Peel diamond drilling was HQ diameter and oriented using an electronic tool. Older diamond drilling included HQ and NQ core, with orientation by spear.
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.*	• Peel Mining: Measures taken to maximise recovery for RC drilling included use of face sampling bits and drilling rigs of sufficient capacity to provide generally dry, high recovery samples. RC sample weights indicate an average recovery of around 74% and no relationship between recovery and grade. Diamond core recoveries average 99.7% with no relationship between recovery and grade. • Few details of sample recovery for older drilling are available and it is not known if this sampling exhibits any significant grade-recovery trends. Any uncertainty in the reliability of older data is captured by classification of the estimates as Inferred. It is anticipated that future drilling aimed at higher confidence estimates will include twinning of older holes.
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.*	• Drill holes were geologically logged by industry standard methods. Peel diamond core was routinely photographed. • Geological logs are available for 80% of the resource area drilling. • The logging is qualitative in nature and of sufficient detail to support the current resource estimates.

Criteria	JORC Code explanation	Commentary
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.* • *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.*	• Peel Mining: RC holes were sampled over 1m intervals by cone-splitting. Diamond core was generally sampled over 1m intervals and quartered for assaying with a diamond saw. RC and diamond sampling was closely supervised by field geologists and included appropriate sampling methods, routine cleaning of splitters and cyclones, and rigs with sufficient capacity to provide generally dry, high recovery RC samples. Sample representivity monitoring included weighing RC samples, field duplicates and core recovery measurements. Assay samples were crushed to 90% passing 2mm, and puliverised to 95% passing 106 microns, with fire assay of 50g sub-samples. Assay quality monitoring included reference standards and inter-laboratory checks assays. • Few details of sampling procedures for older drilling are available. • Apex Minerals: RC holes were sampled over 1m intervals by riffle splitting. QAQC monitoring included Leachwell repeats of original fire assays. • Homestake: aircore holes were composite sampled. Diamond core was halved by diamond saw. • Fimiston Mining: Dry RC samples were riffle split and wet samples were collected by spearing. • The project is at an early stage of evaluation and the suitability of sub-sampling methods and sub-sample sizes for all sampling groups has not been comprehensively established. The available suggests that sampling procedures provide sufficiently representative sub-samples for the current Inferred resource estimates.
Quality of assay data and laboratory tests	• *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.*	• No geophysical measurements were used in the resource estimates. • For Peel's sampling field duplicates, blind reference standards and inter-laboratory checks confirm assay precision and accuracy with sufficient confidence for the current estimates. Few details of sampling procedures for older drilling are available. • Apex Minerals assay quality monitoring included Leachwell repeats of original fire assays. • Peel re-sampled 99 core intervals from Hampton Hill diamond holes, and submitted these samples for independent fire assay at ALS and Standard Reference Laboratories giving average

Criteria	JORC Code explanation	Commentary
		gold grades around 30% less than reported by Hampton Hill. Reasons for this trend are unclear, and further investigations are planned as assessment of the deposit continues. Hampton Hill diamond drilling provides around 3% of the resource dataset and reliability of these data does not significantly affect confidence in the estimates. • Acceptable levels of assay accuracy have been established for the current Inferred estimates. Uncertainty over detailed accuracy of older data is captured by classification of the estimates as Inferred.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• No drill hole results are reported in this announcement.
	• *The use of twinned holes.*	• No twinned holes have been drilled at Apollo Hill
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Peel's compilation of historic drill data included verifying around 95% of assays with company reports, including assay certificates where available. • For Peel's drilling sample intervals and geological logs were recorded by field geologists on hard copy sampling sheets which were entered into spreadsheets for merging into a central SQL database. Laboratory assay files were merged directly into the database. Peel geologists routinely validate data when loading into the database.
	• *Discuss any adjustment to assay data.*	• Assay values were not adjusted for resource estimation.
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.* •	• Collars for Peel and Apex holes were surveyed by differential GPS. Survey methods for other sampling phases are uncertain. Most diamond holes (85%), and some RC holes (17%) were down-hole surveyed, generally by single shot camera. Detailed locations of hole paths for un-surveyed holes are uncertain. • The locations of drill hole traces have been defined with sufficient accuracy for the current Inferred estimates.
	• *Specification of the grid system used.*	• Older drilling used a local grid rotated 45° from AMG. Peel's surveying and resource modeling was undertaken in Map Grid of Australia 1994 (MGA94) Zone 51 coordinates.
	• *Quality and adequacy of topographic control.*	• A topographic triangulation was generated from drill hole collar surveys. Topographic control is adequate for the current estimates.
	• *Data spacing for reporting of Exploration*	• No drill results are included in this

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Results.*	announcement. • Apollo Hill mineralisation has been tested by generally 30m spaced traverses of south-westerly inclined drill holes. Across strike spacing is variable. The upper approximately 50m has been generally tested by 20-30m spaced holes, with deeper drilling ranging from locally 20m to commonly greater than 60m spacing. • Camp area drilling comprises generally 20m spaced traverses of south-west inclined holes. Across strike spacing is generally around 15m to approximately 60m with rare irregularly spaced deeper holes.
	• *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.*	• The data spacing is sufficient to establish geological and grade continuity sufficiently for the current Mineral Resource Estimates.
	• *Whether sample compositing has been applied*	• Drill hole samples were composited to 2m down-hole intervals for resource modeling.
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.*	• Mineralised zones dip at an average of around 60° to the northeast. Detailed orientations of all short-scale mineralised features have not yet been confidently established. The majority of resource holes are inclined at around 60° to the southwest. • Available information suggests that the resource drilling orientations achieve sufficiently un-biased sampling of the mineralisation for the current estimates.
Sample security	• *The measures taken to ensure sample security.*	• Apollo Hill is in an isolated area, with little access by general public. Peel's field sampling was supervised by Peel geologists. Sub-samples selected for assaying were collected in heavy-duty polywoven plastic bags which were immediately sealed. These bags were delivered to the assay laboratory by independent couriers, Peel employees or contractors. Few details of sample security for older drilling are available. Results of field duplicates, and the general consistency of results between sampling phases provide confidence in the general reliability of the resource data.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The competent person independently reviewed Peel's sample quality information and database validity. These reviews included consistency checks within and between database tables and

Criteria	JORC Code explanation	Commentary
		comparison of assay entries with original source records for Peel's drilling. These reviews showed no significant discrepancies. The competent person considers that the Apollo Hill resource data has been sufficiently verified to provide an adequate basis for the current Mineral Resource estimates.

Section 2 Reporting of Exploration Results

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 Apollo Hill project lies within Exploration Licence E39/1198, M31/486 and M39/296. The tenements are wholly-owned by Apollo Mining Pty Ltd, which in turn is 100%-owned by Peel Mining Ltd. E39/1198 and M31/486, along with certain other tenure, are the subject of a 5% gross over-riding royalty (payable to HHM) on Apollo Hill gold production exceeding 1 million ounces. M39/296 is the subject of a $1/t royalty (payable to a group of parties) on any production. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Aircore, RC and diamond drilling by previous tenement holders provides around 82% of the estimation dataset. These data are primarily from RC and diamond drilling by Battle Mountain (33%), Apex Minerals (18%), Fimiston Mining (13%), Hampton Hill (12%). Homestake and MPI holes provide 5% and 1% of the data respectively.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Apollo Hill project comprises two deposits: The main Apollo Hill deposit in the north-west of the project area, and the smaller Camp deposit in the south. Gold mineralisation is associated with quartz veins and carbonate-pyrite alteration along a steeply north-east dipping contact between felsic rocks to the west, and mafic dominated rocks to the east. The combined mineralised zones extend over a strike length of approximately 1.4km, and have been intersected by drilling to approximately 350m depth. • The depth of complete oxidation averages around 4m with depth to fresh rock averaging around 21m.
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*	• No individual drill hole results are reported in this announcement.

Criteria	JORC Code explanation	Commentary
	collar ○ *elevation or RL (Reduced Level – elevation above sea level in m) 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.*	
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.*	• No individual drill hole results are reported in this announcement.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect 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').*	• No drill hole results are reported in this announcement.
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.*	• See diagrams included.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable,*	• No drill hole results are reported in this announcement.

Criteria	JORC Code explanation	Commentary
	representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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.*	• Peel have undertaken two phases of preliminary metallurgical test work on samples of Apollo Hill mineralisation (see ASX announcement "Further Metallurgical Testwork Success at Apollo Hill" dated 16th June 2016.
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.*	• Although not yet planned in detail, it is anticipated that further work will include infill, step out and twin-hole drilling. This work will be designed to improve confidence in, and test potential extensions to the current resource estimates.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Peel's compilation of historic drill data included verifying around 95% of assays with company reports, including assay certificates where available. • For Peel's drilling sample intervals and geological logs were recorded by field geologists on hard copy sampling sheets which were entered into spreadsheets for merging into the central database. Laboratory assay files were merged directly into a SQL database. Peel geologists routinely validate data when loading into the database • The competent person's checks of database validity included consistency checks within and between database tables and comparison of assay entries with original source records for Peel's drilling. These reviews showed no significant discrepancies. • The competent person considers that the resource data has been sufficiently verified to provide an adequate basis for the current Mineral Resource estimates.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Mr Abbott has not visited Apollo Hill, due to lack of current field activities and early stage of project evaluation. While producing the resource estimates, Mr Abbott worked closely with Peel geologists who have visited the deposit many times and are familiar with the geological setting, and mineralisation controls. It is anticipated that a site visit will be undertaken when drilling recommences.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Apollo Hill's general geological setting has been confidently established from drill hole logging and geological mapping. Mineralised domains used for resource estimation capture zones of continuous mineralisation with drill sample gold grades of greater than 0.1 g/t. The domains are consistent with geological interpretation. • Mineralised domains interpreted for the Apollo Hill area comprise a generally higher grade western zone which straddles the felsic/mafic contact and a contiguous eastern zone of generally lower gold grades. These domains have been interpreted over a strike length of approximately 1,080m with average widths of around 100m and 170m respectively. • Mineralisation in the Camp area is interpreted as a moderately northwest dipping zone that has

Criteria	JORC Code explanation	Commentary
		been variably drilled over a strike length of 520m. This mineralisation is subdivided into a main southern domain, and a subsidiary, less closely drilled northern domain with average widths of approximately 40 and 30m respectively. • The depth of complete oxidation averages around 4m with depth to fresh rock averaging around 21m. • Due to the confidence in understanding of mineralisation controls and the robustness of the geological model investigation of alternative interpretations are considered unnecessary.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The west and east Apollo Hill domains are interpreted over a strike length of approximately 1,080m with average widths of around 100 and 170 m respectively. Camp mineralisation is interpreted over 520m of strike. The southern and northern domains have average widths of approximately 40 and 30 m respectively. • Model estimates extend from surface to around 290m depth. Mineral Resources are truncated at approximately 180m depth (190mRL) reflecting Peel's interpretation of the maximum depth with reasonable prospects for eventual economic extraction.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	• Mineralised domains used for resource estimation capture zones of continuous mineralisation with drill sample gold grades of greater than 0.1 g/t. The domains are consistent with geological interpretation. • Resources were estimated by Multiple Indicator Kriging (MIK) with grade continuity characterised by indicator variograms modelled at 14 indicator thresholds. All class grades were derived from class mean grades. The modeling used a three pass octant based search strategy giving estimates extrapolated to a maximum of 70m from composite locations. • Micromine software was used for data compilation, domain wire-framing, and coding of composite values, and GS3M was used for resource estimation. • The estimation technique is appropriate for the mineralisation style.
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	• There has been no production to date at Apollo Hill. • Previous resource estimates from the 1990's were based on substantially smaller datasets, and are not compatible with the current

Criteria	JORC Code explanation	Commentary
		estimates.
	• *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	• Estimated resources make no assumptions about recovery of by-products. • The resource models include estimates for gold only. No deleterious elements were estimated.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units*	• Apollo Hill area drilling comprises generally 30m spaced traverses, with the upper approximately 50m generally tested by 20-30m spaced holes, and commonly greater than 60m spacing at depth. Camp area drilling comprises generally 20m traverses of 15m spaced holes to approximately 60m depth, with rare, irregularly spaced deeper holes. • Resources were estimated into 10 by 30 by 5 m panels. • The modelling includes a three pass octant search strategy with search ellipsoids aligned with average domain orientations. Search radii and minimum data requirements are: Search 1: 40 by 40 by 8 m (16 data), Search 2: 70 by 70 by 14 m (16 data), Search 3: 70 by 70 by 14 (8 data). • The estimates include a variance adjustment to give estimates of recoverable resources for mining selectivity of 3 by 5 by 2 m with grade control sampling on a 4 by 6 by 1 m pattern.
	• *Any assumptions about correlation between variables.*	• The modeling did not include specific assumptions about correlation between variables.
	• *Description of how the geological interpretation was used to control the resource estimates.*	• Mineralised domain interpretation included reference to geological interpretations, and the domains are consistent with geological understanding.
	• *Discussion of basis for using or not using grade cutting or capping.*	• The MIK modeling included 14 indicator thresholds with all class grades derived from class mean grades.
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Model validation included visual comparison of model estimates and composite grades
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry tonnage basis
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Economic evaluation of the project is at an early stage, and metallurgical and mining parameters have not yet been confidently established. The cut-off grades applied to the estimates reflect

Criteria	JORC Code explanation	Commentary
		Peel's interpretation of potential commodity prices, costs and recoveries.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Economic evaluation of project is at an early stage, and mining parameters have not yet been confidently established. Peel believes that the shallow and extensive nature of mineralisation suggests that the project has reasonable prospects for eventual economic extraction. • The resource estimates include a variance adjustment to give estimates of recoverable resources for mining selectivity of 3 by 5 by 2 m with grade control sampling on a 4 by 6 by 1 m pattern. • Mineral Resources are truncated at approximately 180m depth (190mRL) reflecting Peel's interpretation of the maximum depth with reasonable prospects for eventual economic extraction.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Peel has completed several rounds of metallurgical testwork. The most recent testwork focused on conventional cyanide leach (with and without gravity) testwork, and heap leach simulation. Conventional cyanide leach (with and without gravity) testwork returned between 92-98% gold recoveries; whilst heap leach simulations returned gold extractions of between 69-78% gold recoveries. Various other testwork completed has generally returned positive results indicating that Apollo Hill mineralisation has favourable characteristics for potential economic exploitation.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• Economic evaluation of project is at an early stage, and environmental considerations for potential mining have not yet been evaluated in detail. Information available to Peel indicates that there are unlikely to be any specific environmental issues that would preclude potential eventual economic extraction.

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Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Density measurements comprise 52 immersion measurements of nominally 0.2m intervals of diamond core from the northern Apollo Hill area. Representivity of these clustered samples is uncertain. • The estimates include densities assigned by deposit area for oxide, transition and fresh mineralisation as follows: Camp: 1.8,1.8 and 2.6 t/bcm, Apollo Hill felsic 2.4,2.6 and 2.7 t/bcm, Apollo Hill mafic, 2.4,2.6 and 2.8 t/bcm. These values are within the range shown by the immersion measurements.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource estimates are classified as Inferred. • The resource classification accounts for all relevant factors and reflects the competent person's views of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The resource estimates have been reviewed by Peel geologists, and are considered to appropriately reflect the mineralisation and drilling data.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and*	• Confidence in the accuracy of the estimates is reflected by their classification as Inferred.

Criteria	JORC Code explanation	Commentary
	economic evaluation. Documentation should include assumptions made and the procedures used. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	