

JUNE 2020 QUARTERLY REPORT

31 JULY 2020

Key Points

- Subsequent to the quarters end, the Company announced its intention to acquire CBH Resources Limited's 50% share of the Mallee Bull Joint Venture, taking Peel's ownership in the project to 100%, by exercising its pre-emptive right, matching a third party's unconditional cash offer of \$17 million
- 100% control of the high-grade Mallee Bull copper deposit and the gold-polymetallic May Day deposit, in adjunct to the Company's Southern Nights-Wagga Tank zinc-lead-silver project, delivers the potential critical mass of resources to support Peel's strategy of establishing a robust standalone operation in the Southern Cobar Basin
- To fund the acquisition, the Company is undertaking a capital raising of \$17.1 million comprising:
 - a placement to institutional, sophisticated and professional investors which has raised \$10.5 million (before costs); and
 - a fully underwritten 1:8 pro-rata non-renounceable entitlement offer at \$0.175 per Share to raise up to an additional \$6.6 million (before costs)
- Strong financial position at quarter's end with \$8.2m cash following sale of 16m shares in Saturn Metals; remaining holding worth \$3m
- During the June quarter, desktop work included scoping study work on Wagga Tank-Southern Nights whilst relatively low-level field work continued to define new targets for future testing

Plans for September Quarter 2020

- Drilling at Siegals prospect targeting strong geophysical anomalies proximal to strong geochemical anomalies; drilling is supported by NSW New Frontiers Cooperative Drilling grant of up to \$200k
- Drilling at Southern Nights to test for southerly extensions to the mineral system to follow-up previously intersected gold-rich mineralisation
- Complete Southern Nights-Wagga Tank concept study as the first integral part towards supporting a stand-alone processing concept
- Undertake negotiations for access to drill a near surface gold target at Wagga Tank
- Complete an in-pit inferred resource for the May Day deposit based on existing drill data and metallurgical testing
- Drilling, metallurgical testwork and pit optimisation studies at May Day targeting a predominantly indicated classified mineable resource for December 2020
- Engage with engineering firms to commence conceptual polymetallic mill design to process ~1.2Mtpa

Corporate

Acquisition of the Mallee Bull Joint Venture Interest

Subsequent to the quarter's end, the Company advised that it had received an Initial Transfer Notice (ITN) from CBH after CBH received an unconditional cash offer of \$17,000,000 from a third party (Third-Party Offer) for its 50% share of the Joint Venture. Peel has had independent confirmation of the validity of the ITN and Third-Party Offer per the conditions of the Joint Venture Agreement. The Joint Venture consists of two tenements, being EL7461 and ML1361, and contains the namesake Mallee Bull copper-polymetallic deposit as well as the May Day gold-polymetallic deposit.

CBH has advised Peel that it intends to accept the Third-Party Offer, subject to Peel not exercising its pre-emptive right. Pursuant to the Joint Venture agreement between CBH and Peel, Peel has a pre-emptive right to acquire the Joint Venture interest on the same terms. Peel intends to submit an offer to acquire the Joint Venture interest, as soon as possible, within its pre-emptive right period which is 30 business days from receipt of the ITN.

It is anticipated that settlement, which is subject to execution of a sale agreement and to Ministerial approval for the transfer of title, may take 3-6 months.

To fund the acquisition, the Company is undertaking a capital raising of \$17.1 million comprising:

- a placement to institutional, sophisticated and professional investors which has raised \$10.5 million (before costs); and
- a fully underwritten 1:8 pro-rata non-renounceable entitlement offer at \$0.175 per Share to raise up to an additional \$6.6 million (before costs).

The Company proposes to use the proceeds of the capital raising, in conjunction with existing cash and liquid investments of ~\$11 million, for the acquisition of CBH's joint venture interest, the costs of the capital raising, and for ongoing working capital and general corporate purposes.

Further information regarding the fully underwritten 1:8 pro-rata non-renounceable entitlement offer will be announced in due course.

The Impact of Mallee Bull Consolidation on Corporate Strategy

The impending acquisition of CBH's share of the Mallee Bull interest will bring to an end the Mallee Bull Joint Venture after more than 8 years of congruous partnership. The acquisition also concludes a dialogue between the two companies dating back to late 2019 when Peel initially sought to consolidate ownership of the project.

The decision by Peel to pursue full ownership was borne primarily from Peel's decision to seek to consolidate its asset base following the definition of a maiden resource at Wagga Tank-Southern Nights; and also CBH's announcement in late 2019 of the impending closure of the Endeavour mine, north of Cobar, and with this the opportunity to utilise any spare milling capacity.

Owning 100% of Mallee Bull establishes full control and delivers potential critical mass of resources for Peel in the southern Cobar Basin, in the process transforming Peel's metal exposure to predominantly copper, and strengthening the Company's principal strategy to establish a robust stand-alone processing operation supported by multiple mines.

100%-ownership of the Mallee Bull deposit consolidates Peel's global resource base to more than 10Mt,

whilst the the May Day deposit, located within ML1361, presents Peel with a relatively low-cost opportunity to establish potential shallow gold-dominant mineable resources. Mallee Bull contains a JORC Resource of 6.76Mt @ 1.8% Cu, 31g/t Ag, 0.4g/t Au, 0.6% Pb, 0.6% Zn. (See ASX Announcement release 6th July 2017 “Mallee Bull Resource Grows by 65% to 175,000t CuEq” for full detail.)

The ability to consolidate ownership of Mallee Bull at a transaction cost of \$5 per resource tonne is an attractive opportunity, and importantly allows Peel to advance development scenarios for Mallee Bull, Wagga Tank-Southern Nights, and potentially May Day.

Peel’s experienced team is now moving to improve and grow the Company’s resources, for establishment of ore reserve and mining inventory, to form the basis of a robust stand-alone processing operation supported by multiple mines. Peel has now commenced planning of significant resource drilling programs at both May Day and Mallee Bull, in an effort to establish mineable resources.

Advancement of Peel’s Assets towards Development

Conceptual Mill Design

The company intends to engage with engineering firms to commence conceptual polymetallic mill design to process ~1.2Mtpa, with the mill envisaged to be centrally located amongst Peel’s projects. The conceptual plant will be capable of processing gold, silver, copper, lead and zinc, the primary metals associated with Peel’s key deposits (as listed below).

Southern Night-Wagga Tank Concept Study and Metallurgical Testwork

During the quarter, significant internal concept study work on the Southern Nights-Wagga Tank project was completed. Key components that were considered during the quarter included conceptual mine design covering mining method inclusive of development, bench and fill stoping, ventilation, pump stations and electrical sub-stations, and emergency egress. Consideration was also given to potential mine scheduling and production targets, metallurgical flowsheet and other surface and underground infrastructure.

Historic drilling points to the potential for a shallow gold target at Wagga Tank, which offers significant upside for a development. A conceptual small open pit could potentially provide early mill feed along with easier access to any conceptual underground mining scenario at Wagga Tank. In this regard, Peel has commenced access negotiations to enable follow-up of the significant historic drill intercepts.

Further metallurgical testwork commenced during the quarter with key areas to be investigated including: grind size establishment; targeted mineralogy on Au and Ag occurrence and mineral species; gravity Au recovery on lower grade samples; and upgrading Pb and Zn separation.

The Southern Nights and Wagga Tank deposits remain open along strike and down dip with drilling planned for the next quarter to follow-up previously intersected gold-rich mineralisation on the southern boundary of the Southern Nights deposit. It is anticipated that the scoping study will be completed during the current quarter. Metallurgical testwork remained ongoing at the end of the quarter.

May Day and Mallee Bull Work Programmes

At May Day, the Company plans to complete an in-pit inferred resource for the deposit based on existing drill data and previous preliminary metallurgical testwork. This will be followed by resource infill drilling, further metallurgical testwork and pit optimisations in an effort to produce a mineable resource which

will then form the basis for concept study work. It is envisaged that May Day has the potential to supply initial feed for the conceptual stand-alone mill.

At Mallee Bull, the Company plans to undertake infill resource drilling in an effort to define a predominantly indicated classified mineable resource. Existing internal scoping study for Mallee Bull will then be updated to reflect its potential contribution to a conceptual stand-alone mill.

Wirlong

During the quarter, a high level conceptual underground mining assessment was completed providing insight into the potential economics of the Wirlong deposit, and to assist with future work programme planning.

COVID-19

During quarter, in response to the COVID-19 pandemic, the Company implemented a series of precautionary measures as part of its OHS policies to ensure that risk around COVID-19 was minimised for all employees and contractors. These measures include restrictions on non-essential travel, as well as social distancing and increased awareness around hygiene.

As a result, Peel's field presence was reduced and no drilling was undertaken during the quarter with New South Wales-based staff performing only relatively low-level field activities. Desktop reviews were undertaken on all projects, with tenement rationalisation a focus. With restrictions now easing, the Company has, subsequent to the quarter's end, restarted drilling at Siegals and has significant work planned across its Cobar projects for the remainder of the year.

The Company will continue to monitor the situation and the government's advice around the pandemic, and will seek to act in accordance with this advice.

Saturn Metals Investment

On 9th June 2020, the Company sold down its holding in Saturn Metals Limited by 16,000,000 shares (19.0%). The sale was completed at A\$0.45 per share with the block trade corner-stoned by large North American Institutional Investors and high net worth individuals. The sale raised gross proceeds of A\$7.2m placing the Company in a strong financial position. Peel retains a significant holding of 4,000,001 shares (4.54%) in Saturn Metals Limited (worth about A\$3m at the time of reporting), and has undertaken to place this holding into voluntary escrow for a period of 3 months from the sale date.

New Frontiers Co-operative Drilling

During the quarter, the company was successful in being awarded a grant under the New Frontiers Co-operative Drilling initiative, managed by the Geological Survey of NSW as part of NSW's Mineral Strategy commitment promoting investment in NSW. The funding is to be used on the Company's Double Peak and Siegals prospects and is up to a maximum total amount of \$200,000 (GST exclusive). Drilling at Siegals targeting strong geophysical anomalies proximal to strong geochemical anomalies is planned for mid-late July 2020 and will be eligible for the funding assistance.

Research and Development

The Company received a \$215,448.54 Research and Development (R&D) Tax Incentive Refund for activities during 2018/2019 year. The Company continued its R&D project during the current year.

Exploration

Wagga Tank Project: Zinc, Lead, Silver, Copper, Gold; Western NSW (PEX 100%). Targets: Cobar-style polymetallic mineralisation; Volcanogenic Massive Sulphide mineralisation.

The Wagga Tank project is located on the western edge of the Cobar Superbasin, ~130 km south of Cobar or ~30km northwest of Mount Hope and is host to the namesake polymetallic VMS-type deposit. Mineralisation straddles a broad zone of intense tectonic brecciation and hydrothermal alteration (sericite-chlorite with local silicification) and occur as sub-vertical elongate shoots/lenses. Drilling by Peel to date has focused on defining the geometry and extent of large-scale Zn-rich mineralisation at Wagga Tank-Southern Nights.

Mineral Resource Estimate

During the previous quarter Peel completed a Mineral Resource Estimate ("MRE") upgrade at the Southern Nights and Wagga Tank deposits located in the Cobar Basin of western NSW. An Indicated and Inferred MRE of **4.95Mt @ 5.0% Zn, 2.0% Pb, 78 g/t Ag, 0.3% Cu, and 0.4 g/t Au** has been reported within AU\$80/t NSR mineable shapes, **a 31.5% increase in Indicated and Inferred resource tonnage** from the previous MRE of 3.8Mt @ 5.5% Zn, 2.1% Pb, 75 g/t Ag, 0.27% Cu and 0.31 g/t Au. For full details see announcement dated 26th March 2020 – "Substantial Resource Upgrade for Southern Nights".

Next Steps

The Southern Nights and Wagga Tank deposits remain open along strike and down dip with drilling planned for the next quarter to follow-up previously intersected gold-rich mineralisation on the southern boundary of the Southern Nights deposit. It is anticipated that the scoping study will be completed during the current quarter. Metallurgical testwork remained ongoing at the end of the quarter.

Mallee Bull Project: Copper, Silver, Gold, Lead, Zinc; Western NSW (PEX 50% manager, CBH 50%). Targets: Cobar-style polymetallic mineralisation; Volcanogenic Massive Sulphide mineralisation.

The Mallee Bull project is a 50:50 Joint Venture with CBH Resources Limited (CBH). The project has a JORC compliant Mineral Resource of 6.76 million tonnes at 1.8% copper, 31 g/t silver, 0.4 g/t gold, 0.6% lead and 0.6% zinc (2.6% copper equivalent) containing approximately 119,000 tonnes of copper, 6.6 million ounces silver, 83,000 ounces gold, 38,000 tonnes of lead and 38,000 tonnes of zinc (175,000t copper equivalent) (using a 1% copper equivalent cut-off). Details of the resource can be found in the announcement released 6 July 2017 – "Mallee Bull Resource Grows 65% to 175,000 CuEq".

Acquisition of the Mallee Bull Joint Venture Interest

As previously mentioned, subsequent to the quarter's end, the Company advised that it had received an Initial Transfer Notice (ITN) from CBH after CBH received an unconditional cash offer of \$17m from a third party for its 50% share of the Joint Venture. Peel has had independent confirmation of the validity of the ITN and Third-Party Offer per the conditions of the Joint Venture Agreement. The Joint Venture consists of two tenements, being EL7461 and ML1361, and contains the namesake Mallee Bull copper-polymetallic deposit as well as the May Day gold-polymetallic deposit.

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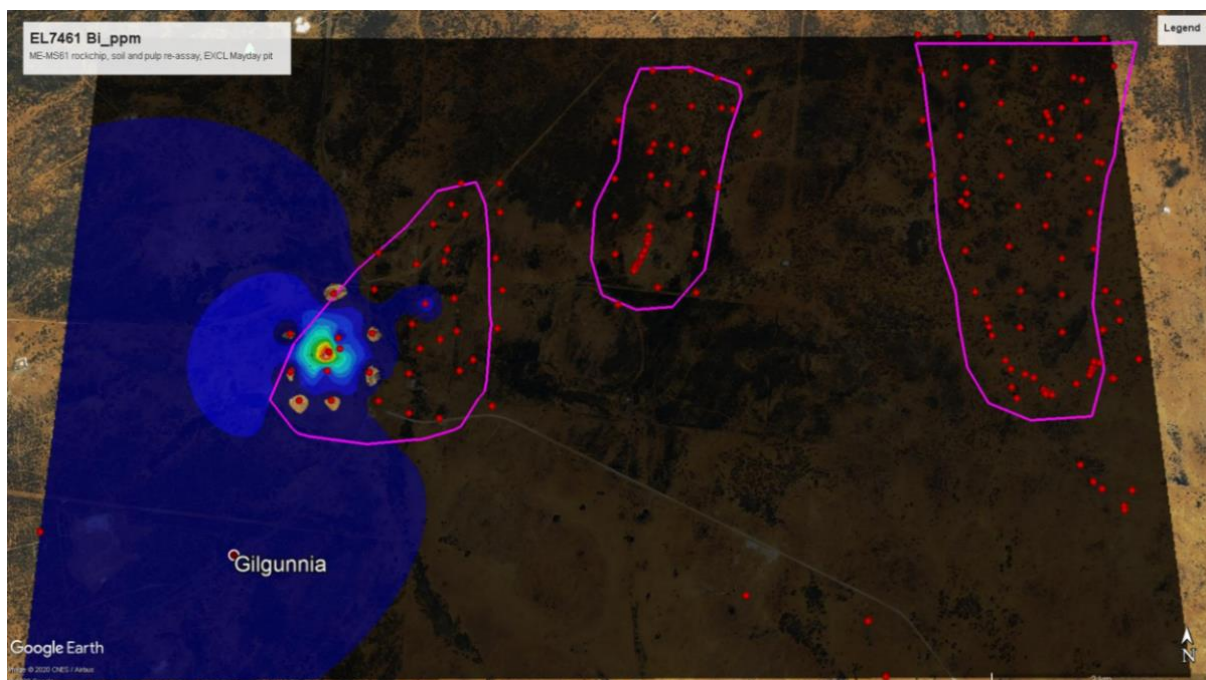
emptive right. Pursuant to the Joint Venture agreement between CBH and Peel, Peel has a pre-emptive right to acquire the Joint Venture interest on the same terms. Peel intends to submit an offer to acquire the Joint Venture interest, as soon as possible, within its pre-emptive right period which is 30 business days from receipt of the ITN.

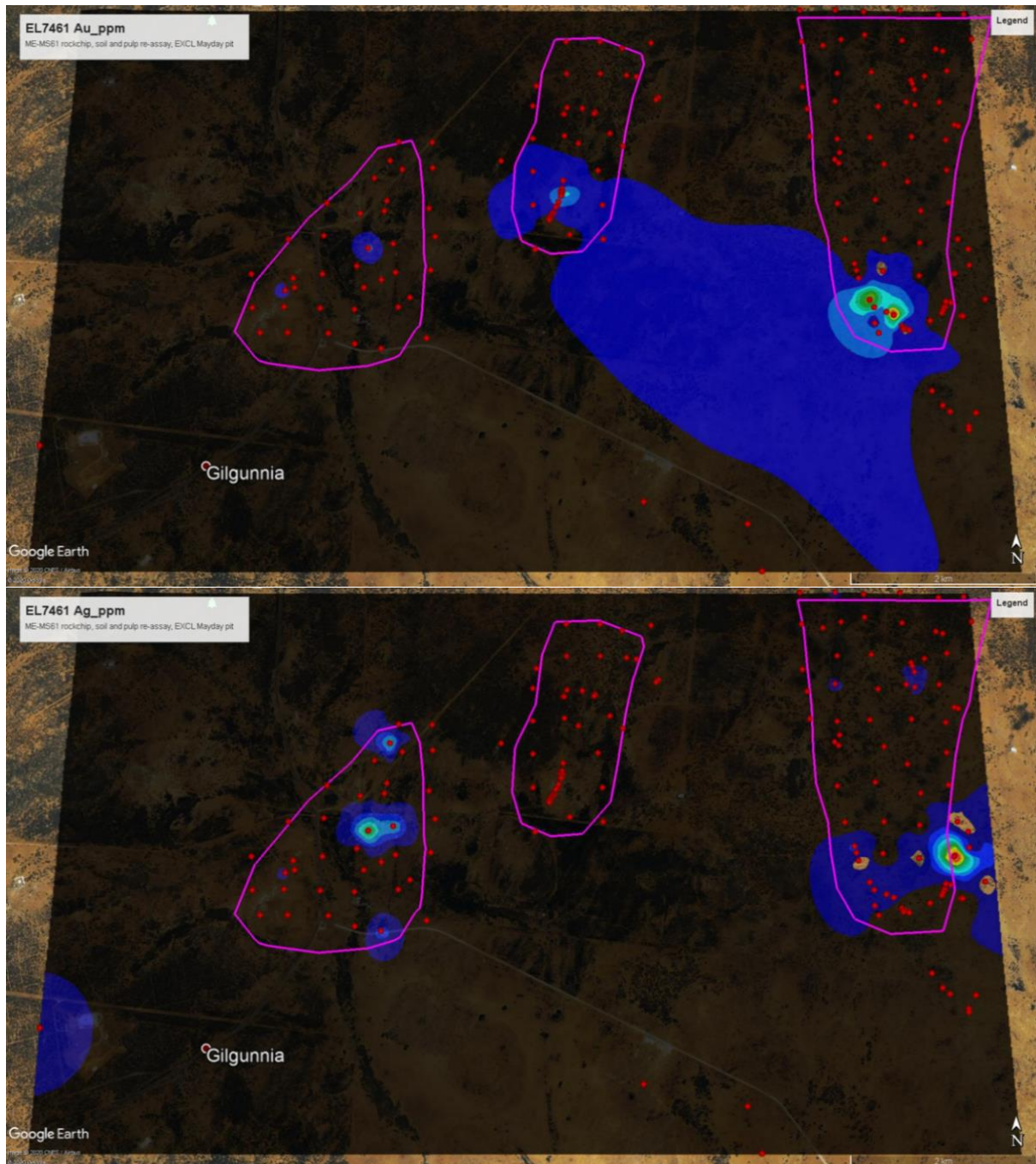
Mallee Bull field activities during the quarter

Work continued on compiling and lodging all necessary documentation required to obtain regulatory approval for the establishment of an exploration decline. The NSW Resources Regulator has advised they require additional information from various other NSW Government departments/agencies and the Cobar Shire in relation to the Review of Environmental Factors (REF) documentation and for Notification of High-Risk Activity application. The Company and its consultants are assessing the requirements in advance of a further submission to the Resources Regulator.

A broader review of the prospects surrounding Mallee Bull, within the EL7461 area (including the Mallee Bull, Crucible and Gilgunnia areas) has been completed during the quarter. The review involved conducting a 400m x 400m rock chip grid of the areas (infilling with soil samples in areas with no outcrop) and assaying for ME-MS61. Re-assaying of previously collected rock-chip and grab samples was undertaken using the same method as well as a review of all of the surface geochemical data available.

The returned assays identified a number of areas of interest: South-East of Mallee Bull had anomalous rock chip samples with better results in sample 50318 – 4.01g/t Ag and 0.16% Zn and 50319 – 5.46g/t Ag, 0.12g/t Au and 0.21% Zn. Southern Mallee Bull with sample 49963 – 0.37g/t Au, 3550ppm As and 119ppm Sb (collected in 2012, reassayed this quarter), sample 49953 – 4.8g/t Au, 0.7g/t Ag (collected in 2012, reassayed this quarter) and sample 49958 – 6.27g/t Au, 0.37g/t Ag (collected in 2012, reassayed this quarter). West of the Mallee Bull Area with sample 49967 – 0.26g/t Ag, 0.11% Cu, 0.22% Zn and 10% Mn (collected and initially assayed in 2012). The Gilgunnia area also highlighted some areas of interest which includes West of the Gilgunnia area sample Rcgil1 – 0.66g/t Ag, 0.05% Cu, 0.022% Pb and 249ppm Bi (2010) and Central Gilgunnia 690-rock – 2.47g/t Ag, 0.79g/t Au, 0.07% Cu and 4.41% Mn (2010).





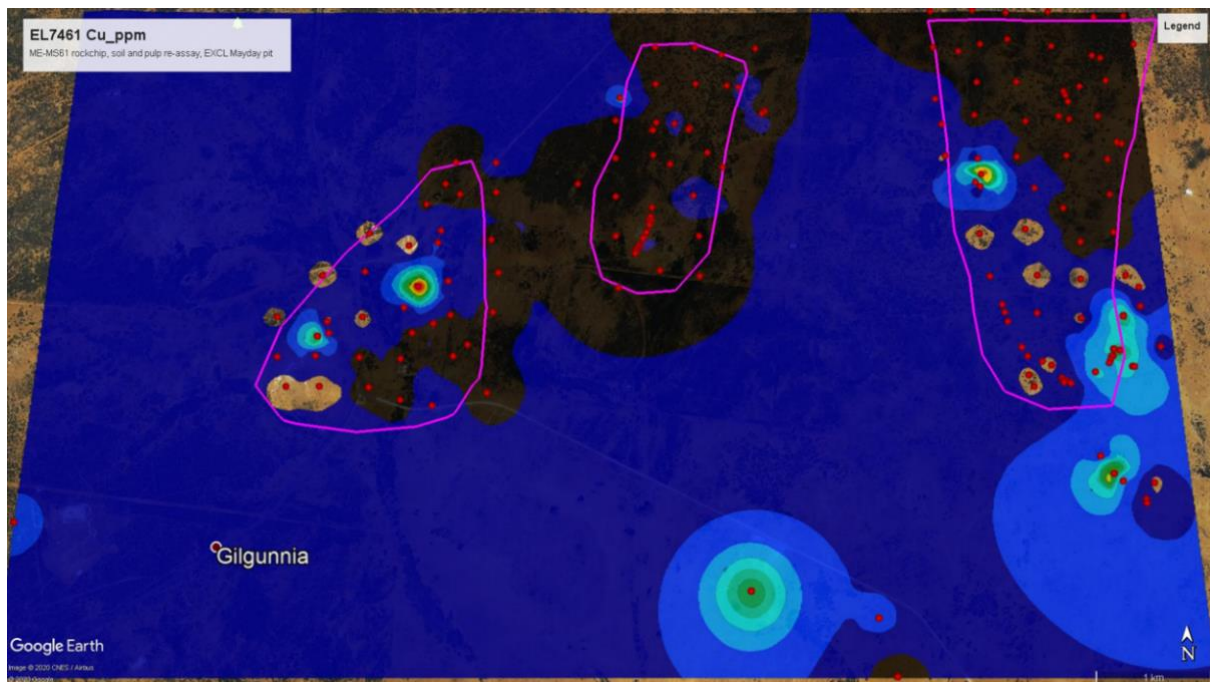


Figure 2. Bi (ppm), Au (ppm), Ag (ppm) and Cu (ppm) geochemical contours over the Mallee Bull tenement highlighting the anomalous areas for further testing

Mallee Bull Next steps

Peel has now commenced planning of significant resource drilling programs at both May Day and Mallee Bull, in an effort to establish mineable resources.

A review of the recent geochemical results and their geological implications and affiliations is also currently underway, with the areas highlighted above supporting further exploration in the future.

Cobar Superbasin Project: Copper, Silver, Gold, Lead, Zinc; Western NSW (PEX 100%, JOGMEC earn-in complete). Targets: Cobar-style polymetallic mineralisation; Volcanogenic Massive Sulphide mineralisation.

The Cobar Superbasin Project is subject to a Memorandum of Agreement (MoA) with Japan Oil, Gas, and Metals National Corporation (JOGMEC). Details of the JOGMEC MoA can be found in the Company's ASX Announcement released on 30 September 2014. During the quarter, JOGMEC was granted a 3-month extension to the vesting deadline of the MoA (from 7 November, 2020 to 7 February, 2021) due to the extenuating circumstances caused by COVID-19. Exploration activities undertaken during the quarter mainly focused on the Armageddon prospect.

Armageddon

The Armageddon prospect is located 30km southeast of the Mallee Bull deposit and is defined by anomalous Cu/Pb/As gossanous rocks and a strong N-S magnetic low. A pXRF surface geochemistry program was completed at the Armageddon prospect in late May/early June. A total of 764 samples were taken as infill and extension of previous pXRF soil, -80mesh soil and rock chip sampling programs.

The combined data has defined 3 strong lead anomalies of 200-400m width across a 2km strike. Anomalous zones correlate strongly where the rock (predominantly Ordovician quartz-veined, ferruginous sediments) outcrops and subsequently disappears under cover of colluvium and soil. Anomalous Pb samples include results up to 241ppm in pXRF soils, and 854ppm in lab assayed rock chip samples.

Cobar Superbasin Project Next Steps

An induced polarization (IP) geophysical survey is proposed over the anomalous areas for later in the calendar year. The Company has also planned a IP geophysical survey and drill program at the Wirlong Copper Project, to follow up the results released in early April.

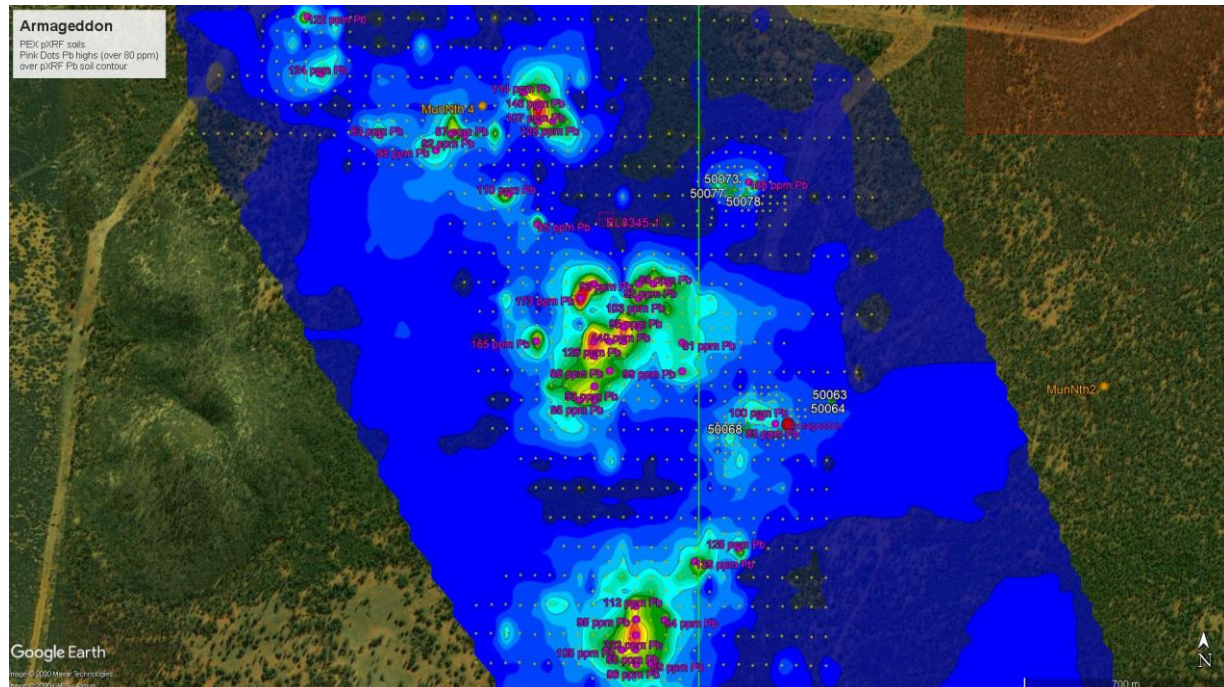


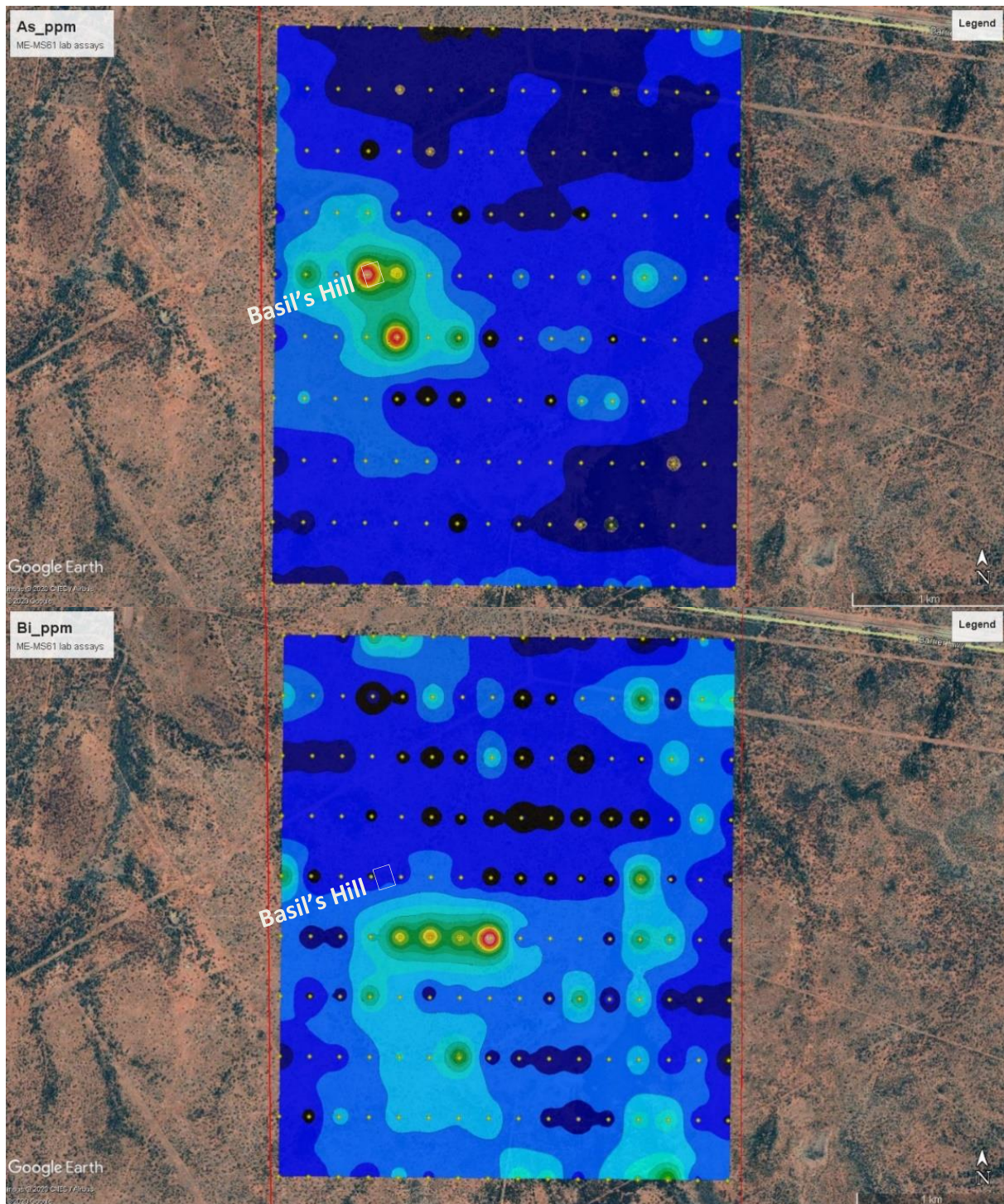
Figure 1. Pb (ppm) geochemical contours over the Armageddon prospect highlighting the anomalous areas.

Scrubby Valley JV: Gold, Silver, Zinc, Lead; Western NSW (Jamie Peter Pty Ltd 100%; Peel earning in)

Scrubby Valley JV is located on EL8707 covering an area 18km² and is situated ~10km east of the town of Cobar, NSW. The tenement is held by Jamie Peters Pty Ltd with whom Peel Mining Limited has a farm-in agreement and is considered prospective for gold mineralisation. The tenement is bisected by the Barrier Highway which runs east through the northern section of the tenement. Limited historic exploration has been carried out over the EL and includes 1:50,000 geological mapping, aeromagnetic surveying, soil sampling and 41 RAB holes drilled by Newmont in 1991 which returned anomalous arsenic values that have not been followed up. A further 161-sample portable XRF soil geochemistry survey was completed by Jamie Peters in 2018. A rock chip sample containing visible gold was also collected during the same period.

During the quarter, reconnaissance work was completed over the EL that comprised geological mapping, rock chip, soil and pXRF sampling. A soil sampling program was carried out on a 200 x 400m grid for a total of 160 samples. The samples were assayed using ME-MS61 and delineated a weak, semi-coincident As-Bi-Pb anomaly over an area previously identified as prospective called Basil's Hill (see Figure 1). An additional 359 portable XRF sample sites were collected that confirmed the presence of a semi-coincident As-Pb anomaly at Basil's Hill. In addition to soil and portable XRF sampling, 40 rock chip samples were collected over the prospect and assayed using ME-MS61 and Au-AA26 with the most notable result returning 3.89g/t Ag, 0.18 g/t Au & 354ppm As from a rock-chip sample (SV048) located proximal to Basil's Hill.

Reconnaissance mapping was carried out to establish the structure and stratigraphy of the prospect. Topography across the tenement is undulating and consists of topographic highs and lows incised by several small creeks that cross the tenement which are sporadic in their drainage pattern. Outcrop exposure over the tenement is generally good and is dominated by meta-sandstones and cherts of the Girilambone Group and fine-grained sandstone and siltstone of the Meryula Formation. All rocks exhibit signs of silica, sericite and chlorite alteration in addition to hosting abundant Fe oxides indicative of the presence of sulphides. Alteration and shearing is most abundant over Basil's Hill which is a clear target for follow up work in the future.



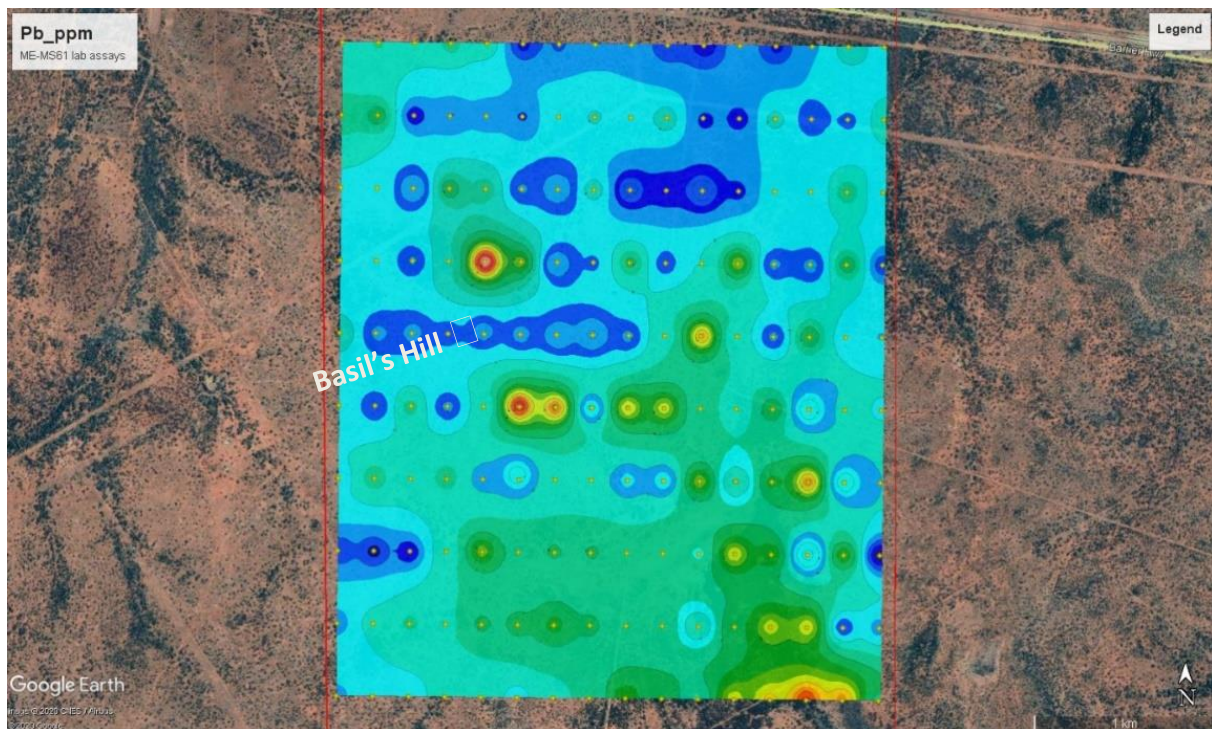


Figure 3. As (ppm) 20.2ppm high, Bi (ppm) 1.08ppm high and Pb (ppm) 30.7ppm high soil anomalies

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

For further information, please contact:

Rob Tyson – Peel Mining, Managing Director +61 (0)420 234 020.

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.

Mallee Bull

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 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.

Wagga Tank – Southern Nights

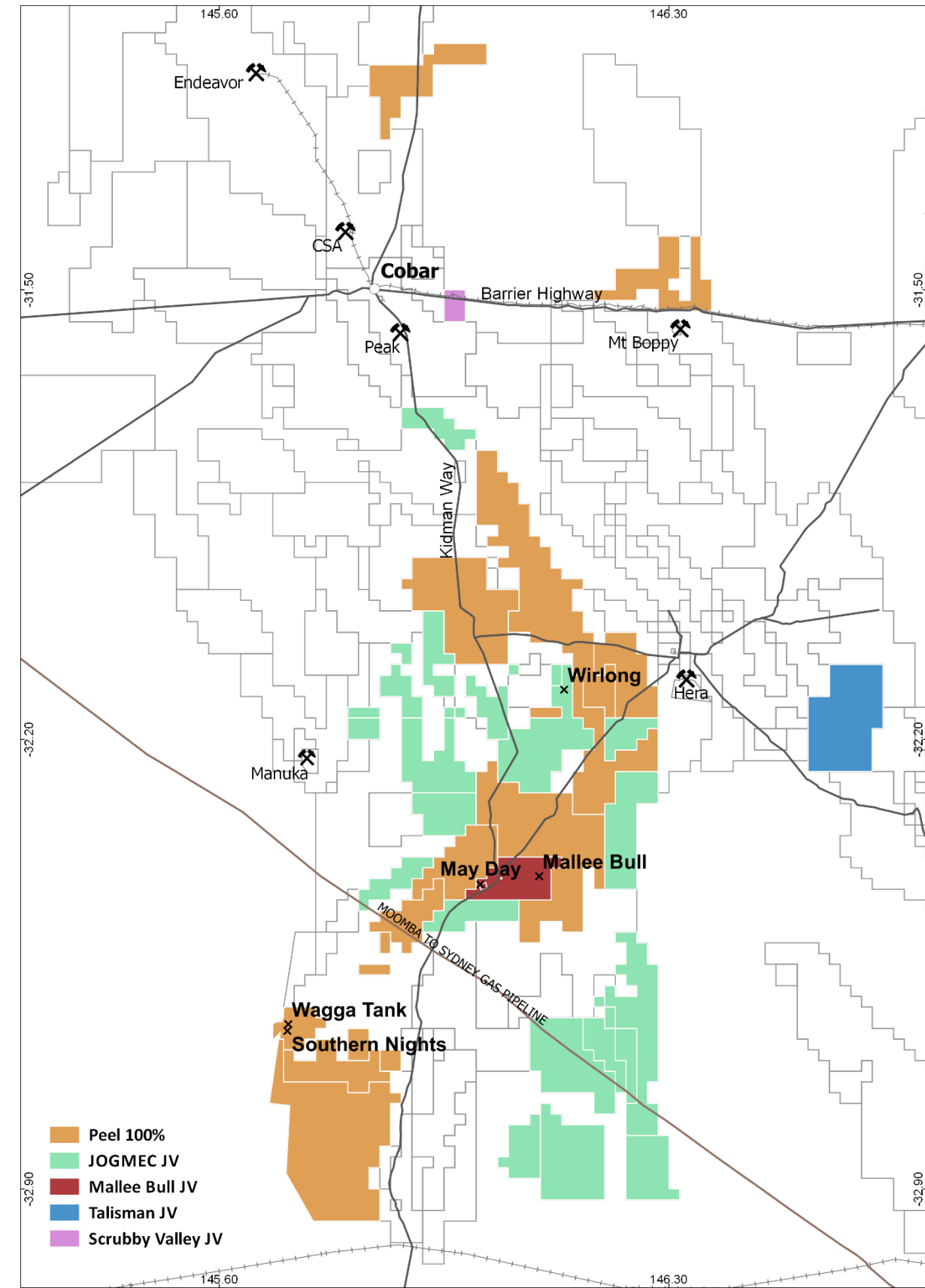
Southern Nights Mineral Resource Estimate							
Resource Classification	Tonnes (Kt)	NSR \$/t	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)
Indicated	2,540	173	5.90	2.30	88.9	0.19	0.33
Inferred	1,600	120	3.7	1.4	59	0.3	0.3
Total Resource	4,140	150	5.0	2.0	77	0.2	0.3
Wagga Tank Mineral Resource Estimate							
Resource Classification	Tonnes (Kt)	NSR \$/t	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)
Indicated	410	169	4.67	2.52	64.3	0.50	0.53
Inferred	400	180	5.3	2.3	98	0.3	0.5
Total Resource	810	170	5.0	2.4	81	0.4	0.5
Combined Southern Nights-Wagga Tank Mineral Resource Estimate							
Resource Classification	Tonnes (Kt)	NSR \$/t	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)
Indicated	2,950	172	5.73	2.33	85.5	0.23	0.36
Inferred	2,000	130	4.0	1.6	67	0.3	0.3
Total Resource	4,950	160	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 is 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 Mineral Resource estimates 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 4: Cobar Superbasin Project Tenements and Prospects



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Scrubby Valley Surface Sampling Lab Assay Results

SAMPLE ID	EASTING	NORTHING	Ag (ppm)	Au (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)
SV048	401378.52	6511498.49	3.89	0.18	354	16.7	38.2
SV056	401567.94	6511188.57	1.51	0.04	2010	153.5	909

Mallee Bull Surface Sampling Lab Assay Results

SAMPLE ID	EASTING	NORTHING	Zn (ppm)	Pb (ppm)	Cu (ppm)	Ag (ppm)	Au (ppm)	As (ppm)	Sb (ppm)	Bi (ppm)	Mn (ppm)
49953	415396.93	6413299.75	314	193.5	74.9	0.7	4.8	10.2	5.58	3.71	1590
49958	415656.61	6413126.77	23	33.1	7.1	0.37	6.27	51.5	7.5	0.75	422
49963	415747.54	6412981.97	338	212	125	0.11	0.37	3550	119	1.12	192
50318	416378.77	6413597.21	1640	16.2	263	4.01	0.01	152	14.25	0.11	2550
50319	416382.67	6413602.68	2110	22.7	381	5.46	0.12	109.5	6.19	0.17	2770
690-rock	409719	6413893	718	829	711	2.47	0.79	21.9	3.58	15.85	44100
Rcgil1	408795	6413407	577	2230	592	0.66	0.01	1655	6	249	112
49967*	415163.65	6415024.93	2170	86.1	1055	0.26	-0.01	13	1.29	0.08	100000

*Sample collected and assayed in 2012 by Peel Mining Limited.

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 machine or an Olympus Vanta portable XRF machine. Portable XRF machines are routinely serviced, calibrated and checked against blanks/standards.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> 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 drilling.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> 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. Sample recoveries at Southern Nights have been generally high to date.
Logging	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> 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. 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	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> 	<ul style="list-style-type: none"> ALS Laboratory Services were used for Au and multi-element analysis work carried on out on 3m to 6m composite samples

Criteria	JORC Code explanation	Commentary
laboratory tests	<ul style="list-style-type: none"> 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. 	<p>and 1m split samples.</p> <p>The laboratory techniques below are for all samples submitted to ALS and are considered appropriate for the style of mineralisation defined at Mallee Bull, Cobar Superbasin and Wagga Tank Projects:</p> <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Assaying of samples in the field was by portable XRF instruments: Olympus Delta Innov-X or Olympus Vanta Analysers. Reading time for Innov-X was 20 seconds per reading with a total 3 readings per sample. Reading time for Vanta was 10 & 20 seconds per reading with 2 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 supply our own.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine 	<ul style="list-style-type: none"> A Garmin hand-held GPS is used to define the location of the samples. Standard

Criteria	JORC Code explanation	Commentary
	<p><i>workings and other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>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 routinely 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.</p> <ul style="list-style-type: none"> • Grid system used is MGA 94 (Zone 55). All down-hole magnetic surveys were converted to MGA94 grid.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • 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.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • 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).
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ Peel Mining Ltd ○ Address of Laboratory ○ Sample range • Detailed records are kept of all samples that are dispatched, including details of chain of custody.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • 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
<i>Mineral tenement and</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures,</i> 	<ul style="list-style-type: none"> • The Mallee Bull prospect is wholly located within Exploration Licence EL7461 "Gilgunnia". The tenement is subject to a

Criteria	JORC Code explanation	Commentary
<i>land tenure status</i>	<p><i>partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <i>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.</i> 	<p>50:50 Joint Venture with CBH Resources Ltd, a wholly owned subsidiary of Toho Zinc Co Ltd.</p> <ul style="list-style-type: none"> The Cobar Superbasin Project comprises of multiple exploration licences that are subject to a farm-in agreement with JOGMEC where JOGMEC has earned a 50% interest. The Wagga Tank Project comprises of EL6695, EL7226, EL7484 and EL7581 and are 100%-owned by Peel Mining Ltd. The tenements are in good standing and no known impediments exist.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> 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, Pasminco and MMG. Minimal exploration has been completed at the Wagga Tank area since 1989.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> 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. Mineralisation 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 to the west. Wagga Tank, is believed to be a volcanic-hosted massive sulphide (VHMS) or Cobar-style deposit, and 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.

Criteria	JORC Code explanation	Commentary
		<p>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 volcanoclastic 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 volcanoclastic facies and the siltstone-slate facies where there is a broad zone of intense tectonic brecciation and hydrothermal alteration (sericite-chlorite with local silicification).</p>
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No length weighting or top-cuts have been applied. No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> True widths are generally estimated to be about 90-100% of the downhole width unless otherwise indicated. Southern Nights (part of the Wagga Tank project) true widths are unknown at this point due to the early stage nature of investigation.

Criteria	JORC Code explanation	Commentary
	<i>effect (eg 'down hole length, true width not known').</i>	
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Refer to Figures in the body of text.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • All results are reported.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No other substantive exploration data are available.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • 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. • Further drilling and geophysical surveys are planned at Southern Nights/Wagga Tank.

NSW Granted Tenements

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	50%	
ML1361	May Day	Cobar, NSW	50%	
EL6695	Wagga Tank	Cobar, NSW	100%	
EL7226	Wongawood	Cobar, NSW	100%	
EL7484	Mt View	Cobar, NSW	100%	
EL8414	Mt Walton	Cobar, NSW	100%	
EL8447	Linera	Cobar, NSW	100%	
EL8751	Nombinnie	Cobar, NSW	100%	
EL7711	Ruby Silver	Armidale, NSW	100%	
EL8326	Attunga	Attunga, NSW	100%	
EL8450	Beanbah	Cobar, NSW	100%	
EL8451	Michelago	Cooma, NSW	100%	
EL8656	Marigold	Cobar, NSW	100%	
EL8655	Brambah	Cobar, NSW	100%	
EL8872	Gromit	Cobar, NSW	100%	
EL8900	Florida	Cobar, NSW	100%	
EL8721	Bilpa	Broken Hill, NSW	100%	
EL8722	Cymbric Vale	Broken Hill, NSW	100%	
EL8790	Comarto	Broken Hill, NSW	100%	
EL8791	Devon	Broken Hill, NSW	100%	
EL8877	Thunderdome	Broken Hill, NSW	100%	
EL8909	Grassmere North	Broken Hill, NSW	100%	