



ASX ANNOUNCEMENT

10 DECEMBER 2014

## DRILLING UNDERWAY AT COBAR SUPERBASIN PROJECT

Peel Mining Limited (ASX: PEX) is pleased to announce that drilling is now underway at the Cobar Superbasin Project. As recently reported, the Cobar Superbasin Project is subject to a Memorandum of Agreement with Japan Oil, Gas, and Metals National Corporation (JOGMEC), under which JOGMEC may earn up to 50% interest by funding up to \$7m of exploration. Peel remains Operator throughout the earn-in process. For further information see Peel Mining announcement titled "Execution of \$7m Farm-in Agreement for the Cobar Superbasin Project" dated 30 September 2014.

The exploration programme now underway encompasses \$1,000,000 of exploration expenditure by 31 March 2015, comprising drilling (up to 7,000m RC and up to 6,500m RAB), geophysics (hi-resolution airborne magnetics/radiometrics, and downhole EM surveys) and other field activities. As part of this programme Peel recently completed IP surveys at Wirlong and Burthong and a gravity survey at Sandy Creek. The areas selected for RC drilling are: Mundoe, Sandy Creek, Red Shaft and Wirlong prospects whilst RAB drilling will be completed at Burthong, Sandy Creek, Red Shaft and Wirlong.

Drilling at Mundoe will consist of up to 900m of RC drilling designed to test for extensions to existing base and precious metal mineralisation; with a minimum of 3 drillholes planned to test for northerly and southerly extensions to mineralisation encountered in Peel's 2012 drilling (for further information see Peel Mining announcement titled "Mundoe Drilling Confirms Copper-Polymetallic Mineralisation" dated 8 January 2013).

Drilling at Sandy Creek will consist of up to ~2,500m of RC drilling in up to 9 drillholes which are designed to test for precious and base metal mineralisation. The RC drilling will test beneath several surface lead geochemical anomalies and is also designed to test IP chargeability anomalies. RAB drilling at Sandy Creek is designed to follow up anomalous historic RAB results, surface lead geochemical anomalies and to test beneath areas where shallow cover exists.

Drilling at Wirlong will consist of up to ~2,500m of RC drilling in up to 9 drillholes which are designed to test for base and precious metal mineralisation. The RC drilling will test beneath lead and copper surface geochemical anomalies associated with sericite and chlorite alteration zones. Wirlong also has a strong IP chargeability anomaly covering more than 500m strike length. The IP anomaly is proximal to strong magnetic anomalism and is planned to be tested by the current drilling. RAB drilling at Wirlong is designed to extend geochemical coverage of areas beneath zones of shallow cover.

Drilling at Red Shaft will consist of up to ~900m of RC drilling in 6 drillholes which are designed to test for base and precious metals mineralisation. The RC drilling will test beneath surface lead-zinc-copper and gold geochemical anomalies. RAB drilling at Wirlong is designed to extend geochemical coverage of areas beneath zones of shallow cover.

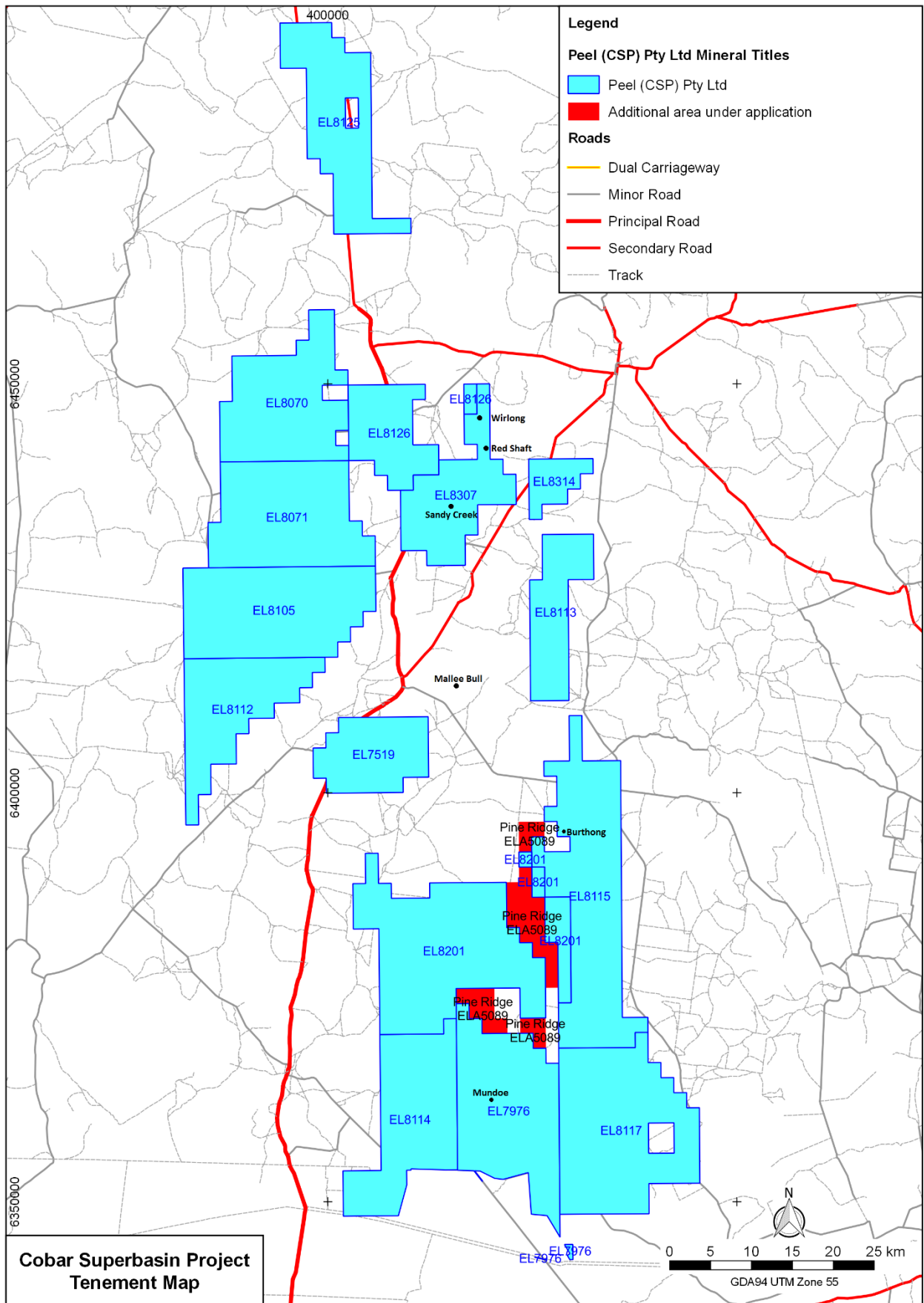
**For further information, please contact Rob Tyson on +61 420 234 020.**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Robert Tyson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tyson 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 2004 Edition of the '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 his information in the form and context in which it appears.*

Peel Mining Limited ACN 119 343 734

Unit 1, 34 Kings Park Rd, West Perth, WA 6005. Ph: (08) 9382 3955. Fax (08) 9388 1025.

E: rtyson@peelmining.com.au    www.peelmining.com.au



Peel Mining Limited ACN 119 343 734

Unit 1, 34 Kings Park Rd, West Perth, WA 6005. Ph: (08) 9382 3955. Fax (08) 9388 1025.

E:rtyson@peelmining.com.au www.peelmining.com.au