ASX ANNOUNCEMENT 21 SEPTEMBER 2015

EXPLORATION UPDATE - DRILLING CONTINUING AT MALLEE BULL; COBAR SUPERBASIN PROJECT

- **13 RC drillholes for 2,394m completed at Mallee Bull**
- **Drillhole MBRC037 returns 18m at 3.72% Zn, 1.75% PBS, 20 g/t Ag and 0.38 g/t Au from 103m including 1m at 24.3% Zn, 11.8% Pb, 198 g/t Ag and 1g/t Au from 107m**
- **Follow-up RC and diamond drilling at Mallee Bull targeting Zn-Pb mineralised extensions now underway**
- **Exploration at Cobar Superbasin Project continuing**
- **2 RC drillholes for 673m completed at Wirlong with strong Cu-Pb-Zn anomalism returned**

Peel Mining Limited (ASX: PEX) is pleased to advise that further drilling at its 50%-owned flagship Mallee Bull project near Cobar in Western NSW, targeting high grade zinc-lead-rich mineralisation is continuing. Field activities at the Cobar Superbasin Project, subject to a farm-in agreement with JOGMEC, are also continuing. Further details can be found below.

Mallee Bull

Drillholes MBRC036 to MBRC048 (13 RC drillholes for 2,394m) were drilled as part of a program designed to test for new mineralisation, supplementary to the main Mallee Bull copper-silver-gold deposit, with the majority of drillholes completed as follow-up to the recently reported discovery of high-grade near-surface zinc-lead-silver-gold mineralisation at the T1 target at Mallee Bull.

The T1 geophysical target is defined as a near-surface, strong chargeable IP, low resistivity anomaly and is coincident with a gravity high. A program of 21 RC drillholes completed on an approximate 20m by 20m spaced grid to target the strongest part of the T1 anomaly was completed in June 2015 with nine of the twenty-one drillholes intersecting high-grade mineralisation to within 50m of surface. This program tested ~60m of ~300m strike length at >50 mrads IP chargeability and ~60m of ~300m strike length of modelled gravity high. Drillholes MBRC036 to MBRC045 were completed on an approximate 40m by 40m grid and were designed primarily to test the remainder of the strike potential of the IP chargeability anomaly. Drillholes MBRC046 to MBRC048 were designed to test other near-surface geophysical targets in close proximity to Mallee Bull.

Results from drillholes MBRC036 to MBRC048 generally returned low grade mineralisation with a best result of 18m @ 3.72% Zn, 1.75% Pb, 20 g/t Ag and 0.38 g/t Au from 103m including 1m @ 24.3% Zn, 11.8% Pb, 198 g/t Ag and 1 g/t Au from 107m in MBRC037. Drillhole MBRC037 is located ~140m south of the previously intercepted high grade zinc-lead rich mineralisation and requires closer-spaced follow-up.

To this end, follow-up RC and diamond drilling targeting extensions to previously intercepted zinc-lead rich mineralisation is now underway, with at least 2,400m of drilling planned. Substantial zinc-lead mineralisation, most notably on the northern end of the current resource model where it has been defined to more than 500m below surface, remains open and this mineralisation likely represents the

downdip continuation to the mineralisation intercepted at T1. No resource estimates have been made for zinc-lead mineralisation at Mallee Bull to date and it is potentially of significant economic importance to the project.

A small moving loop EM survey was also recently completed at T1-Mallee Bull to determine if the recently discovered near-surface high grade mineralisation is identifiable. The survey failed to detect this mineralisation however easily detected the main Mallee Bull mineralisation.

Cobar Superbasin Project

Field activities at the Cobar Superbasin Project, subject to a farm-in agreement with JOGMEC, are continuing. The second stage of exploration under the JOGMEC agreement, encompassing $1.5 million expenditure, is underway. Recent activities comprise moving loop EM (MLEM), downhole EM (DHEM) and gravity geophysical surveys, RAB drilling and the completion of 2 RC drillholes for 673m at Wirlong where strong copper-lead-zinc anomalism was returned.

Drillholes WLRC008 and WLRC009 were designed to test beneath the historic workings at Wirlong where anomalous surface geochemistry also exists. Both drillholes intercepted broad zones of highly anomalous copper-lead-zinc-silver mineralisation from close to surface with best intervals of: 3m @ 0.57% Cu, 1.24% Zn, 7 g/t Ag from 54m; 5m @ 1.64% Zn, 0.82% Pb, 2 g/t Ag from 93m, and 1m @ 6.44% Zn, 3.81% Pb, 0.54% Cu, 18 g/t Ag from 113m in WLRC008; and 19m @ 2.44% Zn, 0.39% Pb, 4 g/t Ag from 109m including 3m @ 6.9% Zn, 0.88% Pb, 12 g/t Ag from 120m in WLRC009.

DHEM surveys were subsequently completed, however no bedrock conductors were identified. Analysis of the MLEM data and gravity data is continuing, however an initial review of the MLEM data indicated that no anomalies consistent with bedrock conductors were identified.

Follow-up RC and/or diamond drilling at Wirlong is planned. At the time of reporting, RAB drilling had been completed at the Sandy Creek and Red Shaft prospects with more planned for Wirlong. Results were awaited.

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

Competent Persons Statements

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

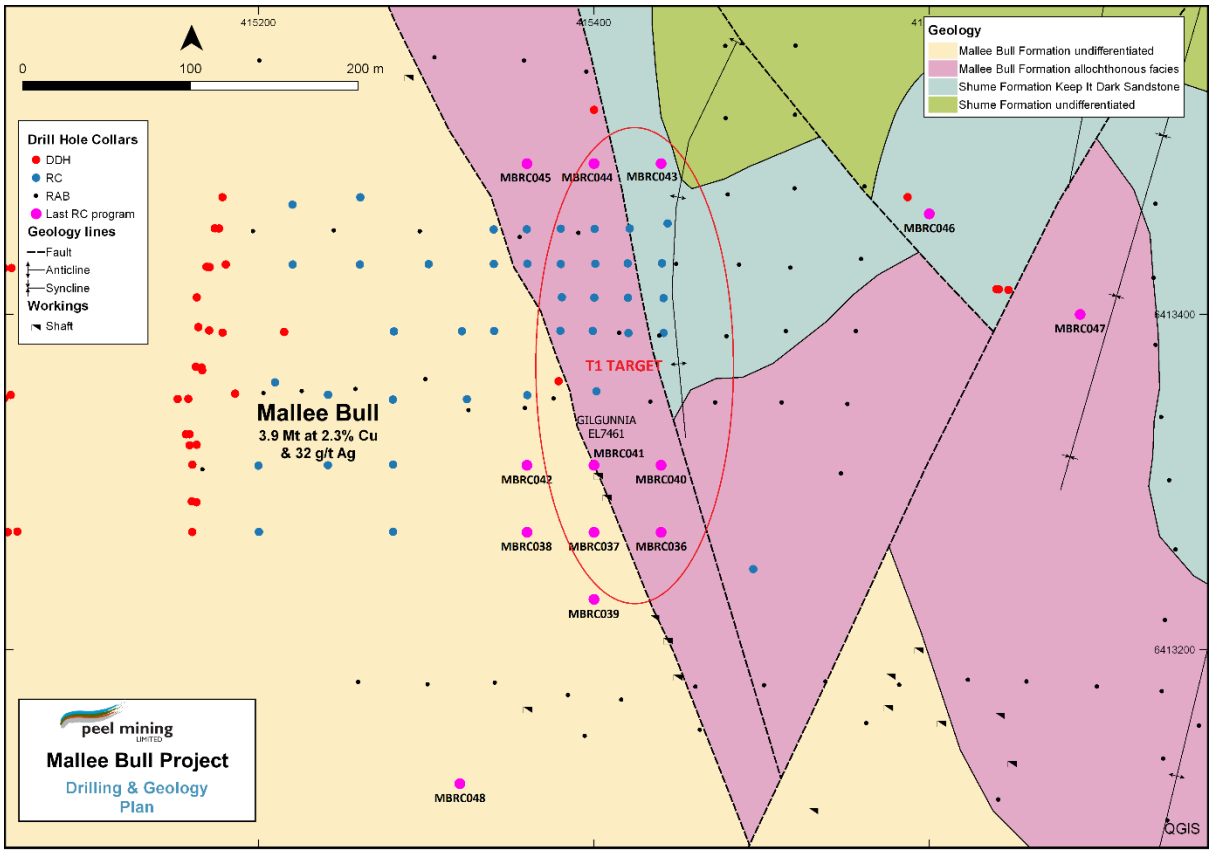

Figure 1 Mallee Bull Project Drill Plan

Mallee Bull Drill Collars

Hole ID	Northing	Easting	Azi (grid)	Dip	Final Depth (m)
MBDD036	6413270	415440	90	-60	150
MBRC037	6413270	415400	90	-60	180
MBRC038	6413270	415360	90	-60	210
MBRC039	6413230	415400	90	-60	204
MBRC040	6413310	415440	90	-60	150
MBRC041	6413310	415400	90	-60	198
MBRC042	6413310	415360	90	-60	198
MBRC043	6413490	415440	90	-60	156
MBRC044	6413490	415400	90	-60	150
MBRC045	6413490	415360	90	-60	198
MBRC046	6413460	415600	270	-60	204
MBRC047	6413400	415690	90	-60	198
MBRC048	6413120	415320	90	-60	198

Wirlong Drill Collars

Hole ID	Northing	Easting	Azi (grid)	Dip	Final Depth (m)
WLRC008	6445674	418744	265	-60	348
WLRC009	6445590	418707	263	-70	300
WLRC009X	6445587	418702	265	-65	25

Mallee Bull RC Drilling Significant Assay Results (1m intervals)

Hole ID	From (m)	To (m)	Zn (%)	Pb (%)	Cu (%)	Ag (ppm)	Au (ppm)
MBRC037	102	103	1.15	0.91	0.04	9	0.03
MBRC037	103	104	3.37	1.52	0.03	9	0.06
MBRC037	104	105	3.54	1.35	0.04	8	0.03
MBRC037	105	106	2.74	1.19	0.03	7	0.02
MBRC037	106	107	3.10	1.56	0.03	14	0.12
MBRC037	107	108	24.30	11.80	0.25	198	1
MBRC037	108	109	1.21	0.61	0.02	10	0.05
MBRC037	109	110	1.07	0.55	0.01	8	0.05
MBRC037	110	111	3.26	1.58	0.03	17	0.08
MBRC037	111	112	3.06	1.54	0.02	16	0.05
MBRC037	112	113	3.55	1.58	0.03	15	0.06
MBRC037	113	114	2.34	1.13	0.02	10	0.03
MBRC037	114	115	2.48	1.19	0.02	9	0.05
MBRC037	115	116	2.17	0.96	0.03	7	0.03
MBRC037	116	117	1.95	0.92	0.02	7	0.04
MBRC037	117	118	1.99	1.06	0.04	8	0.05
MBRC037	118	119	1.96	0.88	0.05	6	5.03
MBRC037	119	120	2.40	1.01	0.04	8	0.05
MBRC037	120	121	2.49	0.99	0.05	8	0.03
MBRC037	121	122	1.24	0.68	0.04	5	0.09
MBRC037	122	123	1.53	0.74	0.04	5	0.04
MBRC037	123	124	0.57	1.08	0.05	7	0.02
MBRC037	124	125	0.41	1.34	0.05	9	0.01
MBRC037	125	126	0.43	1.48	0.06	9	0.04
MBRC037	126	127	0.40	1.69	0.06	10	0.02
MBRC037	127	128	0.41	1.37	0.05	9	0.04
MBRC039	106	107	1.20	0.68	0.02	12	0.1
MBRC039	107	108	0.84	0.39	0.01	7	0.03
MBRC039	108	109	1.44	0.98	0.02	15	0.03
MBRC039	109	110	1.37	0.74	0.02	12	0.05
MBRC040	30	31	0.05	3.25	0.01	7	0.16
MBRC040	31	32	0.03	3.07	0.01	15	0.05
MBRC042	113	114	1.27	0.43	0.01	6	0.03
MBRC042	114	115	1.92	0.96	0.02	8	0.13
MBRC042	115	116	0.39	1.97	0.05	8	0.06
MBRC043	148	149	1.17	0.87	0.17	22	0.33
MBRC043	149	150	4.02	2.09	1.39	56	1.36

Wirlong RC Drilling Significant Assay Results (1m intervals)

Hole ID	From (m)	To (m)	Zn (%)	Pb (%)	Cu (%)	Ag (ppm)	Au (ppm)
WLRC008	54	55	0.90	0.08	0.71	6	0.05
WLRC008	55	56	0.88	0.11	0.46	8	0.40
WLRC008	56	57	1.96	0.13	0.53	7	0.04
WLRC008	93	94	0.98	0.43	0.01	1	0.01

Hole ID	From (m)	To (m)	Zn (%)	Pb (%)	Cu (%)	Ag (ppm)	Au (ppm)
WLRC008	94	95	1.52	0.57	0.01	2	0.01
WLRC008	95	96	3.28	1.67	0.05	4	0.01
WLRC008	96	97	1.50	0.92	0.02	3	0.02
WLRC008	97	98	0.93	0.49	0.01	2	0.01
WLRC008	113	114	6.44	3.81	0.54	18	0.17
WLRC009	109	110	1.26	0.08	0.07	1	0.02
WLRC009	110	111	2.08	0.15	0.01	2	0.01
WLRC009	111	112	0.97	0.12	0.01	1	0.01
WLRC009	112	113	2.28	0.09	0.02	2	0.01
WLRC009	113	114	1.63	0.19	0.00	1	0.01
WLRC009	114	115	1.13	0.04	0.10	1	0.01
WLRC009	115	116	2.44	0.33	0.05	3	0.01
WLRC009	116	117	3.57	0.35	0.11	7	0.01
WLRC009	117	118	1.43	0.29	0.01	2	0.01
WLRC009	118	119	0.80	0.42	0.02	2	0.01
WLRC009	119	120	0.98	0.44	0.03	2	0.01
WLRC009	120	126	4.25	0.46	0.11	9	0.02
WLRC009	121	122	2.95	0.64	0.06	6	0.01
WLRC009	122	123	13.5	1.55	0.09	19	0.01
WLRC009	123	124	1.75	0.68	0.04	4	0.01
WLRC009	124	125	1.19	0.38	0.01	2	0.01
WLRC009	125	126	0.55	0.21	0.00	1	0.01
WLRC009	126	127	0.41	0.14	0.00	1	0.01
WLRC009	127	128	3.15	0.74	0.11	3	0.01

Table 1 - Section 1: Sampling Techniques and Data for Mallee Bull/Cobar Superbasin Project

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond, reverse circulation (RC) and Rotary Air Blast (RAB) drilling were used to obtain samples for geological logging and assaying. • Diamond core was cut and sampled at 1m intervals. RC and RAB drill holes were sampled at 1m intervals and split using a cone splitter attached to the cyclone to generate a split of 2-4kg (generally) to ensure sample representivity. • Multi-element readings were taken of the RC and RAB drill chips using an Olympus Delta Innov-X portable XRF tool. The portable XRF was calibrated against standards after every 30 readings.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drilling to date has been a combination of diamond, reverse circulation and rotary air blast. Reverse circulation drilling utilised a 5 1/2 inch diameter hammer. A blade bit was predominantly used for RAB drilling. NQ and HQ coring was used for diamond drilling.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recoveries are recorded by the drillers in the field at the time of drilling and checked by a geologist or technician. • RC and RAB samples are not weighed on a regular basis due to the exploration nature of drilling but no significant sample recovery issues have been encountered in drilling programs 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 to date have generally been high. Insufficient data is available at present to determine if a relationship

Criteria	JORC Code explanation	Commentary
		exists between recovery and grade. This will be assessed once a statistically valid amount of data is available to make a determination.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core and drill chip samples are geologically logged. Core samples are orientated and logged for geotechnical information. Drill chip samples are logged at 1m intervals from surface to the bottom of each individual hole to a level that will support appropriate future Mineral Resource studies. • Logging of diamond core, RC and RAB samples records lithology, mineralogy, mineralisation, structure (DDH only), weathering, colour and other features of the samples. Core is photographed as both wet and dry. • All diamond, RC and RAB drill holes in the current program were geologically logged in full.
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.*	• Drill core was cut with a core saw and half core taken. • The RC and RAB 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. • Early stage exploration sees composite sampling completed for Au only analysis, with samples hand speared using a half round piece of pipe with samples collected as 6m composites. Resampling is undertaken using split samples which are stored with the bulk samples at the time of drilling. • Where pXRF sampling indicates significant base metals mineralisation, 1m split samples for those intervals are collected and submitted for multi-element analysis. • A sample size of 2-4kg was collected and considered appropriate and representative for the grain size and style

Criteria	JORC Code explanation	Commentary
		of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• ALS Services was used for Au analysis work carried out on 5m or 6m composite samples and 1m split samples. The laboratory techniques below are for all samples submitted to ALS and are considered appropriate for the style of mineralisation defined at Mundoe, Sandy Creek, Wirlong and Red Shaft: ○ PUL-23 (Sample preparation code) ○ ME-MS61 or ME-ICP41 multi-element ○ Or an appropriate Ore Grade base metal AA finish ○ Au-AA26 Ore Grade Au 50g FA AA Finish • Assaying of soil samples in the field was by portable XRF instrument Olympus Delta Innov-X Analyser. Reading time was 20 seconds per filter with a total 3 filters 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	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All geological logging and sampling information is completed in spreadsheets, which are then transferred to a database for validation and compilation at the Peel head office. Electronic copies of all information are backed up periodically. • No adjustments of assay data are considered necessary.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A Garmin hand-held GPS is used to define the location of the drillholes and /or samples. Standard practice is for the GPS to be left at the site of the collar for a period of 5 minutes to obtain a steady reading. Collars are picked up at a later date by DGPS. All collars at Mallee Bull have been picked up 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

Criteria	JORC Code explanation	Commentary
		electronic multi-shot camera will be used with readings for dip and magnetic azimuth taken every 30m down-hole. QA/QC in the field involves calibration using a test stand. The instrument is positioned with a stainless steel drill rod so as not to affect the magnetic azimuth. • Grid system used is MGA 94 (Zone 55). All down-hole magnetic surveys were converted to MGA94 grid.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Data/drill hole spacing is variable and appropriate to the geology and historical drilling. • 5m or 6m sample compositing has been applied to RC drilling and RAB drilling for gold assay.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Most drillholes are planned to intersect the interpreted mineralised structures/lodes as near to a perpendicular angle as possible (subject to access to the preferred collar position).
Sample security	• *The measures taken to ensure sample security.*	• The chain of custody is managed by the project geologist who places calico sample bags in polyweave sacks. Up to 5 calico sample bags are placed in each sack. Each sack is clearly labelled with: ○ Peel Mining Ltd ○ Address of Laboratory ○ Sample range • Detailed records are kept of all samples that are dispatched, including details of chain of custody.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data is validated when loading into the database. No formal external audit has been conducted.

Table 1 - Section 2 - Reporting of Exploration Results for Mallee Bull/Cobar Superbasin Project

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Mallee Bull prospect is wholly located within Exploration Licence EL7461 "Gilgunnia". The tenement is subject to a 50:50 Joint Venture with CBH Resources Ltd, a wholly owned subsidiary of Toho Zinc Co Ltd. • The Wirlong prospect is wholly located within Exploration Licence EL8307 "Sandy Creek", part of the Cobar Supoerbasin Project. The Cobar Superbasin Project is subject to a farm-in agreement with

Criteria	JORC Code explanation	Commentary
		JOGMEC whereby JOGMEC can earn up to 50%. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Work 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.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The prospect area lies within the Cobar-Mt Hope Siluro-Devonian sedimentary and volcanic units. The northern Cobar region consists of predominantly sedimentary units with tuffaceous member, whilst the southern Mt Hope region consists of predominantly felsic volcanic rocks; the Mallee Bull prospect seems to be located in an area of overlap between these two regions. Mineralization at the Mallee Bull discovery features the Cobar-style attributes of short strike lengths (<200m), narrow widths (5-20m) and vertical continuity, and occurs as a shoot-like structure dipping moderately to the west.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All relevant information material to the understanding of exploration results has been included within the body of the announcement or as appendices. • No information has been excluded.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical*	• No length weighting or top-cuts have been applied. • No metal equivalent values are used for reporting exploration results.

Criteria	JORC Code explanation	Commentary
	examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
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').*	• True widths are generally estimated to be about 90-100% of the downhole width unless otherwise indicated.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to Figures in the body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results are reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other substantive exploration data are available.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Future work at Mallee Bull and Cobar Superbasin Project will include geophysical surveying and RC/diamond drilling to further define the extent of mineralization at the prospect. Down hole electromagnetic (DHEM) surveys will be used to identify potential conductive sources that may be related to mineralization.

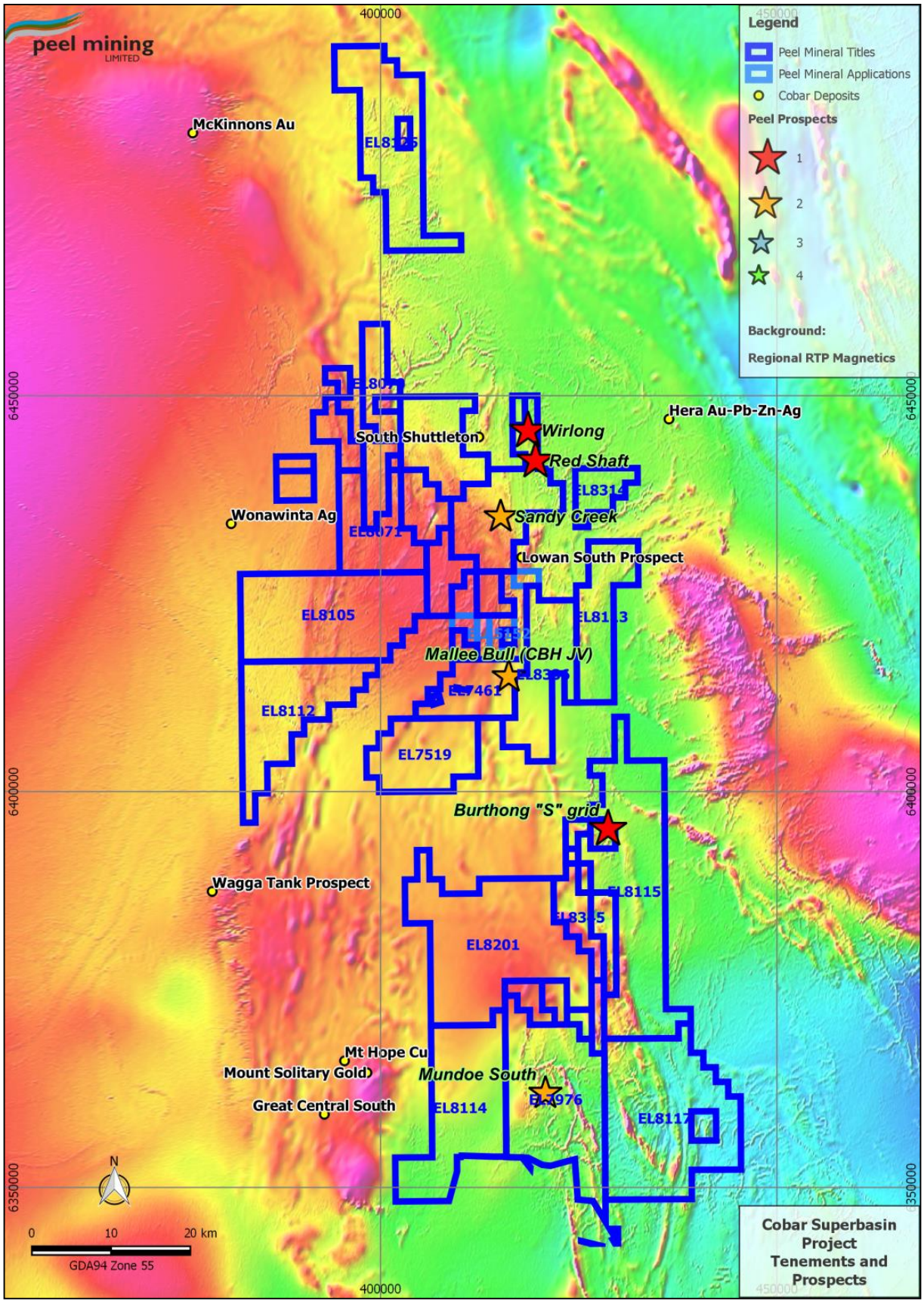

Figure 2 – Peel Mining Cobar Superbasin tenement map vs TMI