ASX ANNOUNCEMENT 26 JULY 2016

WIRLONG COPPER DISCOVERY EXTENDED; MALLEE BULL DRILLING UNDERWAY

WIRLONG PROSPECT, COBAR SUPERBASIN PROJECT

- **Follow-up drilling extends the Wirlong copper discovery from near surface to more than 500m below surface with multiple significant mineralised intercepts returned**
  - **WLRCDD024 significant mineralised intercepts include:**
    - **26m @ 1.21% Cu, 5 g/t Ag from 227m**
    - **5m @ 1.14% Cu, 3 g/t Ag from 260m**
    - **2m @ 1.24% Cu, 5 g/t Ag from 278m**
    - **10m @ 1.01% Cu, 4 g/t Ag from 288m**
    - **1m @ 4.81% Cu, 10 g/t Ag from 556m**
    - **1m @ 3.91% Cu, 11 g/t Ag from 617m**
    - **4m @ 1.10% Cu, 3 g/t Ag from 723m**
  - **WLRC026 significant mineralised intercepts include:**
    - **2m @ 3.80% Cu, 11 g/t ag from 36m**
    - **9m @ 1.27% Cu, 4 g/t Ag from 255m**
  - **WLRCDD028 significant mineralised intercepts include:**
    - **9m @ 1.29% Cu, 7 g/t Ag from 412m**
    - **19m @ 1.36% Cu, 6 g/t Ag from 432m**
    - **1m @ 6.96% Zn, 0.58% Pb, 6 g/t Ag from 546m**
- **Mineralisation at Wirlong remains open along strike and up and down dip**

MALLEE BULL

- **Mallee Bull drilling underway targeting extensional mineralisation**
- **Proposed targets to include untested EM conductors to the north of Mallee Bull, potential shallow mineralisation (T1 repeats/extensions), and the T3 remanent magnetic anomaly southeast of Mallee Bull**

Wirlong Prospect - Cobar Superbasin Project (Peel Mining Ltd 100%; JOGMEC earning up to 50%)

Peel Mining Ltd is pleased to advise that recent drilling at Wirlong, near Cobar in western NSW, has intersected multiple significant mineralised intervals, extending the known mineralisation which remains open in all directions. Drilling at Wirlong has been funded by JOGMEC, through an earn-in agreement (see Cobar Superbasin Project Background on page 4 for further information). Mineralisation intersected to date shows the typical geochemical, geological, mineral and alteration assemblages of “Cobar-style” deposits.

Wirlong is a large prospect covering more than 2.5km strike extent, comprising a package of intercalated, sheared and altered felsic volcanics and sediments. It is defined by historic copper workings, a topographic high, a >2km strike multi-element surface geochemical anomaly, and coincident or semi coincident geophysical anomalies including magnetic, radiometric, gravity, IP and more recently electromagnetic.

Phase 3 drilling at Wirlong commenced in late April and involved the completion of 8 drillholes for 3,691.6m. Drilling comprised a combination of RC drillholes and RC precollar with diamond tail drillholes. Productivity, timing and final design of the drilling programme was impacted by much higher than usual rainfall affecting western NSW over the last 3 months.

Drillholes WLRCDD024, WLRC025, WLRC026, WLRCDD027, and WLRCDD028 were completed as follow-up to Wirlong discovery drillholes WLRCDD015 and WLDD001. Drillholes WLRCDD015 and WLDD001 were completed in late 2015 with better results including: WLDD001 - **9m @ 8.0% Cu, 17 g/t Ag, 0.21 g/t Au from 616m (incl. 2.82m @ 21.85% Cu, 46 g/t Ag, 0.62 g/t Au from 619.68m) and 38m @ 1.18% Cu, 4 g/t Ag from 450m**; and WLRCDD015 - **4.9m @ 4.3% Cu, 13 g/t Ag from 402.1m (incl. 0.9m @ 19.5% Cu, 58 g/t Ag from 402.1m), and 22m @ 1.0% Cu, 4 g/t Ag from 332m**.

Phase 3 drillholes were designed to test along strike and up-dip from WLRCDD015 and WLDD001. Importantly, all follow-up drillholes intersected copper mineralisation. Significant intercepts returned from Phase 3 drilling at Wirlong include:

- **WLRCDD024 significant mineralised intercepts including**
  - **121m @ 0.73% Cu, 3 g/t Ag from 207m, including:**
    - **26m @ 1.21% Cu, 5 g/t Ag from 227m**
    - **5m @ 1.14% Cu, 3 g/t Ag from 260m**
    - **2m @ 1.24% Cu, 5 g/t Ag from 278m**
    - **10m @ 1.01% Cu, 4 g/t Ag from 288m**
  - **1m @ 4.81% Cu, 10 g/t Ag from 556m**
  - **1m @ 3.91% Cu, 11 g/t Ag from 617m**
  - **4m @ 1.10% Cu, 3 g/t Ag from 723m**
- **WLRC026 significant mineralised intercepts including:**
  - **2m @ 3.80% Cu, 11 g/t ag from 36m**
  - **5m @ 0.63% Cu, 2 g/t Ag from 71m**
  - **46m @ 0.51% Cu, 2 g/t Ag from 229m, including**
    - **9m @ 1.27% Cu, 4 g/t Ag from 255m**
- **WLRCDD027 significant mineralised intercepts including:**
  - **16m @ 0.56% Cu, 4 g/t Ag from 57m**
  - **10m @ 0.74% Cu, 5 g/t Ag from105m**
- **WLRCDD028 significant mineralised intercepts including:**
  - **90m @ 0.68% Cu, 3 g/t Ag from 412m, including**
    - **9m @ 1.29% Cu, 7 g/t Ag from 412m**
    - **19m @ 1.36% Cu, 6 g/t Ag from 432m**
  - **1m @ 6.96% Zn, 0.58% Pb, 6 g/t Ag from 546m**

Mineralisation comprises chalcopyrite-pyrrhotite+/-sphalerite+/-galena+/-pyrite and occurs as sulphide disseminations, veins and veinlets, and breccia within occasionally sheared/deformed and altered (silica-chlorite-sericite) turbidite sediments and/or felsic volcanics (rhyolite/rhyo-dacite). The true width of mineralisation is inferred to be between 40-50% of the downhole widths and is thought to be striking approximately north-south and dipping at ~80 degrees to the west.

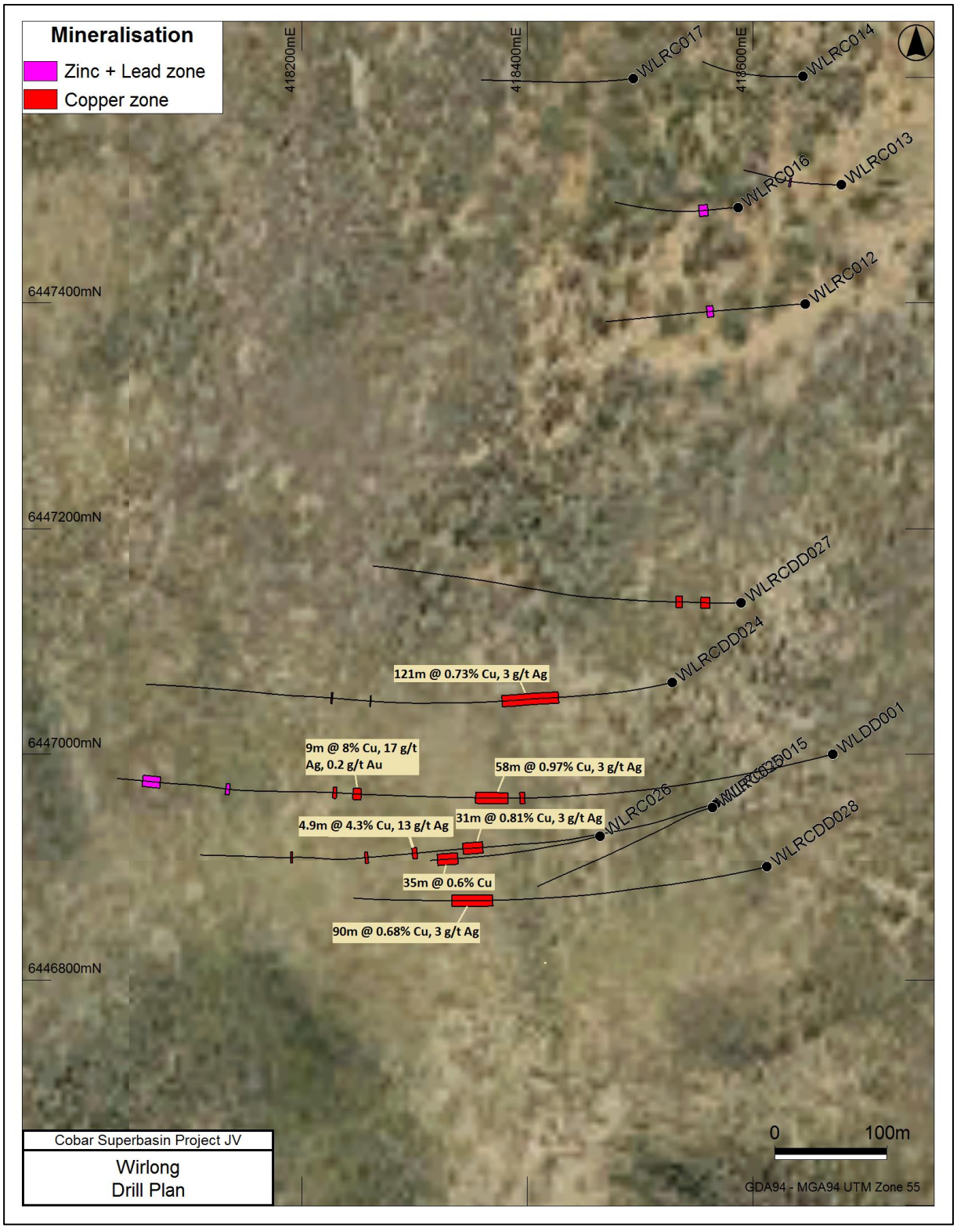

Figure 1 – Wirlong drill plan with significant Cu intercepts

Significant copper mineralisation at Wirlong has now been defined over ~200m strike, and from near surface to more than 500m below surface. Mineralisation remains open up and down dip and along strike. Initial interpretation of results suggests a possible easterly offset to the mineral system to the north, as evidenced by highly anomalous copper mineralisation returned from the upper part of WLRCDD027.

Future activity at Wirlong will be focused on extending the known mineralisation and targeting potential higher grade structures. Downhole electromagnetic surveying is planned for the near term.

Cobar Superbasin Project Background

The Cobar Superbasin Project, which includes the Wirlong prospect, 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 $7 million of exploration, over a period of up to 5 years. Details of the JOGMEC MoA can be found in Peel's ASX Announcement released on 30 September 2014.

Year 3 field activities commenced in April 2016, and have comprised drilling and geophysics. Full summaries of Cobar Superbasin Project activities and results will be published in the upcoming quarterly report.

Mallee Bull Project (Peel Mining Ltd 50%; CBH Resources Ltd 50%)

Peel Mining also announces that drilling at Mallee Bull has now recommenced as part of investigations to test for new mineralisation. Proposed targets include untested EM conductors to the north of Mallee Bull, potential shallow mineralisation (T1 repeats/extensions), and the T3 remanent magnetic anomaly southeast of Mallee Bull. The programme is anticipated to encompass up to 6,000m of RC and diamond drilling.

Mallee Bull Project Background

The Mallee Bull project, comprising EL7461 and ML1361, lies adjacent to the historic 4-Mile Goldfield and was identified as a coincident EM and magnetic geophysical anomaly in early 2011. In mid-2011 massive and stringer/breccia sulphide mineralisation with strong Cu-Ag-Au-Pb-Zn values, characteristic of major Cobar-style deposits, was intercepted in drilling.

In May 2012, Peel and CBH Resources Limited, a wholly owned subsidiary of Toho Zinc Co Ltd., signed a Heads of Agreement related to EL7461 and ML1361, under which, CBH gained the right to earn up to 50% via $8.33 million expenditure. In March 2014, CBH Resources completed its final Farm-in payment, and consequently a 50:50 Joint Venture has now been formed.

Mineralisation at Mallee Bull features the “Cobar-style” attributes of short strike length, moderate widths and extensive vertical continuity, with the deepest mineralised drillhole intercept at more than 800m below surface. A maiden resource estimate for Mallee Bull was made in May 2014, in accordance with the JORC Code (2012), comprising 3.9 million tonnes at 2.3% copper, 32 g/t silver and 0.3 g/t gold for 90,000 tonnes of contained copper, 4 million ounces contained silver and 43,000 ounces contained gold (at a 1% copper equivalent cut-off).

Drilling undertaken in 2015 encountered new and extensional mineralisation including extremely high grade Zn-Pb-Ag-Au mineralisation, with better intercepts including:

- MBRC028 returned **7m @ 21.39% Zn, 12.74% Pb, 203 g/t Ag, 0.58 g/t Au from 71m including 5m @ 29.54% Zn, 17.52% Pb, 280 g/t Ag, 0.80 g/t Au from 71m**
- MBRC024 returned **12m @ 20.30% Zn, 14.81% Pb, 308 g/t Ag, 1.59 g/t Au from 83m including 7m @ 31.44% Zn, 19.37% Pb, 440 g/t Ag, 2.53 g/t Au from 83m**

Additional information regarding Mallee Bull will be published in the upcoming quarterly report.

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.

Cobar Superbasin Project – Wirlong Phase 3 Drill Collars

Hole ID	Northing	Easting	Azi (grid)	Dip	Final Depth (m)
WLRC008	6445669	418702	263	-66	450
WLRC022	6445309	418935	276	-70	403
WLRC025*	6446953	418564	255	-55	270
WLRC026	6446927	418465	259	-56	277
WLRCDD023	6446412	418158	82	-55	588.1
WLRCDD024	6447063	418529	258	-67	858.4
WLRCDD027	6447134	418590	269	-60	598.7
WLRCDD028	6446900	418613	255	-56	594.4

* WLRC025 was abandoned

Cobar Superbasin Project – Wirlong Phase 3 Significant Assay Results (1m intervals)

Hole ID	From (m)	To (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)
WLRC026	36	37	2.29	0.01	0.09	6	-0.01
	37	38	5.30	0.04	0.16	15	0.02
	71	72	1.31	0.01	0.06	5	0.02
	74	75	1.01	0.01	0.06	-5	-0.01
	75	76	0.58	0.00	0.06	-5	-0.01
	229	230	0.80	0	0.03	-5	-0.01
	232	233	0.69	0	0.01	-5	-0.01
	234	235	0.80	0.01	0.02	-5	-0.01
	235	236	0.55	0	0.02	-5	0.01
	236	237	0.69	0	0.02	-5	-0.01
	243	244	1.02	0	0.02	-5	-0.01
	244	245	0.91	0.01	0.03	-5	0.02
	249	250	1.46	0.01	0.03	6	0.01
	255	256	0.52	0	0.02	-5	0.01
	256	257	1.11	0.01	0.03	-5	-0.01
	257	258	1.05	0.02	0.03	5	0.01
	258	259	1.26	0.02	0.06	5	0.01
	259	260	1.79	0.02	0.05	7	-0.01

Hole ID	From (m)	To (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)
	260	261	2.71	0.03	0.06	11	-0.01
	261	262	1.52	0.01	0.25	6	0.02
	262	263	0.93	0.01	0.15	-5	-0.01
	263	264	0.56	0.01	0.26	-5	0.01
	274	275	0.61	0.03	0.07	-5	-0.01
WLRCDD023	343	344	0.45	1.41	0.95	37	0.01
	347	348	0.71	0.02	0.05	-5	0.04
	348	349	0.87	0.01	0.03	-5	0.02
	387	388	0.50	0.01	0.02	-5	-0.01
	388	389	0.64	0.01	0.03	-5	-0.01
	391	392	0.53	0.09	0.12	-5	-0.01
	395	396	0.67	0.01	0.02	-5	-0.01
	402	403	0.60	0	0.02	-5	-0.01
	420	421	0.01	0.38	0.80	-5	-0.01
	476	477	0.55	0	0.01	-5	-0.01
WLRCDD024	208	209	1.75	0.01	0.06	8.63	-0.01
	217	218	0.80	0	0.05	4.31	-0.01
	218	219	0.51	0.02	0.05	3.81	0.01
	221	222	0.88	0.02	0.14	5.54	-0.01
	227	228	0.68	0.05	0.05	4.47	0.01
	229	230	1.49	0	0.03	6.34	-0.01
	231	232	1.31	0.02	0.03	6.28	0.01
	232	233	1.96	0	0.06	8.38	0.01
	233	234	0.71	0.01	0.10	3.32	-0.01
	236	237	0.68	0	0.02	2.95	-0.01
	237	238	2.22	0.01	0.04	9.98	0.01
	238	239	2.72	0.01	0.05	11.7	0.01
	243	244	1.36	0	0.02	4.7	0.02
	244	245	1.90	0.03	0.04	7.07	0.01
	245	246	2.08	0.02	0.05	7.33	0.02
	246	247	2.90	0.04	0.12	10.9	0.02
	247	248	3.18	0.03	0.16	11.1	-0.01
	248	249	1.87	0.03	0.11	8.29	-0.01
	249	250	1.16	0.01	0.05	3.7	-0.01
	250	251	0.89	0.01	0.03	2.86	-0.01
	251	252	1.25	0.02	0.04	5.09	-0.01
	252	253	0.51	0.01	0.03	1.87	-0.01
	260	261	1.72	0	0.03	4.58	0.01
	262	263	0.95	0	0.03	2.23	-0.01
	263	264	1.42	0	0.03	3.35	-0.01
	264	265	1.33	0	0.03	3.91	-0.01
	266	267	0.94	0.01	0.03	2.39	0.05
	268	269	0.98	0	0.04	2.25	0.01
	269	270	0.61	0.01	0.04	1.59	0.01
	270	271	0.85	0.01	0.07	2.03	-0.01
	273	274	0.59	0.01	0.04	1.57	0.01
	274	275	0.68	0.01	0.03	1.67	-0.01
	275	276	0.73	0.08	0.06	4.97	-0.01
	276	277	0.61	0.25	0.16	2.5	-0.01
	278	279	1.44	0.06	0.47	6.54	0.01

Hole ID	From (m)	To (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)
	279	280	1.04	0.03	0.15	4.13	-0.01
	282	283	0.97	0.01	0.05	2.3	-0.01
	283	284	0.53	0	0.03	0.97	-0.01
	284	285	0.85	0	0.02	1.46	-0.01
	285	286	0.57	0	0.02	0.98	-0.01
	286	287	0.73	0	0.02	1.28	-0.01
	288	289	0.75	0	0.02	2.15	-0.01
	289	290	1.03	0.01	0.05	2.77	-0.01
	290	291	0.61	0	0.02	1.93	-0.01
	291	292	1.13	0	0.03	4.29	-0.01
	292	293	0.54	0.01	0.05	1.72	-0.01
	294	295	0.92	0.01	0.03	2.88	-0.01
	296	297	0.90	0	0.03	2.5	-0.01
	297	298	3.24	0.26	1.05	17.7	0.04
	298	299	0.60	0.18	0.13	5.6	-0.01
	300	301	0.57	0.04	0.14	3.64	-0.01
	305	306	0.84	0.01	0.06	6.09	0.01
	306	307	1.06	0.02	0.13	8.38	-0.01
	307	308	0.70	0.01	0.07	4.76	-0.01
	308	309	1.12	0.06	0.30	9.18	0.01
	310	311	1.10	0.02	0.52	7.71	0.02
	311	312	0.57	0.01	0.23	4.55	0.02
	325	326	1.80	0	0.04	7.27	0.02
	326	327	0.70	0	0.02	2.97	0.02
	327	328	0.47	0	0.02	1.95	0.02
	556	557	4.81	0.01	0.09	10	0.09
	608	609	0.62	0	0.03	-5	0.01
	617	618	3.91	0.01	0.15	11	0.05
	618	619	0.54	0	0.04	-5	-0.01
	624	625	0.64	0	0.02	-5	0.02
	723	724	2.00	0.01	0.03	7	0.03
	725	726	0.59	0	0.01	-5	-0.01
	726	727	1.61	0	0.04	-5	0.02
	858	858.4	0.06	0.02	3.01	-5	-0.01
WLRCDD027	57	58	0.68	0.12	0.14	-5	-0.01
	58	59	0.60	0.05	0.02	-5	-0.01
	60	61	0.74	0.04	0.04	6	-0.01
	62	63	1.38	0.04	0.09	10	-0.01
	63	64	0.89	0.02	0.07	5	-0.01
	66	67	0.65	0.01	0.03	-5	0.03
	67	68	1.06	0.07	0.03	10	0.17
	71	72	1.20	0.01	0.06	10	0.17
	72	73	0.71	0	0.07	6	0.11
	106	107	2.88	0.16	0.05	31	0.03
	107	108	1.24	0.04	0.02	9	0.01
	110	111	0.71	0.01	0.05	-5	0.01
	112	113	0.72	0	0.07	-5	0.01
	115	116	0.55	0	0.08	-5	0.02
	244	245	1.13	0	0.04	-5	-0.01
	408	409	0.77	0.01	0.09	4.5	0.06

Hole ID	From (m)	To (m)	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)	Au (g/t)
WLRCDD028	264	265	0.85	0.01	0.06	4.9	0.01
	265	266	0.76	0	0.03	3.5	-0.01
	383	384	0.83	0	0.02	3.2	-0.01
	384	385	1.33	0	0.03	4.7	-0.01
	385	386	0.94	0	0.02	3.5	-0.01
	386	387	0.66	0	0.03	2.6	-0.01
	412	413	0.54	0.04	0.29	3.9	-0.01
	415	416	0.83	0.01	0.02	3.4	-0.01
	416	417	0.59	0.03	0.24	3.8	-0.01
	418	419	1.90	0.04	0.10	8.9	-0.01
	419	420	3.98	0.28	0.55	24.6	-0.01
	420	421	2.64	0.09	0.18	10.5	-0.01
	427	428	0.55	0	0.01	1.7	-0.01
	432	433	3.15	0.04	0.09	11.5	0.02
	433	434	1.09	0.01	0.04	4.3	-0.01
	436	437	1.19	0	0.01	4.1	-0.01
	437	438	1.06	0	0.01	3.6	0.01
	440	441	0.52	0	0.01	1.8	-0.01
	442	443	2.88	0.01	0.05	11.6	0.16
	443	444	8.63	0.16	0.11	41.8	0.16
	444	445	2.56	0.04	0.06	10.8	-0.01
	445	446	1.02	0.02	0.04	4.4	-0.01
	450	451	1.79	0	0.03	4.9	-0.01
	455	456	0.65	0	0.01	1.8	-0.01
	462	463	1.21	0	0.01	3.3	0.02
	464	465	1.08	0	0.01	3.2	-0.01
	465	466	0.65	0	0.01	1.8	-0.01
	467	468	0.91	0	0.02	2.4	-0.01
	469	470	1.00	0	0.01	2.8	0.03
	470	471	2.64	0	0.03	7.8	0.02
	471	472	1.06	0.01	0.03	3.6	-0.01
	482	483	0.85	0.01	0.04	2	0.04
	483	484	0.76	0.02	0.03	2.3	0.02
	488	489	0.73	0	0.04	1.6	0.02
	489	490	1.12	0.16	0.14	9.7	0.06
	498	499	0.21	0	0.02	1.1	0.77
	502	503	1.35	0	0.06	4.5	0.01
	503	504	0.66	0	0.04	2.5	0.01
	504	505	1.02	0	0.08	4	0.04
	505	506	0.58	0	0.09	2.2	0.02
	509	510	0.03	0	0.54	-0.2	-0.01
	510	511	0.01	0	0.91	-0.2	-0.01
	511	512	0.01	0.17	0.67	6.2	-0.01
	546	547	0.03	0.57	6.96	5.7	0.07
	592	593	0.01	0.03	0.95	0.8	-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 exists between recovery and grade. This will be assessed once a statistically valid

Criteria	JORC Code explanation	Commentary
		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 of mineralisation.
Quality of assay data	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and*	• ALS Services and SGS Laboratory Services were used for Au and multi-element

Criteria	JORC Code explanation	Commentary
and laboratory tests	*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.*	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 • The laboratory techniques below are for all samples submitted to SGS and are considered appropriate for the style of mineralisation defined at Mundoe, Sandy Creek, Wirlong and Red Shaft: ○ PRP-86/88 & SPL-26 (Sample preparation code) ○ ME-ICP41Q multi-element ○ Or an appropriate Ore Grade base metal AA finish ○ FAA-505 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*	• A Garmin hand-held GPS is used to define the location of the drillholes and /or samples. Standard practice is for the GPS

Criteria	JORC Code explanation	Commentary
	Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	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 and Wirlong 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 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	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures,*	• The Mallee Bull prospect is wholly located within Exploration Licence EL7461 "Gilgunnia". The tenement is subject to a

Criteria	JORC Code explanation	Commentary
land tenure status	*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.*	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 Superbasin Project. The Cobar Superbasin Project is subject to a farm-in agreement with 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.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No length weighting or top-cuts have been applied. • No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation 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.