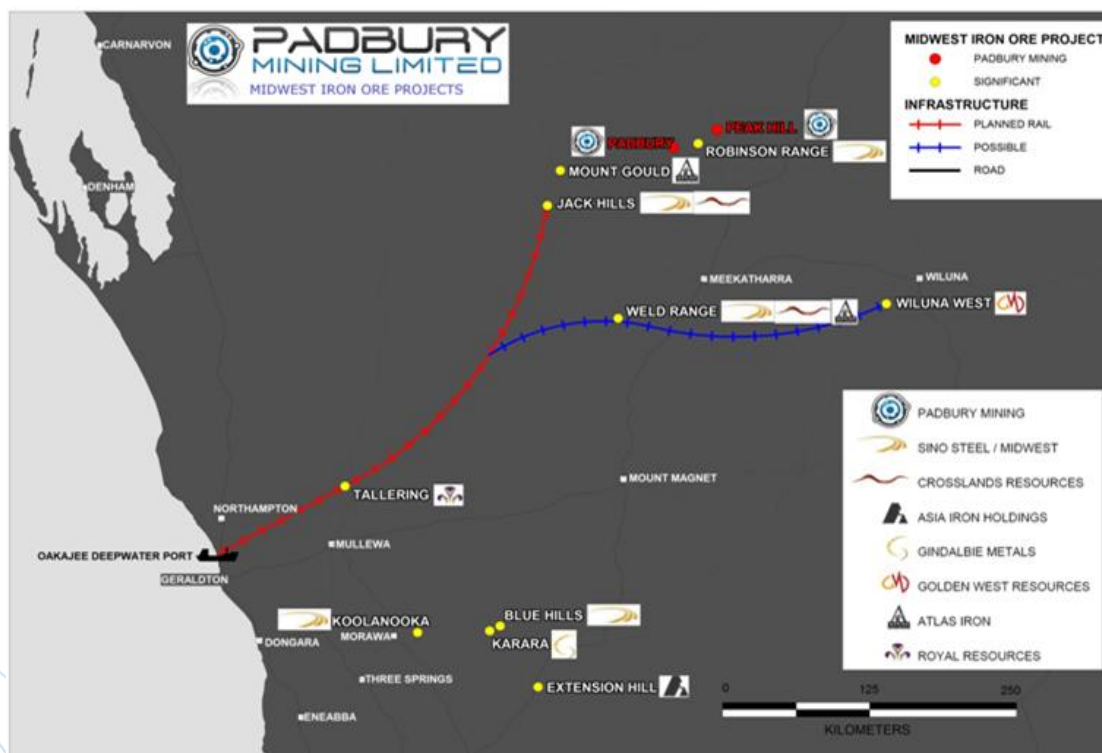


Padbury Mining Engages New Team To Undertake Regional Evaluation of Peak Hill Project

Highlights:

- Padbury Mining engage Salient and Resource Potentials to undertake regional desktop evaluation across the Peak Hill project area
- Historical exploration data, assay results, rock chips, geophysics data and HyMap hyperspectral imagery to be reviewed to determine areas of further investigation
- Further field exploration to be conducted by means of surface sampling and detailed mapping
- Results are expected to crystallise the value of its Peak Hill project and to provide Padbury Mining with a major input to its strategy going forward



The Directors of Padbury Mining are pleased to announce that in line with the Company's strategic review and project evaluation strategy, Salient Group Pty Ltd (Salient) and Resource Potentials Pty Ltd (Resource Potentials) have been engaged to conduct a regional geological review of the Peak Hill District, with

emphasis on defining hematite and magnetite potential. Exploration data will be compiled and analysed to further determine the presence of mineralisation across multiple commodities.

Background

The Peak Hill Iron Ore Joint Venture represents a strategic relationship between Padbury Mining Limited ("Padbury") and Aurium Resources Limited ("Aurium"). A total land area in excess of 2,000 km² is covered by the Joint Venture (70% Padbury, 30% Aurium).

The project is located in the Mid West region of Western Australia, 100km North of Meekatharra.

Over 100km of highly prospective strike length, has been identified by means of drilling; airborne magnetics; HyMap imagery; rock chip sampling and mapping. The Joint Venture partners are employing cost effective modern exploration methods to advance the Peak Hill Iron Project and maximise shareholder value.

The project area lies adjacent to Sino Steel Midwest's Robinson Range Project. Substantial ground positions are held by Cliffs Asia Pacific, Atlas Iron and FMG within close proximity to the Peak Hill Iron Project.

Salient

Salient is a boutique exploration and mining focused consultancy group offering specialist services within the mining and exploration sector. It will undertake a desktop analysis of the Peak Hill project.

As part of the desktop analysis program, Salient will complete a review of historical exploration undertaken previously as well as a review of recent company acquired data. Salient will also determine an appropriate field work program for the company to adequately test identified targets.

Padbury Mining believes that the knowledge and experience offered by Salient will enable the company to focus itself on evaluating the prospectivity and developing resources within the Peak Hill project. A diversified approach will be taken in order to adequately evaluate other commodities of economic significance.

Resource Potentials

In addition to the engagement of Salient, Padbury Mining has engaged the services of Resource Potentials.

Resource Potentials is a multi-disciplinary consulting and contracting business that provides high quality Geophysical, Geological and Cartographic services to mining and exploration companies.

Specialising in geophysical survey design, processing and interpretation, Resource Potentials has an experienced team of geophysicists that will provide complete geophysical project management to the Peak Hill project covering a range of commodities including iron, copper, uranium and gold.

Combining state of the art 3D software and advanced techniques developed in-house, Resource Potentials will provide innovative, timely and cost effective techniques including advanced processing, imaging and modelling of airborne, ground and down hole geophysical data.

Corporate Strategy

Pursuant to the engagement of Salient and Resource Potentials, Padbury Mining has positioned itself as a focussed Iron Ore explorer and developer. The Directors believe that the desktop analysis being undertaken by Salient and Resource Potentials will provide the Company with a significant understanding of the regional importance of the Peak Hill District as a major iron ore province. It is anticipated that the results from the analysis will provide a key input into the development of the Company's future exploitation strategies for the Peak Hill Iron Project.

Gary Stokes
Managing Director