



## PEAK HILL IRON JV-- ASSAY RESULTS UP TO 64.6% FE

### **Assay results confirm high grade hematite located at surface**

#### HIGHLIGHTS:

- Mapping and Rock chip sampling at the joint venture partners' (Padbury Mining and Aurium Resources) Telecom Hill project confirm extensive high grade hematite.
- 152 Rock chip samples have been verified by an independent laboratory with results as high as 64.6%\* Fe.
- Laboratory analyses upgrade the previously announced field portable XRF results.
- Detailed follow up drilling is planned to commence this calendar quarter.

#### SUMMARY

*Padbury Mining Limited ("Padbury") and its JV partner Aurium Resources Limited are pleased to announce high grade hematite results from the recently conducted rock chip sampling at Telecom Hill. An independent testing program completed by Spectrolab Pty Ltd has recorded significantly higher iron grades for many of the field portable XRF results announced to the market on 4 February 2010. These results further confirm the potential for DSO hematite material at the project.*

*The program was conducted over iron formations belonging to the Robinson Range Formation with the aim of defining iron mineralisation to assist with drill hole targeting. Twenty traverses were walked across the banded iron formation unit approximately 400 metres apart with samples being taken at a 50 metre spacing. A total of 152 samples were collected. Initially these were subjected to a Niton field portable XRF analyser and then submitted to Spectrolabs for independent verification.*

*Padbury staff have designed a detailed RC drilling program to investigate the continuity of mineralisation at depth; the program is scheduled to commence later this calendar quarter.*

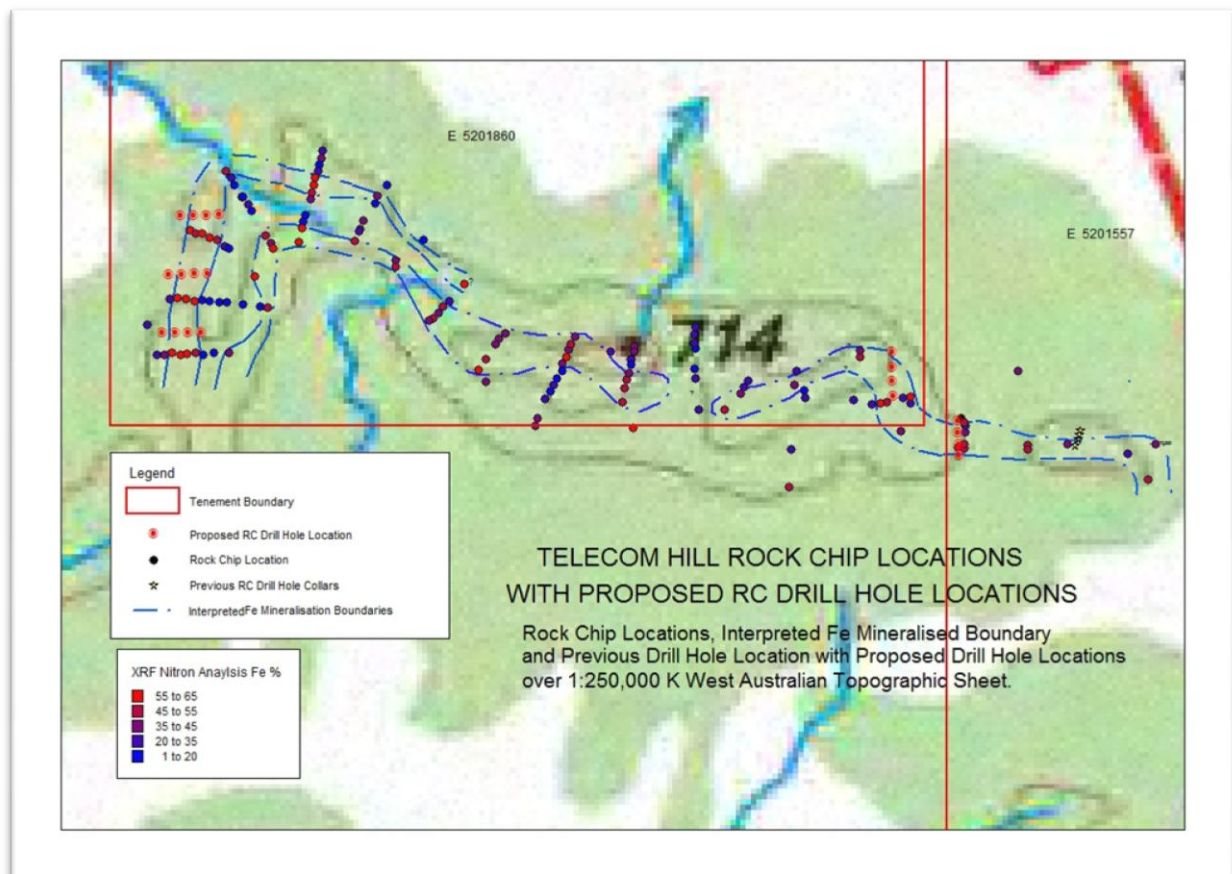
TABLE 1: ASSAY RESULTS >50% FE:

Sample	Easting*	Northing*	Project	Niton Fe%**	Assay Fe%
TRX002	658765	7172841	Telecom Hill	52.2	58.8
TRX004	658646	7173014	Telecom Hill	26.1	54.8
TRX008	658026	7173049	Telecom Hill	53.7	56.7
TRX011	658275	7173085	Telecom Hill	44.7	61.1
TRX012	657598	7173072	Telecom Hill	46.9	64.6
TRX013	657639	7173066	Telecom Hill	50.7	64.2
TRX014	657633	7173095	Telecom Hill	52.0	60.8
TRX022	657310	7173419	Telecom Hill	57.1	61.4
TRX027	657121	7173374	Telecom Hill	58.3	62.0
TRX035	656555	7172810	Telecom Hill	53.5	60.3
TRX087	654646	7173633	Telecom Hill	55.0	58.8
TRX088	654689	7173549	Telecom Hill	43.6	60.3
TRX089	654564	7174215	Telecom Hill	56.7	51.8
TRX097	654142	7174384	Telecom Hill	35.4	54.8
TRX098	654145	7174341	Telecom Hill	54.1	62.1
TRX105	653917	7174586	Telecom Hill	33.5	51.7
TRX106	653891	7174515	Telecom Hill	46.5	50.3
TRX111	652756	7173769	Telecom Hill	58.8	56.3
TRX112	652811	7173759	Telecom Hill	61.7	55.7
TRX113	652850	7173764	Telecom Hill	55.9	59.5
TRX119	652795	7174144	Telecom Hill	59.1	63.5
TRX121	652847	7174137	Telecom Hill	55.7	58.5
TRX122	652898	7174122	Telecom Hill	56.9	57.6
TRX131	652876	7174604	Telecom Hill	60.6	62.4
TRX132	652911	7174579	Telecom Hill	53.7	58.1
TRX133	652951	7174579	Telecom Hill	55.1	53.8
TRX134	652996	7174554	Telecom Hill	55.6	58.0
TRX138	653270	7174287	Telecom Hill	56.0	57.9
TRX145	653644	7174901	Telecom Hill	57.7	60.2
TRX151	653568	7174609	Telecom Hill	55.4	59.7

All the samples taken during the rock chip sampling program were initially analysed using a field portable XRF unit (see Table 1) and then dispatched to Spectrolabs Pty Ltd for independent verification by fused disc XRF analysis. In most cases the Spectrolabs results recorded higher iron contents than the field portable XRF results (see Table 1) which has further improved confidence in the project. Grades of up to 64.6% Fe have now been determined; of the 152 Spectrolabs results 30 samples had an iron grade exceeding 50%Fe, 24 exceeded 55%Fe and 12 exceeded 60%Fe.

The Managing Director of Padbury Mining, Gary Stokes, said "These are great results for the company and confirm the exciting potential of Telecom Hill. In addition to the magnetite potential of the site, we now have significant hematite potential. Whilst the results are based on surface exploration we expect further confirmation of the value of our tenements through a planned drilling program."

### Telecom Hill Rock Chip Locations



### PROJECT GEOLOGY:

The hematite horizon that has been targeted is hosted within the Robinson Range Iron Formation. This unit crops out extensively through Padbury's tenure and forms a prominent ridge at Telecom Hill. Historical work by Sofoulis, J, 1970, *Iron Deposits of the Robinson Range, Peak Hill Goldfields, WA (GSWA Record 1970/60)*, observed that iron formations (comprising of varying amounts of Hematite, Magnetite, Quartz, Biotite & Actinolite) range up to 30m or more in thickness. Furthermore the presence of Hematite, Hematite-Goethite and Goethite enrichments was noted in numerous localities.





*Padbury's Managing Director, Gary Stokes said, "These results confirm the potential of hematite at Telecom Hill and is another step towards meeting the JV partners' plan to achieving a JORC compliant resource as its priority during 2010."*

***For further information please contact:***

*Gary Stokes  
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*Technical information in this report has been prepared under the supervision of Mr Jonathan King, a director of Salient Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG). Mr King has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr King consents to the inclusion in this report of the information, in the form and context in which it appears.*