

Government Approvals Received for Mt Padbury Hematite Drilling Program

Clarifying Statement

Padbury Mining Limited (ASX: PDY) and JV partner Aurium Resources Limited (ASX: AGU) advise that the earlier announcement did not have the hematite target statement in the form required by the ASX. The attached statement now has included the necessary target statement.

Competent Person's Statement

The Exploration Results and exploration target estimates discussed in this report were prepared under the supervision of Mr Daniel Wholley BAppSc MAIG, who is a Director and full time employee of CSA Global Pty Ltd and is a competent person as defined by the Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition. Mr Wholley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Padbury Mining Limited (ASX: PDY) and JV partner Aurium Resources Limited (ASX: AGU) are pleased to announce Government approval of the proposed drilling of iron mineralisation targets at the flagship Peak Hill Iron Project's Mt Padbury prospect.

The maiden drilling at Mt Padbury will target hematite mineralisation within the Robinson Range Iron Formation contained within tenement E52/2279.

The Department of Mines and Petroleum has approved of the Program of Works, conditional on avoiding impact on individual species of conservation value required by the Department of Environment and Conservation.

Padbury Managing Director Gary Stokes said geological mapping at the site had identified iron ore targets with potentially significant platy hematite-goethite mineralisation with a hematite exploration target¹ of 20–28 million tonnes at 55–60% Fe.

“This indicates that Mt Padbury is highly prospective for hematite (Direct Shipping Ore – DSO) and we are excited that this much-anticipated drilling program can now start,” he said.

The Mt Padbury field operation is scheduled to start late November, subject to earthworks contractor availability, after the ground conditions dry following the recent wet weather.

The Mt Padbury drilling is the follow up subsurface testing of potential hematite mineralisation identified in exploration mapping carried out earlier in 2011. These programs are part of the JV's key objective to develop the potential of the flagship Peak Hill Project to deliver a pipeline of strategic iron projects in Western Australia's Midwest region.

The Mt Padbury operations will be integrated within the ongoing evaluation drilling of the magnetite and hematite potential nearby at Peak Hill's Telecom Hill prospect.

“This combined program is the largest undertaken by Padbury and is part of a focused strategy to build the Peak Hill Iron Project base by expanding and upgrading the existing magnetite resource and identifying potential DSO sources, which could lead to early cashflow,” Mr Stokes said.

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¹ NOTE: This potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



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