



## Discovering Copper in the Cobar Superbasin

Rob Tyson, Managing  
Director

Annual General Meeting

**Peel Mining Limited (ASX:PEX)**  
*Investor Presentation – November 2012*

[www.peelmining.com.au](http://www.peelmining.com.au)

# Disclaimer & Competent Persons Statement

- **Disclaimer**

- *The views expressed here other than historical fact constitute forward-looking statements. Forward-looking statements are based upon estimates and assumptions considered reasonable by the Company, albeit subject to uncertainties and contingencies of unknown factors that may cause variation in such forward-looking statements beyond the Company's ability to control or predict. Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.*

- **Competent Persons Statement**

- *The information in this report that relates to Exploration Results is based on information compiled by Mr Robert Tyson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tyson is Managing Director of Peel Mining Ltd. Mr Tyson has sufficient experience which is relevant to the style of mineralisation and type of deposit 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.' Mr Tyson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*
- *The information in this report that relates to mineral resource estimation for Apollo Hill is based on work completed by Mr Jonathon Abbott who is a full time employee of Hellman and Schofield Pty Ltd and a member of the Australasian Institute of Mining and Metallurgy. Hellman & Schofield was not required to review the quality or validity of the sampling data, as Peel Mining are accepting responsibility for these aspects of the estimates. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*
- *The information in this report relating to the Attunga resources is based on information compiled by Mr Murray Hutton, who is a Member of the Australian Institute of Geoscientists and is employed by Geos Mining. He has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves.' Mr Hutton consents to the inclusion in this report of this information in the form and context in which it appears.*



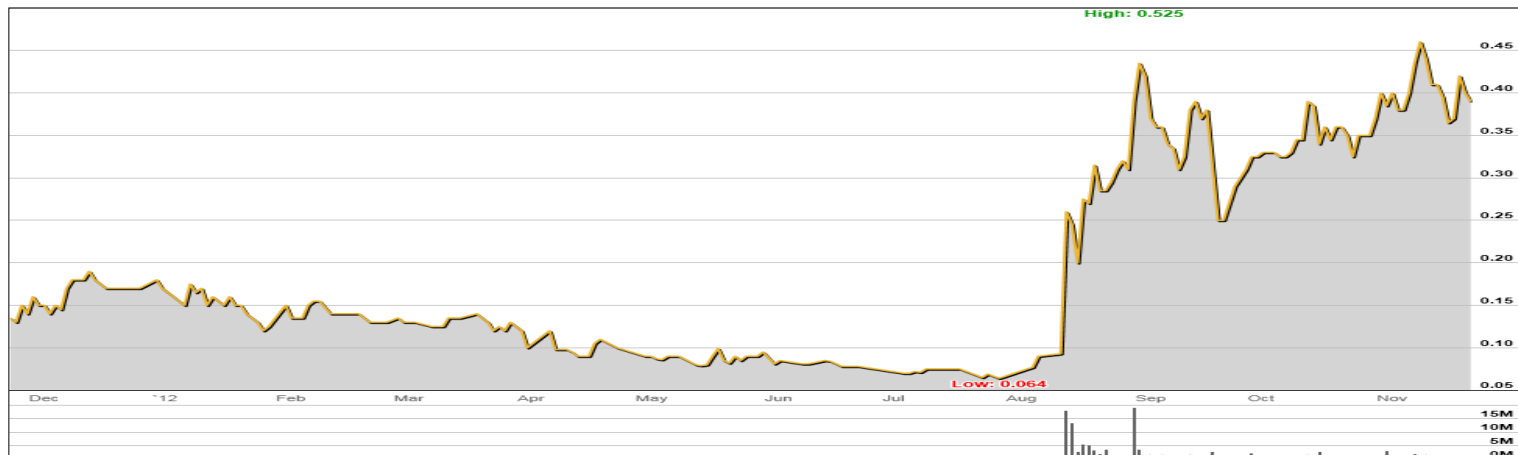
# Capital and Corporate

- **Capital structure**

Fully paid shares: 111 million	Enterprise value: \$39 million
Options: 0.5 million	Top 20 investors: ~60%
Market cap (@ 36 cps): \$40 million	Directors' holding: ~26%

- **Business model**

- Identify and acquire undervalued/prospective mineral assets
- Add value through systematic exploration
- Monetise (through JV/sale/IPO) or take to production



# Board and Technical Team

Small leadership team with blend of technical and commercial backgrounds;  
focus on maximising returns

- **Board**

- Rob Tyson (Managing Director)
- Simon Hadfield (Chairman)
- Graham Hardie (Non-exec Director)
- Craig McGown (Non-exec Director)

- **Technical team**

- Michael Oates (Project Geologist/Manager)
- Steve Leggett (Operations Manager)
- Nancy Vickery (Consulting Geologist)
- Bob Brown (Consulting Geologist)

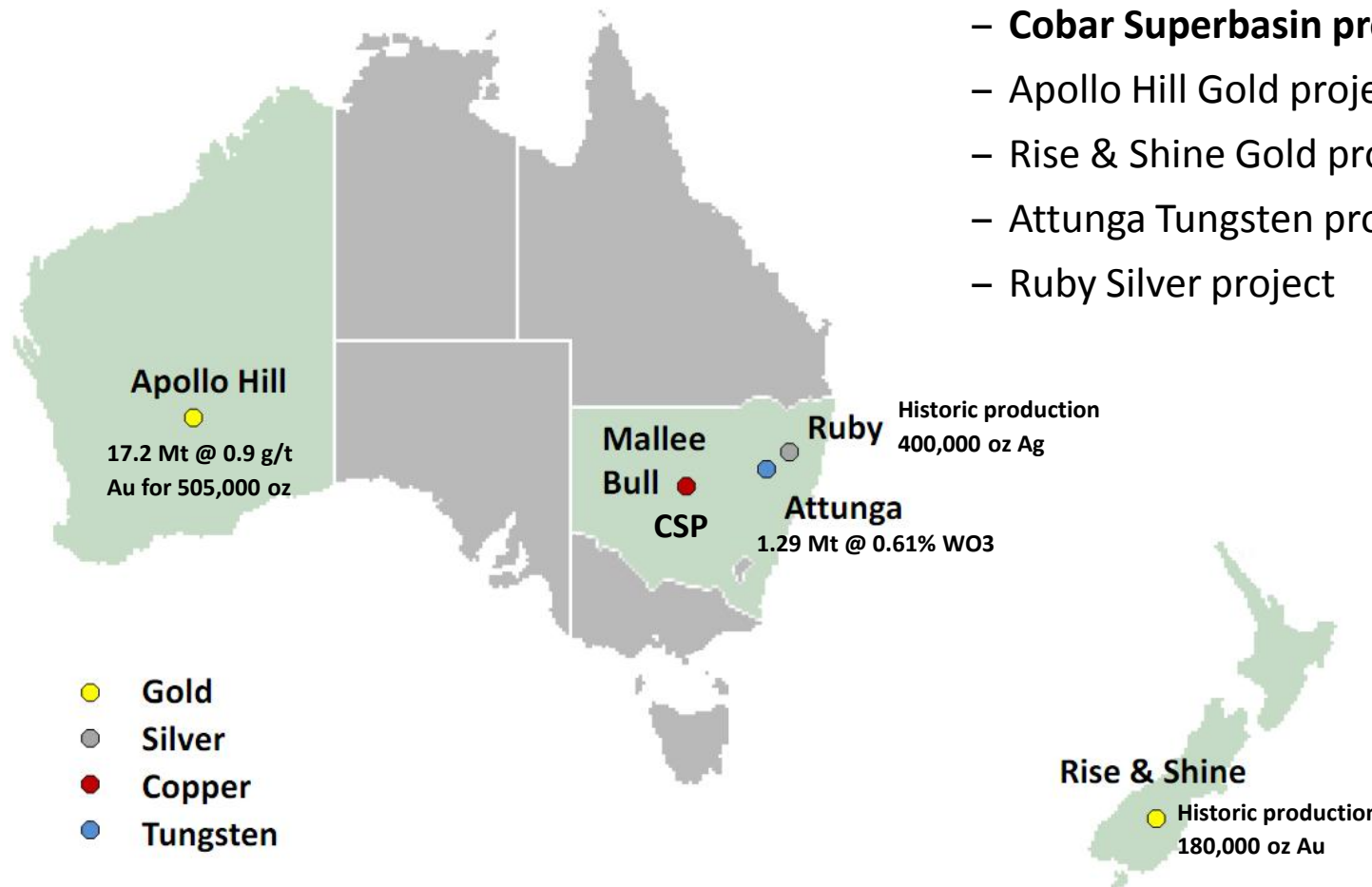
- **Maximising PEX's discovery potential:**

- Very low admin costs at <\$150K per quarter
- Small, efficient, skilled, technical/operations team
- High exploration success rate
- Focus on drill testing – only way to prove orebodies
- Maximising every dollar – money goes into the ground



# Project Summary

Growing base-precious metal resources company

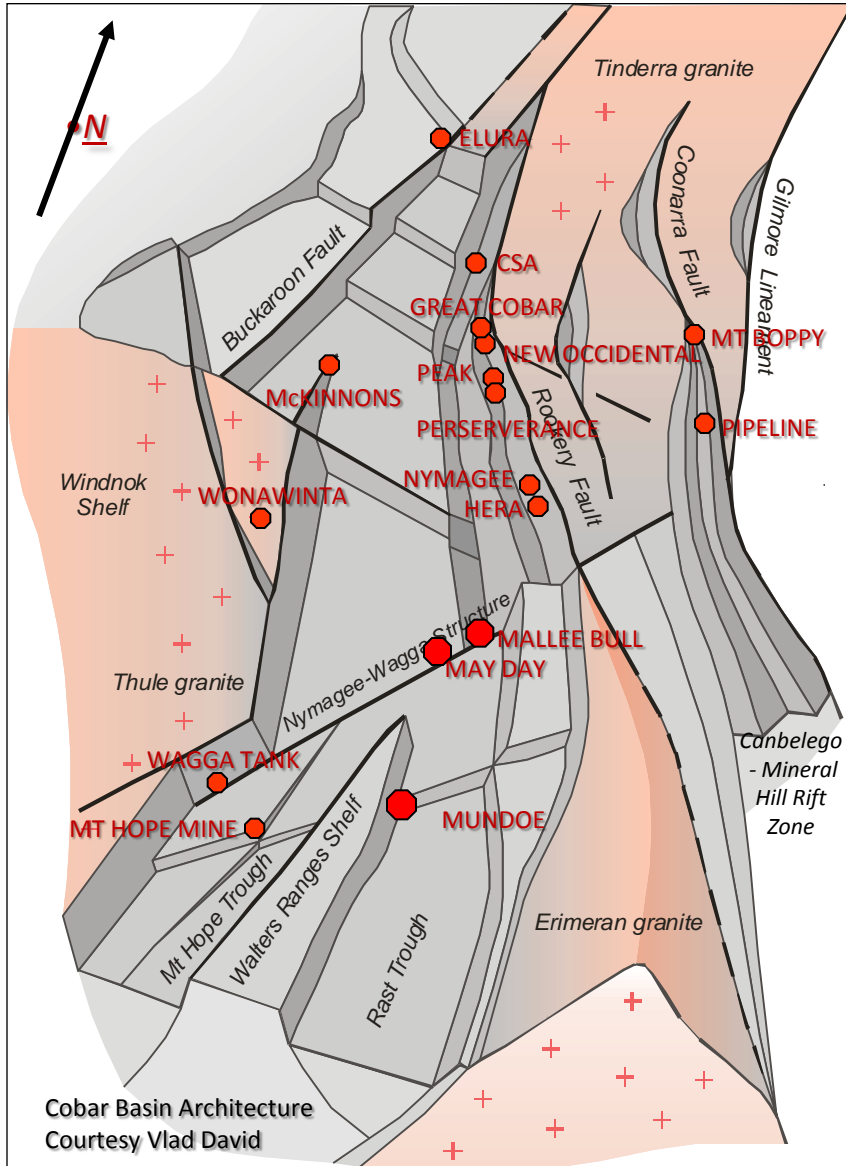


- **Key assets:**

- **Mallee Bull Copper-polymetallic Discovery**
- **Cobar Superbasin project (CSP)**
- Apollo Hill Gold project
- Rise & Shine Gold project
- Attunga Tungsten project
- Ruby Silver project

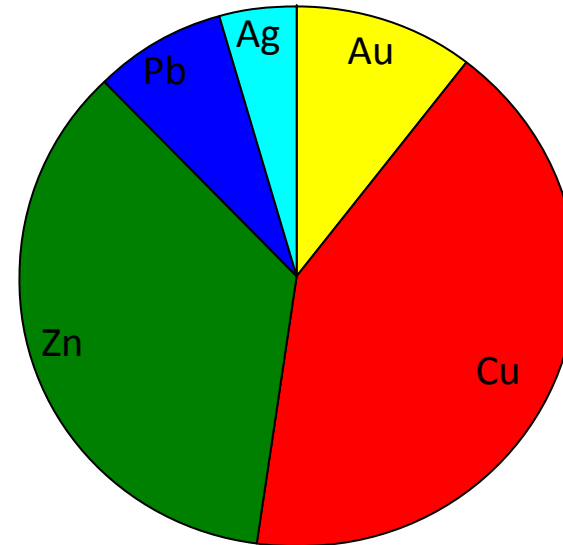


# Cobar Superbasin is worldclass mineral province



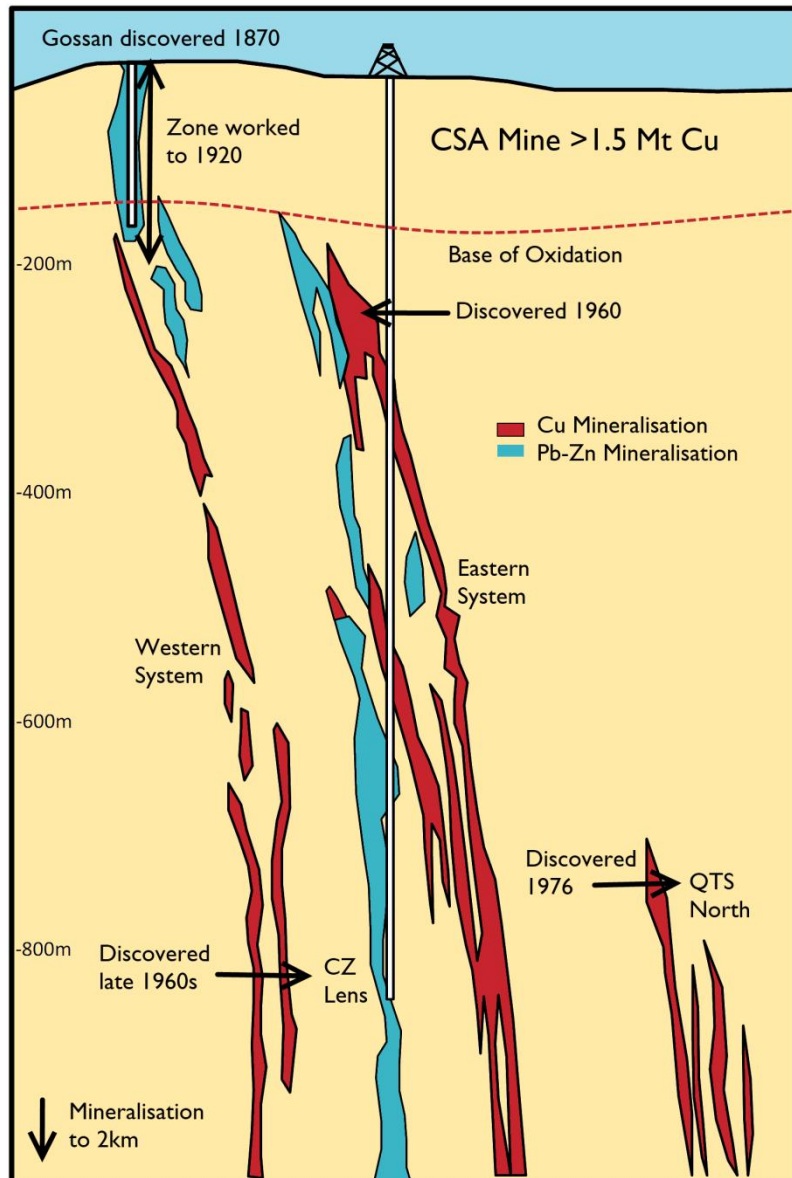
## • Cobar Superbasin pre-mining metal inventory:

- >2.2 Mt Cu = US\$18b
- >7 Moz Au = US\$12b
- >4.7 Mt Zn = US\$9.5b
- >2.8 Mt Pb = US\$5.5b
- >145 Moz Ag = US\$4.5b
- Total = US\$50b





# “Cobar–style” Deposits vs Mallee Bull Discovery



## Attribute

Polymetallic (Cu-Ag-Au-Pb-Zn)

Proximity to major structures (growth/transfer faults)

Shear-hosted

Strongly leached near surface

Chlorite and silica alteration

Facies and rock competency contrasts

Moderate to high strain zone

Short strike length (<200m)

Narrow widths (5-20m)

Vertical continuity (>400m)

Generally occur as clustered/stacked lenses

## Mallee Bull

✓

✓

✓

✓

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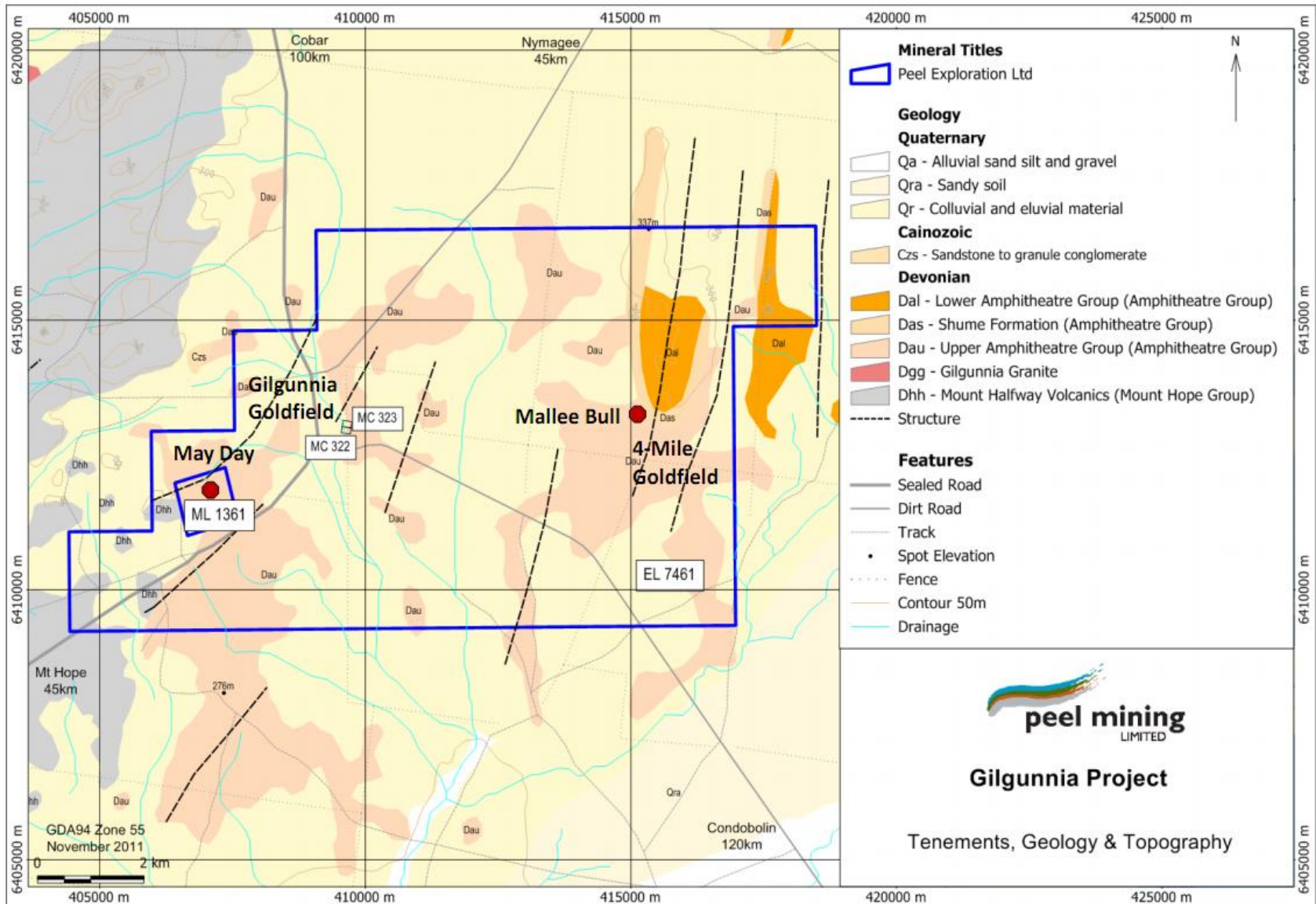
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# Mallee Bull project



## Gilgunnia Project

Tenements, Geology & Topography



## Attracting CBH is testament to Mallee Bull's potential

- **Key Terms of Farm-in**

- Agreement covers EL7461 and ML1361 including Mallee Bull
- Peel remains operator
- Stage 1 sees CBH earn 15% interest by payment of \$1m to Peel as contribution to past expenditure (received July 2012) and by contributing \$1.5m to exploration within a 12 month period (underway)
- Stage 2 sees CBH (at its election) increase to 30% interest by contributing a further \$2.5m to exploration within a further 12 month period
- Stage 3 sees CBH (at its election) increase to 50% interest by contributing a further \$3.33m to exploration within a further 12 month period
- CBH may elect to form a joint venture at the end of any stage; parties can then elect to contribute on pro-rata basis or be diluted according to an industry-standard formula.



## Perseverance and methodical exploration lead to discovery

- **Location and tenure**
  - 80 km<sup>2</sup> of granted leases (EL and ML)
  - 100 km south of Cobar, NSW
  - Ease of access, 3 km off major road
- **Geology and Mineralisation**
  - Located in Silurian-Devonian Cobar Superbasin
  - Cobar-style polymetallic (Cu-Au-Ag-Pb-Zn) mineralisation
- **Mallee Bull Cu-Ag-Au-Pb-Zn-Co Discovery**
  - 8km east of May Day Au-Ag-Pb-Zn-Cu deposit; adjacent to historic 4-Mile goldfield
  - Coincident EM and magnetic geophysical anomalies
  - Favourable geological position in volcanoclastic turbidite sequence age equivalent of Great Cobar geology
  - Favourable structural position located on “nose” of anticline; high strain environment
  - Perseverance required; four rounds of drilling (for 1,680m) necessary
  - High-grade massive sulphides intercepted in July/August 2011



## Phase 1 drilling confirms Mallee Bull as a Cobar-style discovery

- Phase 1 RC/diamond drill programme from Nov 2011 – Feb 2012 (for 5,817m)
- Better drill results include:

<b>10m @ 9.01% Pb, 11.00% Zn, 41 g/t Ag, 0.77 g/t Au</b>	<b>6.65m @ 3.10% Cu, 34 g/t Ag, 0.93 g/t Au</b>
<b>9.3m @ 1.20% Cu, 19 g/t Ag, 0.14 g/t Au</b>	<b>10m @ 1.70% Cu, 46 g/t Ag, 0.27 g/t Au</b>
<b>5m @ 2.40% Cu, 28 g/t Ag, 0.60 g/t Au</b>	<b>7m @ 2.32% Cu, 14 g/t Ag, 0.15 g/t Au</b>
<b>7m @ 1.31% Cu, 19 g/t Ag, 0.56 g/t Au</b>	<b>6m @ 2.01% Cu, 64 g/t Ag, 0.43 g/t Au</b>
<b>11m @ 2.71% Cu, 36 g/t Ag, 0.26 g/t Au</b>	<b>10m @ 2.66% Cu, 41 g/t Ag, 0.51 g/t Au</b>
<b>5m @ 2.14% Cu, 41 g/t Ag, 1.29 g/t Au</b>	<b>10m @ 2.22% Cu, 33 g/t Ag, 0.44 g/t Au</b>

- Strike of mineralisation = ~120m
- Shallowest intercept = ~150m below surface
- Deepest intercept = ~300m below surface
- Mineralisation open in multiple directions, including down-dip
- Option to purchase Wirchilleba Station (Mallee Bull “footprint”)



## Phase 2 drilling confirms Mallee Bull as major copper discovery

- Phase 2 diamond drill programme from Jul 2012 – Nov 2012 (for 4,822.5m)
- Better drill results include:

**41m @ 1.71% Cu, 33 g/t Ag, 1.84 g/t Au**

**10m @ 1.12% Cu, 47 g/t Ag, 0.95 g/t Au**

**14m @ 1.92% Cu, 56 g/t Ag, 0.30 g/t Au**

**42m @ 1.01% Cu, 23 g/t Ag, 0.91 g/t Au**

**31m @ 1.61% Cu, 13 g/t Ag, 0.17 g/t Au**

**35m @ 0.65% Cu, 54 g/t Ag, 1.16 g/t Au, 3.42% Pb,  
1.51% Zn**

**21m @ 1.48% Cu, 24 g/t Ag, 0.25 g/t Au**

**31m @ 2.65% Cu, 51 g/t Ag, 0.18 g/t Au**

**12m @ 1.58% Cu, 39 g/t Ag, 0.14 g/t Au**

**22m @ 3.62% Cu, 38 g/t Ag, 0.09 g/t Au**

**7m @ 1.09% Cu, 29 g/t Ag, 1.74 g/t Au**

**13m @ 1.91% Cu, 31 g/t Ag, 0.12 g/t Au**

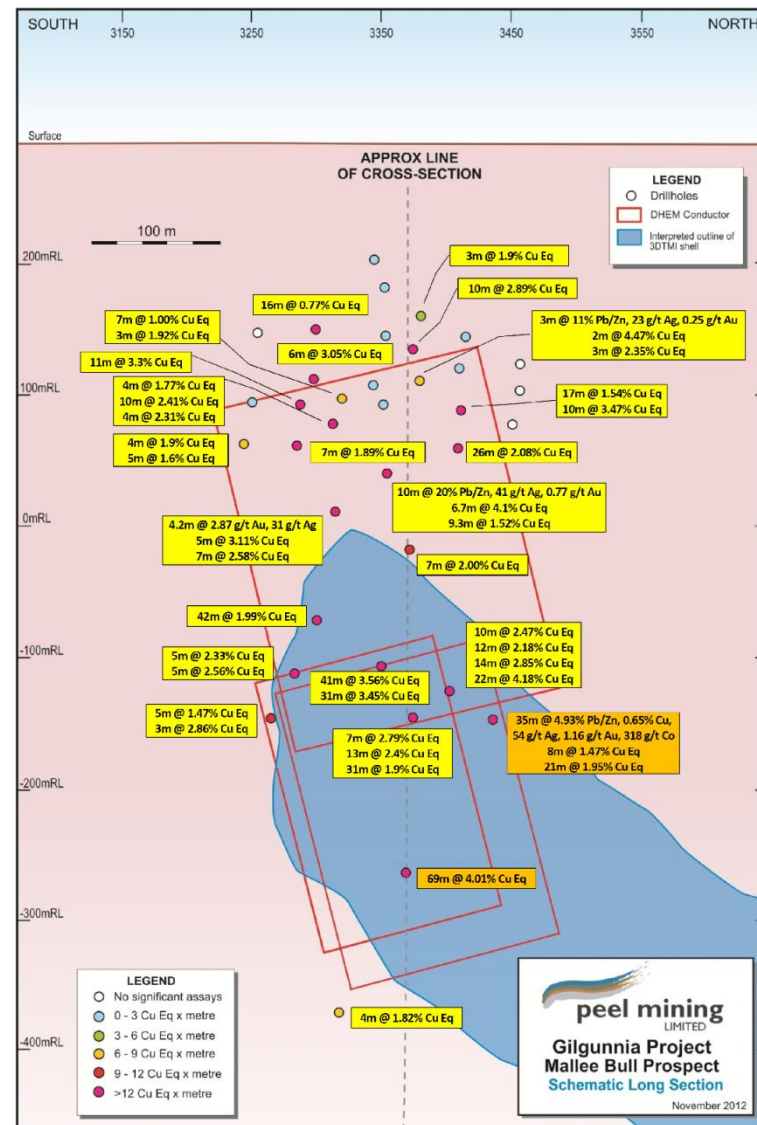
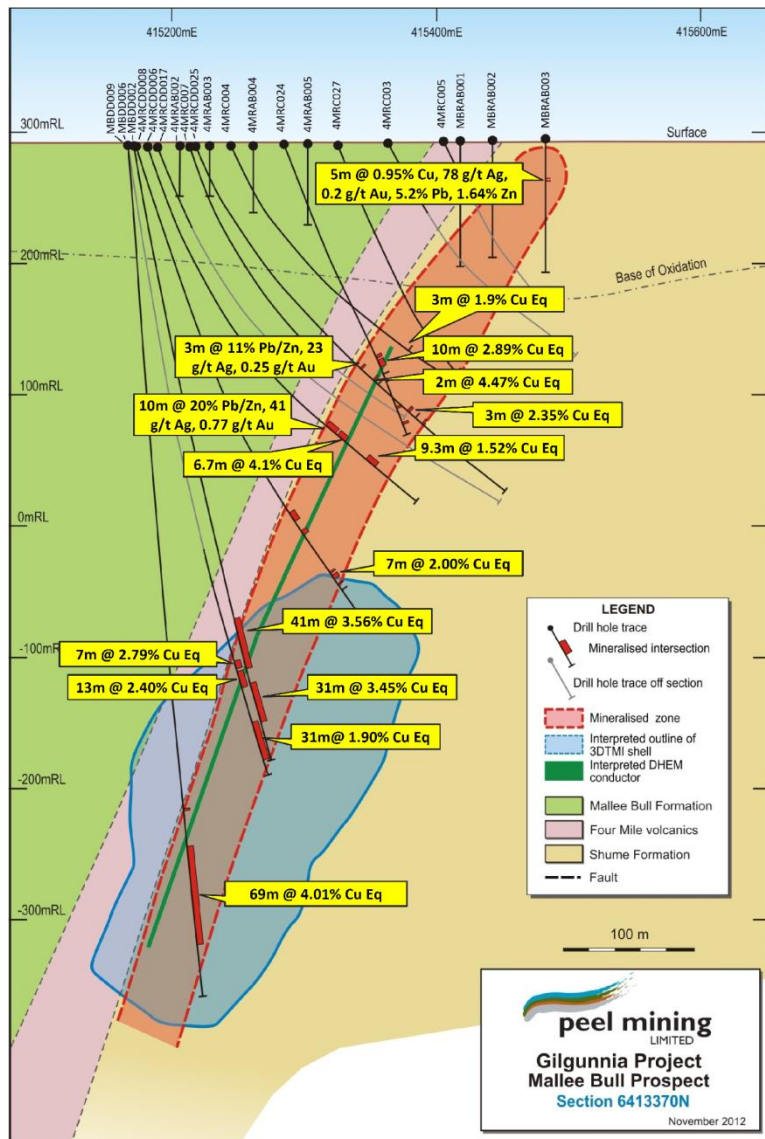
**8m @ 1.23% Cu, 12 g/t Ag, 0.09 g/t Au**

**69m @ 3.48% Cu, 34 g/t Ag, 0.14 g/t Au**

- Strike of mineralisation = ~120m
- Shallowest intercept = ~40m below surface
- Deepest intercept = ~600m below surface
- Mineralisation open in multiple directions, including down-dip/plunge



# MBDD009 – broad, high-grade, copper-polymetallic





# Mallee Bull Mineralisation (Py-Po-Cpy MS Zone)



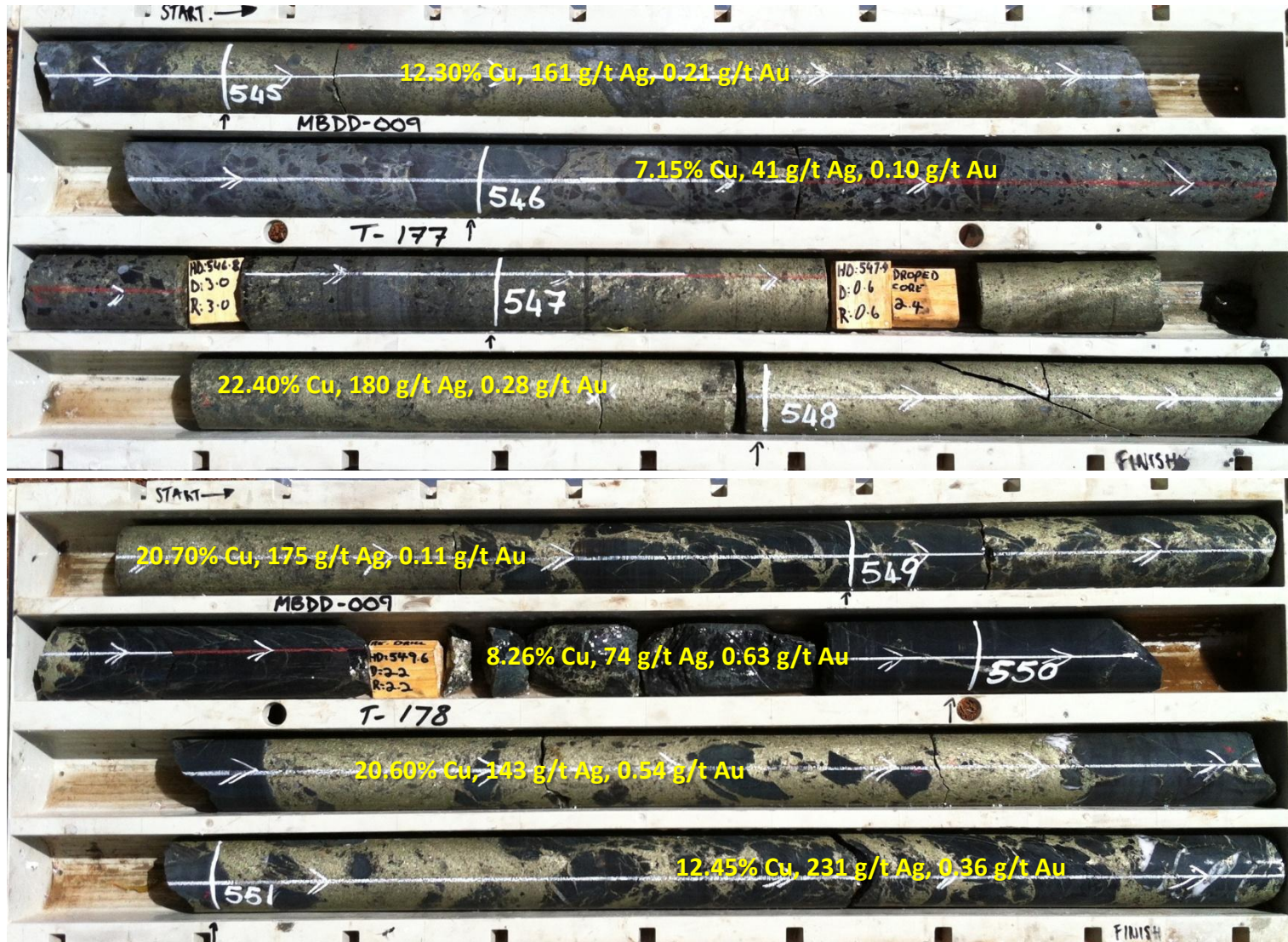


# Mallee Bull Mineralisation (Py-Po-Ga-Sph-Cpy MS Zone)





# Mallee Bull Mineralisation (Cpy-Po Stringer Zone)

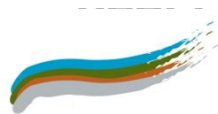
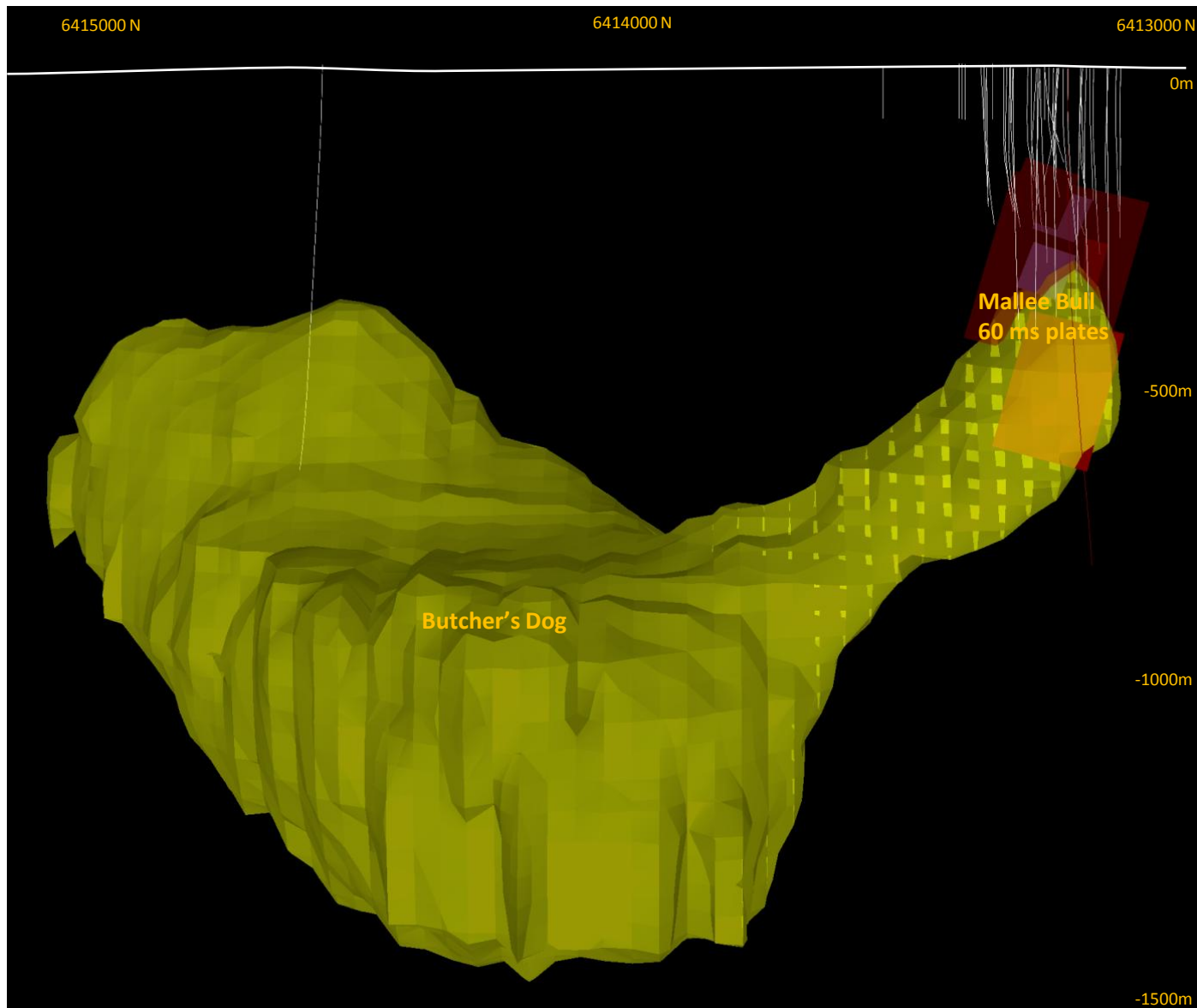


## Phase 3 (Stage 2 of farm-in) to focus on deep and infill drilling

- **Mallee Bull and surrounds forward programme (subject to approval)**
  - Stage 2 of farm-in sees CBH fund \$2.5m on further exploration for further 15% interest
  - Commencement mid-late January 2013
  - ~8,000m diamond drilling and ~2,000m RC drilling
  - Deep drilling targeting MBDD009 (~600m below surface) strike continuity
  - Deep drilling targeting down dip/plunge (= or >700m below surface) continuity
  - Infill drilling to close gaps in current drill spacing
  - RC drilling of up-dip mineralisation
  - RC drilling of nearby prospects
  - IP/MT of prospective stratigraphy/Butcher's Dog
  - DHEM as required to guide deep drilling
  - Surface geochem



# 3D TMI Inversion Modeling with DHEM (looking east)





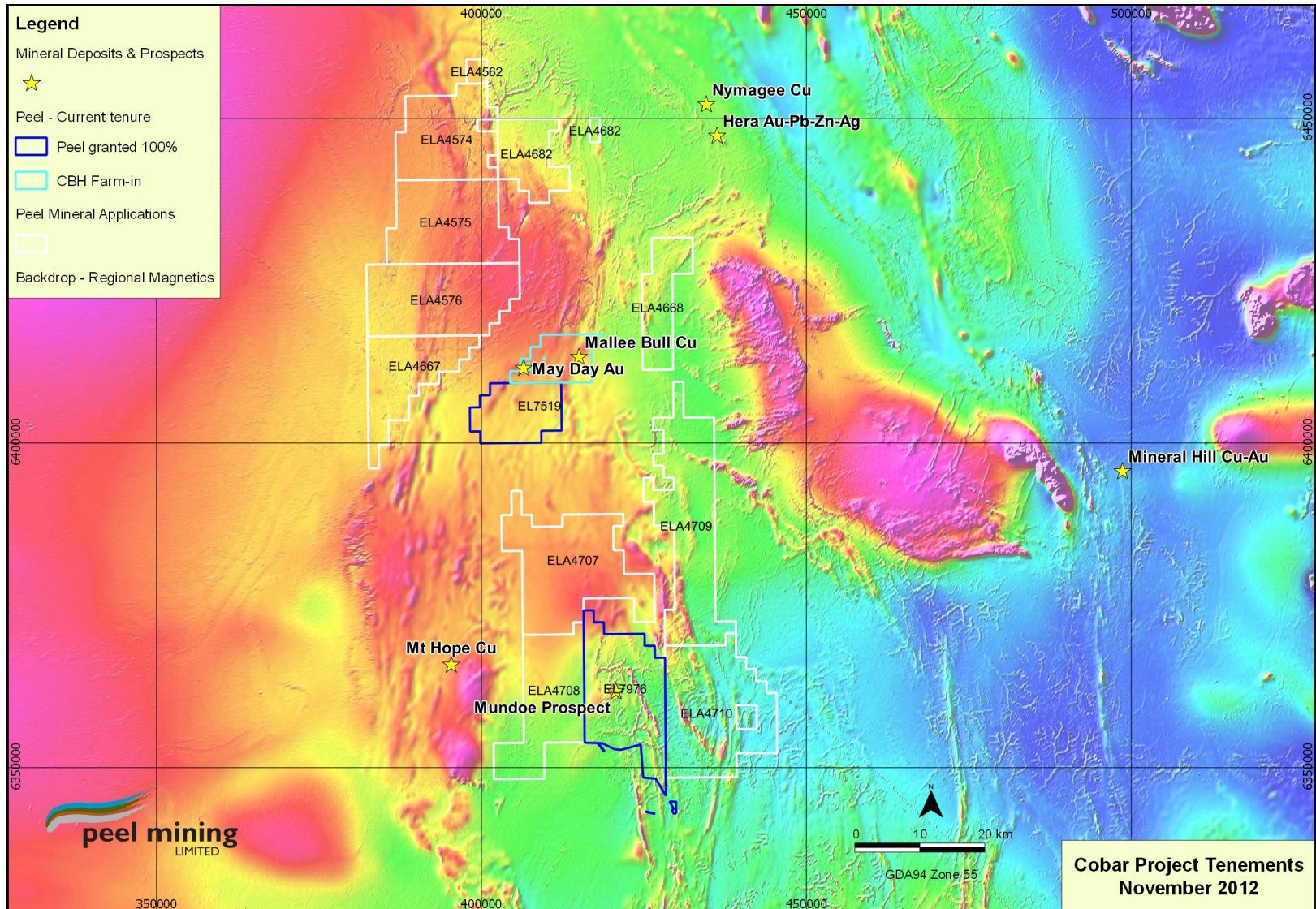
# May Day Deposit

- **May Day Au-Ag-Pb-Zn-Cu deposit**

- 8 km west of Mallee Bull discovery
- Granted 1km x 1km Mining Licence
- Shallow (40m) open pit oxide Au heap-leach operation in 1990s
- Structurally-controlled Au-Ag-Pb-Zn-Cu near-vertical deposit below pit
- Drilling by Peel in 2010 returned better results including:
  - **16m @ 1.78 g/t Au, 42 g/t Ag, 0.25% Cu, 0.95% Pb, 1.33% Zn from 159m**
  - **27m @ 2.12 g/t Au, 27 g/t Ag, 0.11% Cu, 0.43% Pb, 0.75% Zn from 120m**
  - **3m at 1.33 g/t Au, 98 g/t Ag, 0.92% Cu, 7.29% Pb, 8.19% Zn from 140m**
  - **10m at 2.15 g/t Au, 28 g/t Ag, 0.06% Cu, 0.34% Pb, 0.39% Zn from 213m**
- Mineralisation extends from base of pit to at least 200m below surface and open at depth
- Large untested magnetic anomaly below May Day
- Cobar-style precious/base metal system?
- May Day Deeps drilling planned



# Cobar Superbasin Project (CSP) – 100% PEX



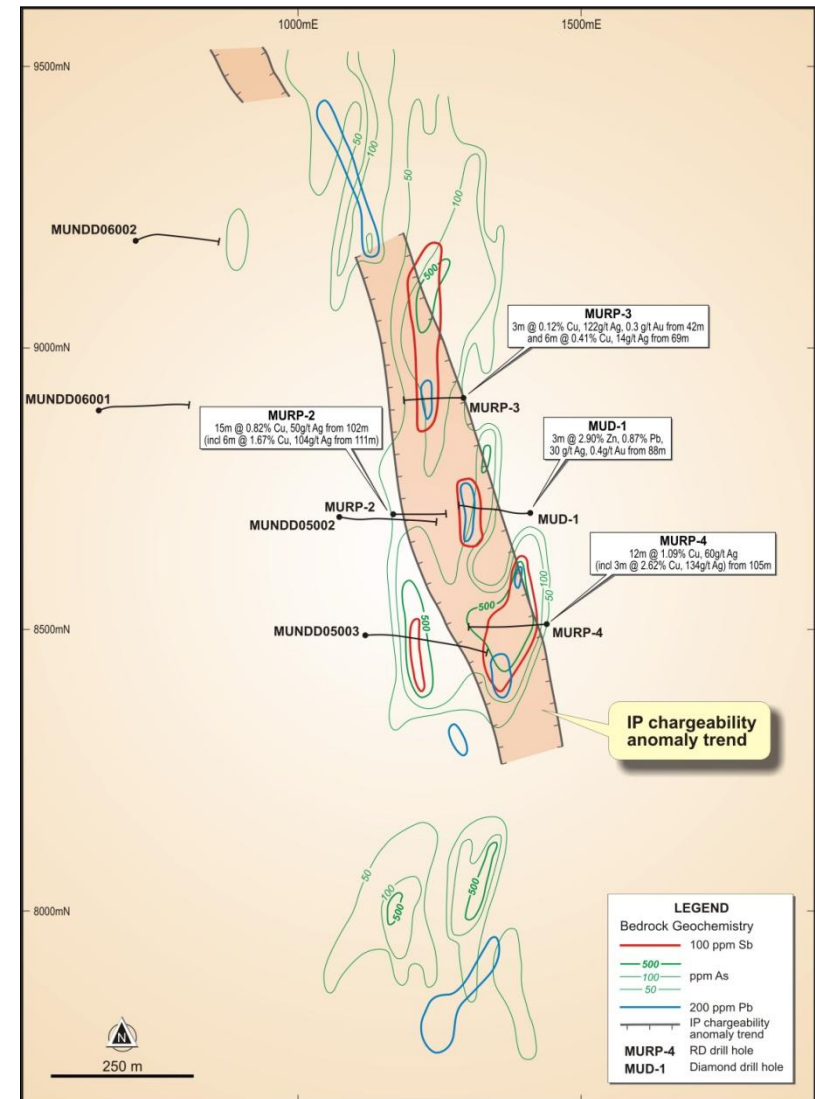
# CSP – Mundoe: the next Mallee Bull?

- **Location**

- 50 km south of Mallee Bull

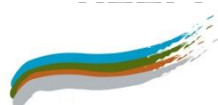
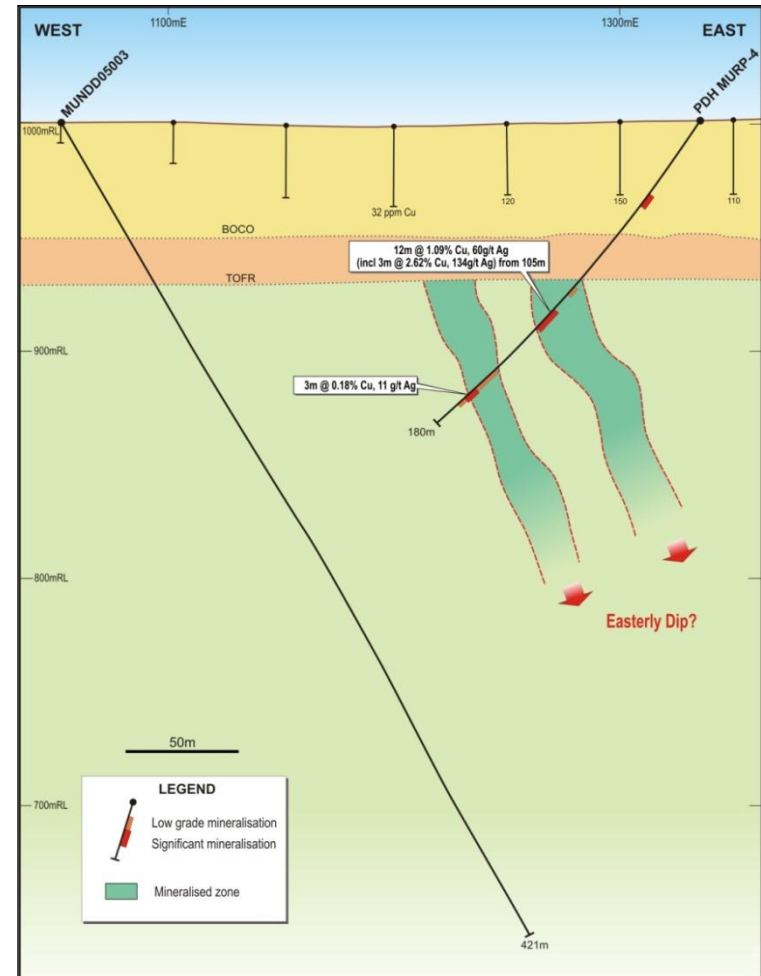
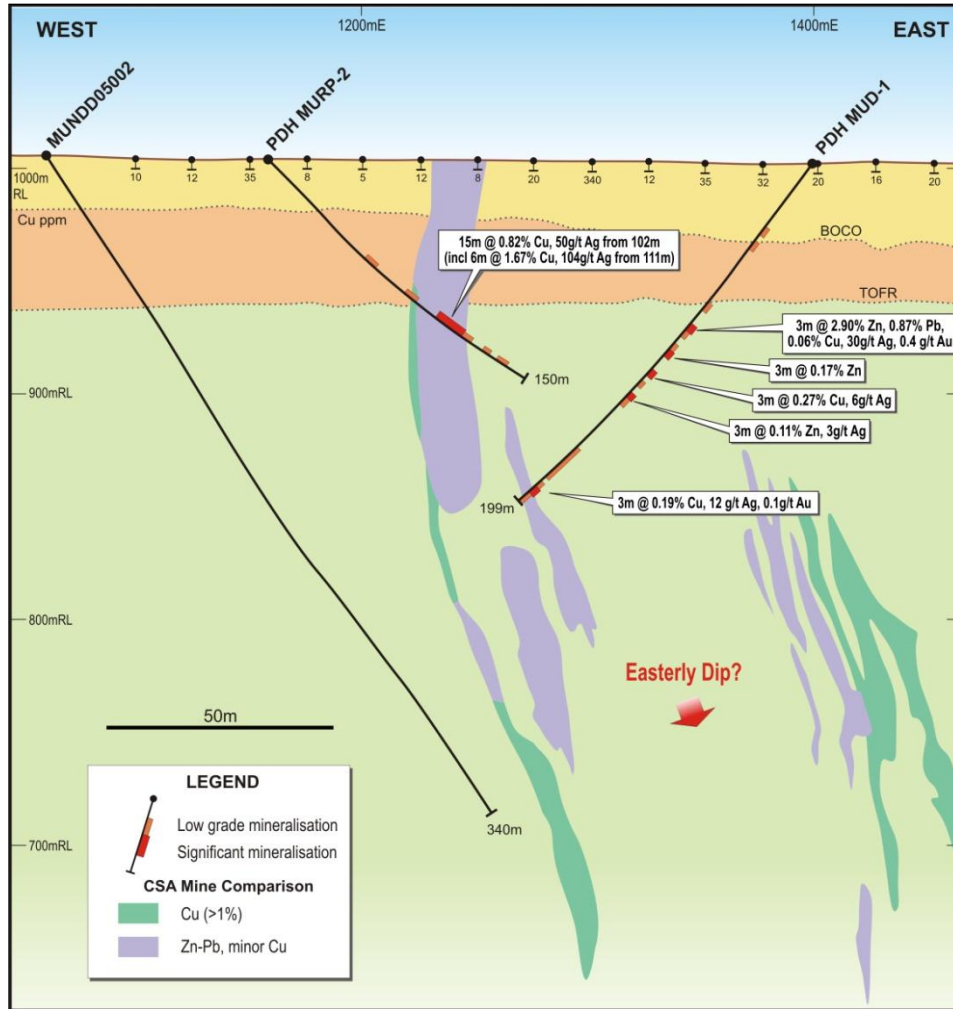
- **Key facts**

- 2 km long multi-element geochemical anomaly
- Coincident geophysical anomalies
- Strong historic drill results including:
  - **3m @ 2.90% Pb, 0.87% Zn, 30 g/t Ag and 0.4 g/t Au**
  - **6m @ 1.66% Cu, 103 g/t Ag**
  - **3m @ 122 /t Ag, 0.3 g/t Au and 6m @ 0.42% Cu, 14 g/t Ag**
  - **12m @ 1.09% Cu and 60 g/t Ag**
- Follow-up drilling in 2005 appears to have failed to adequately test previous mineralisation.
- Drilling now underway

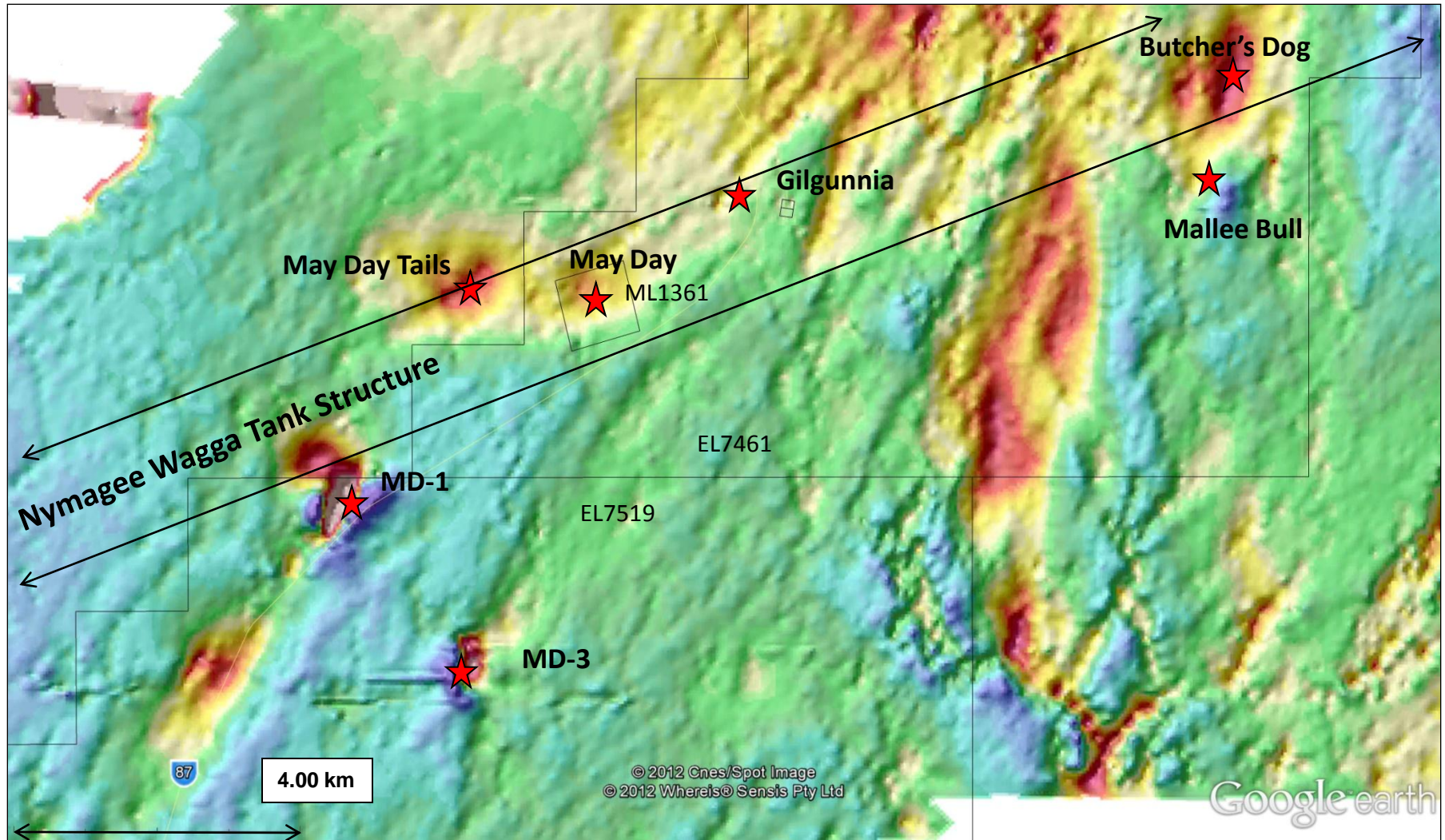




# CSP – Mundoe: the next Mallee Bull?



# CSP EL7519 magnetic targets – MD1, MD3





## Exploration at Mundow now underway, well advanced elsewhere

- **Mundoe**
  - Easterly-dipping exploration model RC drilling upon grant of tenure (Oct 2012?)
  - Minimum 6 RC drillholes for 1,200m now underway
  - Broad-spaced RAB drilling
- **EL7519**
  - 320 line km Helitem survey this month
  - Targeting MD-1 and MD-3 magnetic anomalies
  - Deep diamond drilling (timing?)
- **ELA4562**
  - Tara mine area contains multiple geochem anomalies and gossans
  - Literature review underway
  - Surface geophysics (EM/IP) upon grant of tenure
  - RC/diamond drilling



# Investment Highlights

**1 Cobar-style polymetallic discovery at Mallee Bull, NSW**

**2 Mineralisation open at depth**

**3 Strong partnership following CBH Resources Farm-in**

**4 Strategic Cobar district landholding with exciting prospects**

**5 Small team but high exploration success rate**

**6 Maximising every dollar – money goes into the ground**



*Thank you*



***The Mallee Bull legend continues...***



# Notes

1. *Information regarding drilling/assaying data*
2. *Drilling was completed as HQ or NQ diamond core.*
3. *Sample recoveries were considered adequate for all samples.*
4. *Drillcore has been logged in detail based on lithology, mineralisation, and alteration.*
5. *Samples for analysis were collected by sawing core in half.*
6. *Samples were submitted as 1m or 4m composite half-core intervals.*
7. *Samples were analysed at ALS Chemex utilising methods: Au-AA25 for Au (fire assay); ME-ICP41, ME-ICP61 or ME MS61 for multi-element including Ag, Cu, Pb, Zn; Ag-OG46 for >100 g/t Ag; Cu-OG46 for >1% Cu; Pb-OG46 for >1% Pb; and Zn-OG46 for >1% Zn.*
8. *Drillhole collars were surveyed by DGPS (GDA94) and downhole gyroscopic surveys were run continuously.*

## *\* Copper Equivalent Calculation Explanation:*

- *The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result, nor metallurgical flowsheet considerations. The copper equivalent calculation is intended as an indicative value only. No metallurgical testwork has been completed to date however it is the Company's opinion that all the elements included in the copper equivalent calculation have a reasonable potential to be recovered.*
- *Copper equivalent conversion factors and long-term price assumptions used follow:*  
*Massive Sulphide Zone Copper Equivalent Formula (CuEq) = (Cu (ppm) x 0.0075 + Ag (ppm) x 0.96 + Au (ppm) x 50.00 + Co (ppm) x 0.025)/0.0075;*
- *Stringer/Breccia Sulphide Zone Copper Equivalent Formula (CuEq) = (Cu (ppm) x 0.0075 + Ag (ppm) x 0.96 + Au (ppm) x 50.00)/0.0075;*
- *Price Assumptions - Cu (US\$7,500/t), Ag (US\$30/oz), Au (US\$1,500/oz), Co (US\$25,000/t).*
- *Pb and Zn have not been used in copper equivalent calculation.*







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