



**Breakaway
Research**

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Company Information

ASX Code	PEX
Share Price	A\$0.41
Ord Shares	132.1m
Un quoted Options	2.9m
Market Cap	A\$54.1m
Cash (end Jun)	A\$6.3m
Total Debt	A\$0m
Enterprise Value	A\$47.8m

Directors and Management

Chairman	Simon Hadfield
Managing Director	Rob Tyson
Non-Executive Director	Graham Hardie
Co. Secretary	Ryan Woodhouse

Substantial Share Holders

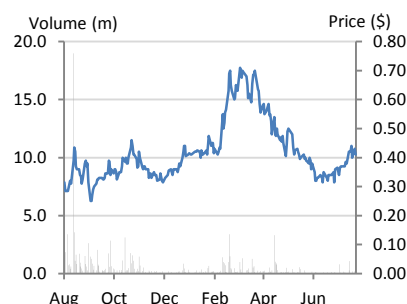
Graham Hardie	11.8%
Hampton Hill Mining	10.2%
Acorn Capital	6.5%
Robert Tyson	5.4%
Simon Hadfield	2.9%

Source: Bloomberg

Company Details

Address	Unit 1, 34 king Park Rd, West Perth, WA, 6005
Phone	+618 9382 3955
Web	www.peelmining.com.au

1 Year Price Chart



Source: Bloomberg

Peel Mining (PEX)

*High grade copper discovery
in the world class Cobar Superbasin*

Recommendation: Speculative BUY

Key Points

- **Large, high grade polymetallic discovery at Mallee Bull**
- **Mineralisation still open in multiple directions**
- **CBH farm-in provides further exploration funding**
- **Large tenement position in the 'Cobar Superbasin' with two Mallee Bull 'look-a-like' prospects identified**
- **Strong pipeline of projects provide welcome portfolio diversity**
- **EV of A\$35m provides significant leverage to ongoing exploration success**

Drilling intercepts from Mallee Bull have demonstrated some of the most impressive grade and widths encountered in recent times, confirming the deposit as one of the region's most important discoveries. Two additional nearby prospects within the Cobar Superbasin demonstrate similar characteristics to Mallee Bull, providing significant opportunity for further positive news flow in the coming months.

Company Overview

Peel Mining (ASX: PEX) is an exploration company focused on projects located within Australia and New Zealand. The most advanced project is 'Gilgunnia' (PEX 50%, CBH earning 50%) which is located within the 'Cobar Superbasin' in central NSW. The project encompasses two licences areas; ML 1361 which hosts the historic May Day polymetallic deposit and EL7461 which hosts the 'Mallee Bull' polymetallic deposit and the '4-Mile' goldfield (comprising ~60 historic shafts).

At Mallee Bull, recent drilling has intersected multiple broad widths of high grade mineralisation including **84m @ 4.42% Cu, 38 g/t Ag, 0.14 g/t Au**. The orebody is interpreted to be open in multiple directions with ongoing exploration set to test possible extensions of the known mineralisation whilst also targeting the immediate area for potential new discoveries.

Peel also has a 100% interest in ~3,000km² of exploration tenements within the Cobar Superbasin. Two early stage prospects; Mundoe and Sandy Creek, exhibit similar geochemical and geophysical characteristics to Mallee Bull when it was at the same stage of exploration. Polymetallic mineralisation has already been intercepted at both prospects with follow up drilling campaigns planned for the near future.

Peel Mining also has a strong pipeline of exploration projects prospective for silver, tungsten and gold, all at various stages of advancement, bringing welcome diversity to the portfolio.

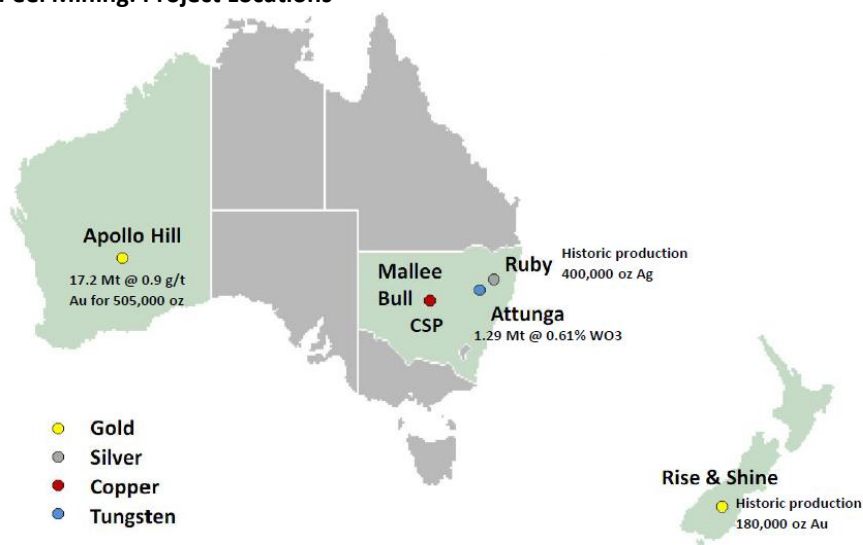


Investment Thesis

Peel Mining has a portfolio of five highly prospective projects; four of which are located in Australia with the fifth located in New Zealand.

Peel Mining: Project Locations

5 exploration projects



Source: Peel Mining

Cobar Superbasin Project:

Mallee Bull, Mundoe and Sandy Creek

High grade copper intersected in 'shoot-like' deposit

The Cobar Superbasin Project encompasses ~3,000km² of highly prospective tenure and hosts numerous early stage and developed prospects. The most advanced is the Mallee Bull prospect which is a shear hosted, steeply dipping "shoot like" polymetallic deposit where recent drilling has intercepted some impressive results including **84m @ 4.42% Cu (including 26m @ 11.39% Cu)** and **53m @ 4.08% Cu**. Encouragingly, the grade of the mineralisation appears to be increasing at depth as well as still being open in multiple directions.

CBH earning 50% by spending A\$8.33m

The Mallee Bull prospect is located within EL 7461 and together with the historic ML 1361 form the 'Gilgunnia Project'. In May 2012, Peel entered into a staged farm-in agreement with CBH Resources where by CBH could earn up to a 50% interest in Gilgunnia by spending a total of A\$8.33m. CBH has spent A\$5m to date and recently agreed to spend a further A\$3.33m (over the next 12 months) to move to a 50% interest.

Highly prospective ground surrounding Mallee Bull

The CBH cash injection will provide the necessary funds to continue exploration around the Mallee Bull deposit. Ore bodies of this nature are often 'stacked' and as such, Peel (and CBH) aim to concentrate exploration (geophysics/geochemical/RAB drilling) within the immediate area of the deposit. Peel will also continue the testing of a large and highly prospective 'off-hole' EM anomaly identified at Butchers Dog (~1km north of Mallee Bull).

Wirchilleba Station

Land over Mallee Bull has been purchased

Peel recently exercised an option to purchase the 'Wirchilleba Station', which encompasses the immediate 20,000 acre footprint over the Mallee Bull deposit. The agreement is currently in the final stages of settlement for total consideration of A\$ 800k.



*100% in remaining
exploration ground*

*Mundoe and Sandy
Creek exhibit similar
characteristics to
Mallee Bull*

A\$5.1m capital raising

*Appears undervalued
given the first class
exploration potential*

Peel has a 100% interest in the remaining and extensive 'Cobar Superbasin' portfolio. Breakaway is particularly encouraged by two early stage Mallee Bull 'look-a-like' prospects called 'Mundoe' and 'Sandy Creek'.

Mundoe Prospect

Mundoe is located towards the south of the tenement package (~50km south of Mallee Bull) and was first defined by a large geophysical anomaly. Follow-up drilling intersected encouraging grades of polymetallic mineralisation over a strike length of ~600m.

While Mundoe is still at relatively early stage of exploration, the prospect demonstrates significant geophysical and geochemical similarities to that of Mallee Bull when it was at a similar stage of exploration.

Sandy Creek

Sandy Creek is a relatively new addition to portfolio (purchased in May 2013). It is located ~20km north of Mallee Bull and also demonstrates significant similarities to Mallee Bull. Historic drilling intersected polymetallic mineralisation however this drilling is interpreted to have only hit the 'edge' of a coincident geophysical/geochemical anomaly. Follow up drilling will likely be undertaken in the near term.

Recent Capital Raising

In late May 2013, Peel Mining finalised a share placement @ 49cps (market price at the time) to raise a total of A\$5.1m. The funds have been earmarked for:

- Purchasing the Wirchilleba Station
- Funding its pro-rata share of exploration costs at the Mallee Bull deposit (once CBH has earned 50% interest by spending a further A\$3.3m)
- Funding for systematic exploration of 'Cobar Superbasin Project', 'Apollo Hill' and 'Rise and Shine' gold projects.
- General working capital requirements

Current Capital Structure

ASX Code	PEX
Share price	A\$ 0.41
Shares on issue	132.1m
Unquoted Options	2.9m
MCAP	A\$54.1m
Cash (end June)	A\$6.3m
Debt	-
EV	A\$47.8m

Source: Breakaway Research

With a first class exploration portfolio and an Enterprise Value of just A\$48m, Peel Mining appears to be undervalued. Upcoming exploration campaigns on numerous projects will likely lead to further positive news flow, providing ample opportunity for valuation uplift.



Project Review

Cobar Superbasin Project (CSP)

PEX 100% - 17 EL and ELA's (Copper, Silver, Gold, Lead, Zinc, Cobalt)

Large tenement position

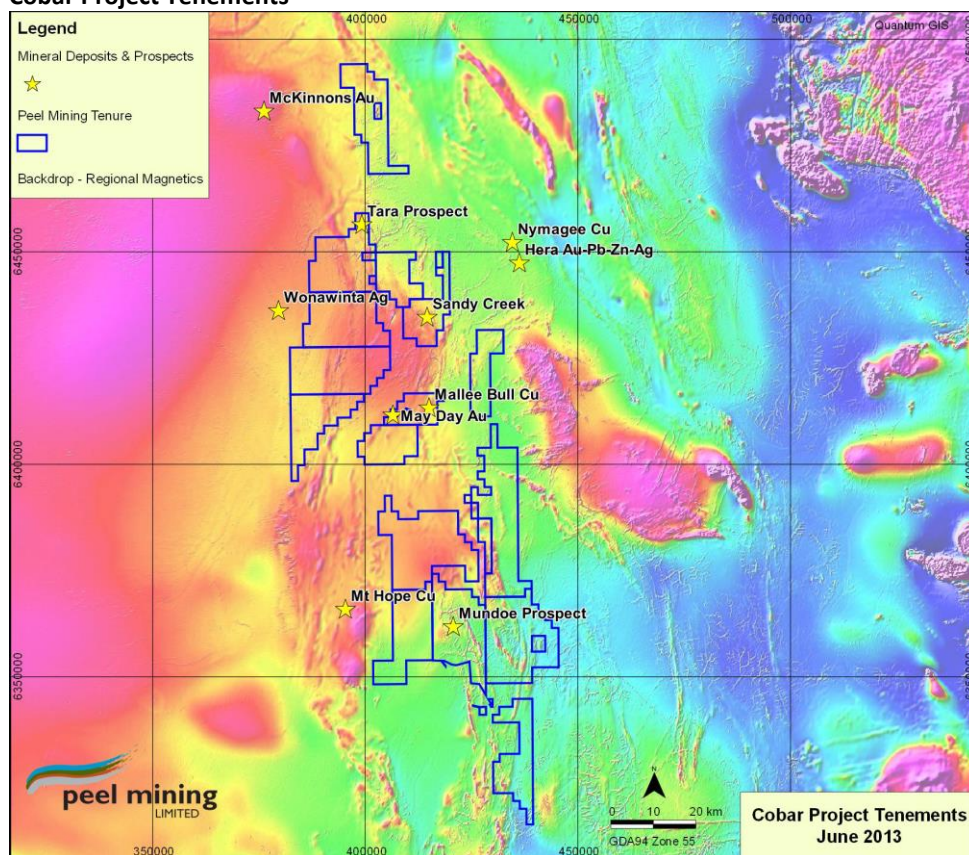
Richest polymetallic basin in the Lachlan Orogen

Peel Mining continues to strengthen its strategic land holding within the 'Cobar Superbasin' which is located ~100km west of Condobolin in central NSW. The company now holds one of the largest exploration landholdings in the region, with 17 EL's and ELA's, covering an area of more than 3,000km².

The Cobar Superbasin System forms the richest polymetallic basin in the Lachlan Orogen and is thought to contain a metal inventory of ~198t gold; ~4,597t silver; ~2.2Mt copper; ~4.8Mt zinc and ~2.9Mt lead.

Cobar Project Tenements

Mallee Bull located at centre of tenement package



Highest grade intercepts over broad widths recorded in recent times

Peel Mining's flagship project is 'Mallee Bull', which is located towards the centre of the tenement package. Recent drilling at this deposit has resulted in some impressive intercepts including **84m @ 4.42% Cu, 38 g/t Ag, 0.14 g/t Au**. Significant opportunity exists at this deposit with mineralisation interpreted to be open multiple directions.

Also of particular interest is the 'Mundoe' prospect (towards the southern end of the basin) which is showing similarities in the style of mineralisation to that of the Mallee Bull deposit. Historical and recent drilling campaigns have intersected 'ore grade' mineralisation indicating the system is mineralised; however economic zones of mineralisation are yet to be identified.



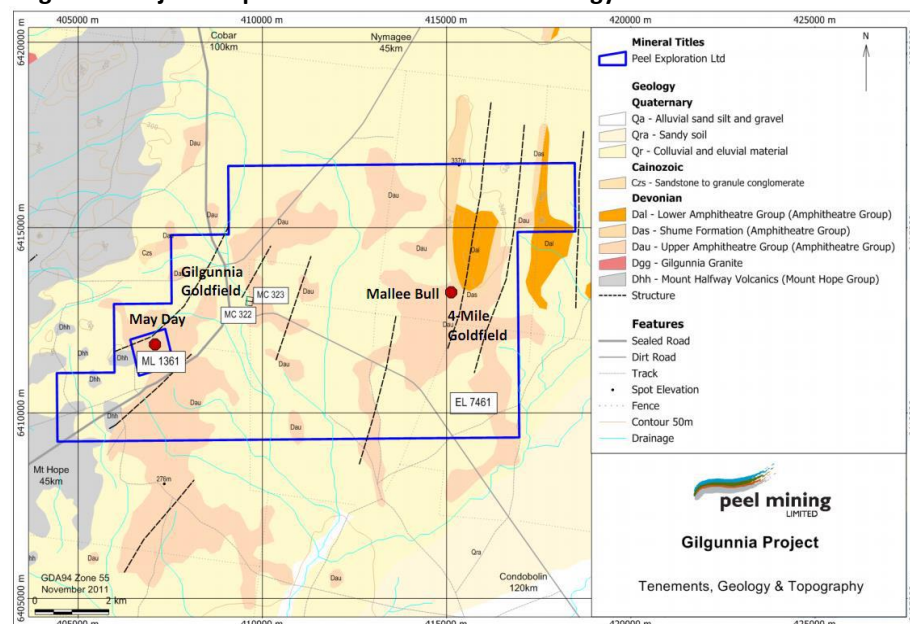
Gilgunnia

Copper, Silver, Gold, Lead, Zinc, Cobalt (PEX 50%, CBH 50%)

The Gilgunnia project is located ~100km south of Cobar in western NSW and covers an area of ~80km². The project incorporates two licences ML 1361 and EL 7461 and hosts the May Day polymetallic deposit, the historic Gilgunnia and 4-Mile goldfields and the recent Mallee Bull copper-polymetallic discovery.

An area well known for hosting mineralisation

Gilgunnia Project: Deposit Locations and Local Geology



Source: Peel Mining

Mallee Bull

In 2011, Peel Mining conducted extensive geophysical campaigns around the historic 4-Mile goldfield. Analysis of the data identified a strong electromagnetic (EM) and a coincident magnetic anomaly over an approximate area 1,000m x 500m.

Follow up drill testing of the anomaly resulted in the discovery of significant intercepts of stringer/breccia sulphide mineralisation containing elevated Cu-Ag-Au-Pb-Zn-Co within a broad zone of deformation and alteration.

High grade polymetallic mineralisation

A 'first phase' systematic drilling campaign (encompassing 5,817m of RC/diamond holes) was conducted over the anomaly on a 40m x 40m grid pattern with numerous holes intersecting broad visible zones of chalcopyrite (a copper mineral), sphalerite (a zinc mineral) and galena (a lead mineral). Assay highlights from this initial campaign include:

Phase 1 Drilling Highlights

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

Source: Peel Mining



Farm-in agreement with CBH Resources

Following the highly encouraging early exploration results, Peel Mining entered into a farm-in agreement with CBH Resources (wholly owned by Tokyo Stock Exchange listed 'Toho Zinc') whereby CBH has the right to earn up to 50% of the Gilgunnia project by spending a total of A\$8.33m over 3 stages.

Stage 1: (Completed) CBH earned 15% by payment of A\$1m as contribution to past expenditure.

Stage 2: (Completed) CBH increased to 30% by contributing a further A\$4m to exploration over a 12 month period.

Stage 3: (Underway) CBH recently elected to proceed to 50% by contributing a further A\$3.33m to exploration over the next 12 months (ending June 2014).

In a market where many junior explorers have struggled to advance exploration due to tight balance sheets, the CBH farm-in agreement provides Peel Mining (operators of the licence) with access to funding necessary to rapidly advance the Gilgunnia prospect whilst also reducing the 'sole owner' risk exposure to the project.

Phase 2 Drilling

The 'Phase 2' 4,000m diamond drill program (funded by 'stage 1' of the JV agreement) was designed to test the down-dip extensions (at depths >400m) of the interpreted mineralisation trend. Highlights of this campaign include:

Phase 2 Drilling Highlights

41m @ 1.71% Cu, 33 g/t Ag, 1.84 g/t Au	31m @ 2.65% Cu, 51 g/t Ag, 0.18 g/t Au
10m @ 1.12% Cu, 47 g/t Ag, 0.95 g/t Au	12m @ 1.58% Cu, 39 g/t Ag, 0.14 g/t Au
14m @ 1.92% Cu, 56 g/t Ag, 0.30 g/t Au	22m @ 3.62% Cu, 38 g/t Ag, 0.09 g/t Au
42m @ 1.01% Cu, 23 g/t Ag, 0.91 g/t Au	7m @ 1.09% Cu, 29 g/t Ag, 1.74 g/t Au
31m @ 1.61% Cu, 13 g/t Ag, 0.17 g/t Au	13m @ 1.91% Cu, 31 g/t Ag, 0.12 g/t Au
35m @ 0.65% Cu, 54 g/t Ag, 1.16 g/t Au, 3.42% Pb, 1.51% Zn	8m @ 1.23% Cu, 12 g/t Ag, 0.09 g/t Au
21m @ 1.48% Cu, 24 g/t Ag, 0.25 g/t Au	69m @ 3.48% Cu, 34 g/t Ag, 0.14 g/t Au

Source: Peel Mining

The polymetallic sulphide mineralisation at Mallee Bull is interpreted to have a strike length of ~120m with the shallowest intercept recorded at ~40m below surface and the deepest intercept recorded at ~600m below surface. **Encouragingly, mineralisation is still open in multiple directions including down-dip.**

Stage 2 of the Farm in agreement commenced in February 2013 (kick starting 'Phase 3' of drilling) which continued to demonstrate high grade intercepts including

- **53m @ 4.08% Cu, 42 g/t Ag, 0.22g/t Au (MBDD009W1)**
- 21m @ 2.22% Cu, 40 g/t Ag, 0.11 g/t Au (MBDD009W2)
- **84m @ 4.42% Cu, 38 g/t Ag, 0.14 g/t Au (MBDD009W2W1)**
- 32m @ 3.62% Cu, 46 g/t Ag, 0.21 g/t Au (MBDD010)

CBH elect to proceed to 'Stage 3' by spending a further A\$3.3m

Mineralisation still open in multiple directions

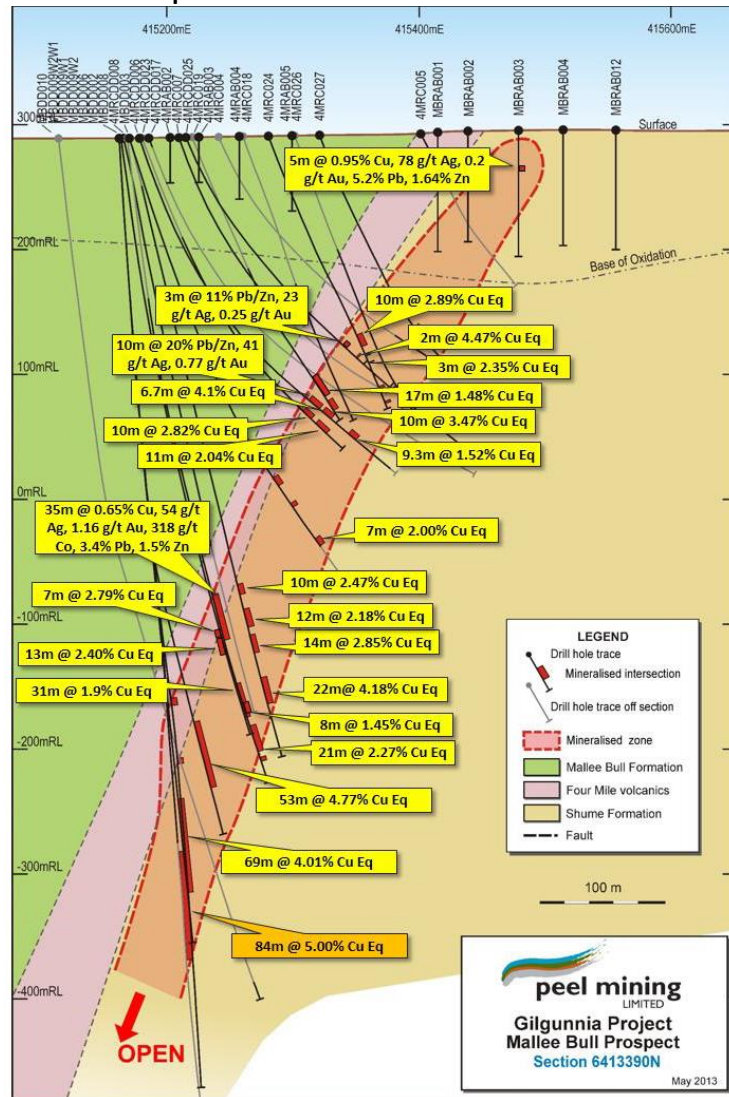
Mineralisation still open at >600m vertical depth



The image below summarises the interpreted trend of the ore body and highlights selected high grade intercepts.

Mallee Bull Deeps:

Grades appear to get higher at depth



Source: Peel Mining

CBH recently elected to proceed to 'Stage 3' of the farm-in agreement whereby it will spend a further A\$3.33m on exploration, increasing its interest in the Gilgunnia Project to 50%.

Upcoming exploration

Ore bodies of this nature are often 'stacked' and as such, Peel will focus on the immediate ground surrounding the Mallee Bull deposit. Exploration programs will likely include ongoing geophysical and geochemical campaigns, with follow up RAB drilling to test any anomalous areas identified.

Potential for 'stacked' ore bodies in the immediate area

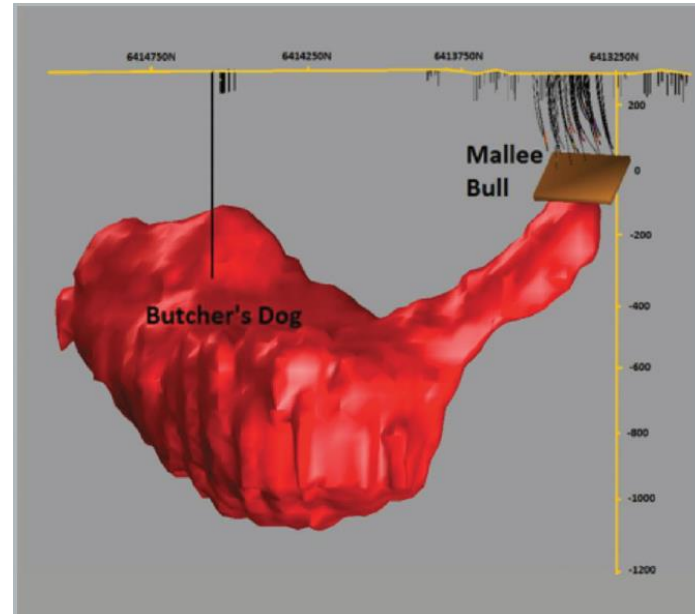
With CBH set to spend A\$3.3m on the licence area, Peel do not anticipate contributing to exploration funding until at least April/May 2014.



Butchers Dog

While exploration to date has primarily targeted the high grade mineralisation at Mallee Bull, Peel Mining has also identified a highly prospective (deep) target located ~1km north of Mallee Bull called Butchers Dog.

Butchers Dog: Interpretation of potential system



Source: Peel Mining

Butchers Dog could represent 'feeder zone' for Mallee Bull

Peel Mining conducted 3D inversion modelling based on the Total Magnetic Intensity (TMI) data collected during VTEM survey of the 4-Mile area. Interpretation of the data shows a large magnetic anomaly, potentially linking to the Mallee Bull deposit.

Off-hole anomaly requires drill testing

In February 2012, Peel completed one deep vertical drill hole to a depth of 680m however no notable mineralisation was recorded. A down hole EM survey was subsequently carried out which identified an off-hole anomaly within 200m of the bottom of the hole. Follow up testing is required to identify the source of this anomaly.

May Day

May Day was discovered in 1898 and was initially developed as an underground copper-lead-silver mine. Further exploration in the late 1980's led to the identification of high grade gold and base metal mineralisation to a depth of ~250m, which was historically mined in a small scale operation.

Mineralisation at neighbouring May Day deposit confirmed at depth

Peel took control and completed a 10 hole RC drill program (for ~1,877m) in 2010, designed to test down dip extensions to the known mineralisation. Encouragingly, multiple zones of ore grade material was intercepted including:

- 16m @ 1.78g/t, 42g/t Ag 0.25% Cu, 0.95% Pb, 1.33% Zn from 159m
- 24m @ 0.96g/t, 20g/t Ag 0.07% Cu, 0.70% Pb, 0.85% Zn from 120m
- 27m @ 2.12g/t, 27g/t Ag 0.11% Cu, 0.43% Pb, 0.75% Zn from 120m

The drilling campaign confirms a continuation of mineralisation at depth. Peel's interpretation of the geology suggests the May Day deposit may represent "leakage" from a deeper VMS source. Further deeper drilling is required to test this theory.



Additional advanced targets within the Cobar Super Basin portfolio

Mundoe Prospect (EL7976)

100% PEX – Cu, Au, AG, Zn, Pb

EL7976 encompasses an area of ~270km² of the 'Rast Trough', which is essentially the southern extension of the 'Cobar Superbasin'. The Mundoe prospect was first identified as a 2km long geophysical anomaly in the 1970's. Limited exploration was undertaken at the time (RAB drilling and 1 diamond hole) which identified elevated polymetallic mineralisation commencing at ~44m to a down hole depth of ~110m.

Historical drill highlights include:

- 3m @ 2.90% Zn, 0.87% Pb, 30 g/t Ag and 0.4 g/t Au from 88m in MUD-1;
- 6m @ 1.66% Cu, 103 g/t Ag from 111m in MURP-2;
- 3m @ 122 g/t Ag, 0.3 g/t Au from 42m and 6m @ 0.42% Cu, 14 g/t Ag from 69m in MURP-3;
- 12m @ 1.09% Cu, 60 g/t Ag from 105m in MURP-4.

Polymetallic mineralisation identified at Mundoe

In late 2012, Peel Mining carried out a 1,750m RC drill program designed to test up and down dip of the previously intersected mineralisation. Encouragingly, Peel Mining intersected sediment hosted polymetallic mineralisation over a 600m strike length.

Interpreted strike of ~600m

Highlights of this latest drilling campaign include:

- 5m @ 42 g/t Ag and 0.68% Cu from 140m in MURC002;
- 6m @ 42g/t Ag and 1.24% Cu from 112m in MURC003;
- 5m @ 0.86g/t Au from 22m and 3m @ 180g/t Ag and 2.07% Cu from 129m in MURC005;
- 8m @ 19g/t Ag and 0.57% Cu from 163m in MURC007

Sandy Creek (EL7403)

PEX 100% - Prospective for polymetallic mineralisation

Peel recently agreed terms with privately owned 'Weddarla Pty Ltd' to purchase a 100% interest in the 'Sandy Creek Project' for total consideration of A\$775k (paid in PEX shares).

Sandy Creek is hosted within a strongly folded (high strain) structural environment where a strong coincident geophysical and geochemical anomaly has been identified. Exploration is still at an early stage however a historic drill hole is thought to have intersected the 'edge' of the conductor zone intersecting:

- 1.4m at 12.7% Zn, 5.7% Pb, 45g/t Ag from 199.7m
- 3.0m at 2.0% Zn, 1.2% Pb from 426.0m
- 10.2m at 1.6% Cu, 7.4% Pb, 68g/t Ag from 521.8m (incl. 3.3m at 1.5% Cu, 18.0% Pb, 122g/t Ag from 523.7m) – coincident with conductor plate model

Drilling thought to have clipped the edge of conductor zone

Breakaway is further encouraged by the nearby Wirlong and Red Shaft prospects which host old copper workings and oxide copper mineralisation at surface, however, these targets have never been drill tested.



Breakaway's View

Both the Mundoe and Sandy Creek prospects are at relatively early stages of exploration, however the coincident geochem/geophysical anomalies coupled with the high grade intercepts of polymetallic mineralisation, indicate that both systems warrant further exploration.

Two highly prospective targets

Peel Mining envisage systematic and comprehensive exploration programs at both prospects in the near term, however no formal programs have yet been announced. Given the prospectivity of these targets, opportunity also exists for joint ventures to be formed (similar to that with CBH over the Mallee Bull prospect) should suitable partners be found.

Peel has significantly increased its presence in the Cobar Superbasin and while Mallee Bull is clearly the company focus, the strong portfolio of already identified early stage targets brings significant exploration opportunity and enhances the potential for a meaningful company revaluation.

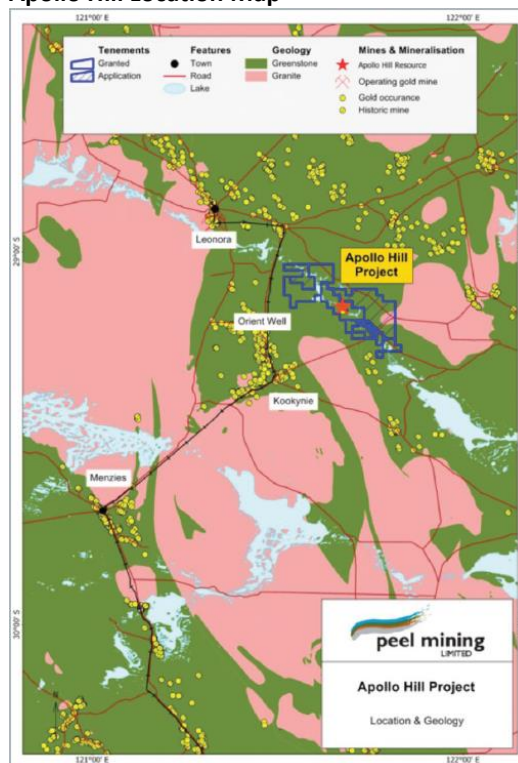
Apollo Hill

Prospective for gold

The Apollo Hill gold project is located ~50km southeast of Leonora in WA, and hosts two gold deposits; namely Apollo Hill and Ra Zone.

The project was acquired from Hampton Hill Mining (ASX HHM) in November 2010 in exchange for 11 million newly issued shares in Peel. As part of the terms agreed, Hampton Hill retains a 5% gross overriding royalty on any gold production exceeding 1Moz.

Apollo Hill Location Map



Numerous gold occurrences in the region

JORC Resource of 17.2Mt @ 0.9g/t Au for 505koz

As highlighted in the image to the left, there are numerous gold occurrences within the surrounding greenstone belts, (represented by yellow dots) highlighting the prospectivity of the region.

Apollo Hill currently hosts a JORC Resource of 17.2Mt @ 0.9g/t Au for 505koz (using a 0.5g/t Au cut-off).

At the current gold price, the defined resource is unlikely to support a standalone operation. However, ore from Apollo Hill may well be suitable for blending with higher grade ore from neighbouring operations.

Source: Peel Mining

Exploration beyond the Apollo Hill project (but within the tenement boundary) is still at an early stage however the region is clearly highly prospective.



Ruby Silver

Prospective for silver

The Ruby Silver Project encompasses two exploration licences covering the historic Ruby-Tulloch-Rockvale silverfield, located ~30km east of Armidale in NE NSW.

Major known deposits in the immediate area are the Ruby and Tulloch silver mine and the Rockvale arsenic mine. The Ruby silver mine is associated with an outcropping aplite dyke which was previously worked to a depth of ~120m between 1895 and 1905. Historic production is estimated to be about 350,000 ounces of silver at a grade of ~600g/t Ag.

Historical drilling intersects 5m @~6,700g/t Ag from 90.5m

A nine hole drill campaign was carried out in 1968 however records of this work are poor. Reports do, however, indicate a ~5m intersection @~6,700g/t Ag from 90.5m. A follow up IP survey (completed in 1969) indicated the sulphide hosted mineralisation possibly extends well beyond the known silver-rich shoot at Ruby.

At the Tulloch mine (mined in 1913-1928), ~50,000oz of silver was mined at an estimated grade of ~6,200g/t Ag.

Pell conducted a maiden 15 hole RC drill program at Silver Ruby in May 2012 and intersected several narrow mineralised zones including:

- 2m @ 32g/t Ag from 9m, 3m @ 227g/t Ag from 20m, and 3m @ 267g/t Ag from 115m (PRRC 009)
- 5m @ 145g/t Ag from 93m (PRRC010)
- 2m @173g/t Ag from 16m and 1m @71g/t Ag from 24m (PRRC013)

Although Ruby is a secondary focus for the company, the prospectivity should not be underestimated

Although this project is a secondary focus for the company, Breakaway is encouraged by these results. The best intersections come from below the base of the Tulloch open pit whilst several shallow high-grade results were also intersected from a previously unidentified parallel load. Further drilling is required to fully assess the extent of this mineralisation.

Rise and Shine

Prospective for gold

Peel Mining has two exploration permits covering the 'Rise and Shine' gold project, located in Central Otago, NZ. The two licences host multiple historic gold workings with ~180,000oz extracted by the old timers.

High grade gold over narrow widths

Previous operators conducted an RC drill program targeting the Rise & Shine Shear Zone and intersected several high grade intercepts albeit over narrow widths. Highlights include 1m @ 28.2g/t Au, 18m @ 1.58g/t Au and 3m @ 9.00g/t Au.



Attunga

Prospective for tungsten and copper

The Attunga project is located ~20km north of Tamworth in NSW, and has three projects of interest; the Attunga tungsten deposit, the Attunga copper mine prospect and the Kensington gold-tungsten prospect.

Attunga Tungsten Deposit

Small, high grade tungsten deposit

Peel Mining has completed an initial JORC Resource estimate of 1.29Mt @ 0.61% WO₃ for ~8,000t of contained WO₃ with provisional metallurgical test work indicating a relatively straight forward processing route.

Potential for a small scale operation

In June 2009, drilling intercepted further 'ore grade' mineralisation providing confidence for a modest resource upgrade in due course. Although the resource is relatively small, an 'in-house' conceptual study indicated a low CAPEX operation could yield positive returns.

Attunga Copper Mine

Historic workings highlight exploration potential

Attunga copper mine was first discovered in 1902. Ore mined was very modest, estimated at just 1,600t @ ~6% Cu, 8g/t Au and ~150g/t Ag.

Peel has conducted limited drilling programs in the area and has intercepted ore grade mineralisation across multiple narrow zones. While the early results are encouraging, further drilling and assessment is required.

Kensington gold prospect

Widespread near surface gold mineralisation

The Kensington gold prospect is also located within the Attunga project area and comprises a series of historic gold workings along an 800m strike length. Multiple drill campaigns have been carried out with results confirming widespread near surface gold mineralisation. Further drill campaigns are planned in due course.



Directors

Non-Executive Chairman

Simon Hadfield

Simon Hadfield has more than 30 years experience managing medium and large companies including the holding of directorships at publicly-listed industrial and resource companies. Mr Hadfield is Managing Director of Resource Information Unit Pty Ltd.

Managing Director

Robert Tyson

Robert Tyson is a geologist with more than 17 years resources industry experience having worked in exploration and mining-related roles for companies including Cyprus Exploration Pty Ltd, Queensland Metals Corporation NL, Murchison Zinc Pty Ltd, Normandy Mining Ltd and Equigold NL.

Non-Executive Director

Graham Hardie

Graham Hardie is the principal of Hardie Finance Corporation, a private Perth-based property development company, and is also the principal of Entertainment Enterprises, a private Perth-based hospitality company. He is a Fellow of the Institute of Chartered Accountants and a former partner in a leading Chartered Accounting firm. He has extensive commercial and financial experience and has held board positions on a number of public companies in the mining, media, transport and retail industries.

**Director CV's take from company website*



Analyst Verification

We, Grant Craighead and Andrew McLeod, as the Research Analysts, hereby certify that the views expressed in this research accurately reflect our personal views about the subject securities or issuers and no part of analyst compensation is directly or indirectly related to the inclusion of specific recommendations or views in this research.

Disclosure

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