



18 November 2009

Manager Announcements  
Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, 20 Bridge St  
Sydney, NSW 2000

### **Placement of Entitlements Issue Shortfall**

The Directors of Peel Exploration Limited ("Peel") (ASX Code: PEX) are pleased to announce the Company has placed the entire shortfall of 7,015,517 ordinary shares from its recent entitlements issue with Point Nominees Pty Ltd, the private investment vehicle of Perth businessman Graham Hardie.

The Shortfall Placement has been completed today at 10 cents per share and has raised \$701,551.70 before costs.

The shortfall represents the number of shares not taken up by shareholders under Peel's 1:3 pro-rata non-renounceable entitlements issue Prospectus of August 24, 2009.

Proceeds from the Entitlements Issue and the Shortfall Placement would be applied to an infill drilling programme at Peel's high-grade Attunga Tungsten Deposit, further work on the recently discovered copper-gold mineralisation at the Attunga Copper Mine, and exploration of the conditionally-acquired May Day gold and base metals deposit near Cobar, in New South Wales.

Following the allotment of the Shortfall Placement the Company will have a total of 41,235,917 ordinary shares on issue.

Yours faithfully,

A handwritten signature in black ink, appearing to read "R. Tyson", is positioned above the typed name of the signatory.

**Mr Robert Tyson**  
**Managing Director**  
**Peel Exploration Limited**

Peel Exploration Limited ACN 119 343 734

Level 1, 79 Hay St, Subiaco, WA 6008. Ph: (08) 9382 3955. Fax (08) 9388 1025. E: [info@peelex.com.au](mailto:info@peelex.com.au).

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# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

**Peel Exploration Limited**

ABN

42 119 343 734

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | PEX – Fully paid ordinary shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | PEX – 7,015,517  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | PEX – Placement of shortfall arising from pro-rata non-renounceable entitlement issue of one (1) new Share for every three (3) Shares held by Shareholders at an issue price of 10 cents per share.<br>See Appendix 3B dated 6 October 2009. |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>YES</p>						
<p>5 Issue price or consideration</p>	<table border="1"> <thead> <tr> <th>Shares</th> <th>Issue Price</th> <th>Consideration</th> </tr> </thead> <tbody> <tr> <td>7,015,517</td> <td>10 cents</td> <td>\$701,551.70</td> </tr> </tbody> </table>	Shares	Issue Price	Consideration	7,015,517	10 cents	\$701,551.70
Shares	Issue Price	Consideration					
7,015,517	10 cents	\$701,551.70					
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>\$701,551.70 will be used to continue exploration and for working capital.</p>						
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>19 November 2009</p>						
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th> <th><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td>41,235,917</td> <td>PEX – Fully paid ordinary shares</td> </tr> <tr> <td>22,473,000</td> <td>PEXO – Options expiring at \$0.20 on or before 30 November2010</td> </tr> </tbody> </table>	Number	<sup>+</sup> Class	41,235,917	PEX – Fully paid ordinary shares	22,473,000	PEXO – Options expiring at \$0.20 on or before 30 November2010
Number	<sup>+</sup> Class						
41,235,917	PEX – Fully paid ordinary shares						
22,473,000	PEXO – Options expiring at \$0.20 on or before 30 November2010						

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+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	1,000,000	PEXAI – Options expiring at \$0.30 on or before 30 April 2011.
	7,500,000	PEXAQ – Options expiring at \$0.30 on or before 30 Nov 2010.
	600,000	PEXAS – Options expiring at \$0.25 on or before 30 Nov 2010.
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend is expected to be paid.	

## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- |    |   |  |
|----|---|--|
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> |  |
| 19 | Closing date for receipt of acceptances or renunciations  |  |
| 20 | Names of any underwriters   |  |
| 21 | Amount of any underwriting fee or commission  |  |
| 22 | Names of any brokers to the issue   |  |
| 23 | Fee or commission payable to the broker to the issue  |  |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders   |  |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting  |  |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled  |  |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders   |  |
| 28 | Date rights trading will begin (if applicable)  |  |
| 29 | Date rights trading will end (if applicable)  |  |

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+ See chapter 19 for defined terms.

- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional +securities

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**Entities that have ticked box 34(b)**

38 Number of securities for which  
 +quotation is sought 

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39 Class of +securities for which  
 quotation is sought 

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40 Do the +securities rank equally in all  
 respects from the date of allotment  
 with an existing +class of quoted  
 +securities?

If the additional securities do not  
 rank equally, please state:

- the date from which they do
- the extent to which they  
 participate for the next dividend,  
 (in the case of a trust,  
 distribution) or interest payment
- the extent to which they do not  
 rank equally, other than in  
 relation to the next dividend,  
 distribution or interest payment

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41 Reason for request for quotation  
 now

Example: In the case of restricted securities, end of  
 restriction period

(if issued upon conversion of  
 another security, clearly identify that  
 other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  
  - There is no reason why those +securities should not be granted +quotation.
  
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
  
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 18 November 2009  
(Company secretary)

Print name: David Hocking

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