



6 October 2011

ASX Code: PEX

**CAPITAL RAISING VIA PRO RATA NON-RENOUCEABLE RIGHTS ISSUE NOTICE PURSUANT TO
PARAGRAPH 708AA (2)(F) OF THE CORPORATIONS ACT (ACT)**

This notice is given by Peel Mining Limited (**PEX** or the **Company**) under Section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**) as notionally modified by Australian Securities and Investment Commission Class Order 08/35 (**CO 08/35**).

The Company intends to raise up to \$2,632,719 via a pro rata non-renounceable rights issue (**Rights Issue**) of one (1) new fully paid ordinary share in the Company for every four (4) shares held as at 5:00pm (WST) on 17 October 2011 (**Record Date**) to all shareholders.

Shares under the Rights Issue will be offered at \$0.12 per share. Based on the current capital structure (and assuming no options to acquire shares (**Options**) are exercised prior to the Record Date), if the Rights Issue is fully subscribed, an additional 21,939,329 shares will be issued and approximately \$2,632,719 will be raised through the Rights Issue.

Any shortfall under the Rights Issue (**Shortfall**) will be dealt with by the Company at its discretion. The Company hereby confirms that in respect of the Rights Issue (as per the requirements of paragraph 708AA(2)(f) of the Corporations Act):

- a) the Company will offer the shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act as notionally modified by CO 08/35;
- b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Corporations Act as notionally modified by CO 08/35;
- c) as at the date of this notice the Company has complied with:
 - I. the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - II. section 674 of the Corporations Act as it applies to the Company;
- d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act as notionally modified by CO 08/35;
- e) the issue of the new shares under the Rights Issue is not expected to have any impact on the control of the Company.

As at the date of this announcement, the Company currently has 300,000 Options on issue. In order to participate in the Rights Issue, these Options must be exercised prior to the Record Date.

Yours sincerely

A handwritten signature in black ink, appearing to read "Rob Tyson".

Rob Tyson
Managing Director
Peel Mining Limited

Peel Mining Limited ACN 119 343 734

Unit 1, 34 Kings Park Rd, West Perth, WA 6005. Ph: (08) 9382 3955. Fax (08) 9388 1025.
E:rtyson@peelmining.com.au www.peelmining.com.au