



ASX ANNOUNCEMENT

16 DECEMBER 2014

CLARIFICATION STATEMENT DISCLOSURE OF RESOURCE INVENTORY

Peel Mining Limited (ASX:PEX) wishes to provide additional information to the Company's 2014 Annual Report in accordance with Listing Rule 5.21.

The Company's 2014 Annual Report disclosed Mineral Resource Estimates in relation to the company's exploration projects. The Mallee Bull Maiden Resource Estimate was announced on 27 May 2014 and the Apollo Hill and Attunga Resource Estimates remained unchanged from the Resources Estimate as at 30 June 2013.

The Mallee Bull deposit, located about 100km south of Cobar in central NSW, was initially recognised in January 2011 when a strong electromagnetic (EM) and coincident magnetic anomaly was identified following an airborne EM survey (VTEM). Since discovery, drilling has consistently encountered multiple zones of strong polymetallic (Cu-Ag-Au-Pb-Zn) mineralisation. In May 2014, a Maiden Inferred-Indicated Resource Estimate for Mallee Bull was completed by MPR Geological Consultants Pty Ltd (MPR) to comprise 3.9 million tonnes at 2.3% copper, 32 g/t silver and 0.3 g/t gold for 90,000 tonnes of contained copper, 4 million ounces contained silver and 43,000 ounces contained gold (at a 1% copper equivalent cut-off). Approximately 16% of the Mallee Bull resource is in the Indicated Mineral Resource category.

The Apollo Hill Gold Project, located 60km south-east of Leonora, contains two significant gold deposits - Apollo Hill and the Ra Zone. Both deposits exhibit the hallmarks of a major mineralised Archean gold system, showing extensive and intense hydrothermal alteration and deformation. An inferred resource estimate was initially made in December 2010 by Hellman and Schofield Pty Ltd (H&S), and subsequently updated in September 2011 to give a JORC-compliant Inferred Resource Estimation of around 17.2Mt at 0.9 g/t for 505,000 ounces of gold using a 0.5 g/t cut-off, with the maximum depth of the resource at 150m below surface.

The Attunga Tungsten Deposit, located approximately 20km north of Tamworth NSW, is classified as a skarn deposit formed by the intrusion of the Inlet Monzonite into sedimentary rocks of the Middle Devonian Tamworth Group. Tungsten and molybdenum mineralisation occur as fine disseminations and veinlets of scheelite, molybdenite and powellite primarily within the skarn monzonite and a fine-grained contact rock termed "scheelite rock". In April 2008, an independent JORC-compliant Inferred Resource Estimation was completed by Geos Mining Mineral Consultants Pty Ltd (Geos Mining), with results including 1.29 Mt at 0.61% WO₃ and 0.05% Mo for 9,400t contained WO₃ equivalent using a 0.2% WO₃ equivalent cut-off.

Mineral Resource Estimation Governance Statement

Peel Mining Ltd has ensured that the Mineral Resource Estimates are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by independent external consultants who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken review of the quality and suitability of the underlying information used to generate the resource estimations. Additionally, Peel Mining Ltd carries out



regular reviews and audits of internal processes and external contractors that have been engaged by the Company.

The Mineral Resources for Apollo Hill and Attunga were compiled and reported in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2004 Edition, whilst the Mallee Bull Resource Estimate was completed in accordance with the JORC Code 2012 Edition.

The tables below set out Mineral Resources comparatives for 2013 and 2014.

Mineral Resource Statement

Mallee Bull Mineral Resource Estimate based on 1% copper equivalent (CuEq) cut-off grade

Category	Mineral Resource - as at 30 June 2014					Mineral Resource - as at 30 June 2013				
	Kt	CuEq	Cu %	Ag g/t	Au g/t	Kt	CuEq	Cu %	Ag g/t	Au g/t
Indicated	620	2.22	1.73	29.0	0.54	-	-	-	-	-
Inferred	3,300	2.8	2.4	32	0.3	-	-	-	-	-
Total	3,920	2.7	2.3	32	0.3	-	-	-	-	-

Note: The figures in the above table are rounded to reflect the precision of the estimates and include rounding errors.

Apollo Hill Inferred Mineral Resource Estimate based on a 0.5 g/t Au cut-off grade

Apollo Hill Gold Project	Mineral Resource - as at 30 June 2014			Mineral Resource - as at 30 June 2013		
	Mt	Au g/t	Koz	Mt	Au g/t	Koz
Ra Zone	1.2	1.1	42	1.2	1.1	42
Apollo Hill	16	0.9	463	16	0.9	463
Total	17.2	0.9	505	17.2	0.9	505

Note: The figures in the above table are rounded to reflect the precision of the estimates and include rounding errors.

Attunga Tungsten Deposit Inferred Mineral Resource Estimate based on a 0.2% WO₃ equivalent cut-off

WO ₃ equivalent cut-off	Mineral Resource - as at 30 June 2014				Mineral Resource - as at 30 June 2013			
	Mt	WO ₃ Eq %	WO ₃ %	Mo %	Mt	WO ₃ Eq %	WO ₃ %	Mo %
0.2	1.29	0.73	0.61	0.05	1.29	0.73	0.61	0.05

Note: The figures in the above table are rounded to reflect the precision of the estimates and include rounding errors.



Competent Persons Statements:

Mallee Bull

The information referred to in this announcement in relation to the Mallee Bull Resource Estimate is based on information compiled by Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. At the time of calculating the Resource Estimate Mr Abbott was a full time employee of MPR Geological Consultants Pty Ltd and is an independent consultant to Peel Mining Ltd. Mr Abbott has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code of Reporting of Mineral Resources and Ore Reserves'. Mr Abbott consented to the release of the matters based on his information in the form and context in which it appears.

Apollo Hill

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 that relates to the validity/quality of the Apollo Hill sampling database and Apollo Hill exploration results, densities, cut off grades, potential for eventual economic extraction and comments on the resource estimates and project background is based on information compiled by Rob Tyson, who is a Member of The Australasian Institute of Mining and Metallurgy. Rob Tyson is a full-time employee of the company and 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'. Rob Tyson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Attunga Tungsten Deposit

The information referred to in this announcement in relation to the Attunga Resource Estimate is based on information compiled by Mr Murray Hutton, a Competent Person who is a Member of the Australian Institute of Geoscientists. At the time of calculating the Resource Estimate Mr Hutton was a full time employee of Geos Mining and was an independent consultant to Peel Mining Ltd. Mr Hutton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 consented to the inclusion of the matters based on his information in the form and context in which it appears.