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Discovering Copper in the Cobar Superbasin

Rob Tyson, Managing
Director

Investor Presentation

(Image: Sunrise at Mallee Bull)

Peel Mining Limited (ASX:PEX)
Investor Presentation – March 2013

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: 117 million	Enterprise value: \$71.5 million
Options: 3 million	Top 20 investors: ~58%
Market cap (@ 63 cps): \$74 million	Directors' holding: ~25%

- **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)
- Ryan Woodhouse (Co. Secretary)

- **Technical team**

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

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

- Low admin/corp costs at ~\$200K 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



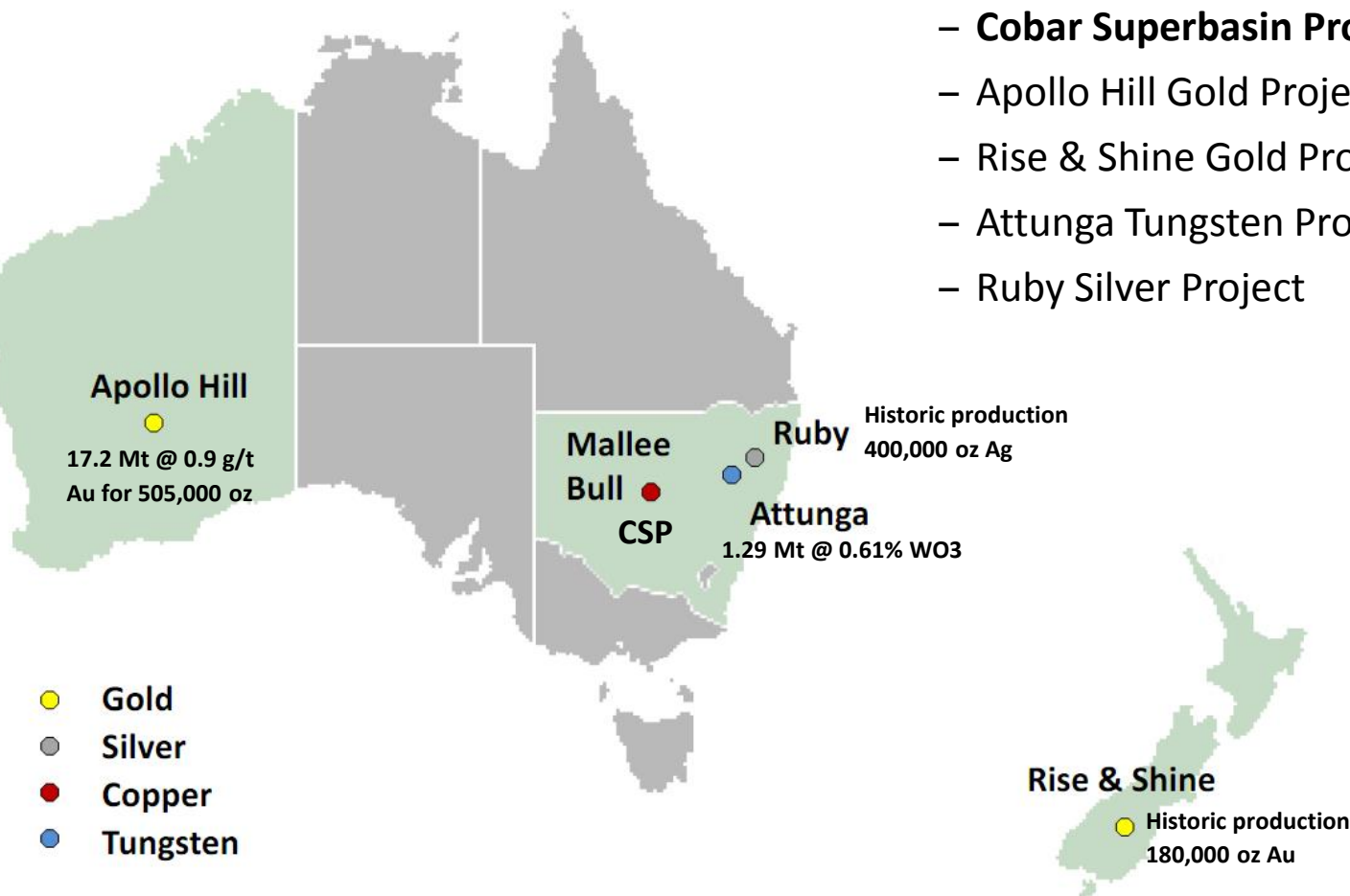
Project Summary

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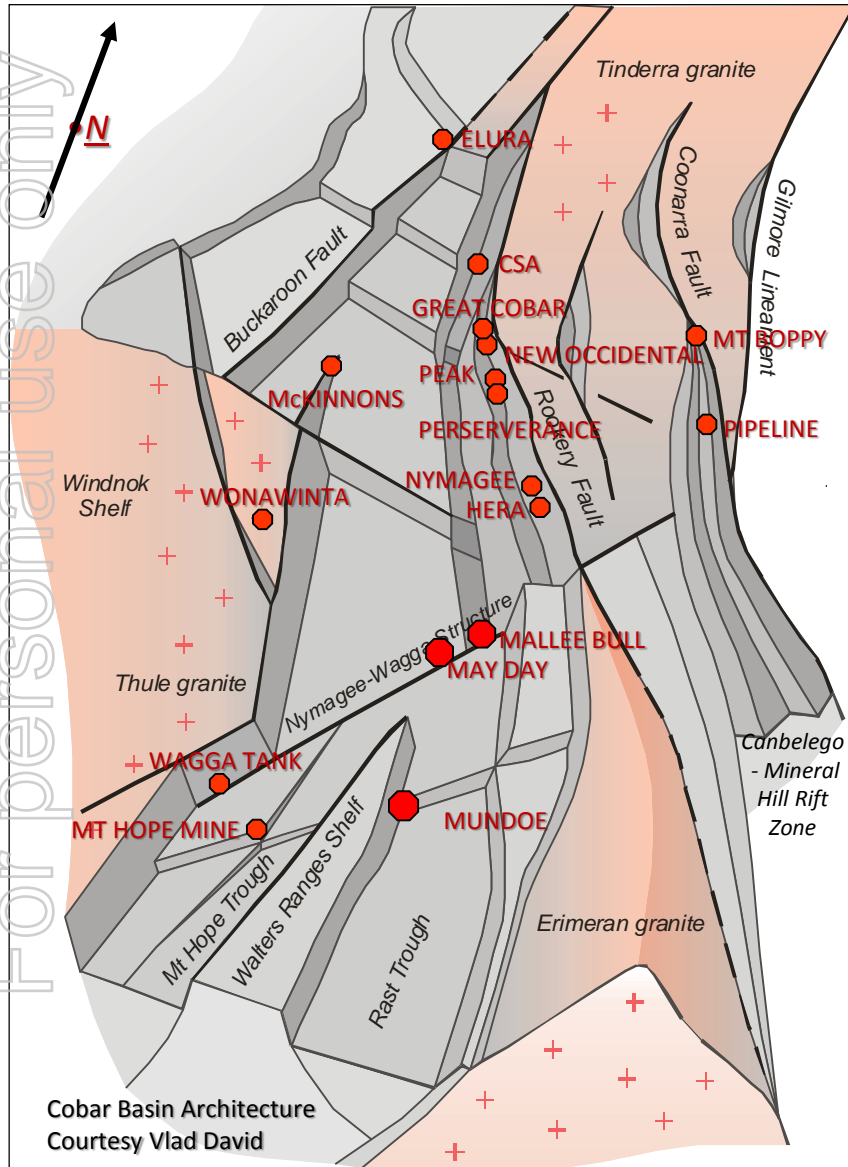
Growing base-precious metal resources company

- **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

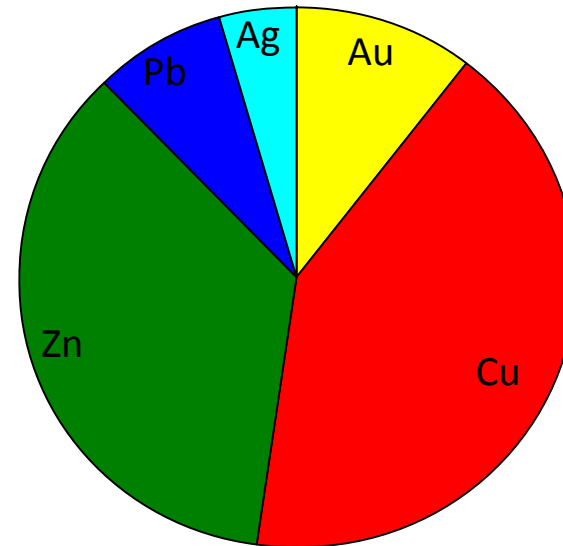


Cobar Superbasin is worldclass mineral province

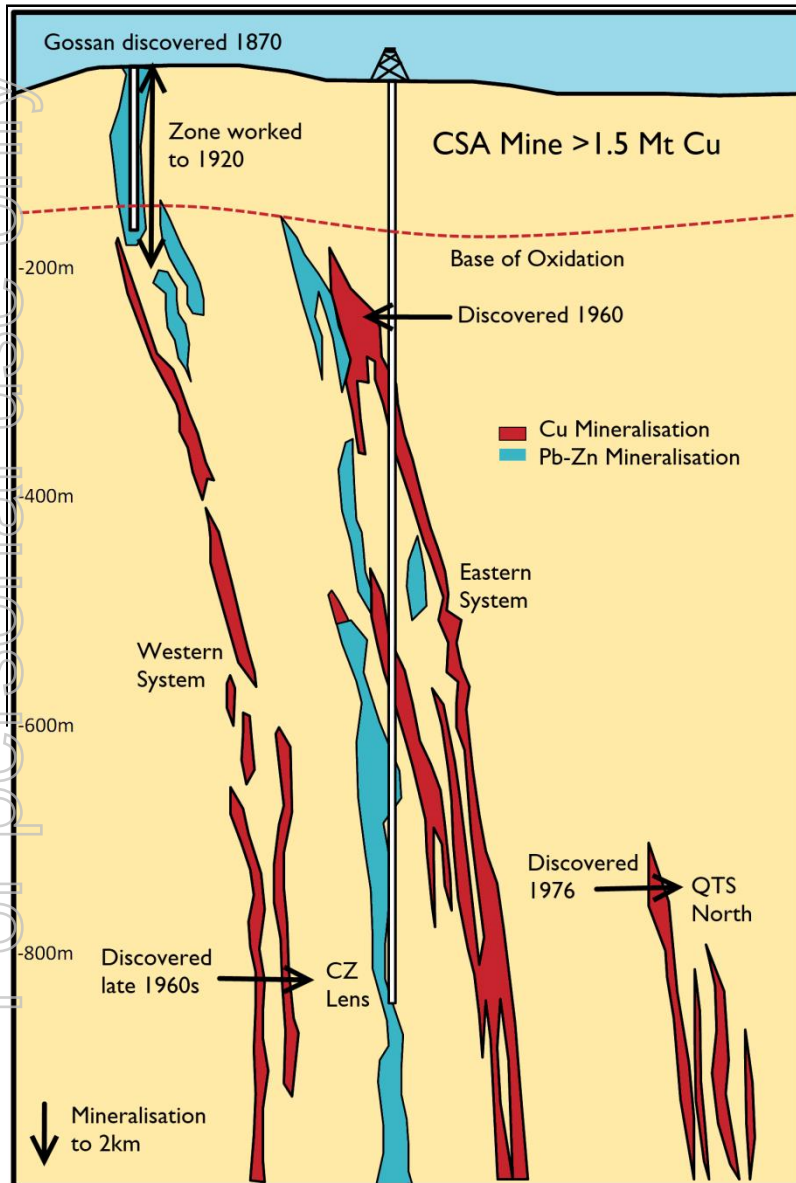


• Cobar Superbasin pre-mining metal inventory:

- >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



Cobar-style 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)

Clustered/stacked lenses

Mallee Bull

✓

✓

✓

✓

✓

✓

✓

✓

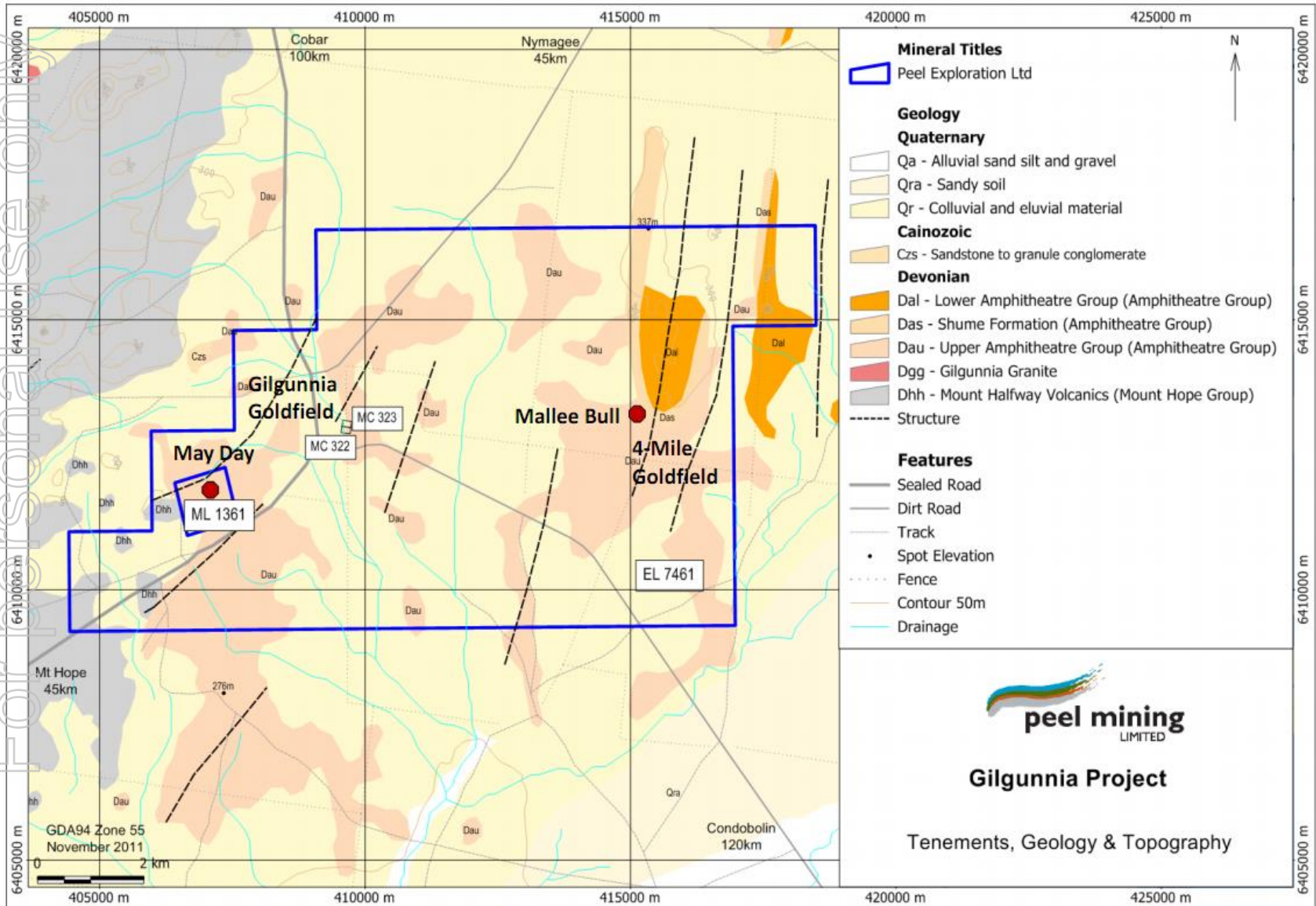
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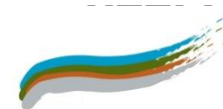
Mallee Bull Project



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 saw 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 (complete)
- Stage 2 sees CBH increase to 30% interest by contributing a further \$2.5m to exploration within a further 12 month period (underway)
- 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 km² of granted leases (EL and ML)
 - 100 km south of Cobar, NSW
 - Good infrastructure, 3 km off major road, 15 km from Moomba-Sydney Gas Pipeline
- **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**
 - 8 km 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 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 testing to 300m below surface from Nov 2011 – Feb 2012

- Better drill results include:

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

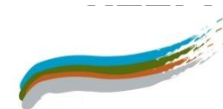
11m @ 2.71% Cu, 36 g/t Ag, 0.26 g/t Au

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

- Cobar-style discovery confirmed
- Mineralisation open in multiple directions, including down-dip
- 12-month option to purchase part of Wirchilleba Station covering Mallee Bull footprint



Phase 2 drilling confirms Mallee Bull as major copper discovery

– Phase 2 diamond drill programme testing >400m below surface from Jul 2012 – Nov 2012

– 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



Phase 3 to focus on extensional drilling

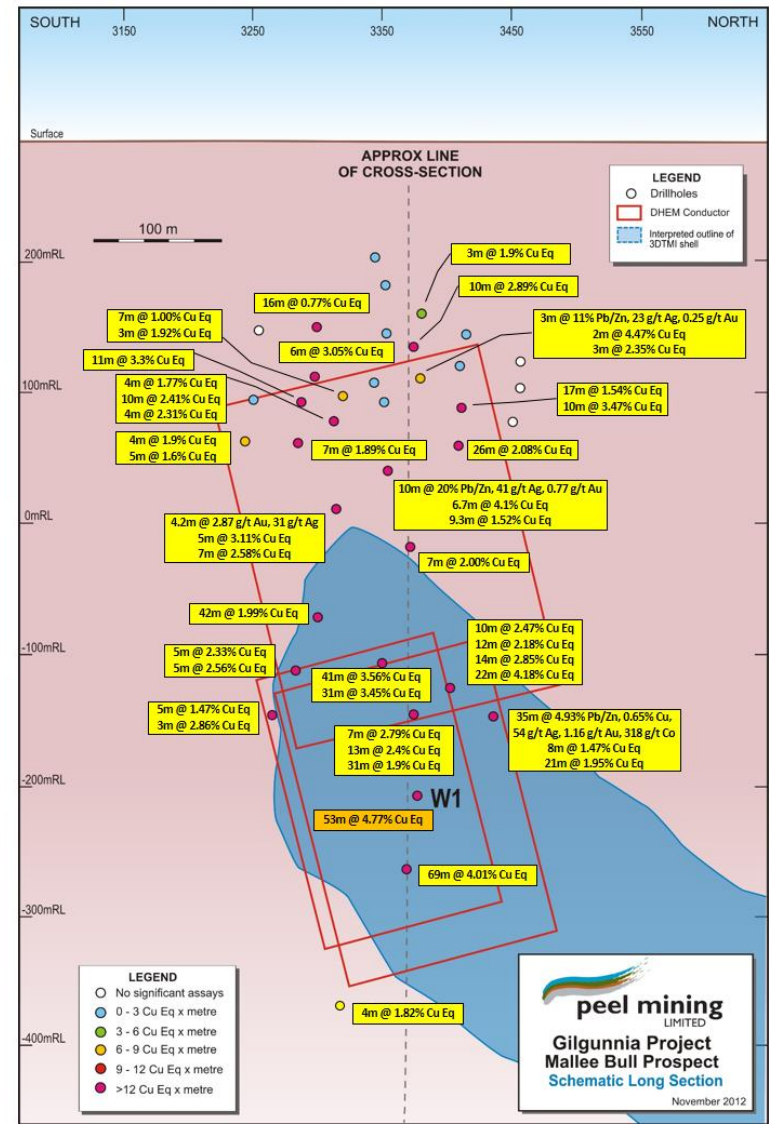
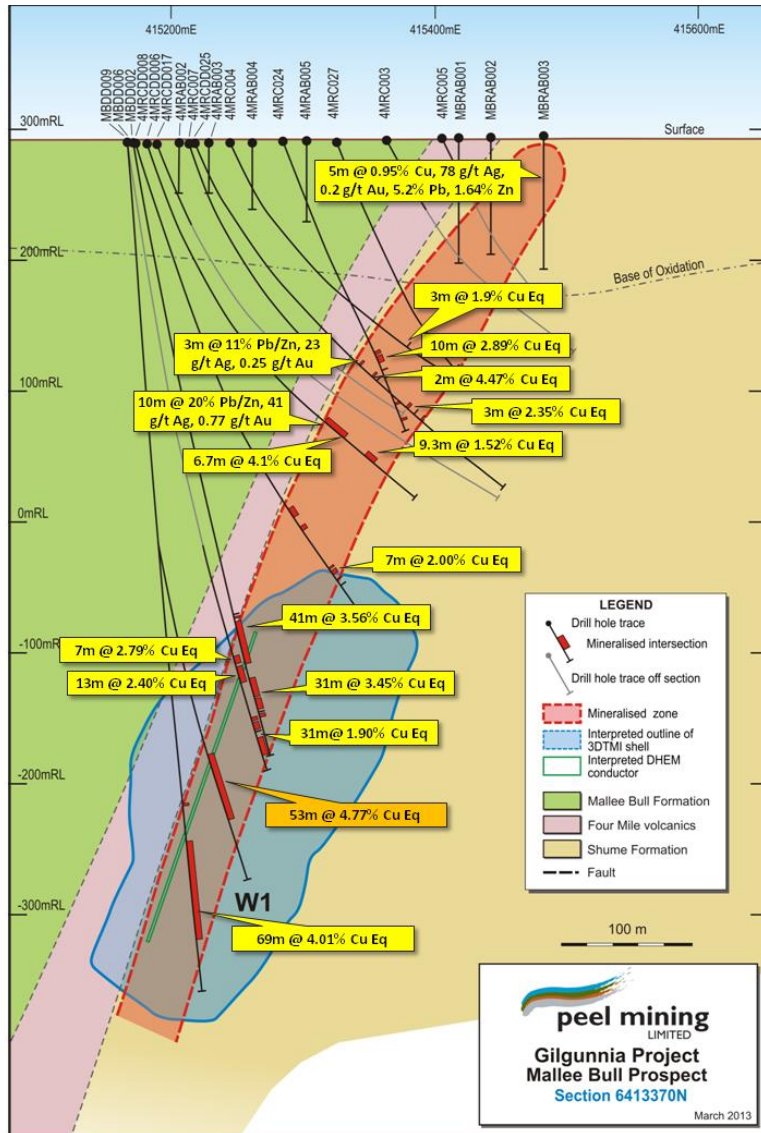
- **Mallee Bull Phase 3 now underway**

- Stage 2 of farm-in (Phase 3) sees CBH fund \$2.5m on further exploration for further 15% interest
- Exploration recommenced early February 2013
- Programme to comprise multiple intercept deep diamond drilling and shallower RC drilling
- Initial drilling targeting 500-600m below surface (updip/strike continuity of MBDD009)
- **MBDD009W1 – 53m @ 4.08% Cu, 42 g/t Ag, 0.22 g/t Au (4.77% Cu Eq)**
- MBDD009W2 – intercepts stringer mineralisation at >700m below surface
- New strong DHEM anomaly centred at ~670m below surface
- Follow-on drilling targeting down dip/plunge continuity
- Purchase of part of Wirchilleba Station containing Mallee Bull
- RC drilling of nearby geochem/geophysics targets
- IP geophysics of prospective stratigraphy – completed; review underway
- DHEM as required to guide deep drilling
- Metallurgical testwork
- Ongoing regional surface geochem



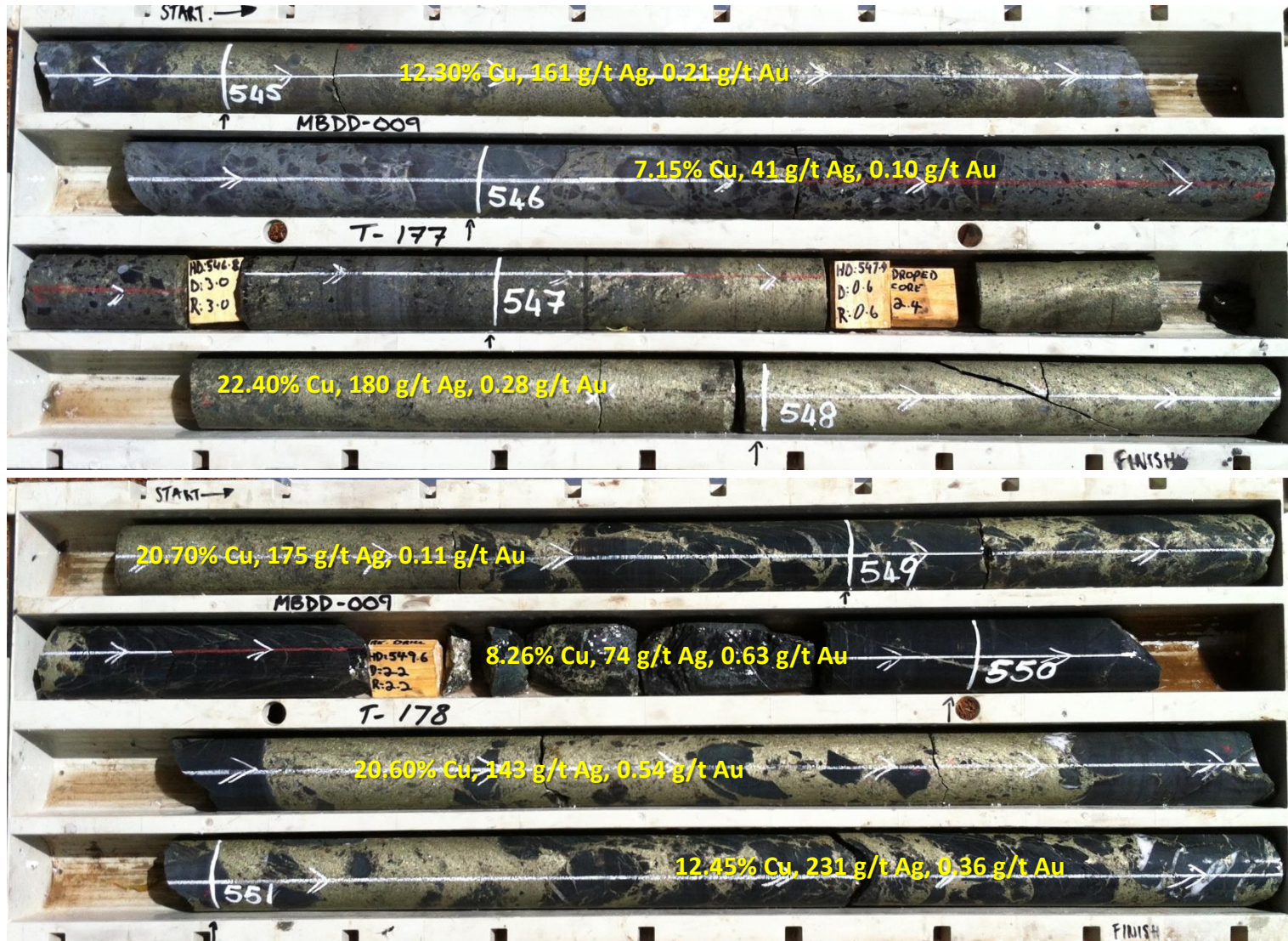
MBDD009 & MBDD009W1 – high-grade, copper-polymetallic

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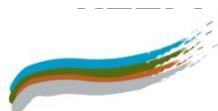
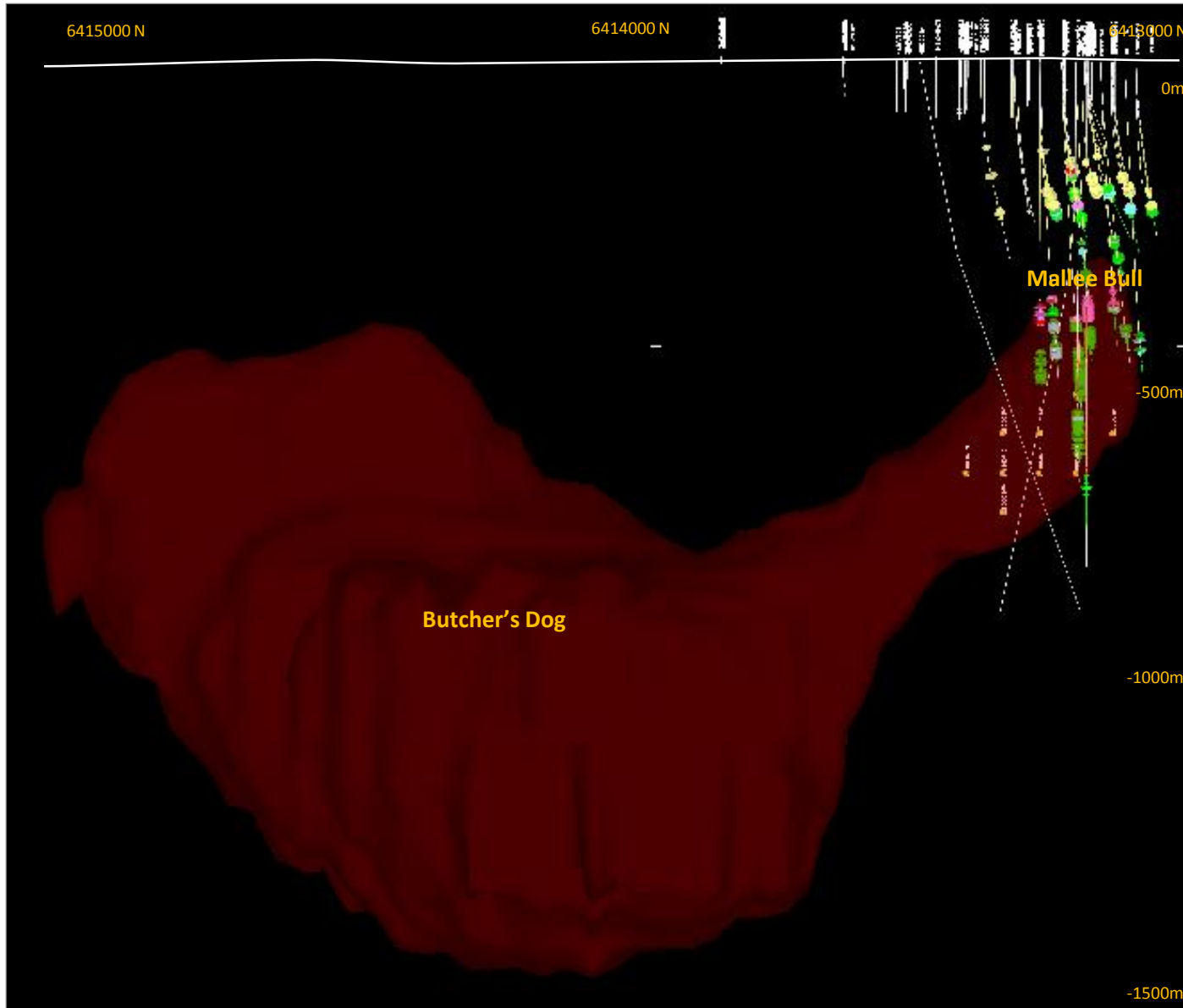
Mallee Bull Mineralisation (Cpy-Po Stringer Zone)

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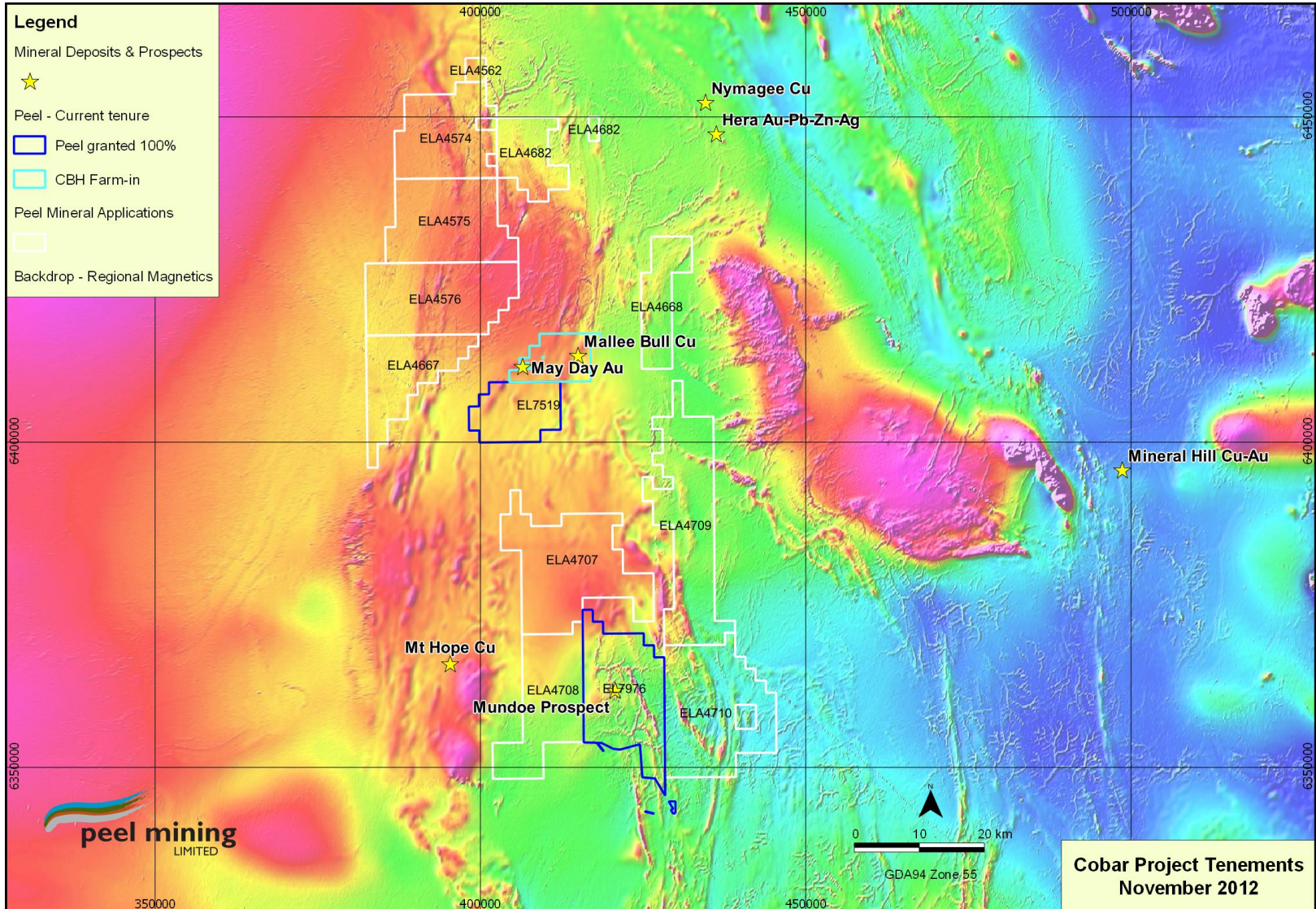
3D TMI Inversion Modeling with DHEM (looking east)

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Cobar Superbasin Project (CSP) – 100% PEX

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Cobar Superbasin Project (CSP) – 100% PEX

Large, prospective land package underwritten by Mallee Bull Farm-in

- **100%-owned and highly prospective**
 - 12 ELs and ELAs covering more than 2,000 km²
 - One of the largest exploration landholdings in the Cobar Superbasin
 - Leveraging off Mallee Bull discovery and exploration presence/infrastructure
 - Multiple walk-up targets including Mundoe, Tara, Gilgunnia South prospects
 - Largely underexplored/underdrilled
 - Preliminary tenure review completed December 2012
 - RC drilling at Mundoe completed 2012 – significant drill results returned over 600m strike
 - Exploration at granted prospects underway



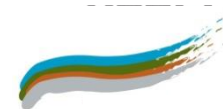
CSP – Mundoe: the next Mallee Bull?

• Mundoe copper prospect key facts

- 50 km south of Mallee Bull
- Defined by 2km long multi-element geochemical anomaly
- Encouraging historic drill results including:
 - **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 /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.**

• December 2012 RC drilling programme confirms Mundoe as valid copper target

- Best results returned over 600m strike including:
 - **5m @ 42 g/t Ag and 0.68% Cu from 140m in MURC002;**
 - **6m @ 42 g/t Ag and 1.24% Cu from 112m in MURC003;**
 - **5m @ 0.86 g/t Au from 22m and 3m @ 180 g/t Ag and 2.07% Cu from 129m in MURC005;**
 - **8m @ 19 g/t Ag and 0.57% Cu from 163m in MURC007.**
- Follow-up exploration planned for H1 2013



Investment Highlights

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1

Cobar-style polymetallic discovery at Mallee Bull, NSW

2

Mineralisation open at depth

3

Strong partnership through 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



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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