

ACQUISITION OF MALLEE BULL COMPLETED

Key Points:

- Peel regains 100% ownership of the Mallee Bull copper and May Day gold deposits.
- Ministerial approval for the transfer of titles has now been received and the cash consideration of \$17m paid as final settlement.
- Mallee Bull resource drillout planning completed to deliver a primarily Indicated Resource.
- Settlement of Mallee Bull acquisition completes the total consolidation of Peel's assets within the Cobar Basin tenement package.

Peel Mining Limited (ASX:PEX) is pleased to announce that it has completed the acquisition of its former joint venture partner's (CBH Resources Limited) 50% interest in the Mallee Bull Project to take Peel's ownership of the project to 100%.

Ministerial approval for the transfer of titles (the final condition precedent to the sale) was received recently, with cash consideration of \$17m paid to CBH Resources as settlement shortly thereafter (in accordance with the terms of the purchase and sale agreement).

Accordingly, the Mallee Bull Joint Venture is now formally dissolved delivering Peel complete managerial independence. Following this, and Peel recently also regaining full ownership of the Wirlong copper deposit, the Company has moved to 100% legal ownership of its entire Cobar Basin tenement package, whilst also pivoting the Company to copper as its primary metal of economic focus.

Peel Managing Director Rob Tyson commented:

"I would like to thank CBH for their participation in the Mallee Bull Joint Venture over the past eight years – CBH's funding was instrumental in helping to delineate the Mallee Bull deposit."

"Under the Joint Venture, Mallee Bull rapidly advanced into a major copper discovery with mineralisation extending from near surface to at least 800m below surface."

"With complete managerial independence now returned, it is the Company's intention to undertake a resource drillout at Mallee Bull to establish a primarily Indicated Resource as part of the Company's plans to achieve a critical mass of resources to support our Hub & Spoke strategy."

"The acquisition of Mallee Bull delivers 100% control of Peel's entire Cobar Basin tenure, whilst significantly increasing the Company's exposure to copper, and expanding the Company's asset base in its objective to achieve critical mass to support a standalone processing plant."

This announcement has been approved for release by the Board of Directors.

For further information, please contact:

Robert Tyson – Peel Mining Limited, Managing Director +61 (8) 9382 3955.

Background to the Transaction

As announced on 27 July 2020, the Company received an Initial Transfer Notice from CBH Resources after CBH received an unconditional offer of \$17 million from a third party for its 50% share of the Joint Venture. The Joint Venture consisted of two tenements, being EL7461 and ML1361.

To fund the acquisition of 50% of the Mallee Bull Project, Peel completed a \$17.1m capital raising comprising of a successful placement on 27 July 2020 to institutional and sophisticated investors raising \$10.5m and an entitlement issue which closed on 1 September 2020 raising approx. \$6.6m.

Pursuant to the Joint Venture agreement between CBH and Peel, Peel had a pre-emptive right to acquire the Joint Venture interest on the same terms, and accordingly, Peel exercised this pre-emptive right by submitting an offer to acquire the Joint Venture Interest.

About Mallee Bull

The Mallee Bull Project contains both the Mallee Bull copper deposit, situated on EL7461, and the May Day gold-polymetallic deposit, situated on ML1361. Both deposits have predominately inferred resources and are open in most directions offering strong exploration upside. Mallee Bull is one of Australia's highest-grade undeveloped copper deposits and is located ~50km northeast of Peel's Wagga Tank-Southern Nights discovery. May Day is an historic gold-polymetallic deposit within a granted mining licence with a small remnant open pit and is located ~8km to the west of Mallee Bull and ~40km to the northeast Wagga Tank-Southern Nights.

The Mallee Bull prospect contains a JORC Resource of 6.76Mt @ 1.8% Cu, 31g/t Ag, 0.4g/t Au, 0.6% Pb, 0.6% Zn. (See ASX Announcement release 6th July 2017 "Mallee Bull Resource Grows by 65% to 175,000t CuEq" for full detail.)

Cut off CuEq	Category	Kt	Metal Grades							Contained Metal					
			CuEq %	CuEq Kt	Cu%	Pb%	Zn%	Au g/t	Ag g/t	CuEq kt	Cu kt	Pb kt	Zn kt	Au koz	Ag Moz
1.00	Indicated	1,340	2.15	28.8	0.91	0.96	1.23	0.40	30	29	12	13	17	17	1.3
	Inferred	5,420	2.7	146	2.0	0.5	0.4	0.4	31	146	107	25	22	66	5.4
	Total	6,760	2.6	175	1.8	0.6	0.6	0.4	31	175	119	38	38	83	6.6

The May Day deposit has a maiden Inferred Mineral Resource Estimate (MRE) 1.13 Mt at 1.3 g/t Au, 19 g/t Ag, 0.74% Zn, 0.50% Pb, 0.09% Cu (1.8 g/t gold equivalent) using 0.65 g/t gold equivalent cut off (See ASX Announcement release 16th December 2020 "May Day Inferred Mineral Resource Estimate" for full detail).

Oxidation Zone	Tonnes Kt	Metal Grades						Contained Metal					
		AuEq g/t	Au g/t	Ag g/t	Zn %	Pb %	Cu %	AuEq Koz	Au Koz	Ag Koz	Zn Kt	Pb Kt	Cu Kt
Oxide	206	1.3	1.3	13	-	-	-	8.6	8.6	86	-	-	-
Fresh	924	1.9	1.3	20	0.90	0.61	0.11	56.4	38.6	594	8.32	5.64	1.02
Total	1,130	1.8	1.3	19	0.74	0.50	0.09	65.1	47.2	680	8.32	5.64	1.02

Competent Persons Statements

The information in this report that relates to the Mallee Bull Mineral Resource estimates, and reported by the Company in compliance with JORC 2012 is based on information compiled by Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. Jonathon Abbott is 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 undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Abbott 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 announcement that relates to the May Day Mineral Resource estimate is based on information compiled by Mr Jonathon Abbott, who is a Member of The Australian Institute of Geoscientists. Mr Abbott is a full time employee of MPR Geological Consultants Pty Ltd 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 2012 edition of the "Australasian Code for Reporting 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.

This release may include aspirational targets. These targets are based on management's expectations and beliefs concerning future events as of the time of the release of this document. Targets are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Peel Mining that could cause actual results to differ materially from such statements. Peel Mining makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.