



Exploring forgotten mineral fields

ASX and Media Release

6 March 2008

Corporate Profile

Peel Exploration Limited
ACN: 119 343 734

Peel Exploration Board
Simon Hadfield (Chairman)
Rob Tyson (Executive Director)
Craig McGown
David Hocking (Co. Secretary)

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ASX Code: PEX

12 Month Share Price Range
A\$0.15 – A\$0.48

Current Share Price (5.3.08)
A\$0.15

Market Cap (5.3.08)
A\$4.5 million

Issued Capital
30 million FPO shares

January 2008 Cash
~A\$2.5 million - no debt

Media Relations
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**RESAMPLING AT KENSINGTON
CONFIRMS SIGNIFICANT GOLD SYSTEM**

- Resampling and assaying of historic diamond drillholes validates historic data and confirms the presence of a significant gold system
- Drillhole Ken-6 returned 109m grading 0.69 g/t gold from 8m, including;
 - 23m grading 1.62 g/t gold from 8m
 - 5m grading 0.97 g/t gold from 47m
 - 15m grading 0.77 g/t gold from 61m
 - 10m grading 0.69 g/t gold from 106m
- All other historic Kensington diamond drillholes intersected significant gold mineralisation
- Kensington area also hosts significant tungsten mineralisation
- Majority of Kensington surface gold geochemical anomaly remains untested
- Access and drillhole planning now underway in preparation for mid-year drilling programme
- Regional surface geochemical survey now underway
- Kensington is located within the Attunga Project (100% Peel Exploration) which is centred about 20 kilometres north of Tamworth

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Peel Exploration Ltd (ASX:PEX) is pleased to announce that resampling and assaying of historic drillcore from the Kensington Prospect (located within the Attunga Project) has validated historic data and confirmed the presence of significant gold mineralisation. Resample assay results for drillhole Ken-6 has yielded an intercept of **109m at 0.69 g/t gold from 8m**. Ken-6 had historically been reported as containing an intercept of 108m at 0.74 g/t gold from 8m. Peel Exploration has yet to determine the geometry of the gold mineralisation, therefore no determination regarding true-width has been made.

The **Kensington Prospect** is located within the **Attunga Project** (100%-owned by Peel Exploration) which is centred about 20 kilometres north of Tamworth in the New England region of New South Wales. Kensington comprises a series of historic gold workings, including shafts and pits, across 800m strike.

Challenger Mining Corporation completed 7 diamond drillholes for 822m in 1987. The drilling was completed over an area approximately 350m long and 250m wide. All drillholes intersected low-grade gold mineralisation (see Table 1 below).

Table 1: Summary Challenger 1987 Kensington Diamond Drillcore Results

Hole No.	Northing	Easting	Azimuth (mag)	Dip	Final Depth (m)	From (m)	To (m)	Interval (m)	Au (g/t)	Comment
Ken-1	6582610	300576	220	-60	145.40	43	65	22	0.40	Historic
and						84	89	5	0.46	Historic
and						122	127	5	0.73	Historic
Ken-2	6582433	300847	040	-45	150	61	106	45	0.32	Historic
Ken-3	6582341	300764	040	-45	151	26	91	65	0.47	Historic
Ken-4	6582420	300749	220	-45	49	33	39	6	0.60	Historic
Ken-5	6582495	300708	220	-45	108	0	19	19	0.51	Historic
and						30	52	22	0.37	Historic
Ken-6	6582554	300814	040	-45	150.9	8	117	109	0.69	Resample (new)
incl						8	31	23	1.62	>0.5 g/t Au
Incl						47	52	5	0.97	>0.5 g/t Au
Incl						61	76	15	0.77	>0.5 g/t Au
incl						106	116	10	0.69	>0.5 g/t Au
Ken-7	6582709	300835	220	-45	68	6	13.2	7.2	1.82	Resample (new)

Notes:

1. Samples were from sawn quarter core and core loss was minor through most of the holes (Ken-6 & Ken-7) and is not considered to have affected results.
2. Samples were analysed at ALS Chemex utilising methods Au-AA25 (30g fire assay) for gold and ME-ICP61s (four-acid digestion) for multi elements.
3. No estimate of true width has been made.

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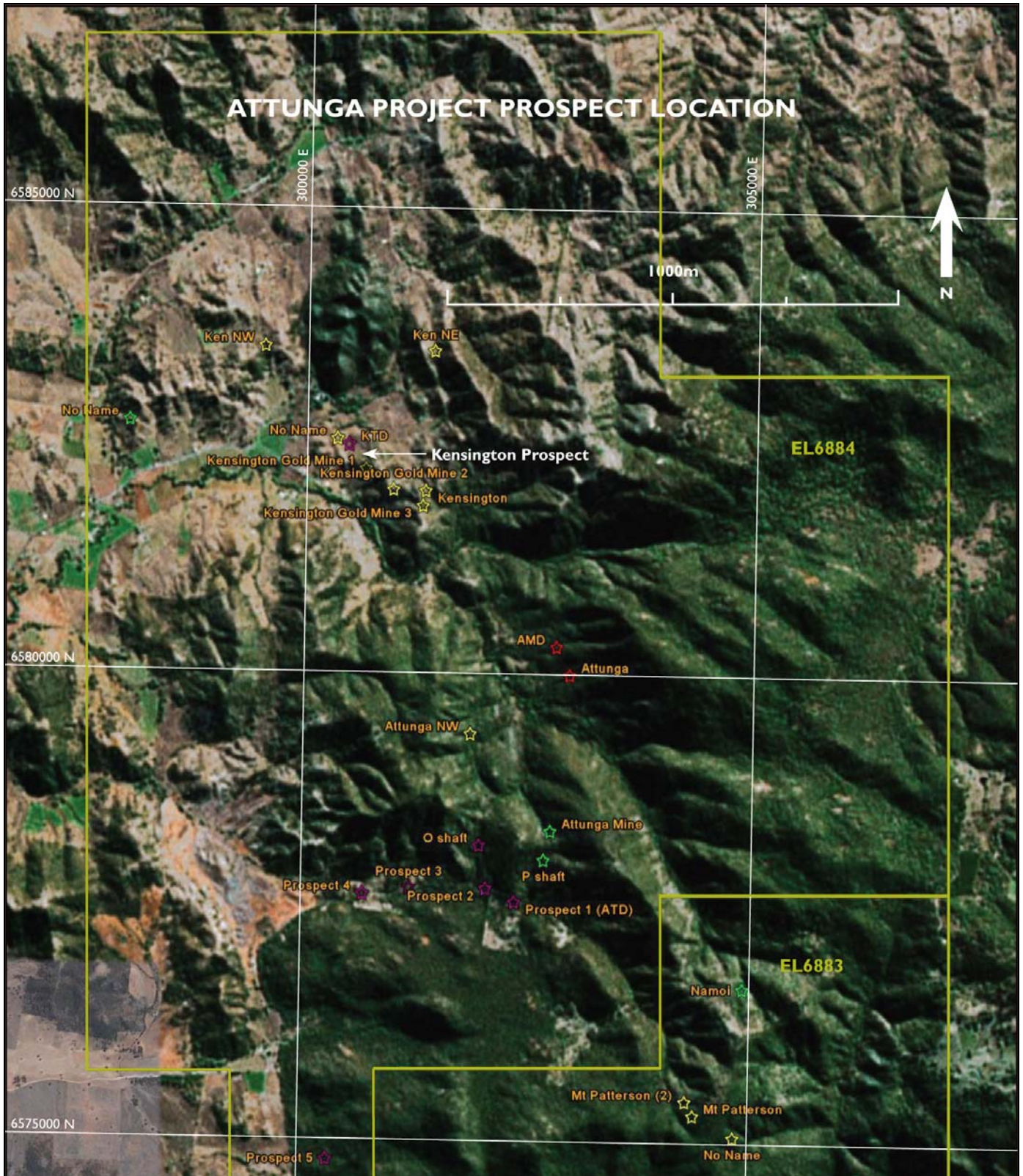
As previously reported, the Kensington area is also known to host significant tungsten mineralisation, with previous explorers reporting a substantial, shallow low-grade resource (non-JORC). Resample assay results received to date confirm low-grade tungsten mineralisation to be present in the area.

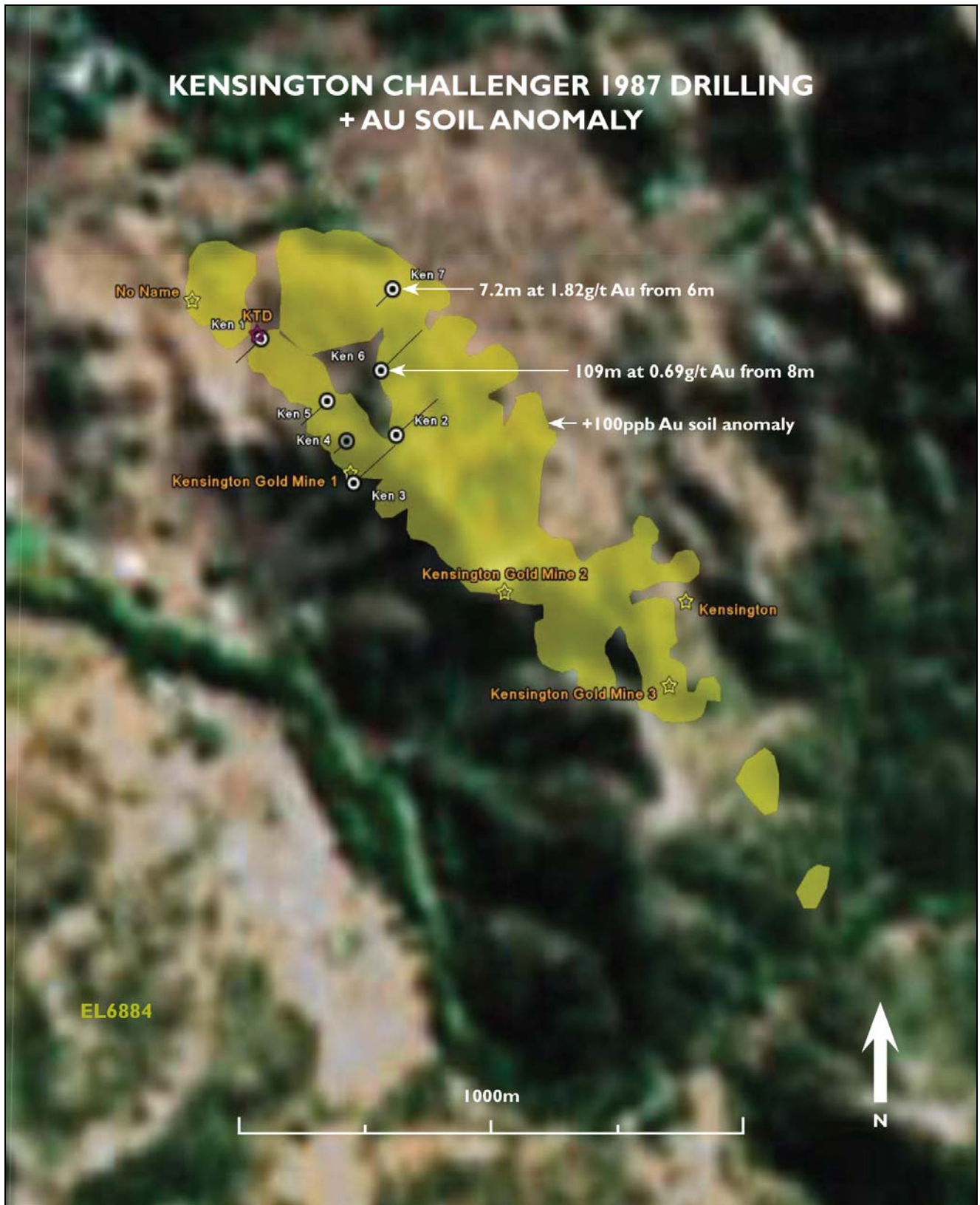
Gold mineralisation at Kensington is hosted in various lithologies (breccias, sediments, volcanics) although they all are generally complexly faulted/sheared. Mineralisation is outcropping and covered by a 1500m by 400m gold geochemical anomaly. The majority of this anomaly remains untested and it is apparent that the anomaly remains open to the northwest.

Peel Exploration has commenced all necessary arrangements in preparation of a significant drilling programme planned for mid-2008. In anticipation of this programme, Peel Exploration is currently completing a regional geochemical survey.

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

Rob Tyson
Executive Director.







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About Peel Exploration Ltd

Peel Exploration is a precious and base metals explorer with six 100%-owned tenements covering 950 km² in the New England Fold Belt region of northern New South Wales.

Peel Exploration believes the New England Fold Belt, particularly the portion located in northern NSW, represents a unique opportunity for exploration. The area has a rich mining history with numerous mineral discoveries including Mount Morgan, Gympie, Mount Rawdon, Cracow, Hillgrove, Timbarra and Twin Hills. Yet despite this rich mineral endowment, the Belt remains poorly explored with minimal modern exploration.

The Company's portfolio of 100% owned exploration licences comprises:

1. The Attunga Project (EL6883 & EL6884), containing numerous historic gold, tungsten and molybdenum prospects. The Attunga Project exhibits the hallmarks of an Intrusive-Related Gold System.
2. The Dungowan Project (EL6613), containing five historic copper mines and workings. High grade copper mineralisation was reported from the Fishers copper mine with 2,643 tonnes of ore extracted at an average grade of 13.4% copper.
3. The Barry Project (EL6614), centred on a cluster of copper and molybdenum workings. Exploration in the 1970's returned copper values averaging some 1.7%.
4. The Waverley Project (EL6719), centred on the historic Waverley silver-lead-zinc workings and an associated magnetic anomaly. Prospecting in the mid 1990's returned anomalous values of up to 739 ppm silver, 14.6% zinc and 9.4% lead.
5. The Armidale Project (EL6722), containing several historic silver mines along with numerous gold, antimony, tungsten and molybdenum workings. The area also hosts a large untested gravity anomaly which will receive exploration priority.

The Company believes the prospects offer excellent potential for the discovery of economic gold, tungsten, molybdenum, copper, zinc, lead and silver, with most prospects being polymetallic in nature.

For further information, please contact:

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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 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.

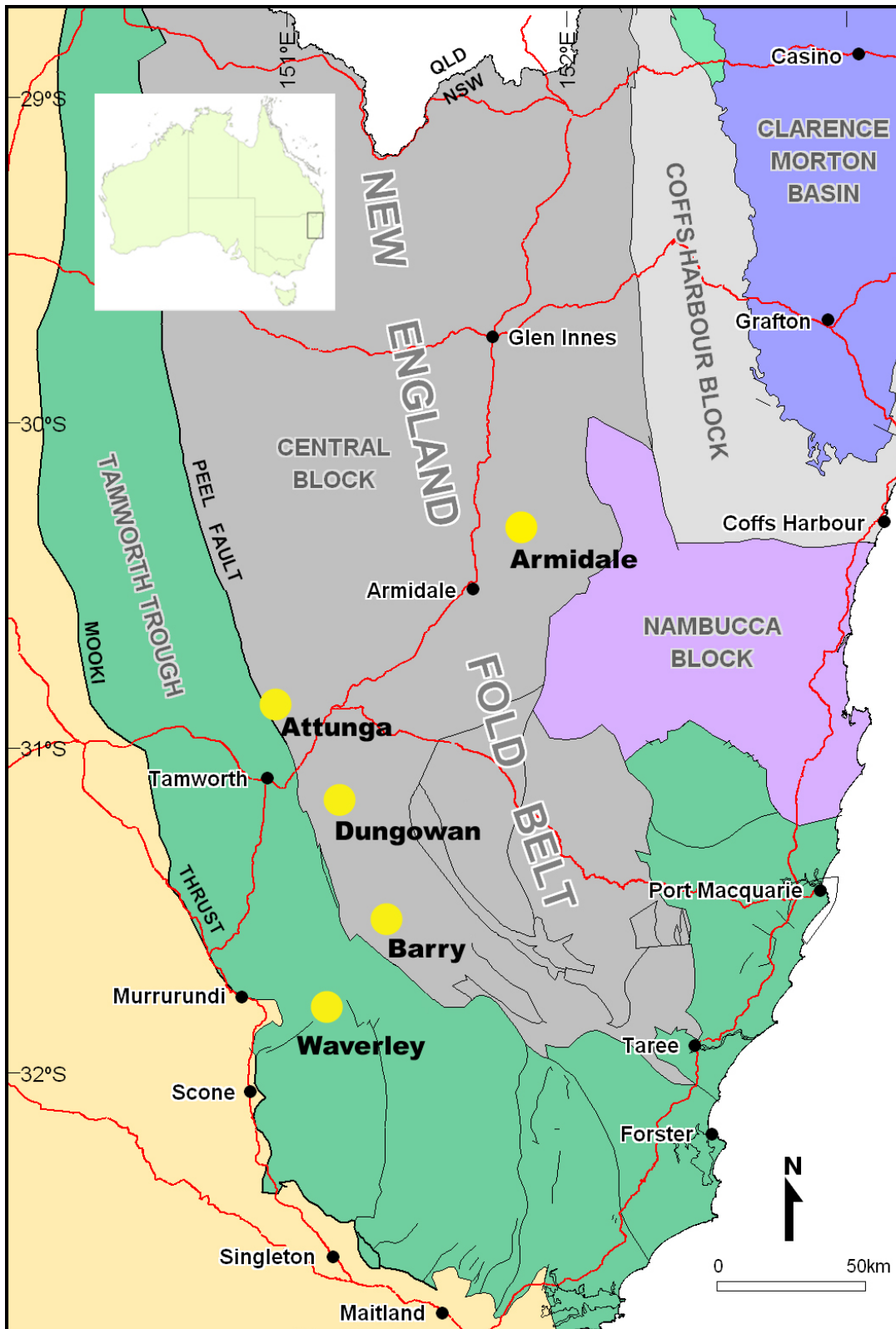
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Peel Exploration's Project Location Map



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