



Exploring forgotten mineral fields

CHAIRMAN'S ADDRESS - ANNUAL GENERAL MEETING

27 NOVEMBER 2008

Ladies and Gentlemen,

We listed in May last year hoping to find copper and gold and are very satisfied to have finished up with a tungsten deposit we are hoping will give us our first mine.

Not that we've given up on copper and gold. We've still got our initial tenements that need to be properly explored, and that's still very much part of our agenda, particularly at our Kensington gold prospect.

Our tungsten deposit is the Attunga Deposit, where over the past 12 months Peel Exploration has independently identified and verified a JORC-compliant inferred resource of 1.29 million tonnes grading 0.61% WO₃ and 0.05% molybdenum for 9,400t WO₃ equivalent (using a 0.2% WO₃ equivalent cut-off).

Recent drilling by Peel has revealed tungsten-molybdenum mineralisation grading up to 24% WO₃. The mineralisation at Attunga is outcropping at surface, extends to a depth of at least 200m, remains open and includes multiple high-grade zones.

The company is keen to fast-track Attunga and the focus of our activities will be to complete a scoping study and if that proves successful, move to a full feasibility study.

Looking ahead, Peel plans to complete a Conceptual Study of the Attunga project before moving to a Scoping Study early in 2009. Further drilling will be carried out as funds become available.

The directors of Peel Exploration believe it has achieved a great deal of success in its first year since being admitted to the ASX and will continue to develop its existing projects while searching for other opportunities.

I would like to thank my fellow directors Rob Tyson and Craig McGown and Company Secretary David Hocking for their contribution, and also Michael Kiernan, who resigned during the year, for his contribution as a director of the company. I would also like to thank our employees and contractors, who though they may be few in number, have achieved a great deal in 12 months.

Finally I would like to thank our shareholders for supporting the Company.

Simon Hadfield

A handwritten signature in black ink, appearing to read "S Hadfield".

Chairman
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