



Exploring forgotten mineral fields

21 October 2008.

Dear Shareholder,

Please find enclosed your copy of the Peel Exploration Ltd Annual Report 2008.

The past 12 months have been extremely productive, and the team at Peelex are enthusiastic about your Company's future.

The Attunga Tungsten Deposit is a very exciting prospect and we look forward to investigating its economic potential over the next 12 months. We also look forward to advancing our other mineral prospects in NSW and keeping a watchful eye for other exploration/mining opportunities.

I trust that 2009 is a happy, healthy and rewarding year for you, and thank you for your continued support.

Yours sincerely,

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

Rob Tyson.
Executive Director.