

POLYMETALLIC DISCOVERY AT ATTUNGA

Peel Exploration is pleased to announce that recent drilling at the Attunga Copper Mine has discovered highly encouraging polymetallic mineralisation confirming the prospective nature of this forgotten mineral field. The Attunga Copper Mine is located approximately 800m north of the Attunga Tungsten Deposit and is contained within EL6884, 100%-owned by Peel Exploration.

The significant results returned from ACM-004:

- **75m at 1.02 g/t gold, 0.87% copper, 0.09% molybdenum, 0.06% bismuth, and 22 g/t silver from 136m including 27m at 1.60 g/t gold, 1.66% copper, 0.18% molybdenum, 0.1% bismuth, and 39 g/t silver from 136m.**

Drillhole ACM-4 is one of six drillholes that Peel has just completed to test the Attunga Copper Mine area. The Attunga Copper Mine has never been drill tested before and ACM-4 was designed to test an historic IP anomaly located to the south of the historic workings. Mineralisation at the Attunga Copper Mine is interpreted to be sub-vertical and the true width of the above intervals is construed to be approximately 25% of the downhole intercepts. Other drillhole assays remain outstanding.

The Attunga Copper Mine was discovered in 1902 and worked over various periods up until World War 2. Total recorded production was about 1,600t ore grading ~6% copper, ~8 g/t gold and ~150 g/t silver. Workings comprised pits, shafts and levels and extended to about 80m below surface. Mineralisation occurs in garnet-rich calc-silicate skarn with sulphide minerals including chalcopyrite, bornite and molybdenite.

Peel Exploration is strongly encouraged by the discovery of polymetallic mineralisation, particularly given the Attunga Copper Mine's lack of modern exploration and drilling, and its close proximity to the Attunga Tungsten Deposit (1.29 Mt at 0.61% WO₃ and 0.05% Mo). The discovery supports Peel's belief that the Attunga skarn deposits are part of a larger metalliferous system, possibly including a porphyry source.

"This is a really pleasing result for Peel and vindication of the Company's strategy to continue exploration in the current economic climate. The Attunga area is rapidly shaping up as a rich metallogenic environment and its future looks promising", commented Managing Director Rob Tyson.



Rob Tyson - Managing Director.

Table 1: Summary of ACM-4 assay results

Hole No.	Northing	Easting	Azimuth (mag)	Dip	Final Depth (m)	From (m)	To (m)	Interval (m)	Au (ppm)	Cu (%)	Mo (ppm)	Bi (ppm)	Ag (ppm)
ACM-004	302758	6578544	58	-70	222	136	211	75	1.02	0.87	900	599	21.9
incl						136	163	27	1.60	1.66	1805	991	39.2

Table 2: ACM-4 assay results – 1m splits

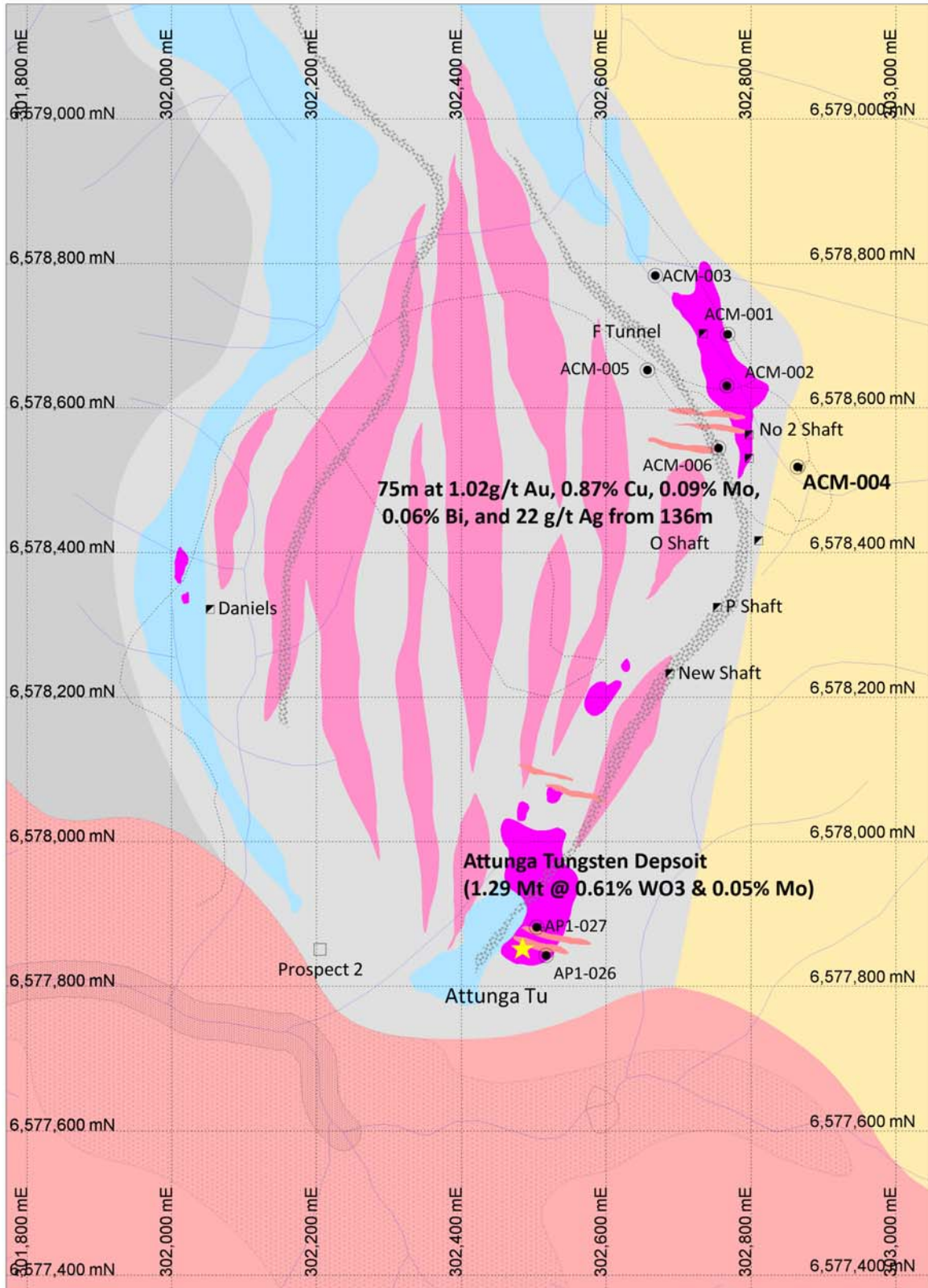
From (m)	To (m)	Au (ppm)	Cu (%)	Mo (ppm)	Bi (ppm)	Ag (ppm)
136	137	0.45	1.38	1560	717	33.3
137	138	0.27	0.70	108	173	11.5
138	139	0.66	3.32	2200	1485	75.4
139	140	0.11	0.57	137	210	12.9
140	141	0.8	1.13	81	462	24.7
141	142	12.8	3.88	3940	2050	92.8
142	143	1.65	2.57	3620	1290	64
143	144	0.22	0.54	248	240	10.5
144	145	0.19	0.40	61	133	8
145	146	0.14	0.21	92	80	5.5
146	147	1.53	1.98	428	1175	47.7
147	148	1.26	2.07	133	1205	47.3
148	149	0.77	1.34	195	718	27.4
149	150	0.67	1.73	1440	798	35.2
149**	150	0.56	1.60	1305	778	33.6
150	151	0.89	1.55	8940	969	37.9
151	152	1.95	2.13	1045	1445	60
152	153	1.94	1.59	882	803	33.1
153	154	0.29	0.79	552	221	8.7
154	155	0.79	2.60	1005	1830	60.4
155	156	2.03	2.03	869	1375	47
156	157	4.03	4.16	7560	3370	109
157	158	2.41	3.86	3090	2880	96.4
158	159	1.31	1.21	1800	658	27.1
159	160	1.49	0.91	2320	439	22.3
160	161	1.28	0.85	4150	760	25.7
161	162	1.18	0.57	1055	592	14.9
162	163	2.23	0.72	1305	688	19.9
163	164	0.51	0.31	758	192	6.4
164	165	0.46	0.37	817	267	10.5
165	166	0.47	0.36	274	274	8
166	167	0.04	0.04	30	22	0.7
167	168	0.09	0.13	53	58	1.9
168	169	0.72	0.69	32	656	11.7
169	170	0.23	0.35	117	174	6.1
170	171	0.25	0.26	163	140	4.6
171	172	0.07	0.14	485	51	2.1
172	173	0.1	0.10	400	39	1.3
173	174	0.07	0.05	24	14	0.6


















From (m)	To (m)	Au (ppm)	Cu (%)	Mo (ppm)	Bi (ppm)	Ag (ppm)
174	175	0.28	0.32	2160	148	7
175	176	0.33	0.31	2560	217	6.8
176	177	0.11	0.15	347	40	2.3
177	178	0.05	0.15	62	9	2.2
178	179	0.24	0.20	59	100	3.9
179	180	0.26	0.29	22	81	4.3
180	181	0.5	0.42	58	293	7.3
181	182	1.11	0.70	34	824	24.1
**181	182	1.16	0.75	36	919	23.7
182	183	3.59	1.14	52	1700	35.2
183	184	2.76	0.82	97	1115	22.4
184	185	1.4	0.61	26	645	10.2
185	186	0.48	0.36	80	337	7.9
186	187	0.2	0.14	191	116	3.5
187	188	0.11	0.11	421	58	1.9
188	189	0.2	0.18	1445	75	3.3
189	190	1.88	0.83	2650	817	36.1
190	191	0.89	0.54	155	445	17.1
191	192	1.96	0.64	259	712	24.7
192	193	0.91	0.46	163	438	14.5
193	194	1.72	0.90	34	730	48.2
194	195	1.77	0.86	24	705	42.1
195	196	2.05	0.74	50	692	20.4
196	197	1.37	0.53	37	602	25.5
197	198	2.47	1.17	389	1775	54
198	199	0.51	0.33	63	241	13
199	200	0.35	0.51	73	378	11.1
200	201	0.45	0.63	141	451	12.3
201	202	0.51	0.84	271	621	17.1
202	203	0.46	0.54	1570	405	11.9
203	204	0.19	0.29	407	169	6.6
**203	204	0.22	0.29	363	187	6.9
204	205	0.27	0.25	143	207	5.4
205	206	0.23	0.31	895	300	6.6
206	207	0.12	0.22	599	198	4.5
207	208	0.11	0.13	19	89	2.5
208	209	0.23	0.22	60	201	4.5
209	210	0.29	0.40	36	218	8.1
210	211	0.16	0.25	7	114	4.5

Notes:

1. Samples were from split RC drill cuttings.
2. Samples were analysed at ALS Chemex utilising methods: Au-AA25 for Au; ME-ICP41 for Ag, Bi, Cu, Mo; Ag-OG46 for >100 ppm Ag; and Cu-OG46 for >1% Cu.
3. Rhenium results remain outstanding at time of reporting.
4. * 132-136m represents a 4m composite sample. All other samples were 1m splits.
5. ** represents duplicate sample.

Attunga Geology and Drillhole Location Plan



Geology Legend <i>(adapted from Manilla 1:100,000 scale draft geological map, courtesy NSW Geological Survey)</i>	
Cenozoic	
	Na - Alluvial sand, silt and clay, floodplain deposits
	Nac - Watercourse channel deposits of sand and gravel
	Nr - Residual-eluvial deposits
Moanbi Supersuite	
	PRmag - Attunga Creek Monzogranites - Massive, weakly to strongly porphyritic, biotite-hornblende
	PRmio - Inlet Monzonite - Medium-to-coarse grained porphyritic hornblende-biotite
	PRmmg - Moanbi Monzogranite - Coarsely porphyritic biotite-hornblende
	PRxg - Undifferentiated Porphyritic massive granitic to keratophytic sills & dykes
Ungrouped Permian Formations	
	Plx - Kensington Formation - Massive to foliated conglomerate, siltstone, sandstone, rare basalt and limestone
	Plk - Limestone - Massive, fine-grained limestone
Ungrouped Carboniferous Formations	
	Cax - Wisemans Arm Formation - Massive andesitic lithic wacke, argillite, siltstone and conglomerate with rare chert olistoliths
	Caxq - Chert - White olistostromal chert lenses
Parry Group	
	Dpbs - Baldwin Formation - Thinly bedded and laminated mudstone and siltstone with abundant, thin to very thick beds of lithic wacke
	Dpbf - Mudstone-dominated facies - Thinly bedded and laminated mudstone and siltstone with minor to rare beds of lithic wacke
	Dpba - Unnamed porphyritic andesite olistoliths
	Dtfl - Yarrimie Formation - Distinctively green-grey to black, siliceous, radiolarian siltstone and mudstone with local limestone lenses and sparse lithic wacke beds
	Dtvl - Unnamed massive to weakly foliated biohermal coralline limestone
	Dtgl - Glencairn Formation - Volcaniclastic conglomerate, sandstone and minor siltstone interstratified with major limestone lenses
	Dtgh - Dark grey, foliated micritic limestone, limestone with granule- to pebble-size, angular metasedimentary and volcanic rock clasts
	Dtgh - Dark brown to green-brown grossular-epidote-scheelite exoskarn (impure limestone) and pale green diopside-anorthite endoskarn (monzonite)
	Dtglm - Grey to grey-green, fine grained calc-silicate hornfels
Ungrouped Devonian	
	Dhx - Horse Arm Formation - Volcanic breccia, sandstone, siltstone and rare limestone
	Dhf - Black and green laminated siltstone with interbedded lithofeldspathic sandstone
	Dhv - Volcaniclastic sandstone
Ungrouped Silurian to Carboniferous Formation	
	SCel1 - Cara Formation - laminite facies - Low grade regionally metamorphosed, multiply deformed siliceous argillite, chert, wacke, diamictite and rare basalt
Woolomin Group	
	SDwnx - Nangahrah Formation - Low grade regionally metamorphosed, multiply deformed chert, jasper, siliceous argillite, minor wacke and mafic volcanics
Ungrouped Ordovician to Silurian Formations	
	OSgl - Glen Bell Formation - limestone facies - Massive micritic and rare crinoidal limestone, limestone breccia and limestone conglomerate
	OSgv - Glen Bell Formation - andesite facies - Massive, fine to medium-grained andesite
Great Serpentine Belt - Woodsreef Melange	
	Ewm - Schistose serpentinite facies - Schistose, sheared serpentinite with local phacoids of gabbro, dolerite, harzburgite, pyroxenite, plagiogranite, basalt and sedimentary rocks
	Ewo - Meta-igneous rock facies - Massive to foliated, strongly altered, leucocratic metagabbro, leucocratic to melanocratic metadolerite, melanocratic metabasalt
	Ewm+Ewo - Interlayered masses of schistose serpentinite and altered ophiolitic rocks

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.