



20 November 2009

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge St
Sydney, NSW 2000

Settlement of May Day gold-lead-zinc acquisition

Peel Exploration Limited (ASX Code: PEX) is pleased to announce the Company has today completed the settlement of the acquisition of the May Day mining lease (ML1361). All conditions precedent to the settlement have been met. Accordingly, Peel has issued 2,750,000 ordinary shares to Imperial Corporation Limited (ASX Code: IMP) in consideration for May Day, and paid \$43,000 to the NSW Department of Primary Industries as bond relevant to ML1361.

The May Day deposit is an advanced exploration play with historic data indicating significant gold-lead-zinc mineralisation below the existing, shallow open pit. Coupled with Peel's high grade Attunga Tungsten Deposit, May Day offers shareholders additional exploration upside, whilst its situation on a granted mining lease could potentially fast-track any development.

Peel is planning an exploration/resource drilling programme in anticipation of drilling beginning early in 2010.

Yours faithfully

A handwritten signature in black ink, appearing to read "RM Tyson", is positioned above the printed name of Mr Robert Tyson.

Mr Robert Tyson
Managing Director
Peel Exploration Limited

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.

Peel Exploration Limited ACN 119 343 734

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Peel Exploration Limited

ABN

42 119 343 734

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------------|
| 1 | +Class of +securities issued or to be issued | PEX – Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | PEX – 2,750,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | PEX – Fully paid ordinary shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	YES							
5	Issue price or consideration	2,750,000 PEX shares were issued in consideration for the purchase of ML1361							
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The shares were issued to Imperial Corporation Limited in consideration of the acquisition of the May Day gold-lead-zinc deposit and granted mining lease (NSW ML1361)							
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	20 November 2009							
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>43,985,917</td><td>PEX – Fully paid ordinary shares</td></tr><tr><td>22,473,000</td><td>PEXO – Options expiring at \$0.20 on or before 30 November2010</td></tr></table>	Number	⁺ Class	43,985,917	PEX – Fully paid ordinary shares	22,473,000	PEXO – Options expiring at \$0.20 on or before 30 November2010	
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22,473,000	PEXO – Options expiring at \$0.20 on or before 30 November2010								

⁺ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>1,000,000</td><td>PEXAI – Options expiring at \$0.30 on or before 30 April 2011.</td></tr><tr><td>7,500,000</td><td>PEXAQ – Options expiring at \$0.30 on or before 30 Nov 2010.</td></tr><tr><td>600,000</td><td>PEXAS – Options expiring at \$0.25 on or before 30 Nov 2010.</td></tr></table>	Number	⁺ Class	1,000,000	PEXAI – Options expiring at \$0.30 on or before 30 April 2011.	7,500,000	PEXAQ – Options expiring at \$0.30 on or before 30 Nov 2010.	600,000	PEXAS – Options expiring at \$0.25 on or before 30 Nov 2010.
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7,500,000	PEXAQ – Options expiring at \$0.30 on or before 30 Nov 2010.									
600,000	PEXAS – Options expiring at \$0.25 on or before 30 Nov 2010.									
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend is expected to be paid.								

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	

⁺ See chapter 19 for defined terms.

30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
 (tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000

1,001 - 5,000

5,001 - 10,000

10,001 - 100,000

100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

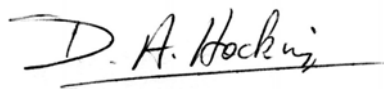
Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 20 November 2009
(Company secretary)

Print name: David Hocking

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