peel mining LIMITED

ASX: PEX

DECEMBER 2022 QUARTERLY REPORT

25th JANUARY 2023

HIGHLIGHTS FOR DECEMBER QUARTER 2022

- Completion of Wirlong drilling programme facilitated completion of an updated Mineral Resource Estimate (MRE) for the South Cobar Project (released on ASX 9 January 2023) of approximately 20Mt containing 216kt copper, 322kt zinc, 151kt lead, 22Moz silver, and 204koz gold.
- Approximately 14Mt (or 70%) of the global MRE, including approximately 152kt of contained copper (or 77%) of copper-dominant Resources is classified as an Indicated Resource.
- Final assays from Wirlong resource growth drilling received including:
    - 82m @ 2.07% Cu, 5g/t Ag from 425m (WLDD077) including 20m @ 3.73% Cu, 9g/t Ag from 438m
    - 15m @ 6.79% Cu, 19g/t Ag from 240m (WLDD079) including 7m @ 13.36% Cu, 38g/t Ag from 240m.
- Review of Environmental Factors (REF) for the Mallee Bull exploration decline submitted to the Resource Regulator.
- Ore sorting trials and metallurgical testwork continue to show positive results at Mallee Bull and Wirlong.
- Peel received confirmation that its application for $500,000 from the NSW Government Critical Minerals and High-Tech Metals Activation Fund for a Pre-Feasibility Study was successful.
- $14.862M cash at bank at the end of the quarter.

Peel Mining Limited CEO & Managing Director, Jim Simpson, commented:

"During the quarter Peel continued to advance its South Cobar Project obtaining the final assay results from exploration drilling at Wirlong which facilitated completion of the MRE upgrade released to ASX on 9 January 2023.

"The strong drill results from Mallee Bull and Wirlong over the last 18 months have translated into a significant upgrade in confidence of these copper resources, with ~77% of the Company's copper-dominant resources now classified as Indicated Resources, for approximately 152kt of the 197kt copper metal contained in these two copper-rich deposits.

During the quarter Peel has continued to advance mining studies and permitting for exploration declines at Mallee Bull, Wirlong and Southern Nights. The final Review of Environmental Factors (REF) for Mallee Bull was submitted to the Resource Regulator for approval. Once approved this will progress Peel to the position of being able to build site infrastructure and an exploration decline at Mallee Bull. Metallurgical testwork and ore sorting testwork was completed during the quarter and mine design has started which will be included in the pre-feasibility study."

RESOURCE DEVELOPMENT ACTIVITIES

SOUTH COBAR PROJECT MINERAL RESOURCE ESTIMATE

As reported to the ASX on 9 January 2023, Peel Mining Limited reported an updated Mineral Resource Estimate (MRE) model for the South Cobar Project, including the Wirlong, Mallee Bull, Southern Nights-Wagga Tank and May Day deposits. *For full detail refer to Peel Mining's ASX Announcement dated 9 January 2023 – "20MT Resource Base for South Cobar Project".*

Since Peel's entry into the Cobar district, the Company has aggregated more than 3,000km^2 of tenure and defined significant mineral systems at Mallee Bull, Wirlong, Southern Nights-Wagga Tank and May Day. During this time, Peel has completed more than 334km of drilling across its Cobar project holdings, including about 289km of diamond and RC drilling. The bulk of this drilling, totalling about 249km of diamond and RC drilling, was in the general area of the South Cobar Project MREs.

Most of Peel's activity in CY2022 was aimed at upgrading the Company's copper resources at Mallee Bull and Wirlong, where infill and extensional drilling results and updated modelling has yielded a considerable improvement to the deposit's contained copper and MRE classification.

The MREs for the Mallee Bull, Wirlong, Southern Nights-Wagga Tank, and May Day deposits are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code (2012)).

The Company's resource endowment for the South Cobar Project across these deposits following this update comprises:

Table 1 - South Cobar Project Copper Resource Estimate Summary

Deposit	Resource Category	South Cobar Project Copper MREs as at January 2023 ($A80/t NSR cut-off)										
		Tonnes (kt)	Cu (%)	Ag (g/t)	Zn (%)	Pb (%)	Au (g/t)	Cont Cu (kt)	Cont Ag (moz)	Cont Zn (kt)	Cont Pb (kt)	Cont Au (koz)
Mallee Bull	Ind	5,590	1.93	27	0.13	0.21	0.38	108	4.85	7.3	11.7	68
	Inf	750	1.87	21	0.04	0.08	0.11	14	0.51	0.3	0.6	2.7
	Subtotal	**6,340**	**1.92**	**26**	**0.12**	**0.19**	**0.35**	**122**	**5.36**	**7.6**	**12.3**	**71**
Wirlong	Ind	2,290	1.92	6	0.08	0.03	0.03	44	0.47	1.9	0.6	1.9
	Inf	2,010	1.54	6	0.07	0.01	0.03	31	0.37	1.4	0.3	1.7
	Subtotal	**4,300**	**1.75**	**6**	**0.08**	**0.02**	**0.03**	**75**	**0.84**	**3.3**	**0.9**	**3.6**
Combined	Ind	7,880	1.93	21	0.12	0.16	0.28	152	5.33	9.2	12.4	70
	Inf	2,760	1.63	10	0.06	0.03	0.05	45	0.87	1.7	0.9	4.4
	Total	**10,640**	**1.85**	**18**	**0.10**	**0.12**	**0.22**	**197**	**6.20**	**10.8**	**13.3**	**74**

Table 2 - South Cobar Project Zinc-Lead Resource Estimate Summary

Deposit	Resource Category	South Cobar Project Zinc-Lead MREs as at January 2023 ($A80/t NSR cut-off)										
		Tonnes (kt)	Cu (%)	Ag (g/t)	Zn (%)	Pb (%)	Au (g/t)	Cont Cu (kt)	Cont Ag (moz)	Cont Zn (kt)	Cont Pb (kt)	Cont Au (koz)
Mallee Bull Zn-Pb	Ind	660	0.38	52	4.24	3.60	0.67	2.5	1.1	28	24	14
	Inf	10	0.22	22	2.16	1.23	0.46	0.0	0.01	0.2	0.1	0.2
	Subtotal	**670**	**0.38**	**52**	**4.21**	**3.56**	**0.67**	**2.5**	**1.1**	**28**	**24**	**14**
WT-SN	Ind	3,790	0.23	68	4.39	1.72	0.31	8.7	8.3	166	65	38
	Inf	3,040	0.26	55	3.34	1.28	0.28	7.9	5.4	102	39	27
	Subtotal	**6,830**	**0.24**	**62**	**3.92**	**1.52**	**0.30**	**16.4**	**13.6**	**268**	**104**	**66**

Combined	Ind	4,450	0.25	66	4.37	2.00	0.36	11.2	9.4	194	89	52
	Inf	3,050	0.26	55	3.34	1.28	0.28	7.9	5.4	102	39	28
	Total	**7,500**	**0.26**	**61**	**3.95**	**1.71**	**0.33**	**19.5**	**14.7**	**296**	**128**	**80**

Table 3 - South Cobar Project Gold Resource Estimate Summary

Deposit	Resource Category	South Cobar Project Gold MRE as at January 2023 ($A40/50/80/t NSR cut-offs)										
		Tonnes (kt)	Cu (%)	Ag (g/t)	Zn (%)	Pb (%)	Au (g/t)	Cont Cu (kt)	Cont Ag (moz)	Cont Zn (kt)	Cont Pb (kt)	Cont Au (koz)
May Day	OP Ind	970	-	25	0.78	0.46	1.10	-	0.8	7.6	4.5	34
	UG Ind	590	-	27	1.20	0.89	0.77	-	0.5	7.1	5.3	15
	UG Inf	50	-	17	0.28	0.19	1.02	-	0.03	0.1	0.1	1.6
	Total	**1,610**	**-**	**25**	**0.92**	**0.61**	**0.98**	**-**	**1.3**	**14.8**	**9.8**	**51**

Table 4 - South Cobar Project Global Resource Estimate Summary

Deposit	Resource Category	South Cobar Project MRE as at January 2023 ($A40/50/80/t NSR cut-offs)										
		Tonnes (kt)	Cu (%)	Ag (g/t)	Zn (%)	Pb (%)	Au (g/t)	Cont Cu (kt)	Cont Ag (moz)	Cont Zn (kt)	Cont Pb (kt)	Cont Au (koz)
All	Ind	13,890	1.17	36	1.57	0.80	0.38	163	16	218	111	170
	Inf	5,860	0.90	33	1.77	0.68	0.18	53	6.3	104	40	34
	Total	**19,750**	**1.09**	**35**	**1.63**	**0.76**	**0.32**	**216**	**22**	**322**	**151**	**204**

Note: The South Cobar Project MREs utilises A$80/tonne NSR cut-off mineable shapes, which include minimum mining widths and internal dilution except for May Day Open Pit which utilised $40 and $50/t NSR cut-offs for oxide and sulphide resources within an optimal pit respectively. Figures are rounded to reflect the precision of estimates and include rounding errors.

WIRLONG - COPPER, SILVER; WESTERN NSW.

Wirlong is located ~75km south of Cobar, NSW and ~30km north of Peel's Mallee Bull copper deposit. Wirlong represents a classic Cobar-style Cu-Ag deposit. Strong primary copper mineralisation commences at ~60m below surface and has been defined to at least 600m below surface.

During the quarter, final assays were returned for the resource infill and extensional diamond drilling completed during the September quarter. The drilling program consisted of a total of 38 successful drillholes for ~20,813m. The final assay results were incorporated into the updated Mineral Resource Estimate for Wirlong.

Full details on assays released to the market can be found in the announcement *"Wirlong Yields Strong Copper Hits Ahead of Resource Update" on the 10th of November 2022*.

Highlights from diamond drilling final assays returned and released to the market included:

- **9m @ 2.04% Cu, 16g/t Ag** from 188m; and **4m @ 3.95% Cu, 18g/t Ag** from 245m in WLDD072
- **11m @ 2.51% Cu, 7g/t Ag** from 424m; and **67m @ 1.35% Cu, 3g/t Ag** from 478m including **15.15m @ 3.15% Cu, 6g/t Ag** from 502m; and **9m @ 2.01% Cu, 4g/t Ag** from 624m in WLDD074
- **82m @ 2.07% Cu, 5g/t Ag** from 425m including **20m @ 3.73% Cu, 9g/t Ag** from 438m and **8m @ 5.26% Cu, 12g/t Ag** from 476m; and **4m @ 3.65% Cu, 8g/t Ag** from 582m in WLDD077
- **23m @ 1.72% Cu, 4g/t Ag** from 368m including **6m @ 5.08% Cu, 10g/t Ag** from 379m in WLDD078
- **15m @ 6.79% Cu, 19g/t Ag** from 240m including **7m @ 13.36% Cu, 38g/t Ag** from 240m in WLDD079

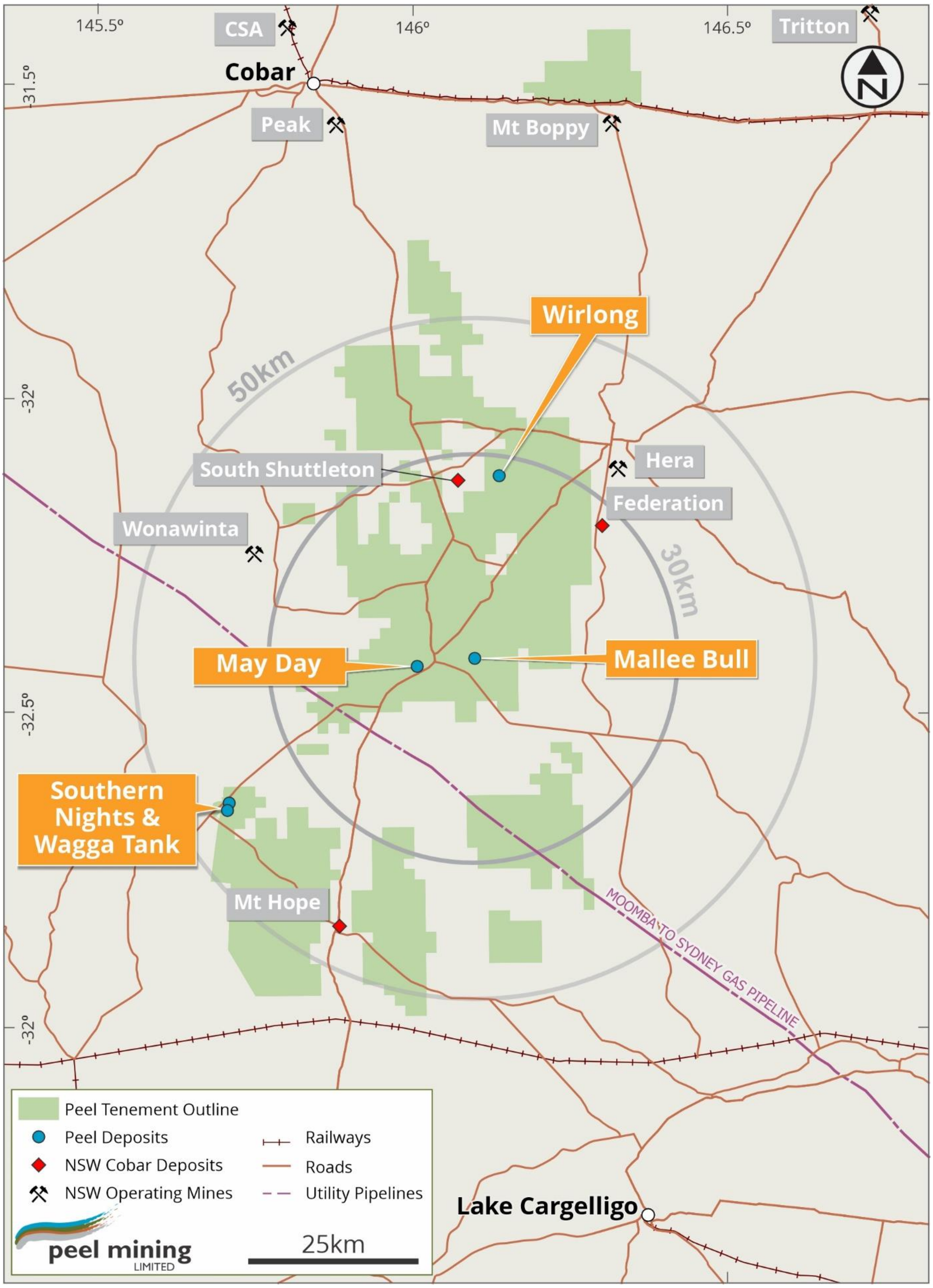
- **70m @ 1.72% Cu, 8g/t Ag** from 308m including **7m @ 2.12% Cu, 12g/t Ag** from 319m and **12m @ 4.31% Cu, 18g/t Ag** from 351m; and **7m @ 2.13% Cu, 4g/t Ag** from 471m in WLDD082
- **7.56m @ 1.47% Cu, 3g/t Ag** from 436.44m in WLDD083
- **62m @ 1.02% Cu, 5g/t Ag** from 312m; and **19m @ 2.71% Cu, 5g/t Ag** from 424m including **6.6m @ 5.82% Cu, 10g/t Ag** from 428.4m in WLDD084

Wirlong Next Steps

The infill drilling has improved the Company's confidence and understanding of the structural nature of the mineralisation, which will allow Peel to move forward with exploration decline permitting and design.

Recent geological/structural reviews of Wirlong have identified several other priority areas, including shallow extensional targets up dip of the resource and the stockwork zone, offering ongoing resource improvement opportunities.

Figure 1 – South Cobar Project



PRE-DEVELOPMENT ACTIVITIES

ORE SORTING TRIALS

During the quarter, final assays and reports for ore sorting trials undertaken in the previous quarter were received. The trials were conducted by materials sorting specialist TOMRA Sorting Pty Ltd (TOMRA), at their Sydney facility, on copper mineralised drillcore from Mallee Bull and Wirlong. The bulk composite samples were selected to represent potential Run of Mine (ROM) material from each deposit and comprised ~500kg each. These samples underwent crushing (-50mm), and screening to produce three products: <8mm fines; 8-19mm fraction and 19-50mm fraction. Apart from the fines, the fractions were then sorted using TOMRA's COM Tertiary XRT system. As noted below, the trials yielded excellent results on both samples demonstrating that both ore sources are amenable to ore sorting. Ore sorting is being evaluated to assess the utilisation of bulk mining methods, reducing potential haulage volumes to a centralised plant and reducing capital in processing and tailing disposal.

Mallee Bull Results

For the Mallee Bull samples high copper recoveries (≥92%) were achieved across both size fractions in a single pass through the TOMRA XRT/EM sorter, with both waste fractions grading ≤0.36% Cu. The Mallee Bull composite sample was back calculated to 1.89% Cu head grade, which was in line with the 1.9% target as a hypothetical ROM grade. Results generated from this trial was very successful as seen by the significant upgrades which were achieved for both runs (see Table 5).

Table 5 – Cu results for Peel Mining Limited Mallee Bull MBDD092 Composite Sorted Material

Sample	Size	Run	Fraction	Cu		Mass	
				%	Recovery	KG	%
MBDD092 composite	**8 – 19mm**	**Run 1**	**Feed**	1.804	92%	92	100%
			Product	2.82		54	59%
			Waste	0.36		38	41%
	19-50mm	**Run 2**	**Feed**	1.820	96%	322	100%
			Product	2.42		233	72%
			Waste	0.25		89	28%
	- 8 mm	**Unsorted**		2.27	N/A	77.7	N/A

All values are original or calculated from received assays.

This sample was considered relatively high-grade and so responded well to XRT sorting. Due to the well liberated nature of the sulphides and excellent classification of material types, very low-grade waste fractions were produced (0.25% Cu and 0.36% Cu) enabling copper recoveries to remain high (≥92% across both runs). The composite sample yielded a rejection of 25.8% of the mass containing 3.9% of the Cu content for a grade of 0.28% Cu. This resulted in an overall return of 74.2% of the sample mass at 2.45% Cu grade, representing a recovery of 96.1% of Cu contained in the original sample for a 30% upgrade. This includes the fines (<8mm) which were not sorted.

Wirlong Results

For the Wirlong samples, consistent high copper recoveries were also achieved across both size fractions in a single pass through the TOMRA XRT/EM sorter, with waste fractions returning ≤0.13% Cu. The sample for Wirlong WLDD074 was back calculated at 0.99% Cu head grade. The trial results were extremely successful, with significant upgrades achieved on both runs (Table 6).

Table 6 – Cu results for Peel Mining Limited Wirlong WLDD074 Sorted Material

Sample	Size	Run	Fraction	Cu		Mass	
				%	Recovery	KG	%
WLDD074	8 – 19mm	Run 1	Feed	1.413	93%	67.9	100%
			Product	5.61		15.9	23%
			Waste	0.13		52	77%
	19 - 50mm	Run 2	Feed	0.650	85%	337	100%
			Product	3.05		61	18%
			Waste	0.12		276	82%
	- 8 mm	Unsorted		2.8	N/A	47.3	N/A

All values are original or calculated from received assays.

Like Mallee Bull, the well liberated nature of the sulphides and excellent classification of material types yielded very low-grade waste fractions (0.12% Cu and 0.13% Cu) enabling copper recoveries to remain high (≥85% across both runs). The 93% recovery for the finer fraction was extremely successful due to improved liberation characteristics. Even with a lower 85% recovery in the coarse fraction, the trial is considered very successful as the waste grade still remains extremely low. The composite sample returned a rejection of 72.5% of the mass containing 8.9% of the Cu content for a grade of 0.12% Cu. This resulted in an overall return of 27.5% of the sample mass at 3.28% Cu grade, a recovery of 91.1% of Cu contained in the original sample representing 331% upgrade. This includes the fines (<8mm) which were not sorted.

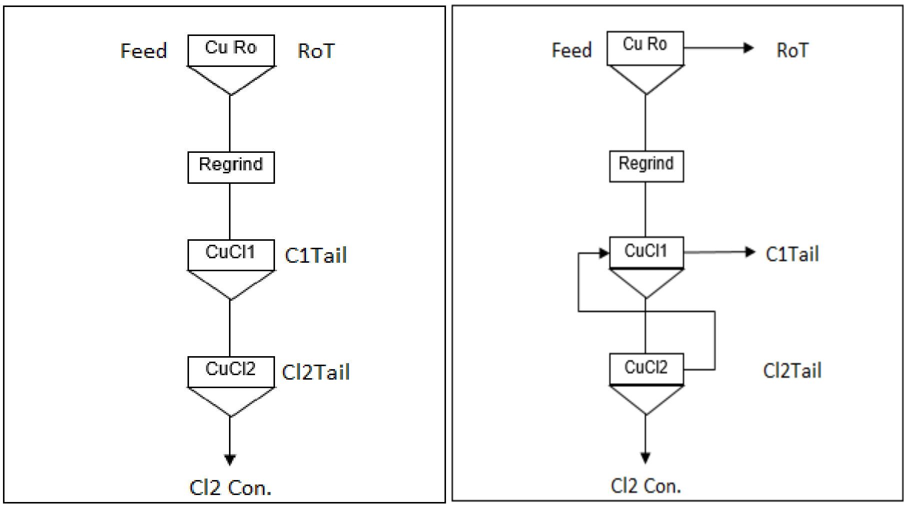
Figure 2: Photos taken on Run 1 WLDD074 sample

METALLURGY

Following the positive ore-sorting trial results from the Mallee Bull and Wirlong deposits, the Company undertook baseline flotation and locked cycle testwork on the ore-sorted samples. This testwork aimed to simulate a realistic process flowsheet incorporating ore sorting technology, as well as to conduct further assessment and optimisation of the recovery process and resultant concentrate grades.

The testwork program was conducted by ALS Metallurgy Lab Burnie, Tasmania, and was designed to establish a preliminary flowsheet and assess recoverability of the Wirlong and Mallee Bull copper mineralisation (separately) into flotation concentrates. Following initial grind establishment and a two-stage "cleaner" sequential flotation process, a six-stage repetitive locked cycle test was undertaken on samples from both deposits to simulate operation of a continuous circuit where an intermediate recirculation process of the cleaner stream(s) is performed. Results from both tests and deposits are shown in tables 7 -12 below.

Figure 3. Mallee Bull and Wirlong Sequential Flotation & Locked Cycle Testing Process



Mallee Bull Results

Table 7. Mallee Bull (Non-sorted) Copper Sequential Flotation Test Results

Sample ID	MBDD092 composite – Non-sorted Composite head grade 1.87% Cu	
Stage	**Cu Recovery (%)**	**Cu Conc Grade (%)**
Rougher	95.7	18.0
Cleaner 1	94.7	26.9
Cleaner 2	92.6	31.0

Table 8. Mallee Bull (Sorted) Copper Sequential Flotation Test Results

Sample ID	MBDD092 composite - Sorted Composite head grade 2.47% Cu	
Stage	**Cu Recovery (%)**	**Cu Conc Grade (%)**
Rougher	94.7	19.5
Cleaner 1	93.4	27.8
Cleaner 2	91.0	31.2

Table 9. Mallee Bull Copper Locked Cycle Test Results

Sample ID	MBDD092 Composite			
Stage	Cu Recovery (%)	Cu Conc Grade (%)	Ag Recovery (%)	Ag Conc Grade (ppm)
Rougher	95.6	17.2	93.3	-
Cleaner	94.6	31.4	90.9	339

Wirlong Results

Table 10. Wirlong (Non-sorted) Copper Batch Flotation Test Results

SAMPLE ID	WLDD074 – Non-sorted Back calculated head grade 1.01% Cu	
Stage	Cu Recovery (%)	Cu Conc Grade (%)
Rougher	95.4	14.1
Cleaner 1	94.0	26.2
Cleaner 2	92.4	31.2

Table 11. Wirlong (Sorted) Copper Batch Flotation Test Results

SAMPLE ID	WLDD074 – Sorted Back calculated head grade 3.49% Cu	
Stage	Cu Recovery (%)	Cu Conc Grade (%)
Rougher	94.6	22.7
Cleaner 1	93.6	28.5
Cleaner 2	92.0	31.3

Table 12. Wirlong Copper Locked Cycle Test Results

Sample ID	WLDD074			
Stage	Cu Recovery (%)	Cu Conc Grade (%)	Ag Recovery (%)	Ag Conc Grade (ppm)
Rougher	96.0	16.6	68.1	-
Cleaner	94.5	32.8	63.7	58

Ore sorted Mallee Bull and Wirlong samples (MBDD092 & WLDD074 composites) also underwent comminution testwork. The testwork included SMC, bond ball mill, and abrasion index testing. The ore sorted products and fines saw a 0.5 kwh/t decrease in Bond Work Index. Both ores would be regarded as hard with the Wirlong sample requiring slightly more energy for size reduction. Results below also show the potential benefits in reduced energy consumption when considering the energy required to simply crush then ore sort, over the energy required for further milling. The abrasion index and SMC tests were measured on the (re)combined 19-50mm fractions used for ore sorting with both samples being moderately abrasive. All comminution testwork, for both Mallee Bull and Wirlong, was in line with the previous testwork undertaken in the December 2021 quarter.

Bond Work Index – Abrasion (Ai)

The Bond Abrasion Index (Ai) is a measure of the abrasiveness of an ore – the composite is tumbled in a mill fitted with a paddle of known weight. After the process is finished, the mass of the paddle is weighed again, and the percentage wear of the paddle is the Ai. Ai is used to determine the wear rates of liners and grinding media consumption.

Table 13. Bond Abrasion Index Results

Composite Sample	AI
MBDD092	0.0718
WLDD074	0.1840

Bond Work Index – Ball Mill (BWi)

The Bond Ball Mill Work Index (BWi) is used to calculate the power requirements to grind ore to a typical ball mill product.

Table 14. Bond Work Index Classification

Material Property	Very Soft	Soft	Medium	Hard	Very Hard
Bond BWi (kWh/t)	<7	7 to 9	9 to 14	14 to 20	>20

Table 15. Composite Bond Ball Mill Work Index Results

Sample	Composite	Bond BMWi (kWh/t)	Classification
MBDD092	COMP 1	19.8 kwh/t	Hard
MBDD092	COMP 2	19.3 kwh/t	Hard
WLDD074	COMP 1	19.0 kwh/t	Hard
WLDD074	COMP 2	18.5 kwh/t	Hard

SMC Testwork

The SMC suite of testwork is intended to provide parameters for use in comminution modelling.

Table 16. SMC parameters

Sample	SMC										
	A	b	A x b	t_a	Dwi (kWh/m³)	Dwi (%)	Mi Parameter (kWh/t)			SG	SCSE
							Mia	Mih	Mic		
MBDD092	67.7	0.52	35.2	0.32	8	68	21.3	16.3	8.5	2.85	10.86
WLDD074	79.9	0.35	28	0.26	10	87	26.1	20.9	10.8	2.78	11.97

The ore-sorted sample metallurgical test work from both Wirlong and Mallee Bull is seen as highly encouraging with strong recoveries into high grade concentrates. This information will be used in upcoming mining studies as the Company progresses its South Cobar Project.

ENVIRONMENT AND PERMITTING

Review of Environmental Factors (REF) for Mallee Bull

During the quarter, a draft Review of Environmental Factors (REF) for the Mallee Bull Exploration Decline was completed and submitted to the Resource Regulator and other relevant government agencies for consultation prior to final submission. The submission of the REF is a regulatory requirement for the Resource Regulator to assess and make a determination on the permissibility of this activity under Part 5 of *Environmental Planning and Assessment Act 1979*.

The final REF was submitted to the Resource Regulator on 23rd December 2022 for approval. Ongoing consultation with the contacted regulators and agencies will continue post REF approval. It is anticipated that a determination will be made in the next quarter.

Review of Environmental Factors (REF) for Wirlong and Southern Nights

Preliminary scoping works have commenced for the permitting processes associated with initial works at Wirlong and Southern Nights. REF's will be prepared for these projects and submitted as per the process with Mallee Bull.

NSW CRITICAL MINERALS ACTIVATION FUND APPLICATION

During the quarter, Peel received confirmation that its application for $500,000 of NSW Government Critical Minerals and High-Tech Metals Activation Fund (CMAF) Stream 1 grant funding was successful and Peel is in the process of completing all required documentation. The Company's application relates to undertaking Pre-Feasibility Study work (PFS) on the South Cobar Project (SCP). Peel plans to commence PFS work on the SCP in early FY2023 and will receive staged cash co-contributions from the CMAF grant as it meets deliverables associated with the project.

CORPORATE

Former Chairman and Non-executive Director Mr Simon Hadfield retired from the Peel Mining Limited Board at the Company's Annual General Meeting (AGM) held on 24th November 2022. Mr Hadfield was a founding director of Peel Mining Limited in 2007 and served as the Company's Chairman from 2008 to February 2022.

At the end of the quarter, the Company had $14.862 million cash at bank. Included in the Appendix 5B – Section 6 are amounts paid to the Directors of the Company during the June quarter totalling $269,832 comprising $259,398 of remuneration payments to Directors and the Managing Director including superannuation. Payments of $10,434 were made to Mr Simon Hadfield (Peel Mining's Non-Executive Director at the time of payments) for rental of office space and associated costs.

This announcement has been authorised by the Board of Directors of the Company.

For further information, please contact:

Jim Simpson – Peel Mining Limited – CEO & Managing Director: +61 (8) 9382 3955

Rob Tyson – Peel Mining Limited – Executive Director - Technical: +61 (0)420 234 020

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr Rob Tyson, who is a fulltime employee of the company. Mr Tyson is a member of the Australasian Institute of Mining and Metallurgy. Mr Tyson has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) 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 information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures.

Past Exploration results and Mineral Resource Estimates reported in this announcement have been previously prepared and disclosed by Peel Mining Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement, and all material assumptions and technical parameters underpinning Mineral Resource Estimates in the relevant market announcement continue to apply and have not materially changed. Refer to www.peelmining.com.au for details on past exploration results and Mineral Resource Estimates.

This release may include aspirational targets. These targets are based on management's expectations and beliefs concerning future events as of the time of the release of this document. Targets are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Peel Mining that could cause actual results to differ materially from such statements. Peel Mining makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

DRILLHOLES WITH ASSAYS RETURNED IN THE DECEMBER QUARTER

Table 17: Wirlong Diamond Drillhole Collars (completed in September quarter)

Hole ID	Easting	Northing	Azi	Dip	Final Depth (m)
WLDD069W2	418522.93	6447081.65	200.76	-60.92	555.50
WLDD072	418349.15	6447019.83	214.26	-60.45	321.60
WLDD073	418329.43	6447147.40	202.08	-68.27	528.60
WLDD074	418487.32	6447099.34	201.02	-68.46	752.40
WLDD076	418325.57	6447058.83	208.42	-61.87	411.60
WLDD077	418486.41	6447096.79	201.71	-64.29	639.50
WLDD078	418380.91	6447089.03	196.32	-66.75	486.60
WLDD079	418324.29	6447056.95	210.39	-53.87	324.60
WLDD080	418462.07	6446972.82	205.09	-69.00	438.60
WLDD081	418340.42	6447094.34	200.25	-68.67	504.60
WLDD082	418436.38	6447091.47	200.22	-68.98	533.80
WLDD083	418352.94	6447113.58	200.63	-69.81	507.60
WLDD084	418436.07	6447090.88	204.02	-65.35	510.60
WLDD085	418461.69	6446971.67	207.76	-56.45	378.50
WLDD086	418458.45	6446928.83	219.36	-49.69	300.30
WLDD087	418459.01	6447121.34	200.75	-70.54	630.30

PEEL MINING LIMITED TENEMENT HOLDINGS

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
EL6695	Wagga Tank	Cobar, NSW	100%	
EL6961	McGraw	Cobar, NSW	100%	
EL7226	Wongawood	Cobar, NSW	100%	
EL7461	Gilgunnia	Cobar, NSW	100%	
EL7484	Mt View	Cobar, NSW	100%	
EL7519	Gilgunnia South	Cobar, NSW	100%	
EL7976	Mundoe	Cobar, NSW	100%	
EL8070	Tara	Cobar, NSW	100%	
EL8071	Manuka	Cobar, NSW	100%	
EL8105	Mirrabooka	Cobar, NSW	100%	
EL8112	Yackerboon	Cobar, NSW	100%	
EL8113	Iris Vale	Cobar, NSW	100%	
EL8126	Norma Vale	Cobar, NSW	100%	
EL8201	Mundoe North	Cobar, NSW	100%	
EL8307	Sandy Creek	Cobar, NSW	100%	
EL8314	Glenwood	Cobar, NSW	100%	
EL8326	Attunga	Attunga, NSW	100%	
EL8345	Pine Ridge	Cobar, NSW	100%	
EL8447	Linera	Cobar, NSW	100%	
EL8450	Beanbah	Cobar, NSW	100%	
EL8534	Burthong	Cobar, NSW	100%	
EL8655	Brambah	Cobar, NSW	100%	
EL8656	Marigold	Cobar, NSW	100%	
EL8751	Nombinnie	Cobar, NSW	100%	
EL8872	Gromit	Cobar, NSW	100%	
EL8877	Thunderdome	Broken Hill, NSW	100%	
EL9108	Thunderdome South	Broken Hill, NSW	100%	
EL9284	Florida	Cobar, NSW	100%	
EL9398	McGraw East	Cobar, NSW	100%	
EL9483	Brambah South	Cobar, NSW	100%	Granted
ML1361	May Day	Cobar, NSW	100%	
EL8414	Mt Walton	Cobar, NSW	20%	
EL8451	Michelago	Cooma, NSW	20%	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Peel Mining Limited	
ABN	**Quarter ended ("current quarter")**
42 119 343 734	31 December 2022

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(163)	(360)
	(e) administration and corporate costs	(169)	(532)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	79	147
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	81	95
1.9	**Net cash from / (used in) operating activities**	**(172)**	**(650)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	6	(12)
	(d) exploration & evaluation	(1,819)	(7,949)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	896
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	20	20
2.6	**Net cash from / (used in) investing activities**	**(1,793)**	**(7,045)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	16,827	22,557
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(172)	(650)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,793)	(7,045)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**14,862**	**14,862**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,362	1,827
5.2	Call deposits	13,500	15,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**14,862**	**16,827**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	270
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(172)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,819)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,991)
8.4	Cash and cash equivalents at quarter end (item 4.6)	14,862
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	14,862
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	7.46

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/a

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/a

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/a

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 25/01/2023

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.