

Capital Raising to Progress South Cobar Project to Development Decision

Key Points:

- **Commitments received for a placement of new shares to raise \$18.55m**
- **Planned 1:8 pro-rata non-renounceable entitlement offer to raise an additional \$13.65m for a total of \$32.2m (before costs)**
- **Placement strongly supported by several high-quality Australian institutional and professional investors**
- **Peel now fully funded to accelerate drilling and studies to reach a development decision at its copper-focused South Cobar Project**

Peel Mining Limited (ASX:PEX) ("Peel" or the "Company") is pleased to announce a capital raising to raise up to \$32.2 million (before costs) ("Capital Raising") to fund drilling and studies to reach a development decision for its copper-focused South Cobar Project. The Capital Raising comprises a placement as well as an entitlement offer to eligible shareholders, as follows:

- **Placement:** Peel has received firm commitments from institutional, sophisticated and professional investors to raise \$18.55 million (before costs) through the issue of 70,000,000 fully paid ordinary shares in the Company ("New Shares") at an issue price of \$0.265 per Share ("Placement"); and
- **Entitlement Offer:** Peel will also undertake a pro-rata non-renounceable entitlement offer of one New Share for every eight shares held by eligible shareholders on the record date at an issue price of \$0.265 per Share ("Entitlement Offer").

Net proceeds from the Capital Raising will be used to fund the completion of resource drilling and estimation at Wirlong, Mallee Bull and Southern Nights to primarily indicated classification; the completion of scoping and prefeasibility studies on the copper-focused South Cobar Project; completion of an Environmental Impact Study for the project; the costs of the capital raising; and for ongoing working capital.

Canaccord Genuity (Australia) Limited, Euroz Hartleys Limited and Acova Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Peel Mining's Managing Director Rob Tyson commented:

"The demand we have received for the placement from existing and new institutional and professional investors has been overwhelming, strongly endorsing our plans to become Cobar's next copper development company. The funds from the placement and the entitlement offer will be applied to achieving a maiden resource at Wirlong and higher confidence resources at Mallee Bull and Southern Nights, which in aggregate, will form the basis for development studies and investment decision making. The consolidation of our Cobar assets last year appears particularly fortuitous given the subsequent strong rally in copper pricing - we are now looking to capitalise on our position as one of few Australian high-grade copper development companies by pursuing an expeditious development decision."



Details of Capital Raising

Placement

Peel has received firm commitments from institutional and professional investors for a placement of 70,000,000 Shares at an issue price of \$0.265 per Share to raise \$18.55 million (before costs). The Company will issue the new Shares to subscribers under the Placement pursuant to its available placement capacity under ASX Listing Rules 7.1 (35,835,619 new Shares) and 7.1A (34,164,381 new Shares).

The Placement Shares are intended to be issued on Wednesday 17th March 2021. Accordingly, participants in the Placement will be eligible to participate in the Entitlement Offer.

The total fees payable on the capital raising are expected to be 5% of the gross proceeds.

Entitlement Offer

Peel will also undertake a pro-rata non-renounceable entitlement offer of one Share for every eight Shares held by eligible shareholders on the record date at an issue price of \$0.265 per Share to raise \$13.65 million (before costs).

The Entitlement Offer is not underwritten giving current shareholders the ability to participate and apply for oversubscriptions. Further details of the Entitlement Offer, including details on how to accept the offer and key risks will be set out in a prospectus which is expected to be lodged with ASIC and the ASX on Monday 15 March 2021 and dispatched to shareholders on 24 March 2021 ("Prospectus"). Shareholders may view the Company's ASX announcements, including those relating to the Entitlement Offer, on the ASX website under the ASX code: PEX.

Eligible shareholders should consider the Prospectus before deciding whether to acquire securities and will need to complete the personalised entitlement and acceptance form that will accompany the Prospectus in order to apply for Shares under the Entitlement Offer.

This announcement has been approved for release by the Board of Directors.

For further information, please contact:

Robert Tyson – Peel Mining Limited, Managing Director +61 (8) 9382 3955.

KEY ENTITLEMENT OFFER INFORMATION

Indicative Timetable

Lodgement of Prospectus with the ASIC	15 March 2021
Lodgement of Prospectus and Appendix 3B with ASX	15 March 2021
Ex date	18 March 2021
Record Date for determining Entitlements	19 March 2021
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	24 March 2021
Last day to extend the Closing Date	31 March 2021
Closing Date as at 5:00pm*	7 April 2021
Securities quoted on a deferred settlement basis	8 April 2021
ASX notified of under subscriptions	12 April 2021
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Shares	14 April 2021
Quotation of Shares issued under the Offer**	15 March 2021

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Shares are expected to commence trading on ASX may vary

About the South Cobar Project Hub & Spoke Strategy

Peel's Cobar assets – now referred to as the South Cobar Project (SCP) – include 100% ownership of the Wagga Tank, Southern Nights, Mallee Bull, May Day and Wirlong deposits. The Company is now focused on a Hub and Spoke development strategy for the project, which is centered on establishing critical mass via high quality mineral resource definition at each of Peel's deposits to support a new substantial centrally located processing plant.

Having established predominately indicated resources at Wagga Tank-Southern Nights, the Company is currently finalising an indicated resource for May Day and has commenced drilling out the Wirlong Copper Deposit to provide for a maiden resource estimate. Planning for the indicated resource drill out of Mallee Bull has been completed with drilling set to commence in the coming months.

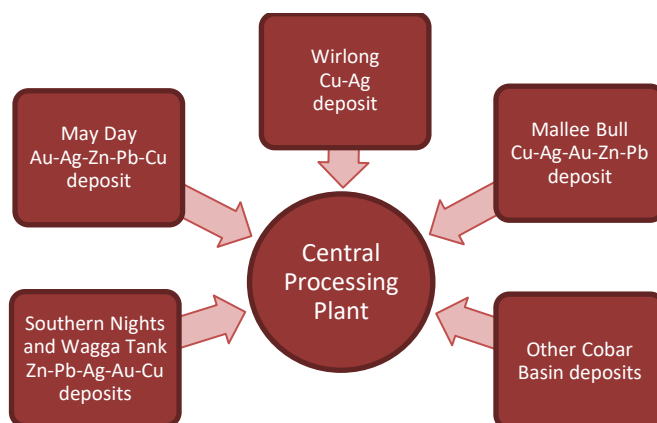


Figure 1 – Peel Mining Cobar Basin Tenure

Peel has engaged GR Engineering Services (GRES) to complete a conceptual polymetallic mill design as part of the "Hub and Spoke" model, with the mill envisaged to be centrally located amongst Peel's projects. GRES completed a preliminary process plant technical report for the South Cobar Project that considers crushing, grinding, gravity, flotation and cyanidation process stages for the recovery of gold, silver, copper, lead and zinc relevant to the various mineralisation styles within Peel's deposits. The detailed report will form the basis for future preliminary studies.

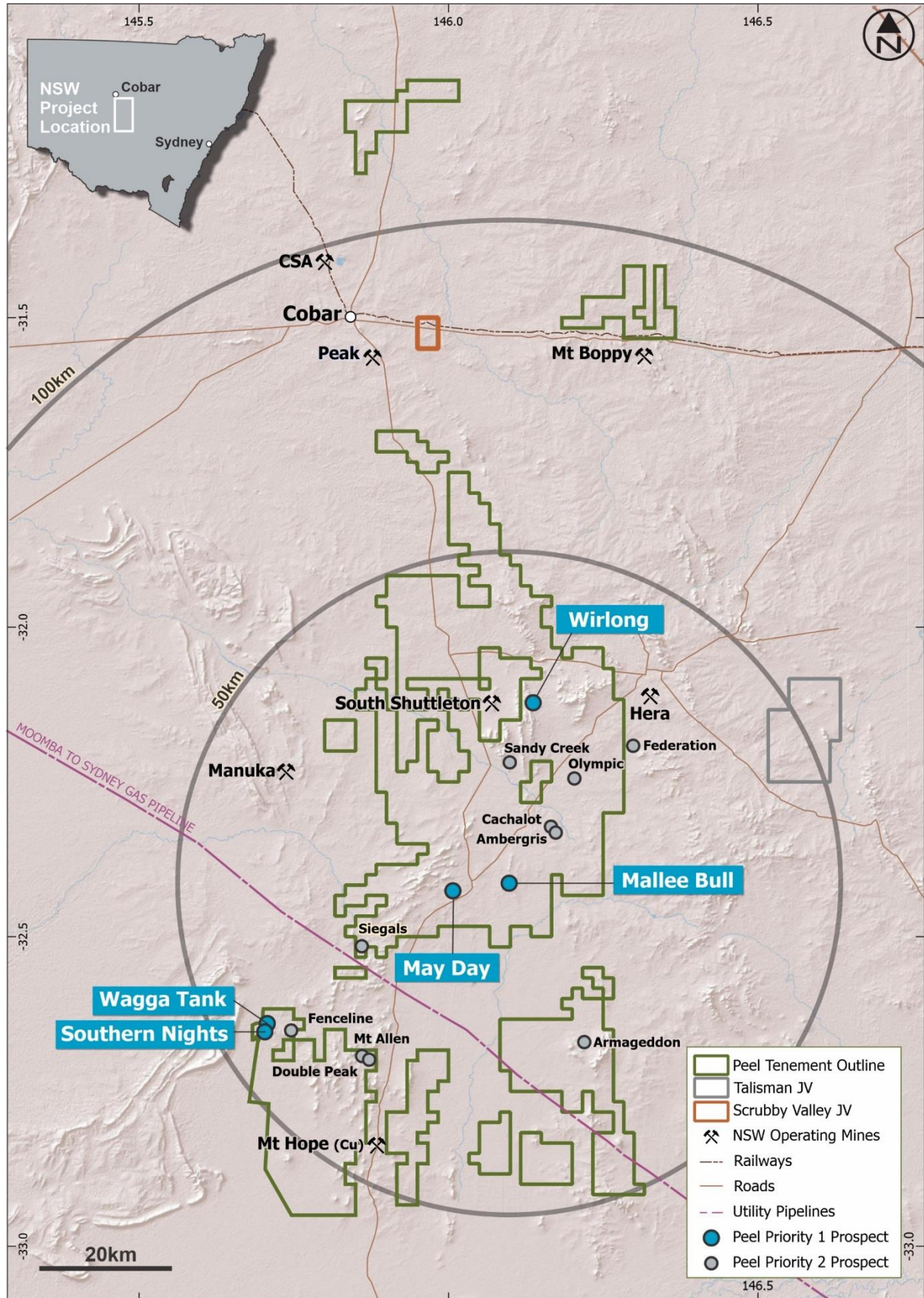


Figure 2 – Peel Mining Cobar Basin Tenure