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ASX: PEX

DRILLING COMMENCES AT SOUTHERN NIGHTS COMPLEX TO DRIVE SILVER-RICH POLYMETALLIC RESOURCE GROWTH

Highlights

- A 9-hole, ~4,625m drilling program has commenced at the Southern Nights Complex.
- Multiple high-grade targets to be tested across the Link Zone, Link Zone South, Southern Nights West, and Wagga Tank South.
- Previously recorded high-grade sulphide intercepts in these zones include:
 - 58.28m @ 5.41% Zn, 2.26% Pb, 24g/t Ag (WTRCDD141)
 - 47m @ 6.31% Zn, 2.79% Pb, 42g/t Ag (WTRCDD141W1)
 - 24m @ 99g/t Ag, 3.9% Zn, 1.7% Pb (WTRC136)
 - 23m @ 155g/t Ag, 0.58 g/t Au, 6.2% Zn, 2.9% Pb (WTRCDD006)
- Drilling designed to expand the scale of known mineralisation, discover new zones and grow the polymetallic footprint of the South Cobar Project.
- The Southern Nights Complex currently hosts a Mineral Resource of 16.8Moz Ag, 277kt Zn, 131koz Au, 34kt Cu, 119kt Pb.

Exploration Update

Peel Mining Limited (ASX: PEX) ("Peel" or "the Company") is pleased to advise that drilling has commenced at the Southern Nights Complex ("SNC"), located 130km south-west of Cobar in western New South Wales.

The nine hole drilling program, comprising 1,625m reverse circulation and 3,000m diamond drilling for approximately 4,625m, is designed to expand the scale and confidence of silver-rich polymetallic (Zn-Pb-Ag-Cu-Au) mineralisation within Peel's 100%-owned EL6695.

The program follows completion of drill planning and land access approvals and marks the start of a major Resource growth-focused drilling campaign across multiple high-priority targets within the SNC.

The SNC hosts a large and highly prospective mineral system (Figure 1), with strong potential for additional massive sulphide discoveries. Drilling completed to date has confirmed the presence of strong, continuous mineralisation across the Wagga Tank-Southern Nights corridor, and the current campaign aims to:

- Grow the existing resource base through targeted step-out drilling.
- Test new geophysical and geological targets with potential to host additional sulphide lenses.
- Improve geological understanding of the structural and stratigraphic controls on mineralisation.
- Generate datasets to support future Mineral Resource updates and development studies.

Managing Director and CEO Nick Woolrych commented:

"Commencing drilling at the Southern Nights Complex marks another important milestone in advancing Peel's Project portfolio. The SNC remains one of the most prospective parts of our substantial exploration tenure, with substantial high-grade mineralisation already defined and significant room for growth."

"With nearly 17 million ounces of silver contained within the system, SNC provides strong exposure to this critical metal at a time when global demand has never been stronger."

"This program has been designed to meaningfully expand the mineralised footprint and test a suite of highly compelling targets that have the potential to further elevate the scale and significance of the system and we look forward to sharing the results of the Program as they are available."

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About the Southern Nights Complex

The SNC is one of Peel Mining's most exciting discoveries and comprises a silver-rich, polymetallic mineral system.

Mineralisation at SNC is hosted within a steeply west-dipping volcanic-sedimentary sequence, typical of a VAMS/VHMS-style polymetallic system, and occurs as a combination of massive to semi-massive sphalerite-galena-chalcopryrite-pyrite sulphide lenses and associated footwall stringer zones over a strike length of approximately 2km between the Wagga Tank and Southern Nights deposits, with mineralisation remaining open along strike and at depth.

The SNC hosts several zones of exceptionally high-grade mineralisation, including near-surface and deeper massive sulphide shoots.

Key intercepts within the SNC system include intervals such as **18.2m @ 40.3% Zn, 15.7% Pb, 356g/t Ag, 0.97% Cu and 2.77g/t Au**, confirming the presence of ultra high-tenor polymetallic sulphide bodies consistent with Cobar Basin mineral systems.

These results underpin the strong potential for further resource growth and the emergence of SNC as a significant polymetallic deposit within the region.

Updated in April 2025, the Project's combined Mineral Resource Estimate¹ stands at 9.99Mt at 0.35% Cu, 0.41g/t Au, 52g/t Ag, 1.19% Pb and 2.78% Zn, containing:

- **16.8 million ounces of silver;**
- **277,000 tonnes of zinc;**
- **119,000 tonnes of lead;**
- **35,400 tonnes of copper; and**
- **131,000 ounces of gold.**

This positions SNC as a major emerging polymetallic asset with strong leverage to rising silver prices and growing global demand for critical minerals.

Peel's ongoing exploration seeks to expand the known footprint, with every campaign to date confirming new extensions and high-grade zones still to be fully explored.

SNC represents a large, high-grade, long-life growth project with significant upside that can deliver strong value through ongoing exploration.

¹ See ASX PEX announcement: "Significant Resource Upgrade at Wagga Tank" dated 15 April 2025.

Drilling Program Overview

Link Zone (Primary Focus Area)

A sequence of five Reverse Circulation-Diamond (RCD) drill-holes will test for step-out extensions adjacent to high-grade massive sulphide intercepts. The Link Zone offers strong growth potential, with the mineralisation remaining open to the north and at depth.

Link Zone South

Two RC drill-holes will target the up-dip and northern extensions of high-grade mineralisation at the stratigraphic Wagga Tank Formation-Vivigani contact at Link Zone South. Historical results include high-grade silver-zinc-lead intervals that have not yet been adequately drill tested.

Southern Nights West

One RCD drill-hole will test a strong, unexplained IP chargeability anomaly situated west of Southern Nights. The anomaly is modelled close to the prospective stratigraphic Wagga Tank Formation-Vivigani contact.

Wagga Tank South

One diamond tail extending historic drill-hole WTRCDD228 will step out from previous high-grade massive sulphide intercepts, testing the down-plunge potential at Wagga Tank South.

Authorised for release by the Board.

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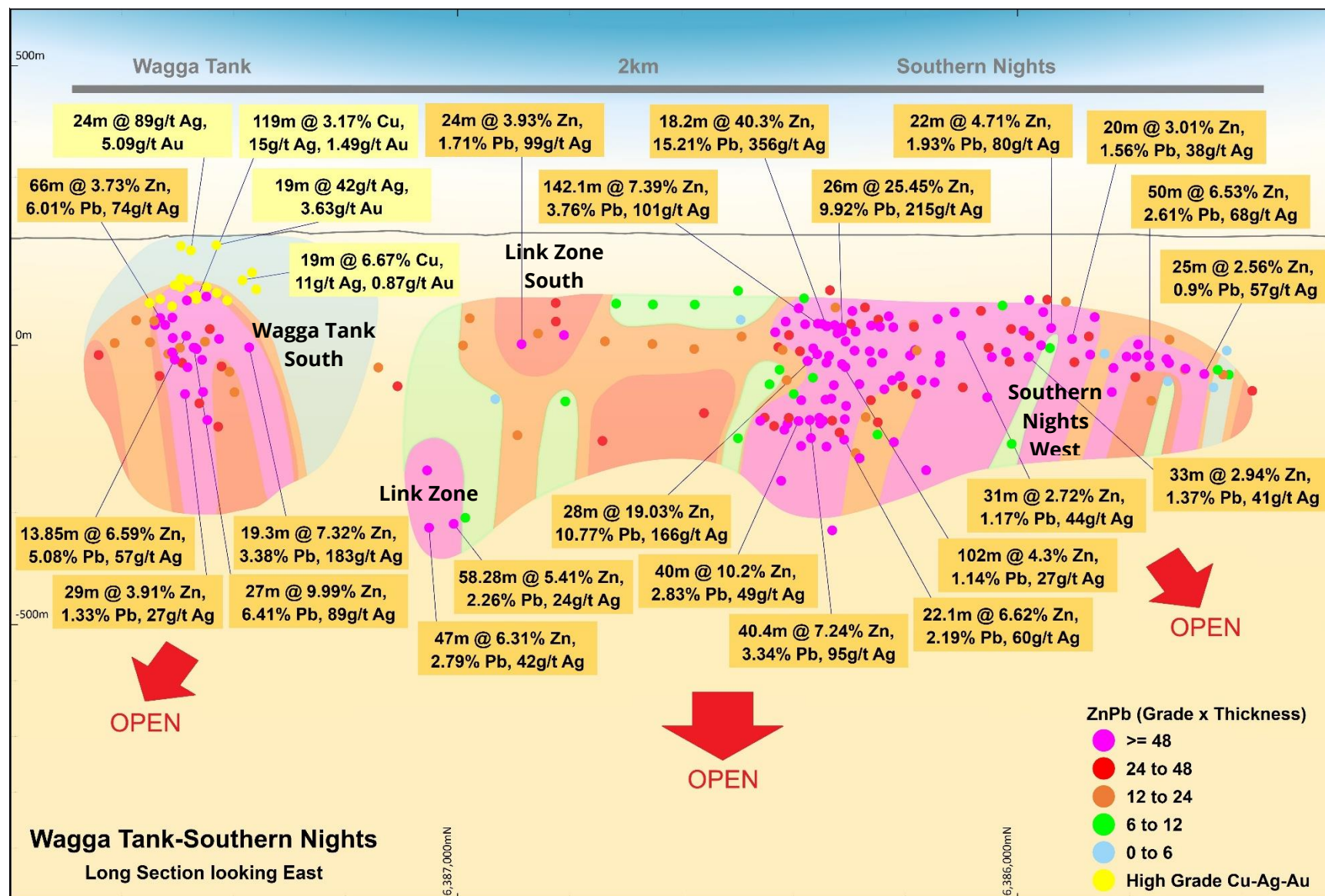
Wagga Tank-Southern Nights Mineral Resource Estimate

	MRE Category	Wagga Tank-Southern Nights MRE as at April 2025 (\$A40/60/80/t NSR cut-offs)										
		Tonnes (kt)	Cu (%)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Cont Cu (kt)	Cont Au (koz)	Cont Ag (moz)	Cont Pb (kt)	Cont Zn (kt)
WT-SN	Ind	4,630	0.35	0.35	61	1.61	3.72	16.0	52	9.0	74	172
	Inf	5,360	0.36	0.46	45	0.82	1.96	19.4	80	7.8	44	105
	Total	9,990	0.35	0.41	52	1.19	2.78	35.4	131	16.8	119	277

Note: South Cobar Project underground MREs (including WT-SN) are reported above A\$80/tonne NSR cut-off and utilise mineable shapes, which include minimum mining widths and internal dilution to bound the MREs. May Day Open Pit utilised \$40 and \$50/t NSR cut-offs for oxide and sulphide resources respectively within an optimal pit. Wagga Tank Open Pit-constrained MRE utilised \$40 and \$60/t NSR cut-offs for Oxide and Transition/Fresh respectively within an optimal pit. Figures are rounded to reflect the precision of estimates and include rounding errors.

For further information, see ASX PEX announcement: "Significant Resource Upgrade at Wagga Tank" dated 15 April 2025.

Figure 1 – Southern Nights Complex long section with drilling intercepts and significant assays (all intercepts are downhole thicknesses)



FORWARD LOOKING STATEMENT

This document may contain certain forward-looking statements which have not been based solely on historical facts but rather on Peel Mining's expectations about future events and on a number of assumptions which are subject to significant risks, uncertainties and contingencies many of which are outside the control of Peel Mining and its directors, officers and advisers. Forward-looking statements include, but are not necessarily limited to, statements concerning Peel Mining's planned exploration programme, strategies and objectives of management, anticipated dates and expected costs or outputs. When used in this document, words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Due care and attention has been taken in the preparation of this document and although Peel Mining believes that its expectations reflected in any forward looking statements made in this document are reasonable, no assurance can be given that actual results will be consistent with these forward-looking statements. This document should not be relied upon as providing any recommendation or forecast by Peel Mining or its directors, officers or advisers. To the fullest extent permitted by law, no liability, however arising, will be accepted by Peel Mining or its directors, officers or advisers, as a result of any reliance upon any forward-looking statement contained in this document.

COMPETENT PERSONS STATEMENTS

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.

PREVIOUS RESULTS

Previous results referred to herein have been extracted from previously released ASX announcements. Previous announcements and reports are available to view on www.peelmining.com.au and www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Company also confirms that it is not aware of any new information or data that materially affects the information included in the previously reported Mineral Resource Estimates for the Wagga Tank-Southern Nights Project. All material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.