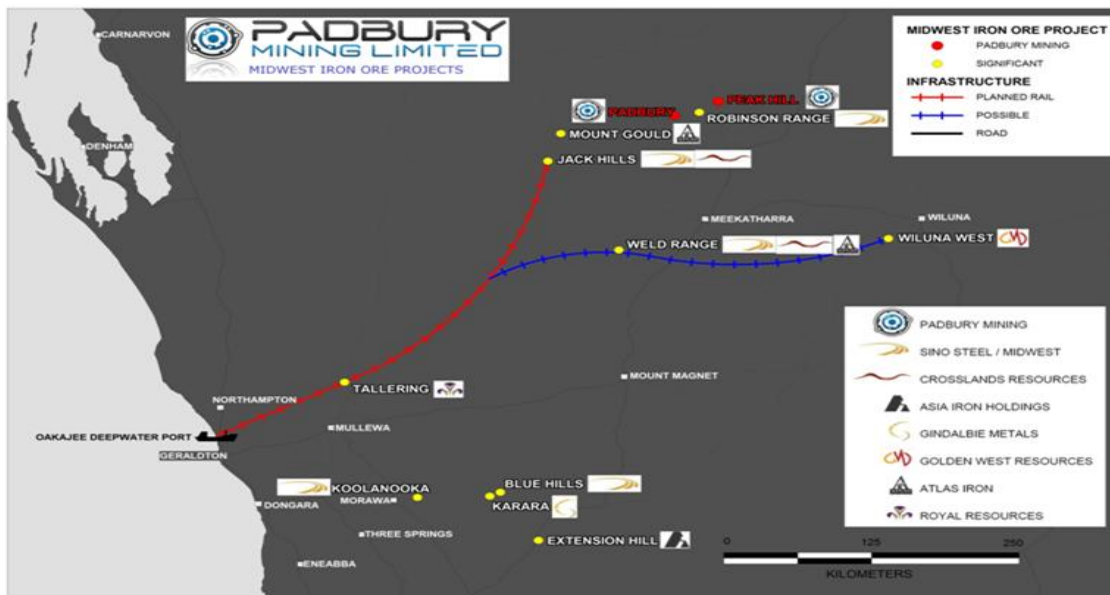


PEAK HILL IRON JV-- ROCK CHIP SAMPLING CAMPAIGN

High grade hematite located at surface

HIGHLIGHTS:

- Mapping and rock chip sampling confirm extensive high grade hematite at the joint venture partners' (Padbury Mining and Aurium Resources) Telecom Hill project
- 152 Rock chip samples were analysed by Niton Portable XRF returning results as high as 61.7%* Fe
- Detailed follow up drilling is planned to commence late Quarter 1
- A rock chip sampling program is planned to commence late Quarter 1 targeting new gravity targets.



SUMMARY

Padbury Mining Limited ("Padbury") is pleased to announce the completion of the first stage of a comprehensive rock chip sampling and mapping program conducted at Telecom Hill. The program was conducted over iron formations belonging to the Robinson Range Formation with the aim of defining iron mineralisation to assist with drill hole targeting. Rock samples were analysed using a calibrated hand-held Niton XL3t X-ray Fluorescence quantitative micro analyser (Niton XRF). The same chip samples have also been submitted for geochemical analysis to confirm the Niton XRF assay results.

152 Niton XRF and magnetic susceptibility determinations were taken at Telecom Hill. The results justify an aggressive approach in evaluating the economic potential of hematite iron ore at the project.

Padbury staff have designed a detailed RC drilling program to investigate the continuity of mineralisation at depth; the program is scheduled to commence late Quarter 1.

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XRF RESULTS >50% FE:

Sample	Easting*	Northing*	Project	Fe%**
TRX002	658765	7172841	Telecom Hill	52.2
TRX008	658026	7173049	Telecom Hill	53.7
TRX013	657639	7173066	Telecom Hill	50.7
TRX014	657633	7173095	Telecom Hill	52.0
TRX018	657636	7173238	Telecom Hill	50.5
TRX022	657310	7173419	Telecom Hill	57.1
TRX025	657161	7173384	Telecom Hill	51.5
TRX027	657121	7173374	Telecom Hill	58.3
TRX032	657001	7173690	Telecom Hill	53.4
TRX064	655547	7173499	Telecom Hill	50.7
TRX071	655187	7173716	Telecom Hill	56.0
TRX086	654693	7173703	Telecom Hill	50.0
TRX087	654646	7173633	Telecom Hill	55.0
TRX089	654564	7174215	Telecom Hill	56.7
TRX094	654369	7173985	Telecom Hill	53.2
TRX098	654145	7174341	Telecom Hill	54.1
TRX111	652756	7173769	Telecom Hill	58.8
TRX112	652811	7173759	Telecom Hill	61.7
TRX113	652850	7173764	Telecom Hill	55.9
TRX119	652795	7174144	Telecom Hill	59.1
TRX121	652847	7174137	Telecom Hill	55.7
TRX122	652898	7174122	Telecom Hill	56.9
TRX131	652876	7174604	Telecom Hill	60.6
TRX132	652911	7174579	Telecom Hill	53.7
TRX133	652951	7174579	Telecom Hill	55.1
TRX134	652996	7174554	Telecom Hill	55.6
TRX135	653044	7174533	Telecom Hill	54.4
TRX138	653270	7174287	Telecom Hill	56.0
TRX144	653655	7174951	Telecom Hill	57.0
TRX145	653644	7174901	Telecom Hill	57.7
TRX151	653568	7174609	Telecom Hill	55.4
TRX152	653545	7174513	Telecom Hill	58.9
TRX153	653105	7175006	Telecom Hill	53.9
TRX161	653343	7174559	Telecom Hill	51.4
TRX163	653390	7174476	Telecom Hill	57.4
TRX165	657957	7170106	Telecom Hill	56.5

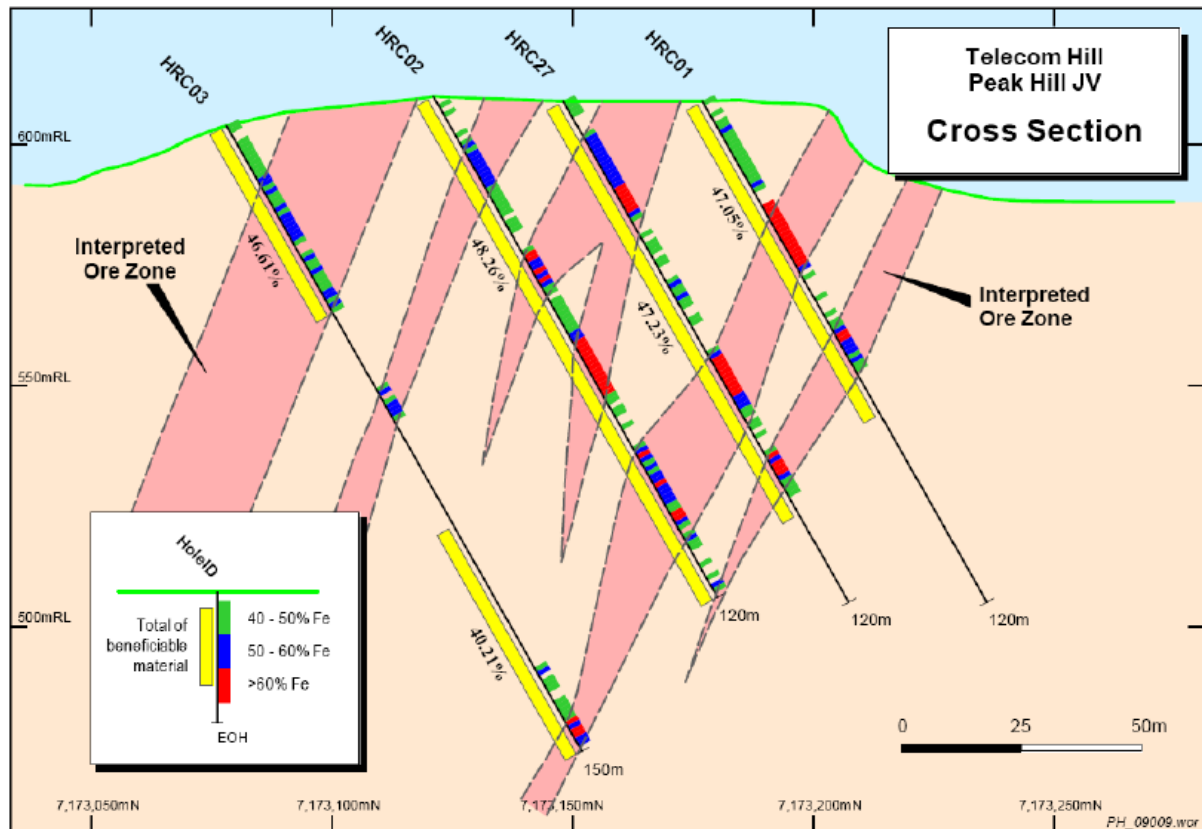
**Niton XRF is a hand held analytical tool which uses an x-ray fluorescence tube to take rapid measurements of the concentrations of various chemical elements within a sample area of 1-2mm. Padbury Mining Limited and its consultants use the analyser to take readings on rock chip and soil samples in real time to evaluate the tenor but not absolute value of the contained mineralization. The readings presented here have not yet been verified by an independent laboratory but have been submitted for geochemical analysis to confirm the Niton XRF assay results.*

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PROJECT GEOLOGY:

The magnetite horizon that has been targeted is hosted within the Robinson Range Iron Formation. This unit crops out extensively through Padbury's tenure and forms a prominent ridge at Telecom Hill, Peak Hill and Old Mt Padbury. Historical work by Sofoulis, J, 1970, *Iron Deposits of the Robinson Range, Peak Hill Goldfields, WA* (GSWA Record 1970/60), observed that iron formations (comprising of varying amounts of Hematite, Magnetite, Quartz, Biotite & Actinolite) range up to 30m or more in thickness. Furthermore the presence of Hematite, Hematite-Goethite and Goethite enrichments was noted in numerous localities.

Figure 2: Telecom Hill- Looking West



Padbury's Managing Director, Gary Stokes said, "This is a continuation of the JV partners' plan to achieving a JORC compliant resource as its priority during 2010."

For further information please contact:

Gary Stokes
Managing Director
Padbury Mining Limited

Technical information in this report has been prepared under the supervision of Mr Jonathan King, a director of Salient Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG). Mr King has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr King consents to the inclusion in this report of the information, in the form and context in which it appears.