

DRILLING PROGRAM UPDATE

Joint Venture partners Padbury Mining Ltd (ASX: PDY) and Aurium Resources (ASX:AGU) are pleased to advise completion of the diamond core drilling program started in November last year at their flagship Peak Hill Iron Project.

Results from this program and metallurgical test work on the collected core are important components of project pre-feasibility work.

The 919 metres of diamond core collected has been geologically logged, photographed and rock quality designation (RQD) measured on the oriented core. Field based density measurements were recorded to supplement laboratory measurements to enable accurate calculation of estimated tonnage. A fine slither of cores will be assayed for correlation and validation of RC drilling results. The remainder of the core has been reserved for metallurgical test work to evaluate crushing and milling parameters for magnetite processing plant design and economic considerations.

The completion of the core drilling program and the reporting of resulting technical work will further substantiate the JORC compliant Inferred magnetite resource at Telecom Hill, which stands at 850Mt at 27.3%Fe.

The RC drilling program, testing for Direct Shipping Ore (DSO) as well as magnetite, is progressing well, with 4000 metres drilled so far.

This DSO program was initiated following geological mapping which identified iron ore targets with potentially significant hematite-goethite mineralisation. The Peak Hill project has a hematite exploration target¹ of 10-55Mt at 55–60% Fe.

This combined drilling program is the largest undertaken by Padbury and is part of a focused strategy to build the Peak Hill Iron Project base.

Hole ID	Easting	Northing	From	To	Metres	Status
MTD01	652552	7174131	54	137.7	83.7	Completed
MTD02	652556	7174497	186	338	152	Completed
MTD04	652655	7174904	95.4	300.1	204.7	Completed
MTD05	652727	7174897	71.2	296.7	225.5	Completed
MTD06	652727	7174897	80.5	334	253.5	Completed

¹ NOTE: This potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



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Competent Person's Statement

The Exploration Results and exploration target estimates discussed in this report were prepared under the supervision of Mr Daniel Wholley BAppSc MAIG, who is a Director and full time employee of CSA Global Pty Ltd and is a competent person as defined by the Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition. Mr Wholley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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