

Drilling Commences

Padbury Mining Limited (ASX:PDY) and joint venture partner Aurium Resources Limited (ASX:AGU) are pleased to announce that drilling commenced at Telecom Hill last Wednesday. This drilling program is the first aimed at the JV's DSO exploration target of 10-55Mt at 55-58% Fe'.

The first hole was collared on a tight, steep pad on the west side of the Telecom Hill East prospect and went to 216 metres. Logging & sampling was completed for all metres drilled.

The rig vehicles are 8WD that enable access into the difficult terrain and we expect good metre advances over the coming weeks.

The JV Partners will provide a further update next week, including maps of the drilling program when our geologist returns from site.

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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'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.