



ASX ANNOUNCEMENT

7th December, 2010

Drilling commences to investigate gravity targets in the Curnamona Province SA

A drilling program to investigate four gravity targets within EL3587 Scott Hill in the Curnamona Province of South Australia has commenced. The program will involve the completion of four deep diamond boreholes to test the Olympic Dam / Carapateena style "Iron Oxide Copper Gold Uranium (IOCGU)" targets.

The drilling program is being undertaken by Sinosteel PepinNini Curnamona Management Pty Limited (SPCM) on behalf of the Joint Venture partners Sinosteel Corporation (60%) and PepinNini Minerals (40%).

The tenement is considered to have potential for IOCGU type mineralisation, porphyry style mineralisation, high tonnage stockwork gold, stratabound Cu-(Pb) mineralisation and sedimentary uranium. No previous work has been undertaken to examine the selected targets at depth.

During May, 2010 SPCM undertook a detailed gravity and magnetic survey over the Scott Hill area where widespread low grade mineralisation and potassic alteration has been interpreted as evidence of a deeper larger mineralising system. The new gravity data is superior to that available in historic datasets and highlights a number of discrete positive gravity anomalies which will be tested by the current drilling program.

The targets have been modeled using a 3D gravity inversion to detail their characteristic and geometry.

S1 Target:

The source of the S1 anomaly is a steeply dipping gravity feature with a modelled depth to top of source of 100m. A 350m deep angled hole has been designed to test the source of the anomaly (figure 3). There is no magnetic anomalism associated with the gravity anomaly.

C1 Target:

The source of the C1 gravity anomaly also steeply dipping with a modelled depth to top of the source of approximately 100m. The core of the gravity anomaly source will be tested with an inclined 350m borehole (figure 4). There is no magnetic anomalism associated with the gravity anomaly.

E2 Target:

The source of the E2 gravity anomaly is a tabular body with a steep northwesterly dip. The target occurs proximal to the "fault bounded (?)" southern margin of a deep magnetic body. The depth to the top of source is modelled at 250m and will be tested with a 500m deep inclined hole (figure 5).

E3 Target:

The source of the E3 anomaly is located to the south of the "fault bounded (?)" southern margin of a deep magnetic body. The top of the density contrast is modelled at 300m depth and will be tested with a 500m inclined hole (figure 6).

The drilling program is estimated to be completed before the end of the year and the Company will make further announcements when drilling results become available.

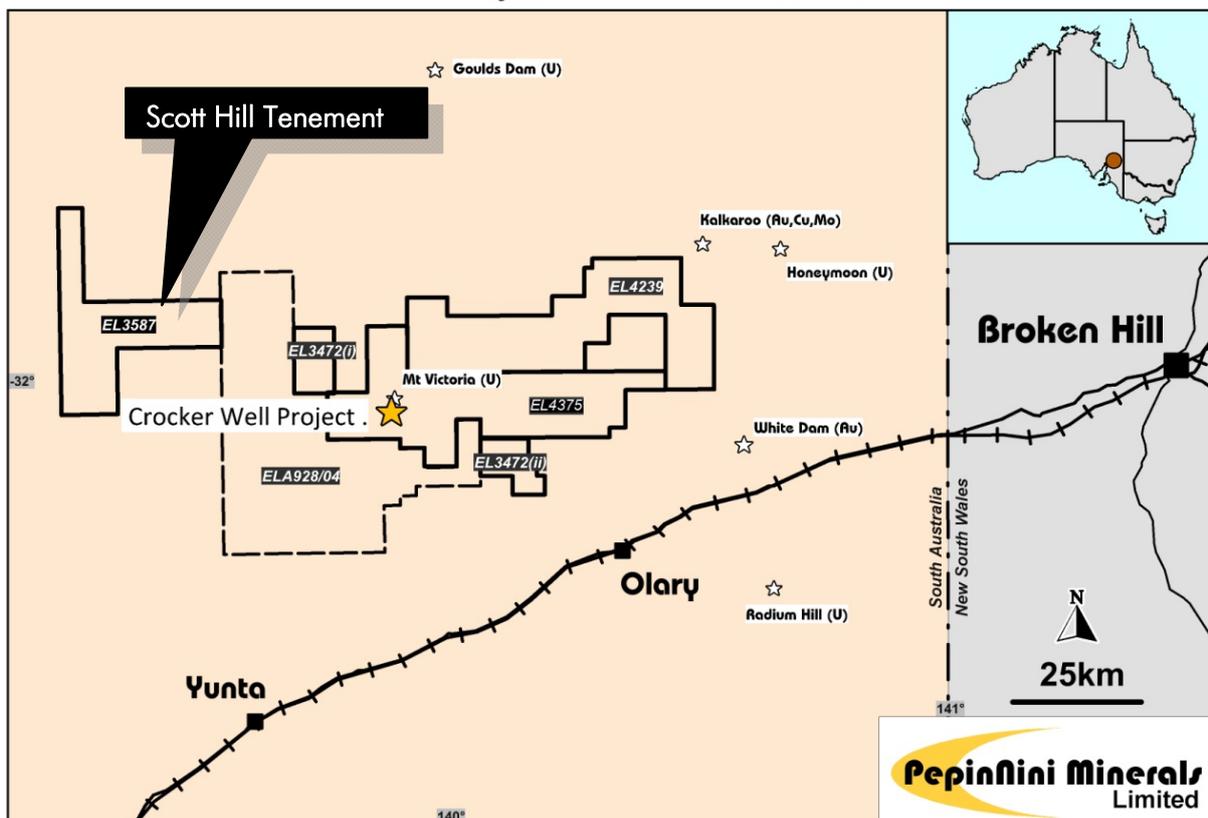
The information in this report that relates to Exploration Results is based on information compiled by Norman Kennedy BSc MAusIMM. Norman Kennedy is the Chairman and Managing Director of PepinNini Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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". Norman Kennedy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

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Note: Additional information on PepinNini Minerals Limited can be found on the website:
www.pepinnini.com.au

Curnamona Project - Tenement Location Plan



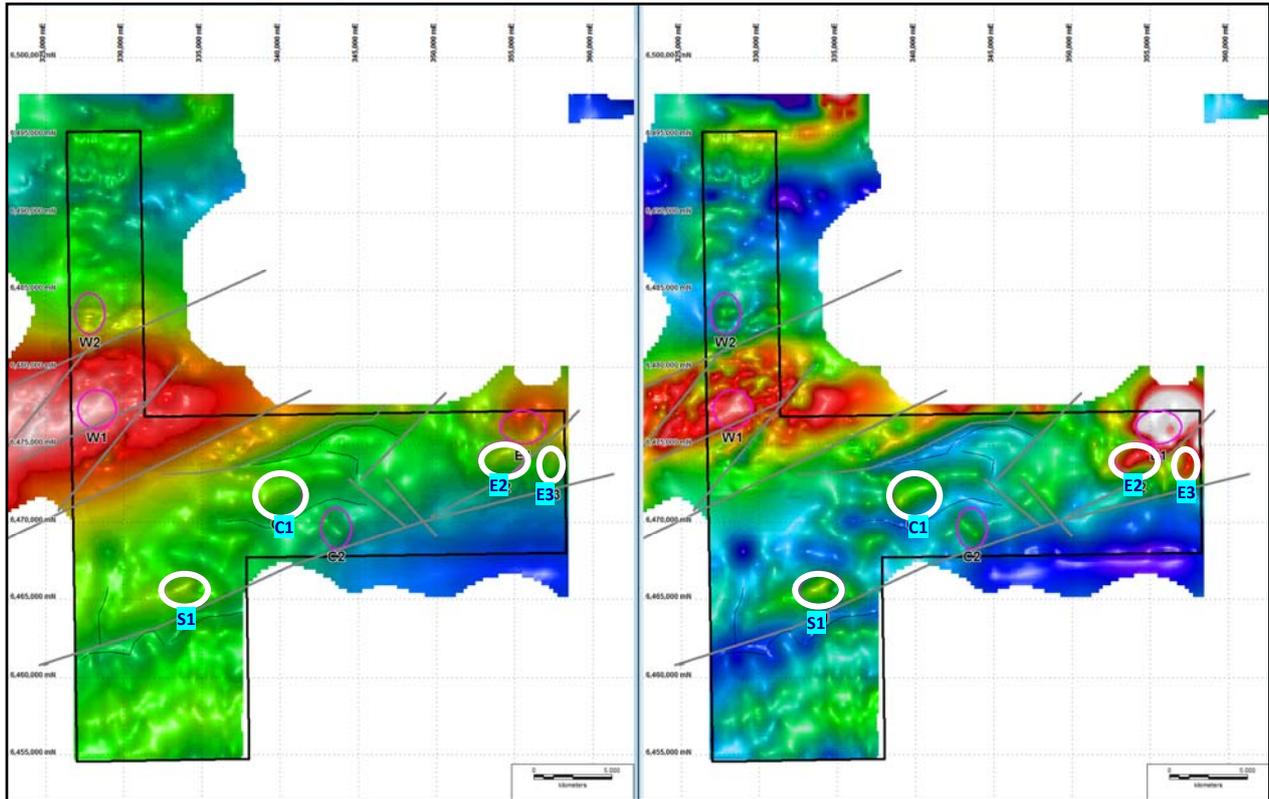


Figure 2: Terrain Corrected and Band pass filtered Total Bouguer Anomaly images with discrete anomalies outlined (white) and regional structures identified (grey linear).

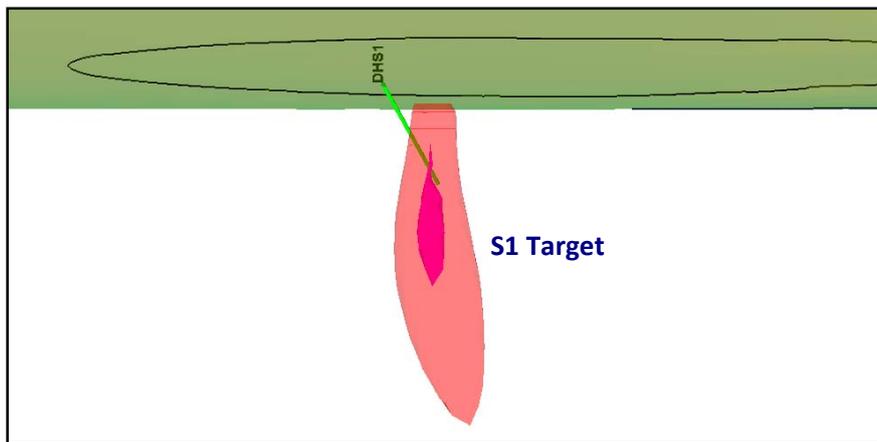


Figure 3: Snap shot of 3D model for anomaly S1 displaying the body modelled to source the anomaly as well as the proposed drill hole.

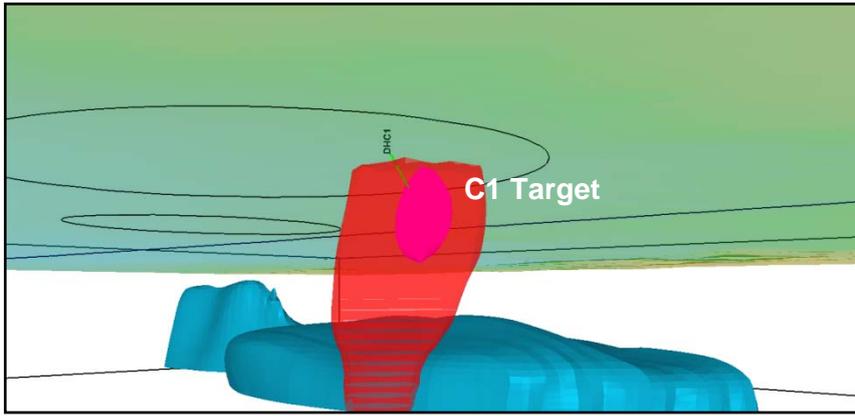


Figure 4: Snap shot of 3D model showing the drill hole testing the protrusion that sources the C1 gravity anomaly.

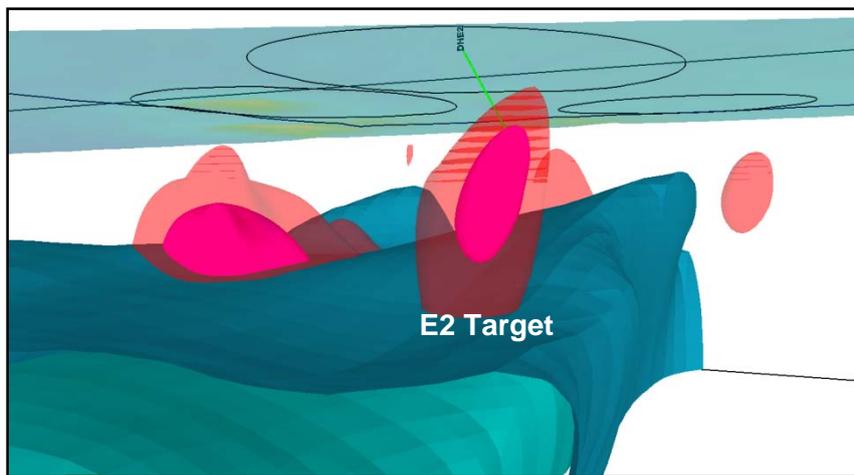


Figure 5: Snap shot of the 3D model showing the drill hole testing the top of the body that sources the E2 gravity anomaly

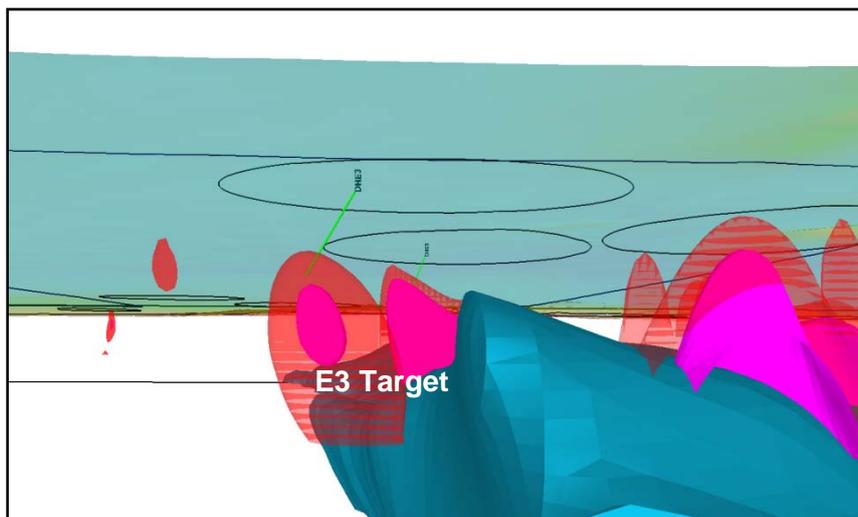


Figure 6: Snap shot of the 3D model showing the drill hole testing the top of the body that sources the E3 gravity anomaly.