

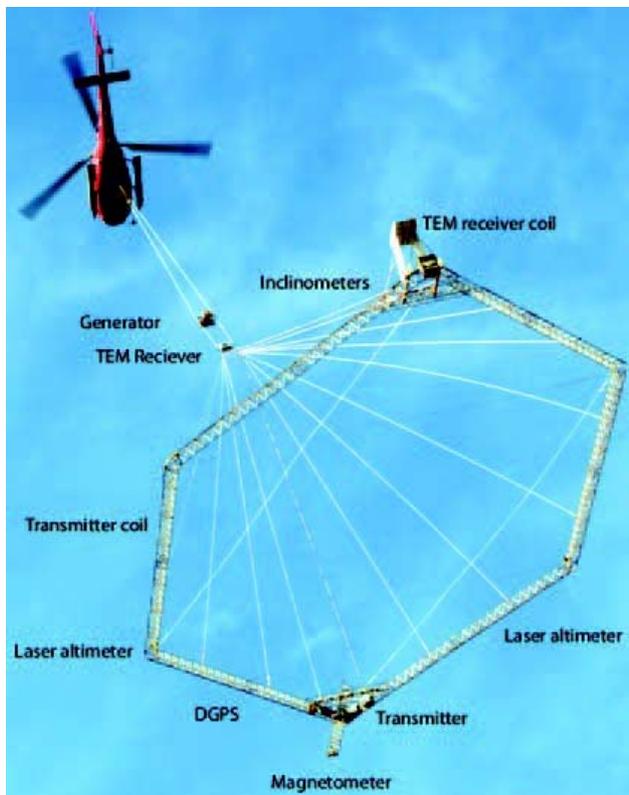
ASX ANNOUNCEMENT

14th March, 2012

SkyTEM Survey commences over Musgrave Tenements

An airborne electromagnetic survey (AEM) of approximately 1,300 line kms has commenced over the Caroline Intrusion, the Hanging Knoll Area and the Cooperinna Block located within tenements held by PepinNini in the Musgrave Province of South Australia. The survey is being undertaken as part of a collaborative funding program with the South Australian Government. PepinNini Minerals has been awarded a \$75,000 grant for the program as part of the South Australian Government's 'Plan for Accelerated Exploration 2020' (PACE 2020) Initiative.

The AEM system deployed is the new SkyTEM super low moment system which has recently been imported into Australia from Scandinavia. The system which is much higher powered than previous versions is designed to be able to resolve both near surface and deep conductors thus making it highly suitable for use in the Musgrave Province as a tool to identify potential sulphide bodies. Equipment failure and unsuitable weather caused an initial attempt to undertake the survey during October/November, 2011 to be postponed. The system which has never previously been used in Australia is unlike all other heliborne systems as it is calibrated due to its inherent rigid design geometry.



Components of the SkyTEM System to be employed in the Musgrave Province

The comparisons indicate that the SkyTEM system records data over later time channels than VTEM thus theoretically allowing it to resolve deeper features even beneath conductive palaeo-drainage.

The Caroline Intrusion is one of Australia's largest ultramafic complexes and is considered highly prospective for nickel sulphide mineralisation. In the past PepinNini has undertaken vacuum and core drilling with encouraging results on EL4048 and EL3931 which surround the central core of the complex covered by PepinNini's ELA 367/09 application. The survey will cover both portions of EL's 3931 and 4048 as well as the entire central core covered by ELA367/09 where outcropping pentlandite was discovered by PIRSA in 2004.

In addition PepinNini plans to fly an orientated survey over Hanging Knoll which extends over another of PepinNini's applications (ELA368/09) as well as part of EL 3931. This area which to date has never been systematically explored is also considered prospective for nickel sulphide mineralisation and stands out as both a magnetic and gravity anomaly with in part mapped sub cropping Giles Complex. Portion of the Cooperinna Block which is currently being explored by vacuum and diamond drilling will also be flown.

If this orientation survey is successful it is envisaged that SkyTEM will provide an excellent exploration tool for future broader use in the under-explored Musgrave Province. Previous AEM systems such as GeoTEM, Tempest and HoistEM have been trialed with limited success over the tenements and invariably failed to see through areas with overlying conductive palaeo-drainage systems.

In conjunction and as an extension to PepinNini's orientation survey the CSIRO will collect additional SkyTEM data over several areas where alternative systems such as VTEM and Tempest have been flown.

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.

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