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PEBBLE CREEK MINING LTD. COMPLETES FOREST CLEARANCE REVIEW WITH STATE GOVERNMENT FOR ASKOT PROJECT

TSX-V: PEB

FOR IMMEDIATE RELEASE

Vancouver, British Columbia and New Delhi, India – October 7, 2010 – Pebble Creek Mining Ltd. (the “Company”) is pleased to announce that it has received advice that the Uttarakhand (state) government’s Forest Department has vetted the Company’s Forest Clearance application and is ready to transmit it to the Indian government’s Ministry of Environment and Forests for final approval.

Forest Clearance is the last required permit before final grant of a 30-year Mining Lease Deed on mixed private lands and government forest, grazing and fallow lands where the Company’s Askot massive sulphide deposit is located. The permit will cover cutting some sparse trees, planting trees elsewhere, alienating certain government lands and protecting nearby wildlife.

The Company is one of the earliest mineral exploration companies to progress to this stage since India opened up non-ferrous metal mining for private capital and foreign interests in 1993 and sought technology transfer in the sector.

In 2005, the Company decided to pursue a 386 hectare Mining Lease for its Askot deposit concurrent with continued drilling and other tasks leading to a feasibility study. The decision now appears prudent since the Company has acquired almost all critical permits. The following milestones have been reached:

- Completed Environmental Assessment Study, Support Systems Study, Subsidence Study and Blast Vibration Study, all certified by qualified consultants
- Public Hearing convened and minuted by the State Pollution Control Board
- Mapped and identified approximately 17,000 tiny, terraced fields, each a distinct, numbered lot
- Obtained Indian Ministry of Mines approval of the Mining Lease application
- Obtained Uttarakhand state **Letter of Intent** to grant the Mining Lease, subject to meeting the following four conditions (which have been met) and Forest Clearance
- Boundary survey and installation of marker monuments certified by the state Directorate of Geology and Mining and the state’s Revenue official
- Indian Bureau of Mines approval of a Mining Plan prepared by the Company
- Certificates of “No Objection” from all residents, land owners and land users within the Mining Lease area
- Indian Ministry of Environment and Forests letter conveying Environmental Clearance, subject to certain workmanlike terms and conditions.

Andrew Nevin, President and CEO of the Company, stated: “Prices for copper, gold and silver are at significant highs and most analysts forecast firm prices for the foreseeable future. These are among the metals contained in the Askot deposit. Indian mines produce less than 5 per cent of India’s copper, gold and silver demands. Economists believe that the domestic market in India for copper, especially, is expected to grow at greater than the projected 8.5 per cent growth in annual GDP, and that India may surpass China in future economic development. Although India is known for its dense and complicated bureaucracy, Pebble Creek believes that India’s regulatory system is workable.”

For further information, please contact:

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Forward-looking statements are based on the expectations and opinions of the Company’s management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

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