

Pebble Creek Mining Ltd.

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**PEBBLE CREEK MINING LTD. ANNOUNCES PROPOSED DEBT SETTLEMENT
ARRANGEMENT**

TSX-V: PEB

FOR IMMEDIATE RELEASE

New Westminster, British Columbia – August 12, 2011 – Pebble Creek Mining Ltd. (“the Company”) announces that it has arranged to retire indebtedness owing by the Company to Dr. Andrew Nevin, President and Chief Executive Officer of the Company in the total amount of \$305,838 (the “Indebtedness”) by issuing a total of 2,780,345 common shares of the Company at an issue price of \$0.11 per share (the “Settlement Arrangement”). The amount of the Indebtedness is comprised of unpaid reimbursements and advances made by Dr. Nevin to the Company and geologic consulting fees rendered by Dr. Nevin to the Company over a period of 36 months up to March 31, 2011.

The Settlement Arrangement is subject to the approval of the TSX Venture Exchange.

For further information, please contact:

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.