

Activities Report for June Quarter 2021

Peak Minerals Limited (ASX:PUA) (**Peak or the Company**) is pleased to provide its activities report for the June Quarter 2021. During the quarter, the Company pursued its Western Australian copper focussed exploration work.

Western Australian Copper Assets

- **Green Rocks Project**
 - consolidation of emerging magmatic copper province with acquisition of additional 31 pending and granted tenements and two earn-in agreements on two additional tenements giving rise to 234km² of contiguous landholding
 - greater Green Rocks Project now incorporates the Company's existing Copper Hills and Lady Alma prospects
- **Earaheedy Project**
 - covering an area of 62km² and only 28km south east of Sandfire's DeGrussa Copper-Gold Mine and 18km south east of the Monty Copper-Gold Mine
- **Kimberley South Projects**
 - consists of 6 individual tenements prospective for magmatic copper and nickel mineralisation
 - sediment hosted copper mineralisation
- **Carson Project**
 - Large sediment hosted copper target over 250km strike in Kimberleys

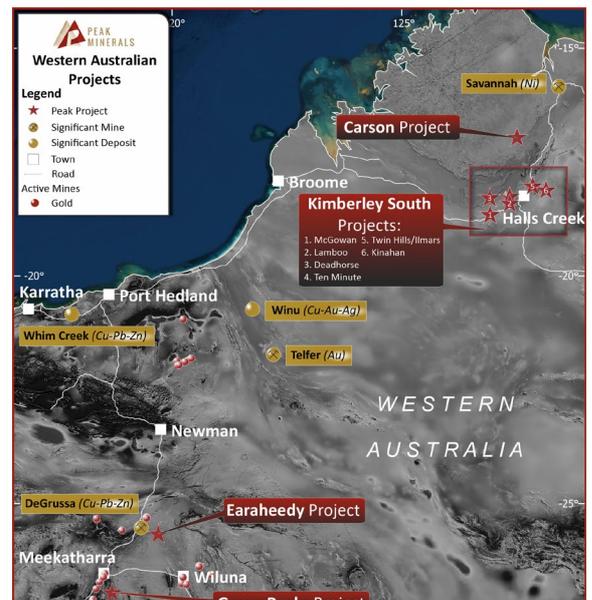


Figure 1: WA Projects Location Map

Green Rocks Project

In April 2021, the Company advised that its diamond drill program at the Lady Alma Prospect in the southern part of the Green Rocks Project had intersected multiple zones of copper sulphides, validating the model and targeting strategy.



Figure 2: CHD005B-W1 from 827.8 – chalcopyrite in an offset vein

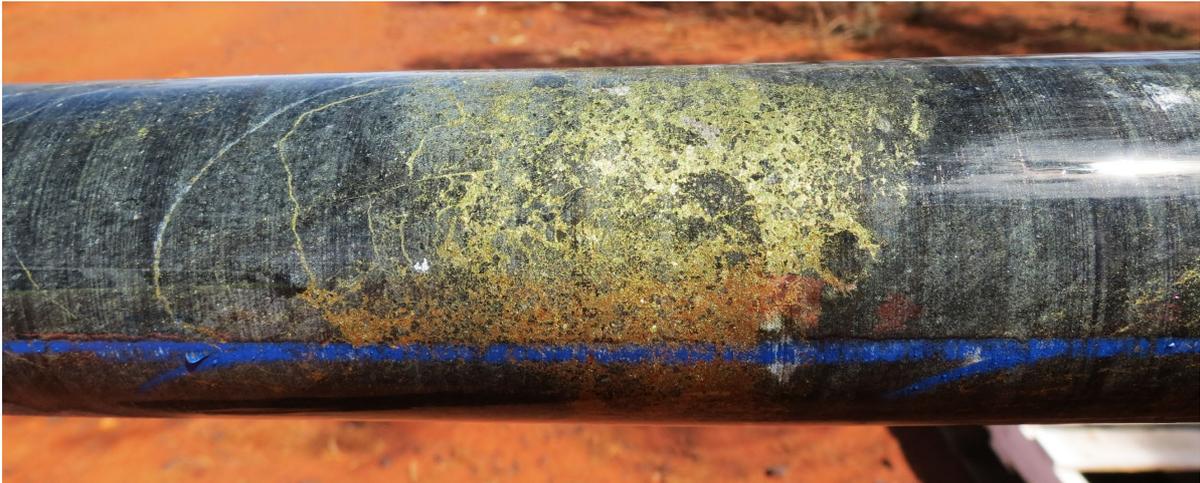


Figure 3: CHD005B-W1 from 899.1m – band of semi-massive chalcopyrite with blebs of pyrrhotite

Drill core has been logged and sent for assay – results will be released to the market on receipt.

The Company has completed a reverse circulation drill program, downhole electromagnetic survey, mapping and rock chip programs to further understand the geology at the greater Green Rocks Project, which encompasses Copper Hills, Lady Alma and the recent acquisition of the 225km² portfolio from CU2 WA Pty Ltd. The acquisition was approved by shareholders at a meeting held on 12 July 2021 and formal completion is imminent.

Earaheedy Project

A field reconnaissance trip was undertaken at the Earraheedy Project during the quarter to confirm the proposed location of aircore drill lines for the Cork Tree and Merah Prospects followed by a 26 hole drill program for 1,279m. The Cork Tree Prospect has historical copper mineralisation extending over a 50m x 500m area.

Results of rock chip samples and the aircore drilling are pending.

Kimberley South Projects

Reconnaissance field work was undertaken during the quarter at the Kimberley South project where 6 individual projects are prospective for copper and nickel sulphide mineralisation.

Carson Project

No field work was conducted at the Company's 800km² Carson Project during the quarter.

Other Assets

As the Company focuses on its Western Australian copper strategy, the Board is considering divestment opportunities with respect to its Hill End and Hargraves Gold Projects in New South Wales and Yendon High Purity Alumina Project in Victoria, including potential spin-outs, to monetise value for its shareholders and increase the Company's liquidity position.

No material work was conducted on these projects during the quarter.

Disclosures in relation to Appendix 5B

In line with its obligations under ASX Listing Rule 5.3.1 and 5.3.5, the Company notes the following:

- a total of \$788k was expended on exploration and evaluation work during the quarter with this primarily relating to drill programs, mapping, rock chip sampling, field reconnaissance and downhole electromagnetic surveys.
- the payments to related parties of Peak Minerals Limited disclosed in item 6.1 of the Appendix 5B for the quarter were payments of directors' fees and salaries.

Current Tenement Schedule

The table below contains details of tenements held by PUA and its controlled entities at the end of the quarter.

Project	Tenement	Grant / Application Date	Expiry Date	Area
Hill End (NSW)	Exploration Licence No 5868 (1992)	18/06/2001	Renewal pending	16 units
Hill End (NSW)	Gold Lease No 5846 (1906)	15/02/1968	7/12/2024	2.044 hectares
Hill End (NSW)	Mining Lease No 1116 (1973)	28/03/1984	16/10/2024	15.71 hectares
Hill End (NSW)	Mining Lease No 1541 (1992)	17/10/2003	16/10/2024	279.20 hectares
Hill End (NSW)	Mining Lease No 315 (1973)	8/12/1976	7/12/2024	6.671 hectares
Hill End (NSW)	Mining Lease No 316 (1973)	8/12/1976	7/12/2024	8.846 hectares
Hill End (NSW)	Mining Lease No 317 (1973)	8/12/1976	7/12/2024	7.00 hectares
Hill End (NSW)	Mining Lease No 49 (1973)	30/07/1975	7/12/2024	1.618 hectares
Hill End (NSW)	Mining Lease No 50 (1973)	30/07/1975	7/12/2024	3.02 hectares
Hill End (NSW)	Mining Lease No 913 (1973)	20/01/1981	19/01/2023	22.00 hectares
Hill End (NSW)	Mining Lease No 914 (1973)	20/01/1981	19/01/2023	21.69 hectares
Hill End (NSW)	Mining Lease No 915 (1973)	4/02/1981	3/02/2023	13.27 hectares
Hargraves (NSW)	Exploration Licence No 6996 (1992)	21/12/2007	21/12/2021	6 units
Chambers Creek (NSW)	Exploration Licence No 8289 (1992)	24/3/2014	20/08/2023	1 Units
Yendon (Vic)	Exploration Licence No 5457	10/09/2013	Renewal pending	41 Graticules ²
Yendon (Vic)	Exploration Licence No 6428	22/12/2017	21/12/2025	34 Graticules ²
Yendon (Vic)	Retention Licence app No RL6734	03/07/2020	03/07/2025	225.2 hectares
Copper Hills (WA)	Exploration Licence No E51/1716	27/07/2016	26/07/2021	3 BL ³
Cork Tree (WA)	Exploration Licence No E52/3751 ¹	5/05/2020	4/05/2025	20 BL ³
Kimberley South (WA)	Exploration Licence No E80/5442 ¹	9/12/2019	Application	4 BL ³
Kimberley South (WA)	Exploration Licence No E80/5283 ¹	9/06/2020	8/06/2025	25 BL ³
Kimberley South (WA)	Exploration Licence No E80/5271 ¹	17/07/2019	16/07/2024	6 BL ³
Kimberley South (WA)	Exploration Licence No E80/5371 ¹	26/11/2020	25/11/2025	9 BL ³
Kimberley South (WA)	Exploration Licence No E80/5340 ¹	8/01/2020	7/01/2025	11 BL ³
Kimberley South (WA)	Exploration Licence No E80/5081 ¹	3/04/2018	2/04/2023	4 BL ³
Carson (WA)	Exploration Licence No E80/5580 ⁴	06/04/2021	Application	28 BL ³

Carson (WA)	Exploration Licence No E80/5581 ⁴	06/04/2021	Application	194 BL ³
Carson (WA)	Exploration Licence No E80/5582 ⁴	06/04/2021	Application	147 BL ³
Carson (WA)	Exploration Licence No E80/5583 ⁴	06/04/2021	Application	95 BL ³
Carson (WA)	Exploration Licence No E80/5625 ⁴	12/05/2021	Application	72 BL ³
Carson (WA)	Exploration Licence No E80/5626 ⁴	12/05/2021	Application	119 BL ³
Carson (WA)	Exploration Licence No E80/5627 ⁴	12/05/2021	Application	132 BL ³
Carson (WA)	Exploration Licence No E80/5628 ⁴	12/05/2021	Application	44 BL ³

Notes to Current Tenement Schedule:

- 1 – The transfer of the Tenement's/Application's registered ownership to Greenrock Metals Pty Ltd/CU WA Pty Ltd (controlled entities of Peak Minerals Limited) is currently being processed by the Western Australia Department of Mines, therefore the current recorded holder of the tenement/application for tenement is a third party.
- 2 - A graticule is essentially 1 sq. km or part thereof
- 3 - BL = "Block" as defined by the *Mining Act 1978 (WA)*
- 4 – Application lodged by Peak Minerals Limited consolidated entity during the quarter

This announcement is authorised by the Peak Minerals Limited Board.

For further information please contact:

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 Company Secretary
 Peak Minerals Limited
 Tel: +61 3 9692 7222

Competent Person's Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Ms Barbara Duggan, who is a Member of the Australian Institute of Geoscientists. Ms Duggan is employed by Peak Minerals Ltd. Ms. Duggan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Duggan consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results is extracted from the ASX announcement *Magmatic copper sulphides intersected at Lady Alma on 6 April 2021* and *Maiden drilling program at the Copper Hills Project Update* on 8 March 2021. These are available to view at www.peakminerals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PEAK MINERALS LIMITED

ABN

74 072 692 365

Quarter ended ("current quarter")

June 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(788)	(2,048)
(b) development	-	-
(c) production	-	-
(d) staff costs	(134)	(616)
(e) administration and corporate costs	(188)	(972)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid	-	-
1.7 Other income	-	22
1.8 Other (Option fee for Greenrock)	-	(80)
1.9 Net cash from / (used in) operating activities	(1,111)	(3,697)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	22	22
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (cash balances brought in from acquisition of new subsidiary)	-	1
2.6	Net cash from / (used in) investing activities	22	23

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,737
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(27)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Payment of lease liabilities	(8)	(32)
3.10	Net cash from / (used in) financing activities	(8)	3,678

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,586	485
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,111)	(3,697)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	22	23
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	3,678

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	489	489

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	489	1,586
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	489	1,586

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	83
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	
7.2	Credit standby arrangements	
7.3	Other (please specify)	
7.4	Total financing facilities	
7.5	Unused financing facilities available at quarter end	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8. Estimated cash available for future operating activities	\$A'000	
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,111)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,111)
8.4	Cash and cash equivalents at quarter end (item 4.6)	489
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	489
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.4
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:		
No. In general, like most other junior explorers on the ASX, the Company expects that it will experience negative operating cash flows until it enters production. Furthermore, the Company notes that the June 2021 quarter payments were relatively high in order to fund the completion of exploratory drilling works conducted during that period. There is an expected reduction in the level of cash payments in coming quarters.		

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company has alternatives to raise further cash to fund its operations and will take those steps as and when appropriate. These include the potential for equity raisings to fund additional exploration of the Company's mineral tenements. Given the Company's supportive shareholder base and historical ability to raise capital, the Company is confident of successfully raising further funds if and when required.

The Company also retains full placement capacity under ASX Listing Rules 7.1 and 7.1A.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding if required as described in the answer to Question 2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2021

Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.