

ASX ANNOUNCEMENT

ASX Codes: PUA, PUAOD

28 January 2021

## Report for December Quarter 2020

### HIGHLIGHTS

- Acquisition of Greenrock Metals Pty Ltd completed, giving Peak ownership of WA tenement package highly prospective for copper and potentially nickel mineralisation
- Board and management changes reflecting Greenrock acquisition, with Tom Eadie retiring as Chairman replaced by Robert Boston and the appointment of Wayne Loxton as Managing Director
- Appointment of Barbara Duggan as the Company's Principal Geologist
- Commencement of maiden drill program at Copper Hills Project

Peak Minerals Limited (ASX:PUA) (**Peak** or **the Company**) is pleased to provide its activities report for the December Quarter 2020, a period in which the Company made significant progress with its strategy of generating shareholder value through the parallel evaluation of the Hill End gold assets in New South Wales and newly acquired copper projects in WA.

The December Quarter was transformational for Peak, with shareholders approving the acquisition of Greenrock Metals Pty Ltd at the Company's AGM in December. The acquisition has delivered Peak ownership of nine new exploration projects in WA, each of them featuring known copper mineralisation. The assets, listed below, offer significant potential for a company-making discovery.

- **The Copper Hills Project** covers an area of 9.2km<sup>2</sup> and is located 42km south of Meekatharra. Drilling at Copper Hills commenced on 8 December 2020. Following a break over the Christmas period, drilling recommenced on 18 January 2021.
- **The Cork Tree Project** covers an area of 62km<sup>2</sup> and is located 28km south east of Sandfire's DeGrussa Copper-Gold Mine and 18km south east of the Monty Copper-Gold Mine. The primary source of the widespread secondary copper mineralisation at Cork Tree has not yet been found, nor has the near-surface anomaly been closed off. The location of the prospect at the edge of a mid-Proterozoic sedimentary basin abutting a basement high, and the presence of metalliferous inclusions in hydrocarbons, suggest potential for sediment hosted base metal mineralisation.
- **The Carson Project** is located in the Kimberley region, covers a total land area of 800Km<sup>2</sup> and includes approximately 250km of the Carson fault. It is a sediment-hosted mineralisation target with basalt and sandstone lithologies. Copper mineralisation was originally recorded in the late 1960s but there has been little follow up exploration since.
- **The Kimberley South Projects** consists of six individual tenements prospective for magmatic copper and nickel mineralisation. Drilling at the McGowan prospect returned a best intercept of 4.5 m @ 3.1% Cu, while rock chips collected from the same location assayed up to 41.5% Cu

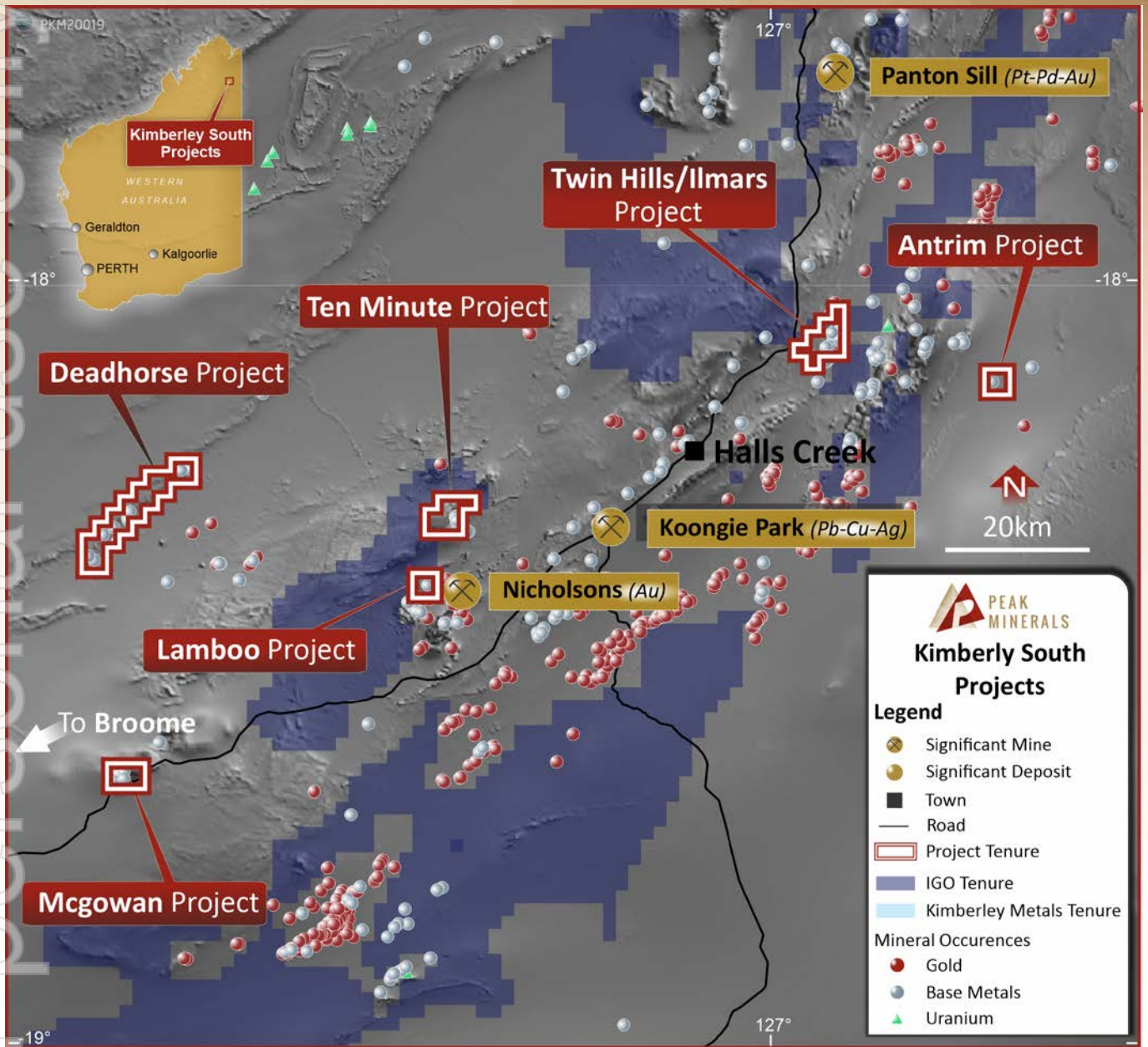


Figure 1: Peak Minerals- Western Australian Project Portfolio



## Copper Hills Project

The Copper Hills project is the immediate priority for Peak and the focus of an initial drilling program which began in December. First results from the program are expected to be received in the March Quarter 2021.

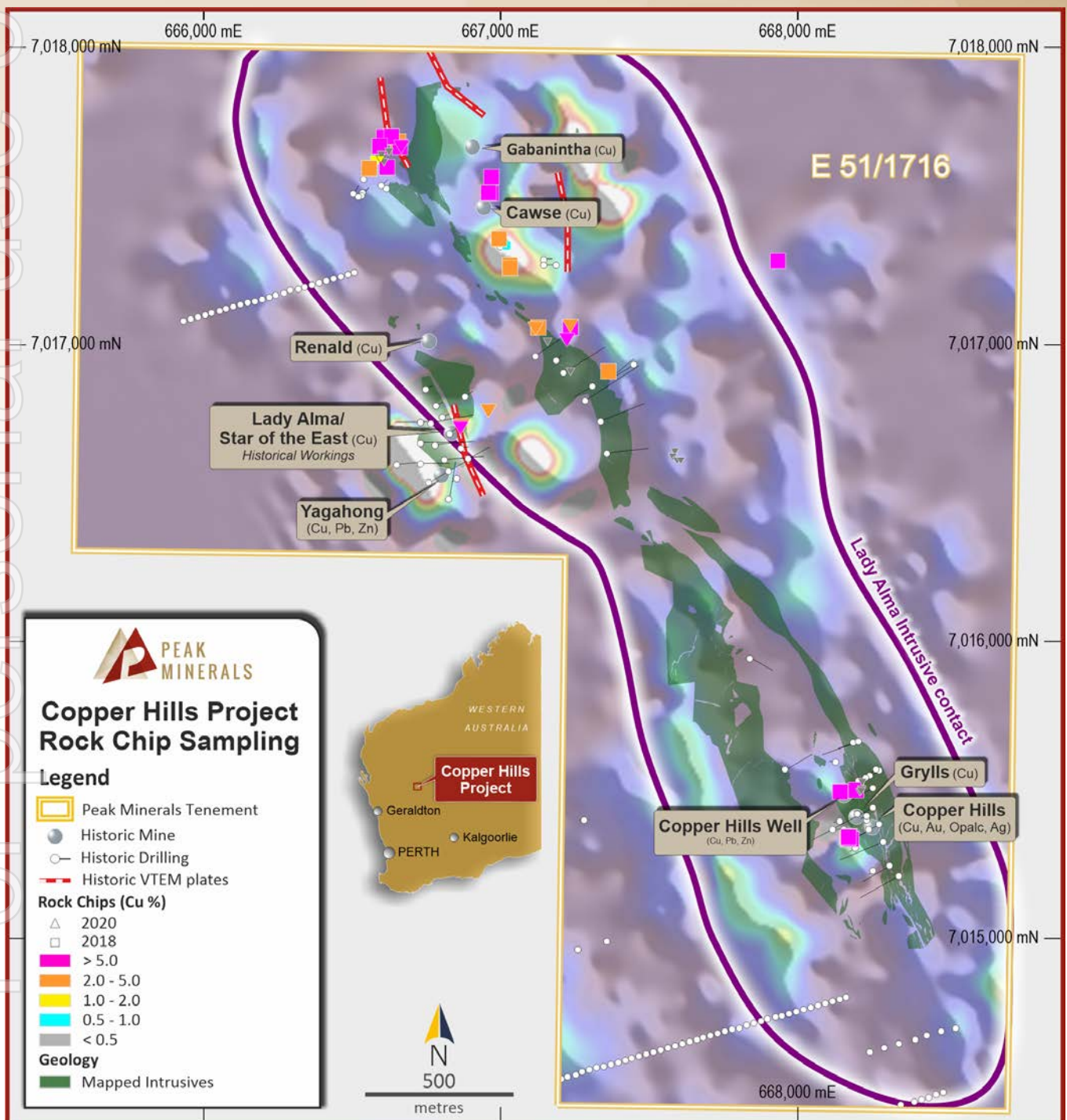


Figure 2: Copper Hills Project- Rock Chip Sampling, Interpreted Outline of Intrusive Contact and VTEM conductors

The Project hosts copper-gold mineralisation at the Copper Hills and Lady Alma prospects. The Lady Alma Igneous Complex has been assigned to the Meeline Intrusive Suite which also hosts the Windimurra, Barrambie and Youanmi Igneous Complexes.

The Lady Alma Intrusive Complex is dominated by gabbroic lithologies with zones of peridotite and pyroxenite and is interpreted to have intruded into the tholeiitic basalt dominated Norie Group Greenstone belt between 2800 and 2760Ma. It is interpreted that mafic-ultramafic intrusive lithologies at Lady Alma-Copper Hills were likely intruded as discrete differentiated intrusive bodies rather than the classical layered mafic-ultramafic intrusive complex. Additionally, studies have indicated the intrusive lithologies display geochemical signatures indicative of crustal contamination of the melt. This is a critical factor with respect to the formation of magmatic sulphides as crustal contamination is a common trigger for sulphur saturation within the melt.

The near surface mineralisation identified to date at the Copper Hills and Lady Alma prospects appears to indicate a number of similarities to mineralisation at the adjacent Gabanintha Gold Mine. The marked contrast is that the Copper Hills and Lady Alma prospects are relatively copper-rich with limited gold compared to Gabanintha. Copper mineralisation occurs as azurite, malachite and chalcopyrite.

Previous exploration at Copper Hills identified a 3km prospective corridor defined by a combination of drilling, geochemistry, EM geophysics and historical mine workings.

Significant previous drilling results include:

- 101.72m at 0.46% Cu and 0.25g/t Au from 62m (hole CD6);
- 63m at 0.74% Cu from surface (hole CD7) including
  - 13.7m at 0.95% Cu and 12.5m at 1.45% Cu.

#### **Copper Hills- Geophysical Targeting and Field Reconnaissance Completed**

The current data review has focused on identifying the source of the mineralisation since previously all drilling focussed on extending mineralisation of historic pits and conductors within 125m of surface. The historically modelled EM conductors are coincident with shallow underground mine workings and are not all fully tested.

The 2000m reverse circulation and 1500m diamond drilling program in progress at Copper Hills, which is testing multiple targets, is expected to finish in late February with assay results to be returned within 6-8 weeks.

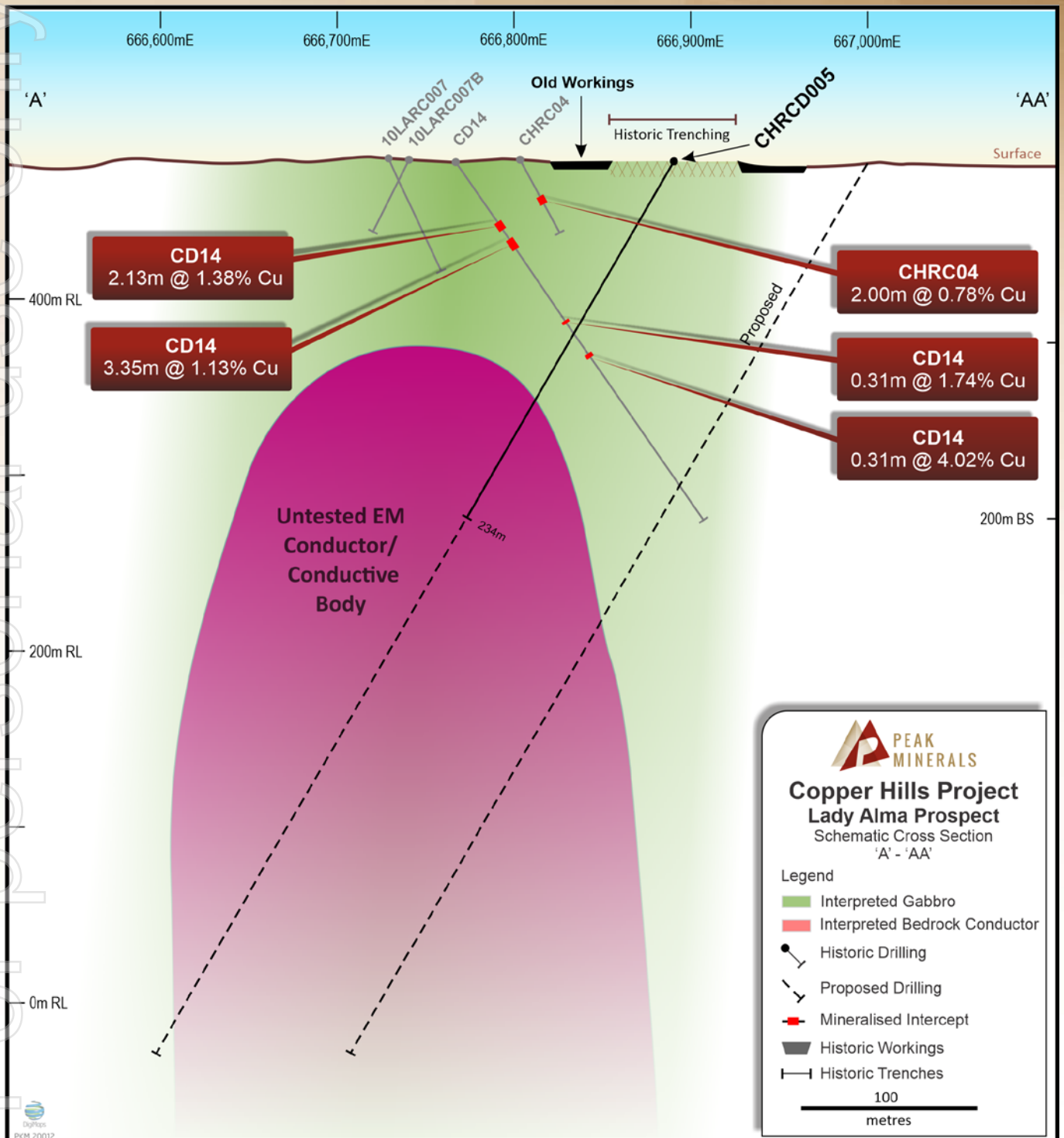
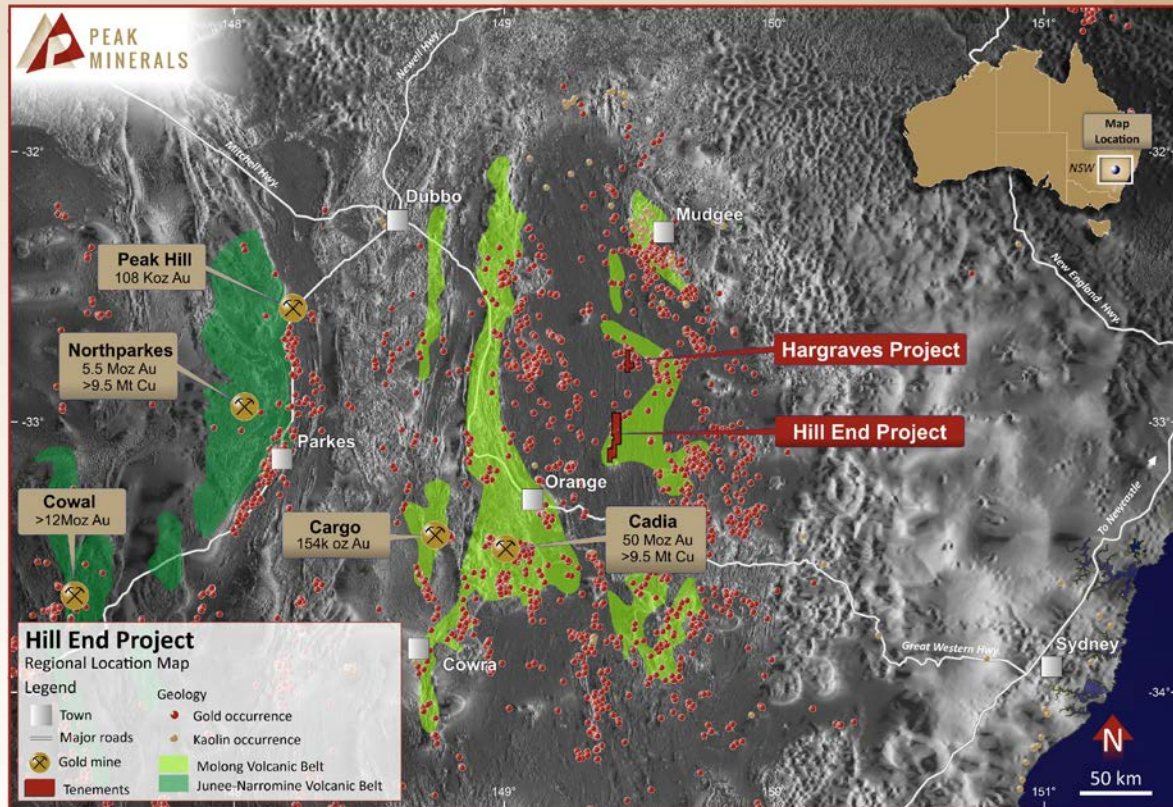


Figure 3: Schematic cross-section of the Lady Alma prospect showing historic drill intercepts and current completed RC precollar.



## Hill End and Hargraves Gold Projects, NSW

The Hill End and Hargraves Gold Projects are located on the Eastern Lachlan Fold Belt, New South Wales.



**Figure 4: Location of the Hill End and Hargraves projects on the Lachlan Fold Belt, NSW**

Principal Geologist Barbara Duggan, who joined Peak as part of the Greenrock Metals acquisition, has commenced a review of the geology and structural complexities at Hill End and Hargraves, with her initial findings confirming the potential to identify additional mineralisation at both Projects. An exploration plan is currently being developed to confirm the geological model and plan a drill campaign.

Peak has received interest from a number of parties looking to become involved in the Projects. While the Company remains committed to realising their potential, it is obliged to consider any offers or proposals that may reasonable and intends to do so.

The combined projects have a JORC Resource of 501koz @ 3.3 g/t, consisting of:

### 2012 JORC-compliant Mineral Resources

Deposit	Classification	Tonnes (t)	Grade (Au g/t)	Contained oz
Hargraves	Indicated	1,108,651	2.7	97,233
	Inferred	1,210,335	2.1	80,419
<b>Sub-Total</b>		<b>2,318,986</b>	<b>2.4</b>	<b>177,652</b>
Red Hill	Indicated	413,000	1.4	18,600
	Inferred	1,063,000	1.8	61,400
<b>Sub-Total</b>		<b>1,475,000</b>	<b>1.7</b>	<b>80,000</b>
<b>Total</b>		<b>3,794,986</b>	<b>2.1</b>	<b>257,652</b>

- Hargraves: 0.8 g/t reporting cut-off
- Red Hill: 0.5 g/t per block, ordinary kriging grade interpolation, classified Mineral Resources limited to 160mRL below surface

ASX announcement 30 Nov 2015: <https://www.asx.com.au/asxpdf/20151130/pdf/433f59prb9x8km.pdf>

### Hawkins Hill\Reward 2004 JORC-compliant Mineral Resources

	Classification	Tonnes (t)	Grade (Au g/t)	Contained oz
Hawkins Hill - Reward	Measured	77,400	11.3	28,100
	Indicated	180,400	6.5	37,700
	Inferred	627,800	8.8	178,100
<b>Total</b>		<b>885,600</b>	<b>8.6</b>	<b>243,900</b>

Cut-off grades:

- Hawkins Hill - Reward: 0.5 g/t and inverse distance squared grade interpolation

ASX announcement 13 Oct 2013: <https://www.asx.com.au/asxpdf/20101013/pdf/31t2q5df28qlgb.pdf>

The Hawkins Hill - Reward information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

## Yendon High Purity Alumina Project

The Yendon HPA Project remains on hold pending developments in the HPA market.



*Figure 5: Peak Minerals Projects after completion of the Greenrock acquisition*

## CORPORATE

### Board and Management Changes

Following the approval of the Greenrock acquisition at the AGM in December, a number of Board and management changes came into effect.

Tom Eadie advised the Company of his decision not to seek re-election at the AGM and has been replaced as Non-Executive Chairman by Robert Boston, who has been a Non-Executive Director since December 2017.

Mr Boston is an experienced resources executive and qualified lawyer that has held senior legal, business development, strategy, marketing and commercial positions with BHP Billiton, Rio Tinto and Poseidon Nickel.



In combination with Mr Eadie's retirement, David Leavy stepped down as Managing Director of the Company. Mr Leavy, who remains on the Board as a Director, has been replaced by Wayne Loxton, an experienced mining engineer with a broad range of experience in Australia and overseas.

As mentioned above, Barbara Duggan has also joined the Company as Principal Geologist through the acquisition of Greenrock.

The Company thanks Mr Eadie and Mr Leavy for their service and stewardship and is strongly of the belief that it has the leadership in place to ensure the full value of the Hill End assets and WA copper projects is realised to the benefit of shareholders.

#### Other

#### **Payments to related parties included in Appendix 5B**

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	Renewal pending	3 Units
Yendon (Vic)	Exploration Licence No 5457	10/09/2013	Renewal pending	41 Graticules <sup>3</sup>
Yendon (Vic)	Exploration Licence No 6428	22/12/2017	21/12/2021	49 Graticules <sup>3</sup>
Yendon (Vic)	Retention Licence app No RL6734	03/07/2020	03/07/2025	225.2 hectares
Copper Hills (WA) <sup>1</sup>	Exploration Licence No E51/1716	27/07/2016	26/07/2021	3 BL <sup>4</sup>
Cork Tree (WA) <sup>1</sup>	Exploration Licence No E52/3751 <sup>2</sup>	5/05/2020	4/05/2025	20 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5442 <sup>2</sup>	9/12/2019	Application	4 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5283 <sup>2</sup>	9/06/2020	8/06/2025	25 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5271 <sup>2</sup>	17/07/2019	16/07/2024	6 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5371 <sup>2</sup>	26/11/2020	25/11/2025	9 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5340 <sup>2</sup>	8/01/2020	7/01/2025	11 BL <sup>4</sup>
Kimberley South (WA) <sup>1</sup>	Exploration Licence No E80/5081 <sup>2</sup>	3/04/2018	2/04/2023	4 BL <sup>4</sup>
Carson (WA) <sup>1</sup>	Exploration Licence No E80/5502 <sup>2</sup>	30/06/2020	Application	70 BL <sup>4</sup>
Carson (WA) <sup>1</sup>	Exploration Licence No E80/5503 <sup>2</sup>	30/06/2020	Application	29 BL <sup>4</sup>
Carson (WA) <sup>1</sup>	Exploration Licence No E80/5504 <sup>2</sup>	30/06/2020	Application	70 BL <sup>4</sup>
Carson (WA) <sup>1</sup>	Exploration Licence No E80/5505 <sup>2</sup>	30/06/2020	Application	70 BL <sup>4</sup>
Carson (WA) <sup>1</sup>	Exploration Licence No E80/5506 <sup>2</sup>	30/06/2020	Application	60 BL <sup>4</sup>

Notes to Current Tenement Schedule:

- 1 – Tenement acquired by Peak Minerals Limited consolidated entity during the quarter
- 2 – 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.
- 3 - A graticule is essentially 1 sq. km or part thereof
- 4 - BL = "Block" as defined by the *Mining Act 1978 (WA)*

This announcement is authorised by the Peak Minerals Limited Board.

For further information please contact:

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Company Secretary  
Peak Minerals Limited  
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## Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.



## 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")

December 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(234)	(247)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(105)	(187)
	(e) administration and corporate costs	(310)	(566)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Option fee for Greenrock)	(50)	(80)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(678)</b>	<b>(1,059)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	-	-
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	1
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>1</b>	<b>1</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	(7)	(14)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(7)</b>	<b>3,696</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,807	485
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(678)	(1,059)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1	1
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	3,696

## 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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>3,123</b>	<b>3,123</b>

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	3,123	3,807
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,123</b>	<b>3,807</b>

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	96
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*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.*



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

7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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 <b>Total financing facilities</b>		
7.5 <b>Unused financing facilities available at quarter end</b>		
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. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(678)
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)	(678)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,123
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,123
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	4.60
<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:	
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:	

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

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:

*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: 28 January 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.