Quarterly Activities Report 30 September 2020

HIGHLIGHTS

- **Recognition of gold potential across Peako's Eastman E80/4990 tenement in the East Kimberley resulting in the launch of our "Golden Opportunities" initiative**
- **Definition of numerous high priority exploration targets based on integration of newly acquired Worldview-3 datasets and captured historical data libraries.**
- **First pass reconnaissance rock sampling program on the Eastman (E80/4990) tenement to validate high priority gold target areas.**
- **Delivery of additional WorldView-3 satellite imagery over E80/5182 to the north where historical gold prospect and artisanal workings are known to occur.**
- **New tenement E80/5520 application located 18 km to west of Halls Creek township.**

PROJECTS

East Kimberley Project

Tenement Position

Peako's primary focus is its large consolidated ground-holding across four contiguous exploration tenements over a 1,350 km^2 area in the East Kimberley region of Western Australia (Figure 1). During the quarter, an additional tenement application E80/5520, approximately 18 km west of Halls Creek, was added to our tenement portfolio increasing Peako's total exploration holdings in this region by approximately 650 km^2 to a total of 1,999 km^2. Our expanded East Kimberley tenement package now comprises two granted tenements (E80/4990 and E80/5182) and three areas under application (E80/5346, E80/5472 and E80/5520).

Past Exploration

Systematic exploration of the southern East Kimberley region has largely lagged behind many of Australia's Proterozoic provinces, with exploration programs broadly characterised by sporadic campaigns incorporating numerous explorers across multiple commodities over a duration of around 50 years. Historical exploration was primarily guided by occurrences of surface gossan and geochemical anomalies that provided consistent encouragement of the area's economic potential. However, discovery efforts were consistently hindered by cover sequences, poorly understood regolith, common deep weathering, complex stratigraphy and structure, in a framework of fragmented, non-contiguous tenement holdings. Despite favourable host rock, structure and known mineralisation, the district's poorly constrained geological and structural frameworks for mineralisation served to defocus historical exploration efforts. Peako's exploration strategy is underpinned by the application of data-driven science to define and prioritise high quality robust targets for efficient field testing programs necessary for economic discovery.

Diverse Opportunities

The Eastman E80/4990 tenement hosts a diverse suite of Proterozoic geological rock formations that include: 1) Koongie Park Formation volcanic belt (c. 1845 Ma), 2) Lamboo Ultramafic intrusive belt (c. 1850-1835 Ma) and 3) an array of multistage poorly defined granitoid intrusions across the tenement that include granite, granodiorite, monzogranite and granophyre. Such geological diversity has resulted in exploration commodity diversity with the Koongie Park Formation having demonstrated prospectivity for base metal (Cu-Pb-Zn) VHMS and precious (Ag, Au) mineralisation, whist the Ultramafic belt has demonstrated prospectivity for base metal (Ni, Cu) and precious (Au, PGE and REE) styles of mineralisation.

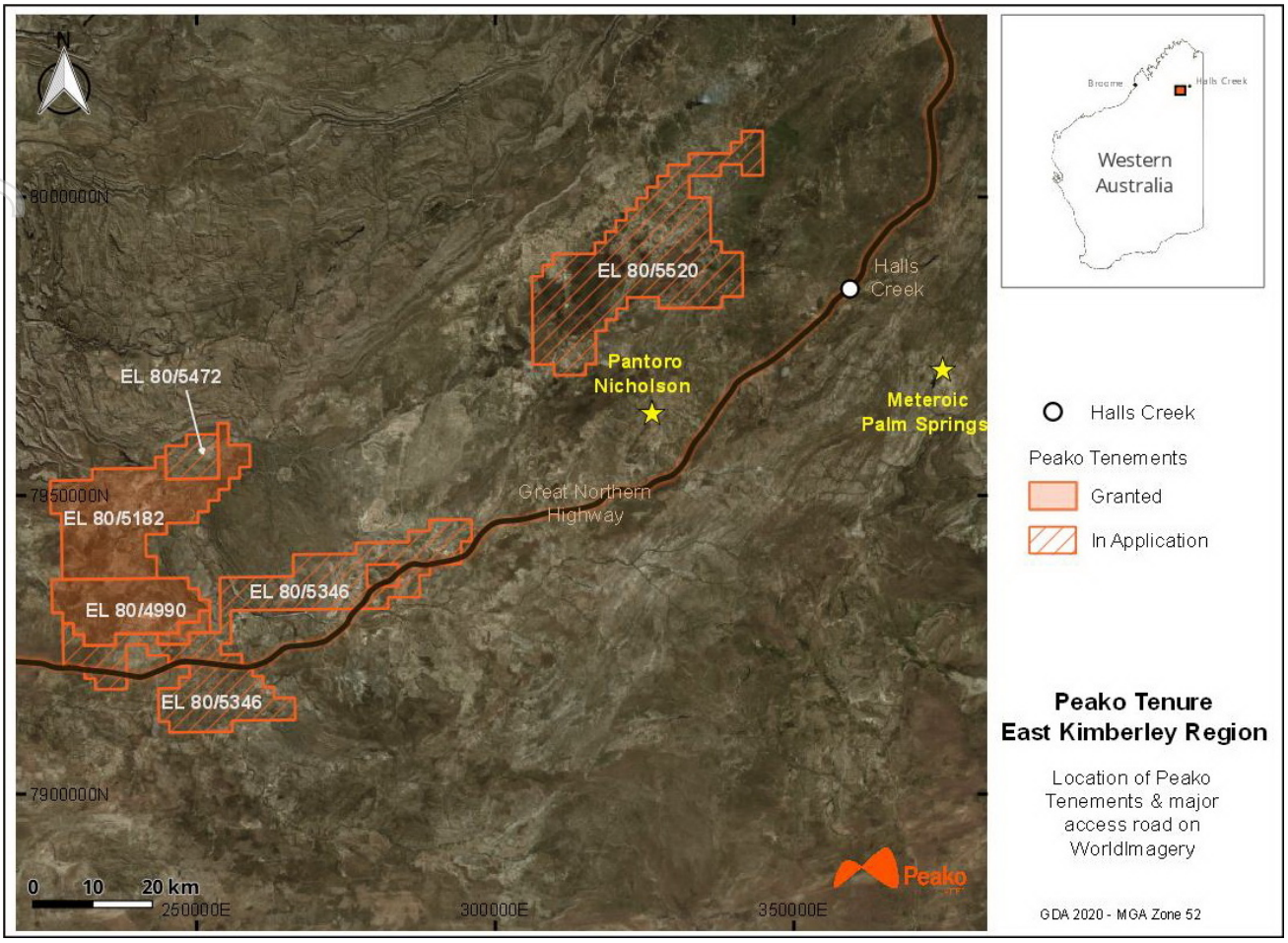


Figure 1 Peako's East Kimberley tenement holdings

Base Metal Activities

Peako's activities during 2018 and 2019 focussed on base metal VHMS styles of mineralisation at the Landrigan and Eastman prospects with completion of Induced Polarisation (IP) surveys in 2018 and RC drilling of defined targets for VHMS-style mineralisation in 2019 supported by a Round 19 Exploration Incentive Scheme co-funded drilling grant from the Western Australian government. The 2019 RC drilling program incorporated a total of 15 holes for 2,398m and VHMS-style mineralisation was confirmed at Landrigan with assay intercepts including: 6m at 6.52% Cu 27.27g/t Ag and 1.16g/t Au (PLRC004), and 15m at 1.04% Cu, 8.88g/t Ag and 0.38 g/t Au including 6m at 1.61% Cu, 7.23g/t Ag and 0.62g/t Au (PLRC011). Results from the 2019 RC drill program confirmed the presence of an endowed mineralized structure with Cu-Au-Ag mineralisation defined over a 200m strike that is open in strike and down dip. The 2019 drilling results underpin an improved geological and structural understanding of Landrigan and Eastman prospects within the Koongie Park Formation and refocussed Peako to digitally capture and integrate more than five decades of historical data so as to best constrain the stratigraphic and structural framework of mineralisation and to drive exploration activities.

Golden Opportunities Initiative

A key outcome of compilation and review work by Peako is the identification of a latent gold potential across the Eastman E80/4990 tenement (Figure 2), largely overlooked by past explorers. Data compilations have identified that historical gold exploration was largely peripheral to the exploration for copper-lead-zinc and copper-nickel-PGE styles of mineralisation, with many historical explorers not analysing soil, rock or drill samples for gold.

The Eastman tenement's potential prospectivity for gold is validated by a known gold signature that includes: Peako's 2019 RC drilling results such as PLRC004 with 6m at 1.16g/t Au and 27.27g/t Ag and PLRC001 with 7m at 1.1 g/t Au and 7.51 g/t Ag, as well as historical rock chip results that have returned Au grades up to 11.7g/t Au. Petrology results from 2019 RC samples at Landrigan also show at least some of the gold to occur as free grains hosted by deformed quartz veins.

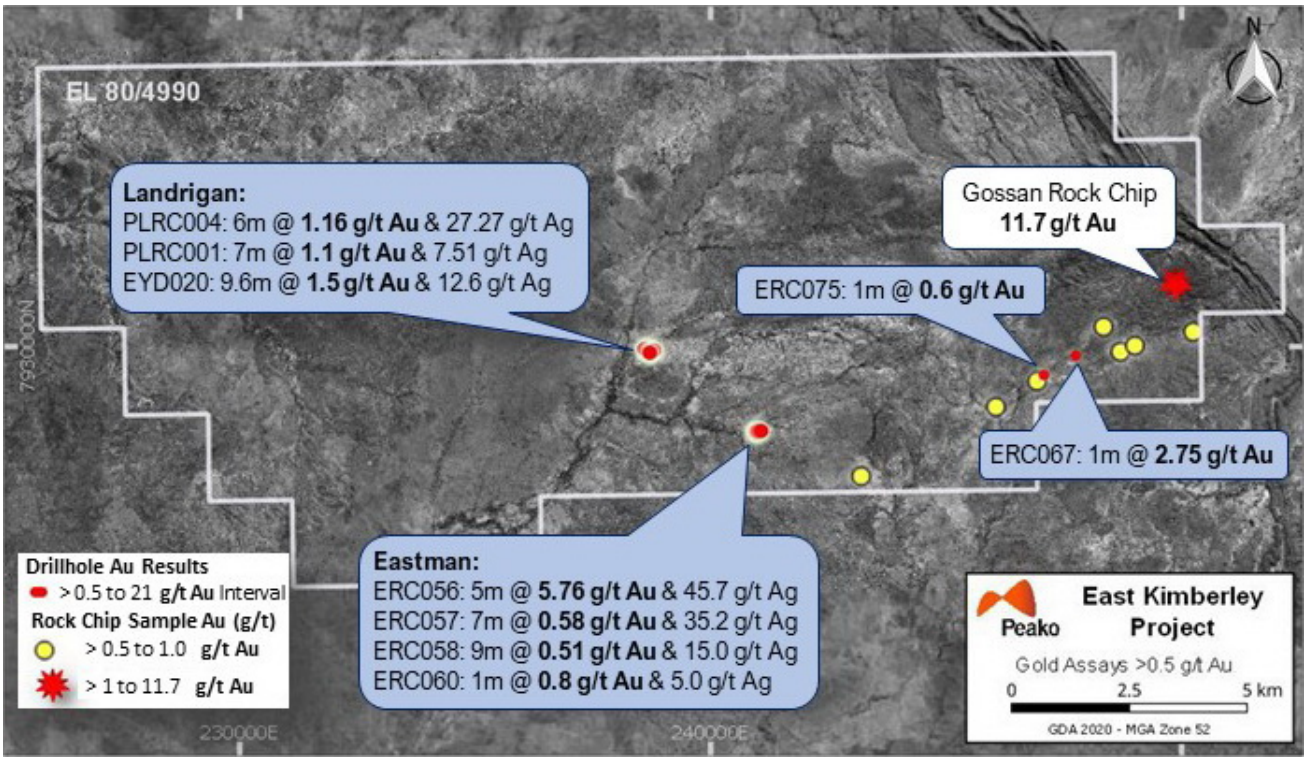


Figure 2 Historical gold assay on E80/4990 that demonstrate the latent gold potential of the area.

E80/4990 WorldView-3 Imagery

Peako completed high-resolution WorldView-3 satellite survey across its E80/4990 Eastman tenement in June 2020 with data delivery in July (Figure 3). Data coverage incorporates a 262.8 km2 area over the entire E80/4990 tenement with some overlap area to Peako's adjacent E80/5346 and E80/5182 tenements to the south (Figure 1). The geography of the Eastman area, particularly the eastern part of the tenement with high levels of outcrop to subcrop and insitu soil and regolith profiles, made the area well suited to successful imagery. Interpretation of Worldview-3 imagery, integrated with historical map and data constraints, have assisted the definition of the complex geology and structure that characterises this part of the Halls Creek Orogen. Importantly, the imagery has provided constraints from shortwave infra red (SWIR) bands to identify areas with clay, propylitic, silica and iron related alteration to assist target generation. Collectively, some 60 target areas are defined for ground follow-up, with around 25 of the highest priority target areas having potential for gold, copper, zinc, nickel and PGE mineralisation illustrated in Figure 4. Worldview-3 satellite imagery has also provided high resolution base maps that constrain geographic and logistical considerations, having been key to the rapid implementation of the 2020 field sample validation program.

To develop a pipeline of projects across Peako's East Kimberley tenement package, a second phase of Worldview-3 data collection on the E80/5182 tenement to the north of the E80/4990 was completed between August and September, with data delivery at the end of September.

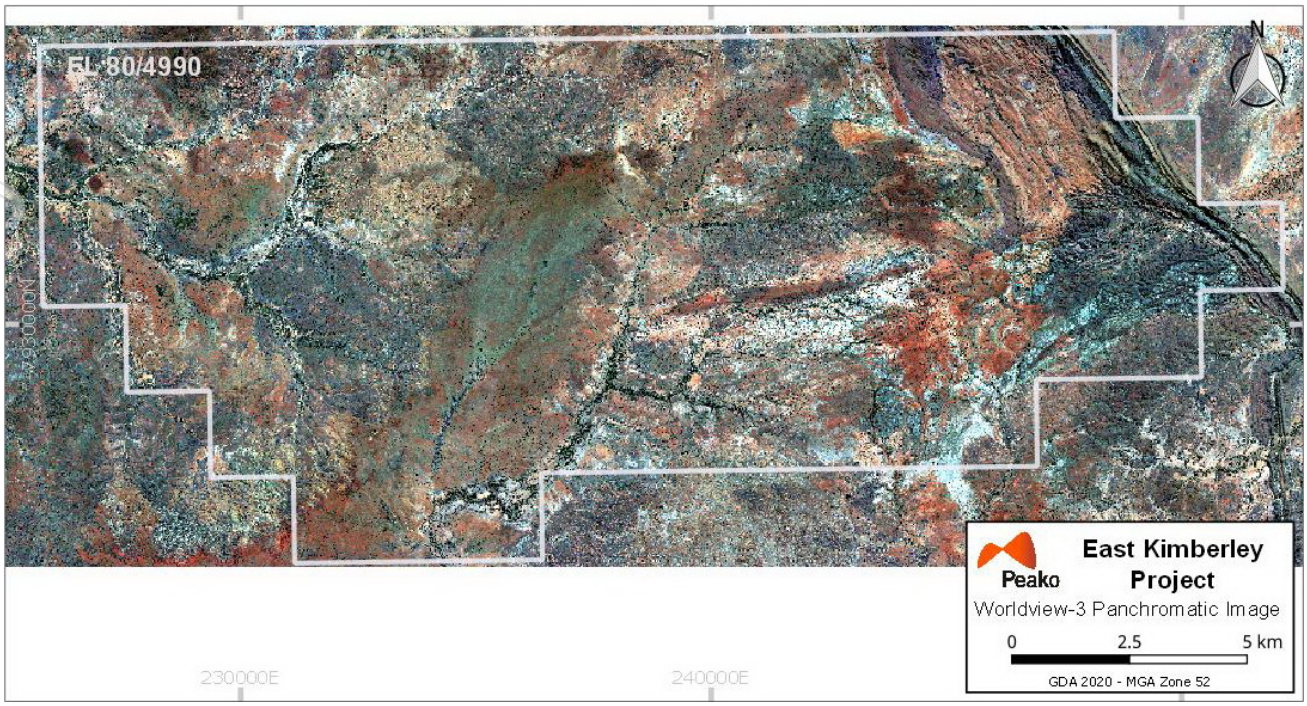


Figure 3 Worldview-3 panchromatic image of data collection across E80/4990

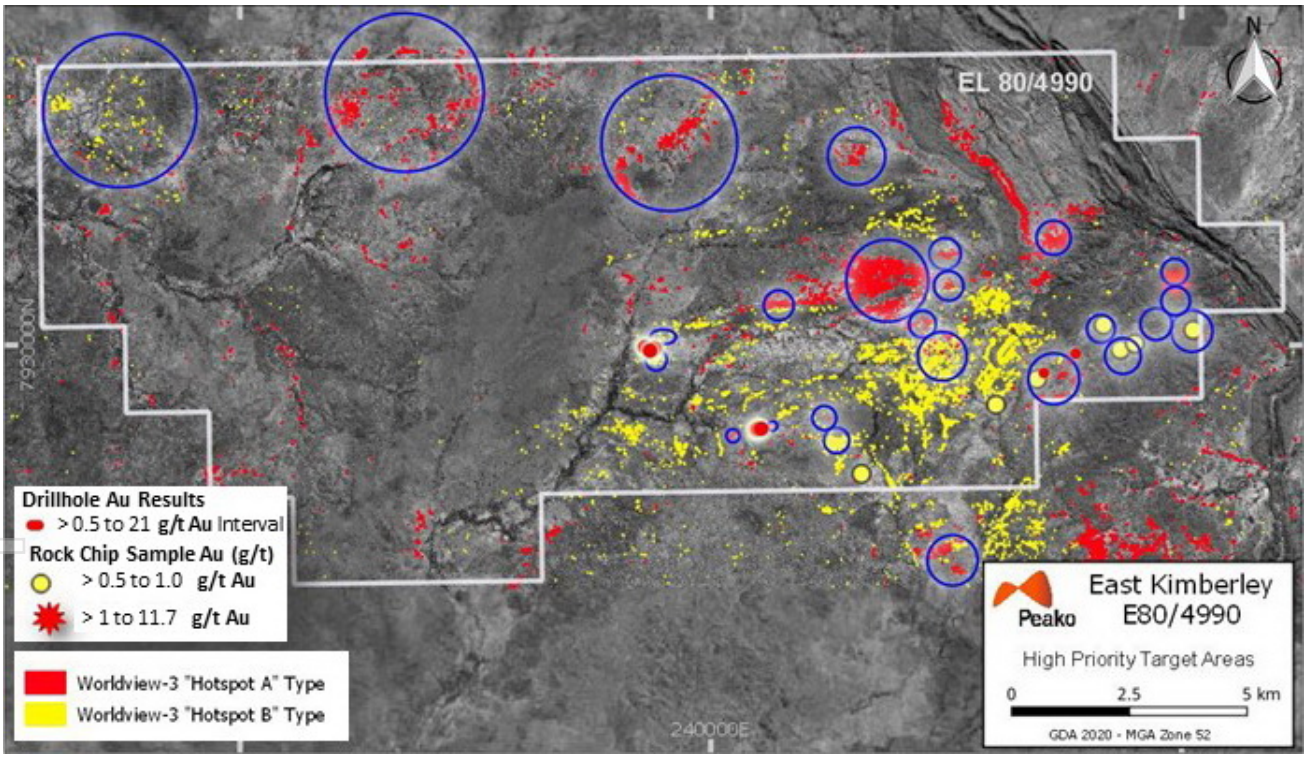


Figure 4 Location of high priority geology and Worldview "Hotspot" alteration target areas for field validation and rock chip sampling. Location of anomalous gold responses > 0.5 g/t Au in Rock Chip and drilling indicated.

East Kimberley 2020 Field Program

Field activities in the East Kimberley during the July to September 2020 quarter were restricted to a narrow time window towards the end of the quarter due to COVID-19 border restrictions. The delay of the 2020 field program provided an opportunity to integrate Worldview-3 data and captured historical datasets to define and implement a highly strategic, efficient and focussed field campaign targeting high priority subset of targets, prior to the onset of the wet season.

First pass reconnaissance field validation of priority target areas across the Eastman tenement commenced in mid-September and was in progress at the end of the quarter. Field data from rock chip sampling of key outcrops derived from Worldview-3, in conjunction with encouraging geological features including SWIR alteration, gossan, and prospective geological features such as porphyry intrusions coincident with vein and/or stockwork zones, were some of the considerations used to define each high priority target area (Figure 4). The field programme utilised Western Australia based personnel with the collection of samples across the target areas. The highly focussed intensive field program is being implemented smoothly and rapidly in response to the short time window available prior to onset of the wet season, where high-resolution Worldview-3 derived base maps enabled not only optimal navigation to areas, but advanced target definition resulting in highly targeted sampling and expanded coverage in the short time window available.

Samples of country rock, quartz vein and vein stockwork material collected across the target areas will be submitted for assay once field work is complete. Some examples of encouraging features are demonstrated in Figure 5 and include stockwork quartz vein in silica-sericite altered porphyry, feldspathic porphyry, gossanous Cu-oxide developments.

Figure 5 Photos of encouraging outcrops and rock chip samples from the recent September-October field sampling program including: A) Stockwork quartz vein hosted within porphyry intrusion (Target 13), B) Cu-bearing gossanous outcrop (Target 50), C) Siliceous feldspathic porphyry coincident with location of a historical Au rock chip result > 0.5 g/t Au(Target 18S), and D) Gossanous Cu-oxides (Target 16).

Forward Work Program

First pass reconnaissance field work was completed in early October with rock chip assay results expected in November. Assay results will direct the prioritisation of targets for aircore and RC drill follow-up during the next 2021 field season once the wet season has concluded. Ongoing desktop work will continue throughout the next quarter and will include:

- SQL database development and data integration
- Analysis of multielement geochemistry data from 2020 field samples
- Geological and structural interpretation of new E80/5182 Worldview imagery
- Integrated historical data capture for E80/5182 to assist target generation

- Planning and logistical preparatory work for the 2021 field campaign

Paterson Province, Sunday Creek

Peako's Broadhurst (Sunday Creek) Project tenement is located in the Rudall River area of the Paterson Province of Western Australia (Figure 6). Peako also has three long standing applications for exploration licences located close to its Broadhurst Project tenement. Historical geological mapping indicates bedrock geology of the project area is largely carbonaceous shales and siltstones of the Broadhurst Formation, and lesser quartz sandstone and siltstone of the underlying Coolbro Sandstone Formation.

The Broadhurst tenement is under-explored and hosts an array of encouraging features that indicate the potential of the area for Nifty (Cu) or Maroochydore (Cu-Co) style mineralisation. Historic exploration has been minimal and fragmented, comprising of a 'revolving door' of explorers divided in commodity focus between base metals or uranium. Only very limited, precursory drilling has been completed on the tenement (a total of 6 holes for 1,243m) all testing for uranium, with base metal mineralisation targets in the Broadhurst Formation remaining untested.

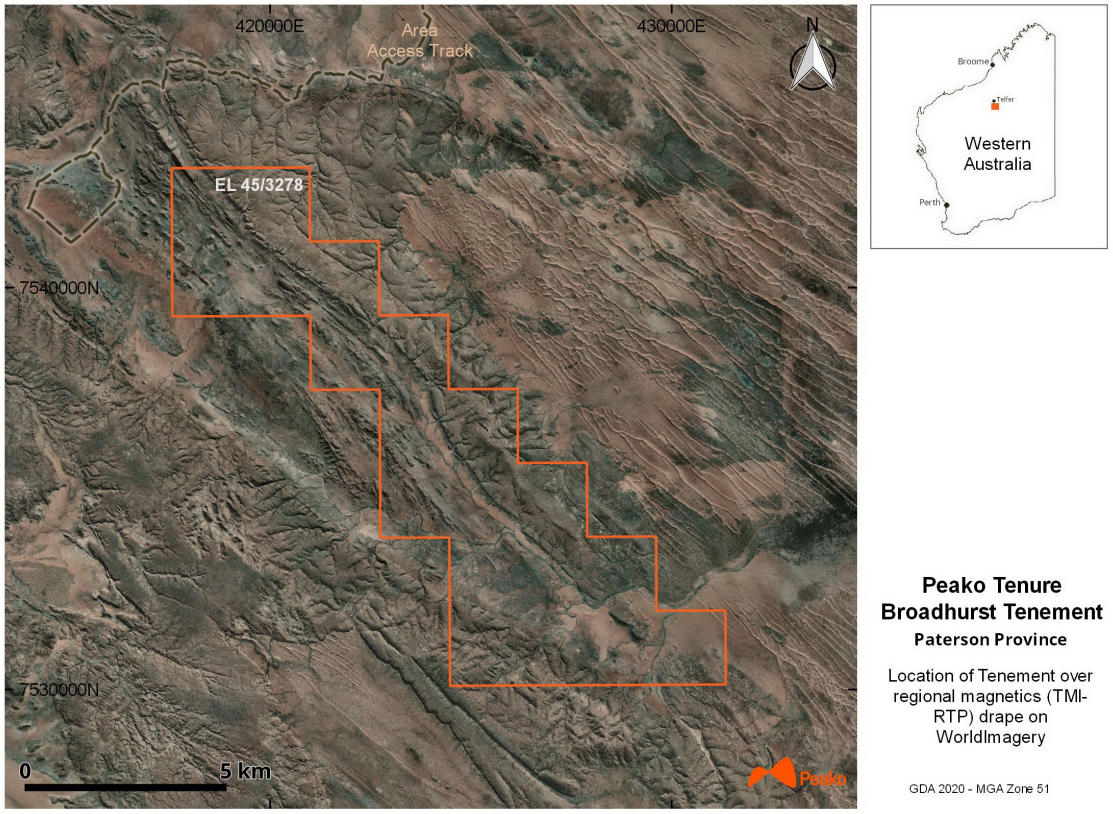


Figure 6 The Sunday Creek - Broadhurst tenement area in the Paterson Province, Western Australia.

CORPORATE

During the quarter Peako raised $939,500 (before costs) via an oversubscribed placement of 28,907,690 ordinary fully paid shares at $0.0325 (3.25 cents) per share with attached 1 for 2 unlisted options to be granted on the basis of one option for every two shares subscribed, exercisable at $0.055 (5.5 cents) on or before 30 June 2022.

Peako also conducted a pro-rata shareholder entitlement offer on the same terms as the placement. Eligible shareholders were invited to subscribe for their pro-rata entitlement shares on the basis of 1 new share for every 5 shares held and the grant of 1 new option for no additional consideration on the basis of 1 new option for every 2 shares subscribed for under the entitlement offer. The offer closed following the end of

the quarter. It was fully subscribed and raised $ 1,175,678 (before costs) with 31,567,848 new shares issued and 15,783,924 options granted.

REFERENCES

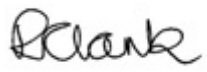
The information in this report that relates to Exploration Results was previously reported in ASX announcements listed below. The Company is not aware of any new information or data that materially affects the information included in each relevant market announcement.

Further details can be found in the following Peako ASX announcements.

20 August 2020	East Kimberley Exploration Update
30 April 2020	Quarterly Activities Report
30 January 2020	Further Sampling Confirms Cu-Au-Ag Drill Results at Landrigan
28 November 2019	East Kimberley Drilling Results Extend Known Copper-Gold Mineralisation
30 September 2019	Extension of East Kimberley Copper-Gold RC Drilling Program
23 September 2019	RC Drilling Commences at East Kimberley Copper-Gold Project
23 May 2019	Drilling Grant Awarded
28 November 2018	Projects Update
31 October 2018	Quarterly Activities Report
15 August 2018	IP Geophysical Survey to Commence Shortly at Eastman

Competent Person Declaration

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Dr Daryl Clark who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) . Dr Clark is a director of and consultant to Peako Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposits 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. Dr Clark consents to the inclusion in this report of the matters based on information provided by him and in the form and context in which it appears.



Rae Clark, Director
28 October 2020

Additional Information Required by Listing Rules 5.3.3 and 5.4.3

Tenements held/applied for at the end of the quarter and their location

Tenement	Peako interest	Tenement status
Western Australia (East Kimberley Region)		
E 80/4990	60%*	Granted
E 80/5182	100%	Granted
E 80/5346	100%	Application
E80/5472	100%	Application
E80/5520	100%	Application
Western Australia (Paterson Province)		
E 45/3278	100%	Granted
E 45/3345	100%	Application
E 45/3477	100%	Application
E 45/3292	100%	Application

*Earning pursuant to farm-in agreement, agreement reached to purchase balance to take interest to 100%

Tenements acquired during the quarter and their location

Tenement	Peako interest	Tenement status
Western Australia (East Kimberley Region)		
E80/5520	100%	Application

Tenements disposed of during the quarter and their location

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

E 80/4990 - Peako is earning a 60% interest in this tenement and may elect to earn a further 25%, to take its interest to 85%. Following the end of the quarter Peako executed a Heads of Agreement with Sandrib Pty Ltd to increase its total interest in the tenement to 100% (see our ASX released dated 16 October 2020).

Payments to related parties during the quarter included in Appendix 5B – Quarterly Cash Flow Report

Payments were made to directors and their associates during the quarter totalling approximately $21,000 Payments were for salaries, superannuation and contracted services