REGISTERED OFFICE Level 4, 100 Albert Road South Melbourne, Vic, 3205
EMAIL admin@peakminerals.com.au
ACN 072 692 365
www.peakminerals.com.au

PEAK MINERALS

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ASX ANNOUNCEMENT **ASX Codes: PUA, PUAOD** **28 October 2020**

Report for September Quarter 2020

- **Peak Minerals Ltd (ASX:PUA) announced an option to acquire a highly prospective portfolio of tenements in WA, all with proven copper mineralisation some with poly-metallic potential. This option was exercised on 14th of October 2020**

- **Completed a fully subscribed placement to raise $2,000,000 in September 2020 and also a fully underwritten Rights Issue closed in July 2020 raising $1.38m to fund exploration at Hill End and the WA tenements following completion of the transaction**

- **A successful review of geological information on the Hill End Gold Project resulted in the development of an exploration plan to confirm the revised geological model and test for extensions along strike and at depth**

- **Peak Minerals Ltd (ASX:PUA) received shareholder approval for a name change from Pure Alumina Ltd at its EGM on 31st July 2020**

Peak Minerals Limited (ASX:PUA) (**Peak Minerals, PUA** or **the Company**) is pleased to provide an update on the progress of its two pronged development strategy of progressing the Hill End gold assets and seeking a suitable acquisition to further generate shareholder value.

During the September quarter, PUA completed a geological review of its Hill End Gold Project with the aim of identifying opportunities to delineate additional resources. The review formulated a revised geological model that is based off the extensive drilling database and results from the trial mining program undertaken in 2008-10.

The proposed exploration program consists of confirming the revised geological model, and assuming it accurately describes the mineralisation process, using the new model to plan an exploration program to identify strike and depth extension of the current mineralisation.

Hill End and Hargraves are located in the Eastern Lachlan Fold Belt. There has been extensive historical mining in the region dating back to the 1850's. The main regional structure is a quartz hosted orebody that has undergone several stages of mineralisation.

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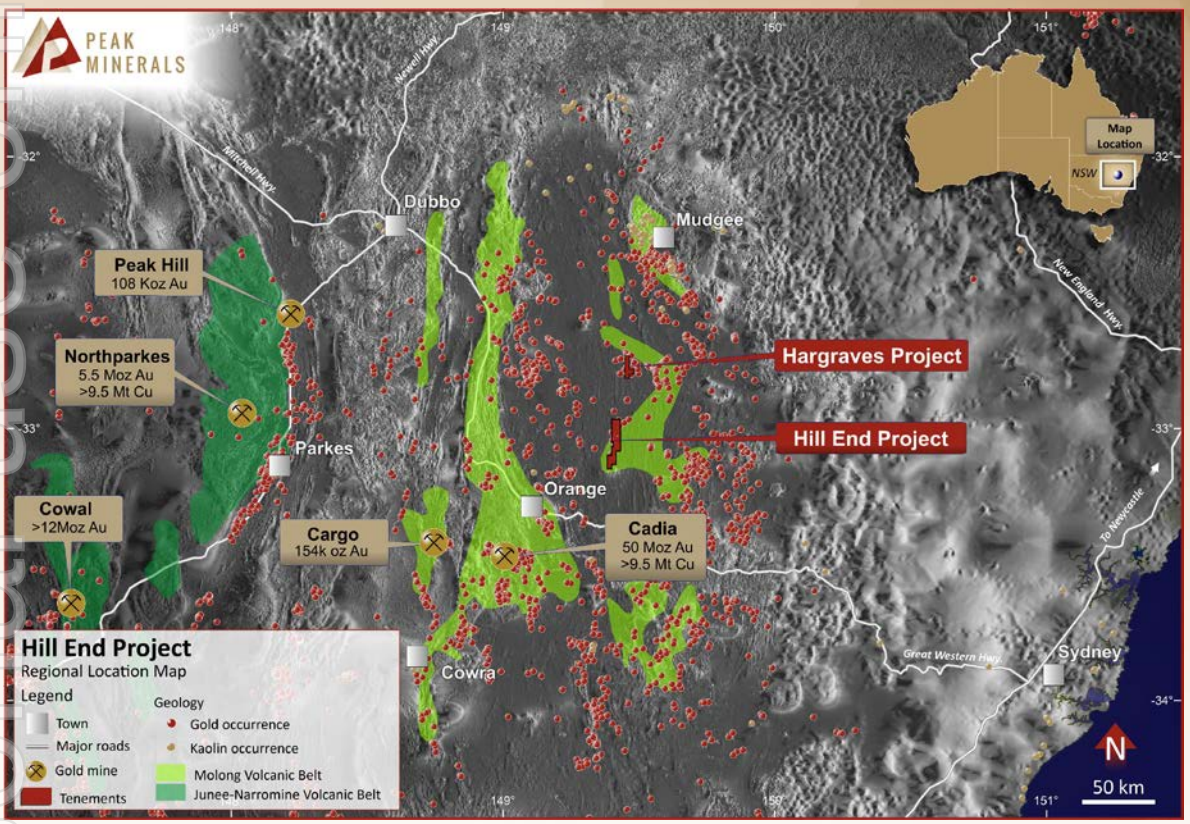


Figure 1: location of the Hill end and Hargraves projects on the Lachlan Fold Belt, NSW

Peak Minerals has also been conducting a search for suitable acquisitions to add to the portfolio. During the September quarter, an option agreement was executed giving Peak Minerals the right to acquire Greenrock Metals Pty Ltd (ASX 21 September 2020), which has agreements to buy a number of exploration tenements located in WA. All of the tenements have had previous exploration that showed copper mineralisation was present.

Greenrock's portfolio covers 4 project areas in 2 main regions, the Meekatharra region and the Kimberley's.

The projects located in the Meekathara region are the Copper Hills and Cork Tree prospects.

- Copper Hills Project covers an area of 9.2 km^2 and is located 42km south of Meekatharra. The Lady Alma Igneous Complex underlies the majority of the Copper Hills tenure and hosts the Copper Hills and Lady Alma copper gold mineralisation. The Lady Alma Intrusive Complex has been assigned to the Meeline Intrusive Suite which also hosts the Windimurra, Barrambie and Youanmi Igneous Complexes.
- The Cork Tree Project covers an area of 62km^2 and is located 28km south east of Sandfire's DeGrussa Copper-Gold Mine and 18km south east of 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.

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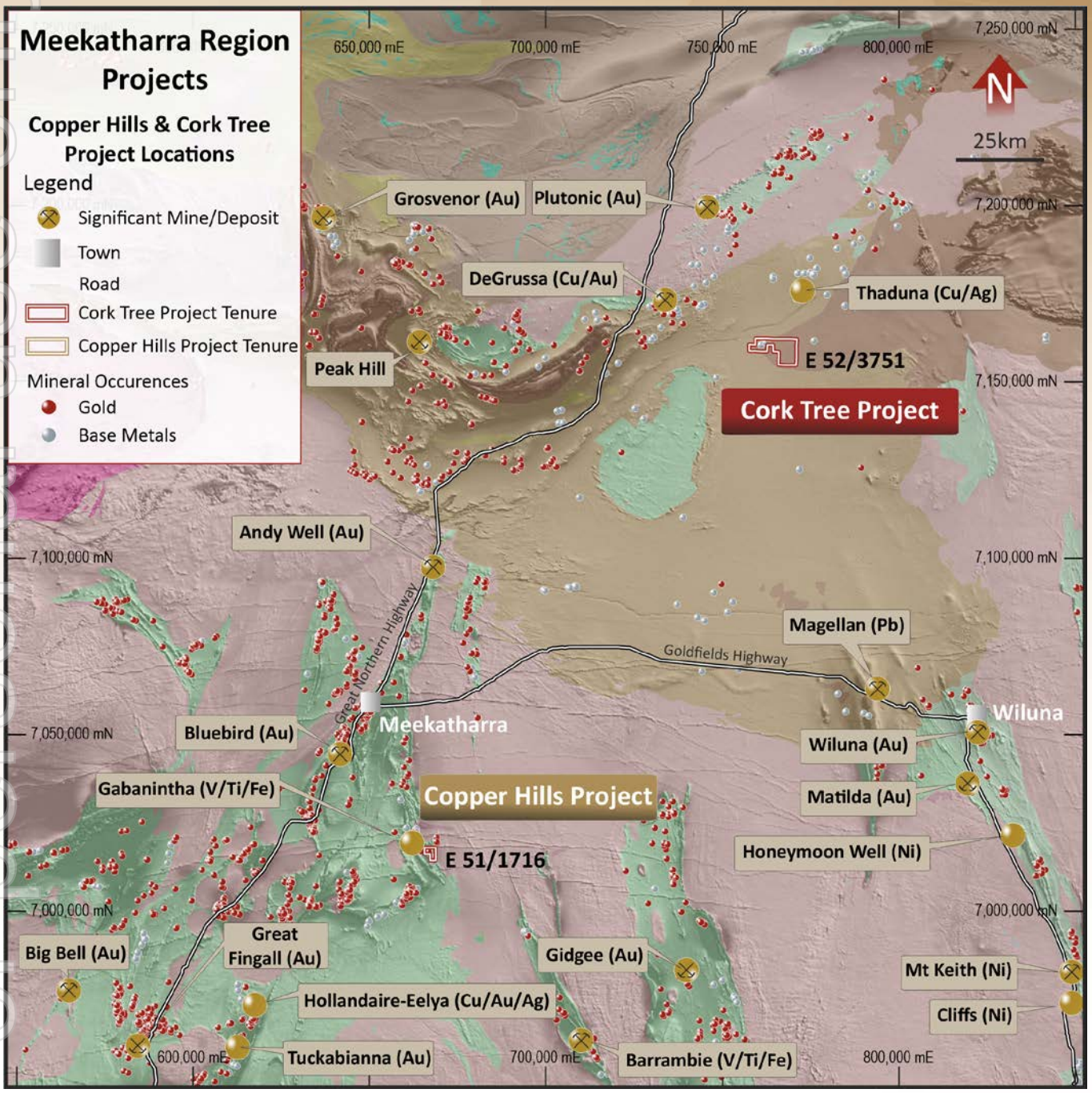


Figure 2: Copper Hills & Cork Tree Project Locations in the Meekatharra region

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The Kimberly Portfolio covers a total land area of 1,218Km^2 across seven discrete Project areas. The Kimberley Province remains substantially under explored relative to other greenstone belts within Western Australia.

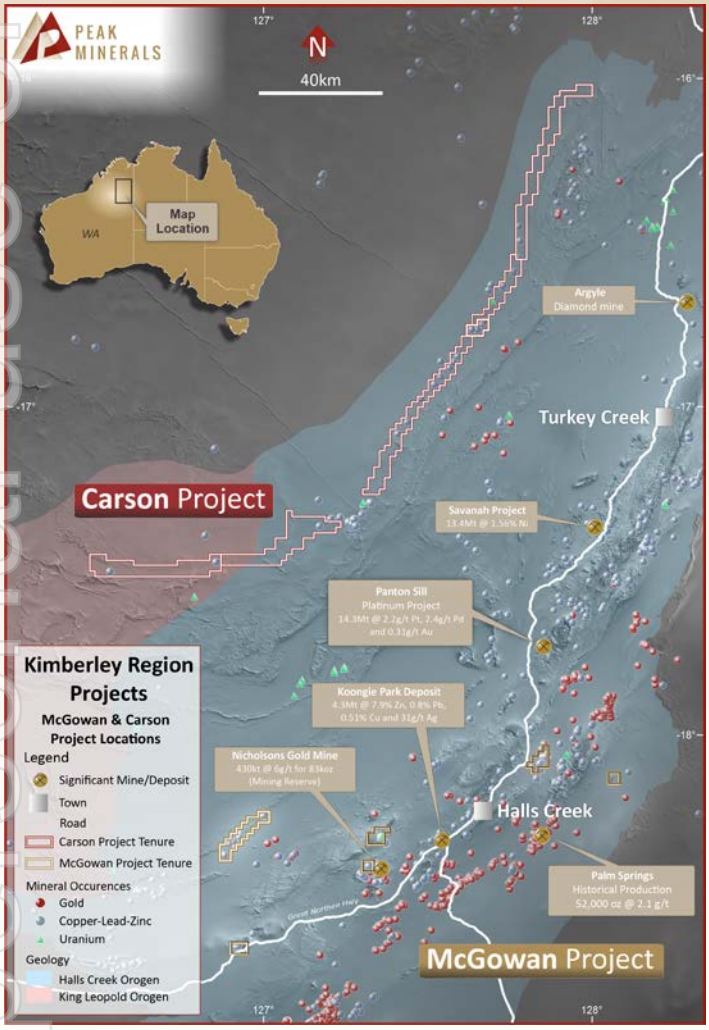


Figure 3: Carson & McGowan Project Locations in the Kimberley Region

The Carson Project covers 840km^2, with ~250km of prospective strike of the Carson Volcanics. Mineralisation within Carson Volcanics occurs both within basalts and sandstones immediately adjacent to faults- predominantly in more permeable zones of fracturing and brecciation.

The McGowan project covers an area of 19km^2, located 90km south west of Halls Creek and the Great Northern Highway bisects the tenure.

Gossans were identified by BMR during 1963 and consisted of Cu-Ag-Au-Zn mineralised quartz veins hosted within the Lamboo Gabbro. Exploration conducted by BHP in the late 1960s to early 1970's focussed on the testing of the gossanous outcrop. Soil sampling was conducted over the area of gossan 14. Geochemical exploration was followed up by shallow drilling. Rock chip sampling of Gossan 5 reported results of up to 29% Cu and 0.75g/t Au within malachite stained brecciated quartz blows in gabbro.

The projects provide a significant opportunity for large scale copper discoveries. Previous work has identified mineralisation in all projects, however there has been little follow up with modern techniques. They are also located in regions that are well serviced by exploration and mining infrastructure.

Subsequent to the end of the quarter, Peak Minerals has exercised the option to acquire Greenrock Metals and is currently working thought the completion requirements. The key requirements to completing the transaction are:

- A shareholder vote at the AGM for the issue of the Consideration Shares
- The appointment of Wayne Loxton as Managing Director, and
- The appointment of Barbara Duggan as Chief Geologist

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Figure 4: Peak Minerals Projects after completion of the Greenrock acquisition

The acquisition of Greenrock Metals provides the Company with exposure to an extensive and highly prospective portfolio of copper exploration projects. All projects have had previous exploration that indicate copper mineralisation is present, however little follow up by modern techniques has been completed to fully understand the potential.

Yendon High Purity Alumina Project

During the quarter the Company was advised by the Victorian Mines Department that the Retention License application covering the kaolin resource had been approved. The Retention license covers parts of EL5457 and EL5461. Accordingly, EL5461 was relinquished on 3 September 2020, while the balance of EL5457 and EL6428 will be relinquished in due course.

The pre-feasibility study (PFS) of the Yendon high purity alumina (HPA) project was completed in June 2018 (ASX 14 June 2018), delivering robust technical and financial outcomes. However, as previously announced by the Company, its current strategy to focus on the copper and gold sectors will see the Yendon HPA project put on hold until market conditions improve. The Company is also looking at alternatives to realise value from the project.

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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 (1)
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 [1]
Yendon (Vic)	Exploration Licence No 6428	22/12/2017	21/12/2020	49 Graticules [1]
Yendon (Vic)	Retention Licence app No RL6734 [2]	03/07/2020	03/07/2025	225.2 hectares

The table below contains details of tenement(s) disposed of by PUA and its controlled entities during the quarter.

Project/location	Tenement	Grant / Application Date	Disposal Date	Area
Yendon (Vic)	Exploration Licence No 5461 [3]	10/09/2016	3/09/2020	4 Graticules [1]

Notes:

1 - A graticule is essentially 1 sq. km or part thereof
2 – RL 6734 was granted on 3 July 2020
3 – EL 5461 was surrendered on 3 September 2020 as it was effectively replaced by RL 6734

Other

Payments to related parties included in Appendix 5B

The payments to related parties of Pure Alumina disclosed in item 6.1 of the Appendix 5B for the quarter were payments of directors' fees and salaries.

This announcement is authorised by the Peak Minerals Limited Board.

For further information please contact:
Melanie Leydin
Company Secretary
Peak Minerals Limited
Tel: +61 3 9692 7222

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.

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Appendix 5B

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

Name of entity

PEAK MINERALS LIMITED

ABN	Quarter ended ("current quarter")
74 072 692 365	September 2020

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(13)	(13)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(82)	(82)
	(e) administration and corporate costs	(256)	(256)
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)	(30)	(30)
1.9	**Net cash from / (used in) operating activities**	**(381)**	**(381)**

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	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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 (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,737	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)	(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)	(7)
3.10	**Net cash from / (used in) financing activities**	**3,703**	**3,703**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	485	485
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(381)	(381)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,703	3,703

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,807**	**3,807**

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	3,807	485
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)**	**3,807**	**485**

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	123
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.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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)	(381)
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)	(381)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,807
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,807
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	9.99

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.

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:

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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 October 2020

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.

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