

## Peak Resources Limited

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Mount Pleasant  
Western Australia 6153

PO Box 1271  
Canning Bridge  
Western Australia 6153

### Stock Exchange

Australian Stock Exchange  
Symbol: **PEK**

### Issued Capital

43.9m Shares  
24.9m Sept '09 Options

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### Base Metal Project:

Ashburton

### Gold Projects:

Peak Hill West  
Peak Hill East  
Doolgunna  
Menzies

### Nickel Projects:

Yellowdine  
Lake Ballard

### Uranium Projects:

Cosmo  
Lake Darlot  
Cogla Downs  
Gabyon

## MARCH QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

- *Identification of large structural trap from gravity survey at Mt Vernon Prospect (Ashburton) with at least three structural zones coming together over a area of approximately 5km in strike.*
- *Coincidental Geochemical and Geophysical anomalies at Mt Vernon.*
- *Metminco to spend \$1m within 24 months to earn 40% interest in Ashburton Project.*
- *Review of Menzies Gold and Nickel Project identifies new targets.*

### Overview

Analysis of results from geochemical and geophysical programmes undertaken on the Ashburton Project in the December quarter was completed. A coincident geochemical and geophysical anomalism was identified at Mt Vernon Prospect. Petrology and assay work was also completed with highly anomalous results being returned from a large number of samples.

Peak agreed with Metminco Limited terms to jointly explore the Ashburton Project with Metminco to earn a 40% interest by funding the next \$1m of expenditure.

The Company undertook a project review of Menzies identifying a number of new targets within the 101 sq km project.

### PEAK RESOURCES PROJECT LOCATION MAP



### Ashburton Base Metals Project

(EL 08/1239 -Mt Vernon and 1240- Pingandy) - Peak Resources 100% (Metminco earning 40%)

The Ashburton project is located 70 km south of the township of Paraburdoo and 300km NNW of Meekatharra, WA. The Project consists of two granted Exploration Licences E08/1239 (Mt Vernon) & E08/1240 (Pingandy) covering a total combined area of 412km<sup>2</sup>. During the quarter Peak received the results from field programmes undertaken in the Ashburton in the December Quarter. Results received from those programmes elevated the prospectivity of the Ashburton Project making it a priority focus in 2008.

In the December quarter programmes, Peak undertook broad spaced soil and stream sediment sampling, geological mapping and rock chip sampling over both the Pingandy and Mt Vernon tenement areas. Peak also completed a further 1,400 station gravity survey and acquired airborne electromagnetic (EM) data flow by CRA Exploration (Rio Tinto) over the Mt Vernon prospect.

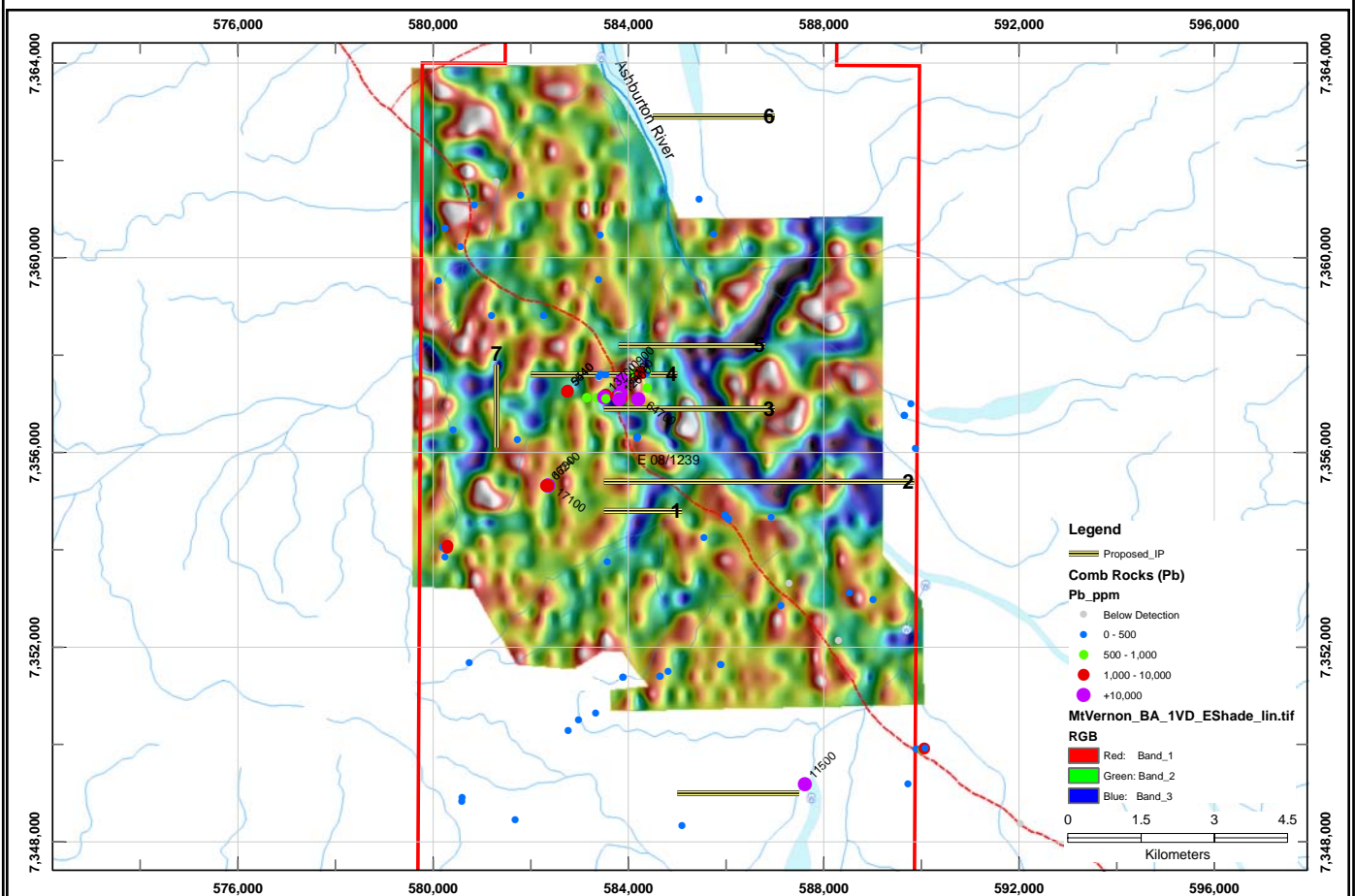
In summary the Mt Vernon programme outcomes include:

- ◆ Identification of a “structural trap” from the gravity survey, where at least three, quite strongly developed structural zones come together over an area approximately 5km in strike
- ◆ Identified “structural trap” is coincidental with geophysical (Airborne EM & Gravity) & geochemical (Rockchips & Soils) anomalies
- ◆ Southern Geoscience Geophysical Consultants have confirmed the presence of a conductive unit in acquired EM data at Mt Vernon & that a targeted gravity anomaly is shallow in nature.
- ◆ A large surface geochemical footprint has been outlined, including:
  - ◆ Anomalous rock chips being returned over a strike length of +10km with numerous **highly anomalous assay results including: Iron (59% Fe), Lead (+1% Pb), Silver (46.5 ppm Ag), Manganese (29% Mn)** as well as elevated barium, zinc and cobalt;
  - ◆ Soil Sampling has returned strong responses for Pb, Ag, As, & Cu over the target area, with anomalous Pb (+200 ppm) & As (+100 ppm) being identified over a strike length of +3.5km and a width of +3km
- ◆ Geochemical and Geophysical anomalies are all co-incidental.

An IP (Induced Polarisation) geophysical survey has been commenced (June quarter) at Mt Vernon. The survey is aimed at identifying significant sulphide development that is associated with known areas of geochemical and structural anomalism. This survey is planned as a precursor to RC drilling, Peak feels this is a necessary step as the extent of the geochemical & geophysical anomalies have such a large spatial extent or footprint that further work (namely the IP Survey) is required to assist targeting the initial RC drilling programme within an anomalous “area of interest” that has a spatial extent that exceeds 5 km of strike length.

Search Exploration Services (Search) have been engaged to conduct the IP survey at Mt Vernon and mobilise to site during April.

#### MT VERNON—PROPOSED IP LINES OVER GRAVITY, WITH Pb IN ROCKCHIPS



In addition to the work conducted at Mt Vernon, Peak has identified an occurrence of high-grade  $Fe-TiO_2$  in a gossanous rock chip sampling at Pingandy. Assay results from rock chip sample P015 has returned **44.5%  $TiO_2$  and 0.42%  $ZrO_2$  & 1670 ppm V**. The sample was taken in an area that has recorded elevated  $TiO_2$  (>3.5%) in sampling conducted by the Geological Survey of Western Australia over a strike length of 4 kilometres. Results from recently completed preliminary petrology tests indicate that the material was originally a heavy mineral sand dominated by ilmenite & contains minor rutile, anatase & goethite. It is interpreted at this time as a weathered ilmenite rich resistate material. Peak plans on Mapping the extents of the surface outcrop & sampling the outcrop in a systematic fashion (if possible) to gain a greater understanding of grade continuity of the resistate material.

#### *Metminco Limited Joint Venture*

Recognising the extensive nature and, while still at an early stage, the potential of the Ashburton Project the Company has entered into an agreement with Metminco Limited under which the companies will jointly develop the Ashburton Project. Under the agreement Metminco will expend \$1 million over a maximum two year period to earn a 40% interest. Following the earn in period each company will contribute on a pro rata basis to future costs. Peak will continue to manage and operate exploration on the Project area. Metminco may withdraw from the joint venture at any point after the initial drill programme.

The directors of Peak believe the joint venture provides both Peak and Metminco with a number of benefits. Peak retains exposure to the majority of the upside from exploration success while being provided funding for a project thereby offsetting some of the initial project risk. The agreement delivers funding that would otherwise may have need to be sourced from such areas as new equity issues.

#### **Peak Hill West Gold Project**

*(Peak Resources earning 70% from Goldstar Resources NL )*

RC and RAB drilling planned for late 2007 continues to be deferred pending resolution of agreement facilitating heritage clearances in the area. Ground activity in the area has necessarily been suspended while the Company with others, via a representative body established by AMEC, seeks agreement on a new Heritage Agreement. Currently the native title group is rejected the terms of the Heritage Agreement that exists under the Indigenous Land Use Agreement and has advised that they will not execute an Agreement reflecting those terms. Until such time as a new agreement can be established heritage clearance of work areas is not being facilitated by the Native Title holders. The Company is hopeful that a new agreement, acceptable to both the Native Title holders and the Companies working in the area can be reached in the near future. Such agreement will lead to site clearance work being undertaken. This will then enable site clearances to be undertaken following which Peak can engage drilling contractors to carry out the programmes of work that have been submitted to the Department of Industry & Resources.

RAB drilling is planned on the Robinson Range and Peak Mine sequence prospects, with RC drilling programmes to be undertaken over Murphy Creek and Jubilee Extended Prospect targets.

Recent RC drilling completed by Montezuma Mining Company Limited, within a mining lease, along strike of Peak's Jubilee Extended Prospect has returned encouraging RC drilling results proximal to the tenement holding. This includes 6m @ 14.85 g/t Au (from 116 metres) & 2m @ 13.29 g/t Au (from 138m) within hole JBRC003 that was collared approximately 25 metres south of the Peak Resources/Montezuma tenement boundary.

**Menzies Project**

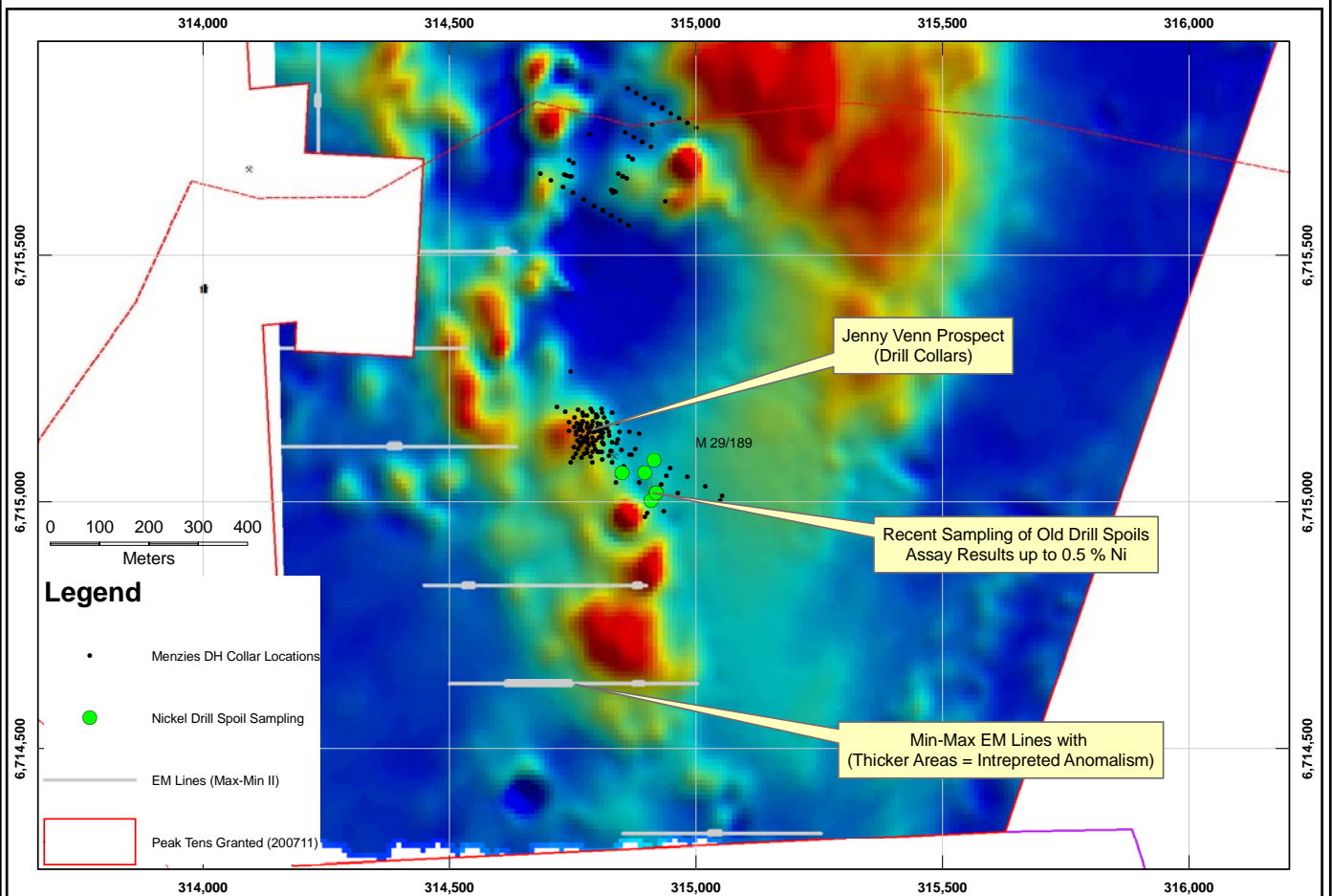
(Peak Resources 100%)

The Menzies Project covers ground from 5km east to 17km north of the township of Menzies and covers a total 101km<sup>2</sup> in area. Open pit mining ceased from the Menzies project in 2000 having produced over 60,000 oz of gold from two shallow pits. Since November 2006 Peak Resources has initiated a number of programmes directed at outlining shallow higher grade mineralisation. Prior to the commencement of the quarter three separate drilling campaigns had been undertaken with the objective of defining the potential size and scope of previously identified gold mineralisation. Interpretive studies have also taken place on mineralisation below and adjacent to the Granny Venn Pit. Though drilling has identified additional mineralisation at Menzies, it is considered by Peak that mineralisation intersected by drilling to date does not contain enough tonnes or ounces for Peak to commence mining studies.

During the quarter, Whaddan Geological Consulting and Peak Resources Limited undertook field mapping & a review of historical exploration over the tenement area. This program was aimed at identify & prioritizing targets within the Menzies tenements. Twelve prospects were examined, and the validity and prospectivity of three existing prospects (Robbie’s Reward, Oliver Twist, and Oliver North) were confirmed and earmarked for further testing. In addition to these established prospects Peak has identified, and is investigating three new prospects based on geochemistry, existing mapping, and structural controls. Two of these new prospects are situated proximal to the Moriarty shear zone. The third prospect, Near Enough, is situated to the south west of Jenny Venn.

The Near Enough prospect was identified via historical reports from Aberfoyle Exploration Pty Ltd. where Max-Min II Electromagnetic anomalies were noted from work conducted in 1984. These anomalies occur repeatedly at a Felsic/Mafic-Ultramafic contact, and sulphides are interpreted to be responsible for the conductive anomaly. Initial rock chip sampling conducted within the vicinity of the EM anomaly has returned up to **0.5 % Ni**. A second field mapping and sampling program in March involved collection of complementary soil samples and rock chips over all of these new prospects. Currently these results are pending.

**NEAR ENOUGH—NICKEL DRILL SPOIL SAMPLING & EM LINE TRAVERSES**



### Yellowdine Nickel Project

(Peak Resources Option agreement to acquire 100%)

Peak Resources has taken steps during the quarter to expedite the granting of Exploration Licence 77/1112. Peak feels that this can be achieved due to recent changes in Policy by the Department of Environmental Conservation that allows for mining & exploration to be conducted on C Class Reserves.

Yellowdine hosts a series of nickel gossans that outcrop/subcrop over a strike length of 600 metres, that is coincidental with a number of dislocated high magnetic units.

Sampling of the gossan has returned consistently high nickel grades (Around 0.5%) with associated cobalt (up to 2.6%). A sample of the Gossan was sent for petrographic analysis by Pathfinder Exploration Pty Ltd.

Pathfinder identified that the gossan was most probably mesocumulate to accumulate *komatiite* that contains relic textures suggesting a *sulphide precursor*. The project is adjacent to major infrastructure, including Road, Rail, Water Pipeline & Grid Electricity.

### Goldfields Uranium Project

(Peak Resources 100%)

Exploration conducted over the Goldfields Uranium Project comprised a field reconnaissance programme over the Gabyon Prospect.

### Lake Darlot Prospect (E37/832)

Results from aircore drilling at Lake Darlot during the December were received during the quarter.

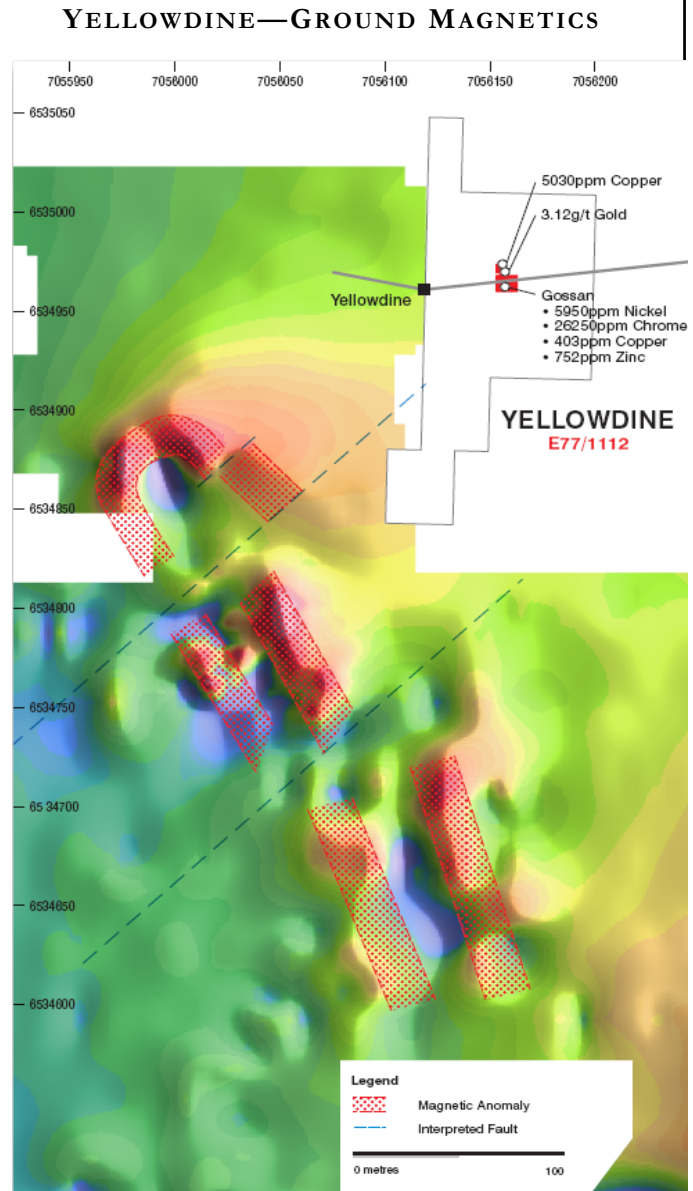
Drilling & assays confirmed the radiometric response over the Lake Darlot Prospect, returned of 4m @ 205 ppm U (LDA0004).

### Gabyon Prospect (E29/1213)

A reconnaissance trip was made to Gabyon during the month to review the prospect prior to renewal of the exploration licence. It was found that no significant development of calcrete was evident within the tenement. The area was dominated by outcropping granite and recent alluvial sands and clays. In areas minor outcropping calcrete & re-cemented weathered granite was sampled and was sent for analysis. Peak assay results of 52.4 (P105806) & 91.6 ppm U (P105808) was returned from sampling of surface exposure of the calcrete. Due to the limited extent of the calcrete development. Peak has decided to discontinue with the Prospect in order to concentrate on the more prospective Cosmo & Cogla Downs Prospects.

### Working Capital

At the end of the quarter Peak had cash on hand of \$1.26 million.



## Corporate

Shortly after the end of the quarter Peak advised the ASX of its intention to place, under a prospectus, six million shares and three million September 2009 Options on an entitlement basis at an issue price of eight cents per share. The prospectus was subsequently closed oversubscribed.

On 9 April Peak announced that it had entered a conditional agreement to acquire all the issued shares of Pan African Resources Limited ("Pan African"), a company controlled by Mr Alistair Hunter. It had also agreed to appoint Mr Hunter a director of the company on approval of the acquisition. In association with this transaction Peak is to issue up to 7.5 million shares together with 3.75 million September 2009 options to parties introduced by Mr Hunter. Pan African has entered into an agreement with Tanzanian company, Zari, to earn up to a 75% interest in a number of highly prospective gold projects in the Tanzanian archean greenstone belt. Additionally, under the agreement with Zari, Pan African will work with Zari to source resources new prospects within the Tanzania region.

Peak has called a meeting of shareholder to consider resolutions associated with the acquisition of Pan African, the election of Mr Hunter to the board, the ratification and the approval of the issue of new securities.

During the period the Company granted a total of 100,000 employee options, under the employee share option scheme, to Peak's Project Geologist.

*The information in this report is based on information compiled by Mr. Kell Nielsen, a Member of the Australian Institute of Mining and Metallurgy. Mr. Nielsen is a full-time employee of Peak Resources Limited and 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nielsen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*