

Peak Resources Limited

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PO Box 1271
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Stock Exchange
Australian Stock Exchange
Symbols: **PEK, PEKO**

Issued Capital
59.5m Shares
32.7m Sept '09 Options
0.6m Dec '10 Options
www.peakresources.com.au

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Australian Base Metals:

Ashburton
– Mt Vernon
– Pingandy

Australian Gold:

Peak Hill
– Peak Hill West
– Mt Leake
– Menzies

Australian Nickel:

Yellowdine

Tanzania:

Gold

– Lupa
– Geita
– North Mara
– Ikoma
– Igunga

Phosphate

– Ngualla Carbonatite
– Mbalizi Carbonatite

SEPTEMBER QUARTERLY ACTIVITIES REPORT

KEY DEVELOPMENTS

- *Ashburton Project access approvals successfully completed — RC Drilling to commence early November.*
- *Soils programme completed at Mt Leake and Peak Hill West Gold Projects.*
- *Exploration programmes undertaken at Lupa Gold Project in south western Tanzania.*
- *Increase landholding at Tanzanian Geita Gold Project with priority applications to the west of the Geita Gold Mine.*
- *Agreement reached to explore the Ngualla Phosphate Project in southern Tanzania with Mauritius based Indian resource and investment group, Minergy Tanzania Limited.*
 - ◊ *JV Agreement provides Peak Resources with the right to earn an 80% interest in Ngualla Phosphates as well as a 20% interest in uranium discoveries and 60% interest in other minerals within the project licence area following grant of licence.*
 - ◊ *Historical data at Ngualla has identified phosphate concentrations of between 12 and 20% P₂O₅ in overlying soils.*
 - ◊ *Peak and Minergy agree to cooperative alliance.*
- *Applications made on Panda Hills (Tanz) Phosphate Project.*

Overview

During September Quarter Peak Resources commenced field work activity on gold projects in Tanzanian and Western Australia. Importantly, the Company complete preparatory works on the initial Ashburton Project RC drilling programme which will commence in the first week of November. Peak has also moved to improve its ground position within Tanzania including agreements in respect of highly promising phosphate prospects and further expanding its gold project applications.

Following analysis of geotechnical and geophysical works completed in March and June quarters on the Ashburton Polymetallic Project the Company completed required planning and clearances to enable the commencement of an initial drilling at Mt Vernon. RC Drilling is scheduled to commence in early November. In addition to this programme initiation activity work has also been completed on soil geochemical programmes at the Company's Western Australian Peak Hill West and Mt Leake Gold Projects.

In Tanzania, fieldwork on first pass programmes at Lupa, Igunga and Geita with mapping, geochemical sampling and field reconnaissance activity began in mid July. Initial results from the Lupa programme have been received and are considered to be extremely encouraging. A release on the programme results from Lupa will be made shortly once all information is to hand and has been evaluated.

Through its Tanzanian partner, Zari Exploration Limited, Peak continued to strengthen its land position with ground being applied for in the Panda Hills region (south west Tanzanian Phosphate/Rare Earths Project) and agreement reached on additional prospecting licence applications within the Geita Goldfield region.

Ashburton Base Metals Project

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

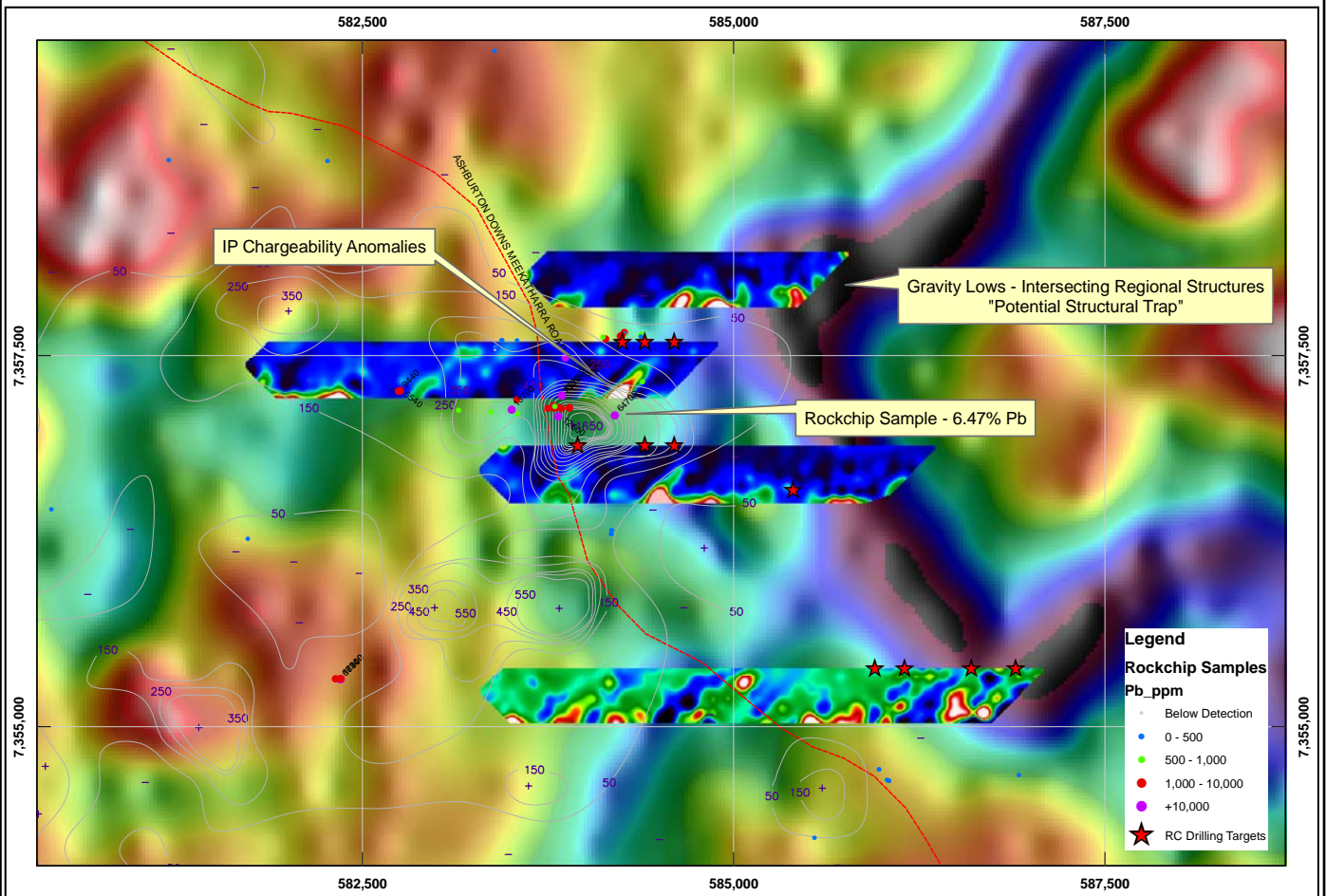
The Ashburton project is located 70 km south of the township of Paraburdoo and 300km NNW of Meekatharra, WA. The Project consists of two granted Exploration Licences E08/1239 (Mt Vernon) & E08/1240 (Pingandy) covering a total combined area of 412km². Metminco Limited is earning a 40% interest by expending \$1 million over two years.

Interpretation of the previously undertaken geophysical surveys has been completed by Southern Geoscience Consultants. This interpretation along with a compilation and review of geological and geochemical data has facilitated the completion of planning for an RC drilling programme. Regulatory approvals, including heritage clearances for the project have now been obtained.

A suitable RC drill rig has been procured and drilling is scheduled to begin in early November 2008. The proposed programme entails approximately 2400m of RC drilling intended to test 6 anomalies defined in the previous geological, geochemical, and geophysical investigations.

The initial programme is designed to test one of a number of anomalous zones that have been identified within the Mt Vernon prospect area. The programme represents an exciting stage in the ongoing development of this project. Work done to date has highlighted the potential of the Ashburton Project to host large tonnage metaliferous deposits.

MT VERNON—PLANNED RC DRILLING WITH IP CHARGEABILITY SECTIONS OVER GRAVITY WITH Pb SOIL CONTOURS & ROCK CHIP SAMPLE LOCATIONS



Tanzania Overview

Gold mining has been an active Tanzanian industry for more than a century with Tanzania becoming Africa's third largest gold producer after South Africa and Ghana. Peak Resources was attracted to Tanzania as the country remains under-explored in comparison with other gold producing provinces of its size and potential.

Peak obtained the rights to earn an interest in a number of gold exploration projects within Tanzania through its acquisition of Pan African Exploration Ltd (PAE) in May 2008. Under the joint venture agreement between PAE and Tanzanian partner, Zari Exploration Limited ("Zari"), PAE has the right to earn up to between 70% to 75% in tenements in five separate project areas being, Geita, Igunga, North Mara, Ikoma and Lupa. Initial work field exploration programmes are to focus further geological evaluation and identification of drill targets for the 2009 field season. Programmes are intended to cover the Lupa and Igunga Projects with a limited programme also being undertaken at Geita.

During the quarter Peak acquired the rights to earn a majority interest in the Ngualla Tanzanian Phosphate Project (Ngualla) located to the northwest of Mbeya and making application for phosphate tenements (through Zari) in the Panda Hills region, south of Mbaya. Peak also expanded its tenure applications via agreements in the Geita and Ikoma prospects in the Lake Victorian Goldfields.

Ngualla Phosphate Joint Venture Agreement Executed

Peak reached agreement during the quarter to access a highly promising phosphate discovery under priority application near Ngualla in southwestern Tanzania. Together with its Tanzanian partner, Zari, Peak has been conducting extensive research on phosphate occurrences in Eastern Africa, including Carbonatites. Carbonatites are considered to be highly prospective for phosphate and rare earth elements (REE).

From this research, Peak initially targeted areas within the Southwest Tanzania, including:

- *The Mbalizi carbonatite which is located approximately 10km south of the city of Mbeya and*
- *The Ngualla Carbonatite located approximately 150km northwest of the city of Mbeya.*

Tenements covering the Mbalizi carbonatite have been applied for through the Company's Tanzanian managers.

The second carbonatite (Ngualla) is now subject to an agreement reached between Peak Resources and Minergy Tanzania Limited (Minergy) a Mauritian based Indian Resource & Investment Group.

The Ngualla carbonatite was located within a priority tenement application that Minergy had acquired in order to pursue other minerals, namely uranium. Peak approached Minergy with a view to exploiting the phosphate potential as identified by Peak.

In addition to the *Ngualla Agreement*, Peak has entered into a strategic cooperation agreement with the Indian backed Minergy

TANZANIA PROJECT LOCATION MAP



Group under which both companies will look to work together in developing opportunities initially within Tanzania and Australia. Minergy has a number of mineral resource interests located in the Democratic Republic of Congo, Tanzania and Brazil.

Ngualla Project—Background

The Proterozoic Ngualla Carbonatite is located approximately 150km northwest of the city of Mbeya in the southwest of Tanzania. Ngualla is a plug like intrusive system with a surface diameter greater than 3km having various successive carbonatite phases. The Carbonatite was identified in the late 1980's by work undertaken by a Canadian non government organisation (NGO) as part of an agrogeology project.

Work completed by the NGO has reported that:

- *Several exploration pits in residual soil have returned phosphate concentrations of between 12% and 20% P₂O₅ over the deposit*
- *Confirmed the existence of a late phase 15-20 metre wide magnetite-apatite vein that extends over several hundred metres. Apatite is a known source of phosphate containing between 41 to 42.3% P₂O₅.*

Carbonatites are intrusive carbonate (mineral) rich igneous rocks, many of which contain distinctive abundances of apatite, magnetite, barite, and fluorite. Carbonatite hosted mineral deposits account for most of the world's production of rare earth metals, niobium and phosphate as well as other minerals including copper, iron, uranium, thorium, titanium, tantalum, barium, fluorine, zircon & mica or vermiculite. Carbonatites may form central plugs within zoned alkalic intrusive complexes, or as dykes, sills, breccias, and veins. Similar projects to that at Ngualla include Weld Range Western Australia (Lynas Corporation) and Palabora South Africa (Rio Tinto).

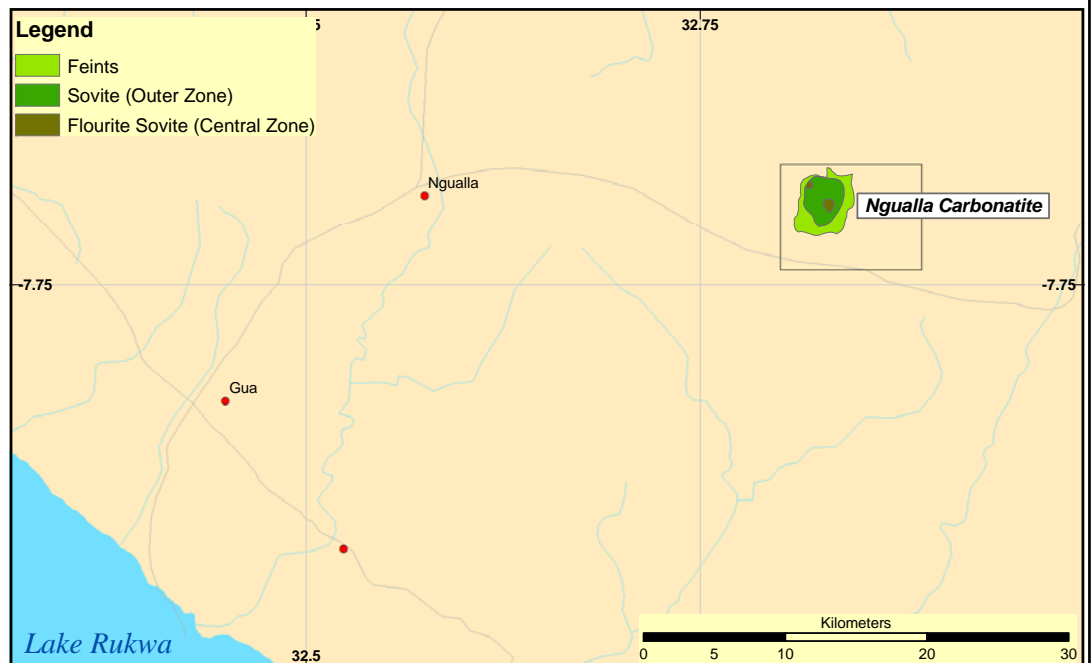
Successful exploration will place the Company in a strong position to fast track development of the project with the potential to service the increasing demand for phosphate fertilizers both within East Africa as well as the rapidly expanding international market. The agreement also delivers to the Company upside should Peak identify potentially economic uranium occurrences or other mineralisation such as rare earths within the JV.

Minergy Agreement Summary

The agreement with Minergy provides Peak, following grant of the tenement, with:

- *The right to earn an 80% interest in phosphate occurrences within the project tenement.*
- *A 20% contributory interest in uranium occurrences identified by Peak; and*
- *A 60% interest in other forms of mineralisation as identified by Peak.*

NGUALLA CARBONATITE (PHOSPHATE) PROJECT LOCATION MAP



In respect of phosphate prospects Peak is required to free carry Minergy to completion of prefeasibility studies where after the parties will contribute to expenditures on a pro-rate basis. Minergy has the option to increase its interest to 40% through paying to Peak 2.5 times exploration expenditures. Peak will contribute to expenditure on uranium prospects on a pro rata basis. In respect of other mineralisation Peak will meet the first \$500,000 of project exploration costs.

In consideration for granting Peak rights under the agreement Peak is to issue to Minergy, ordinary shares in the capital of Peak Resources to the value of \$100,000 (based on a five day weighted average) upon grant of the mineral tenement.

Peak has granted to Zari a 10% interest in Peak's interest in Tanzanian Phosphate projects in consideration for work undertaken and continuing to be undertaken in the development of the Tanzanian Phosphate Portfolio.

TANZANIAN GOLD PROJECTS

Peak commenced an initial field exploration during the September quarter on three of its five gold projects, namely Lupa Goldfield in the south west of the country and the Igunga and Geita projects within the Lake Victorian Goldfield. Initial programmes were planned with a view to establishing a base for the 2009 field season.

Results from the first pass programmes at Lupa and Igunga are anticipated to become available in early November.

In addition to field exploration activity, progress has been made in acquiring rights to PL applications covering extensions to the greenstone belt that hosts the Geita Gold Mine (24 Moz Au). When fully granted this would provide the Company with an extensive land holding within a "World Class" mineralised greenstone belt.



Mt Leake Gold Project

(Peak Resources Limited 100%)

The Mt Leake Project is located approximately 110 kilometers North West of Meekatharra in Western Australia. It consists of one granted exploration license (E51/1095) which straddles the Peak Hill and Murchison mineral field boundaries. The prospect is relatively unexplored, with minor historical exploration activity focusing on diamonds and gold.

In late July 2008 a field program was completed at the Mt Leake prospect. The programme included regional mapping and reconnaissance and the acquisition of 310 regional soil samples and 11 rock chips.

The soil sampling programme revealed generally low tenure responses across the bulk of the tenement, however one sample returned an Au value of 74ppb, which was approximately 10 times the established background value, other soil samples proximal to (SS) also returned elevated Au assay values. Encouraging alteration assemblages spatially associated with elevated gold values were observed in regional mapping along with shale lenses and quartz veining, proximal to intersecting fault lines.

In September 2008 a follow up soil sampling program, comprising of 70, samples was initiated to confirm the validity of the original assays, and determine the spatial extent of the established gold anomalism. Assay results are pending.

Peak Hill West Gold Project

Late in the quarter the Company completed a targeted soil geochem programme within its large landholding in the Peak Hill Region where it is earning up to 70% from Goldstar Resources Limited. The programme was designed to develop drill targets for early 2009. Results from the soils programme are expected late November 2008.

Working Capital

At the end of the quarter Peak had cash on hand of \$1.53 million.

Corporate

Peak Resources Limited did not undertake any significant corporate actions during the quarter other than those outlined earlier in this report.

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.