

ASX Announcement 30 March 2020

Tanzania Special Mining Licence Update

Peak Resources Limited (ASX: PEK) (“Peak” or the “Company”) is pleased to provide an update on the Special Mining Licence (“SML”) application for the Ngualla Rare Earth mine and multi-stage processing plant in Tanzania.

The Company continues to have regular positive communication with the Tanzanian government regarding the granting of the SML. The Company continues to have unanimous support from all levels of the government and has also been informed by the government that the assessment process is nearly complete. In his address to the Tanzanian Mining Investment Forum held in Dar es Salaam in February 2020, the Minister for Minerals, Hon. Dotto Biteko, publicly stated that the government is soon to issue our Rare Earth SML.

Following the recommendation for grant by the Mining Commission the SML application was presented to the Cabinet in early October 2019. Following the Cabinet’s deliberation, a Presidential delegation comprised of a number of officials from all relevant government departments were tasked with undertaking a full technical due diligence of the country’s two pending SML applications. As part of this due diligence the delegation visited the Ngualla site in the middle of October, as reported in the Company’s ASX release titled “*Project Update - Tanzania*” dated 30 October 2019. The main focus of the delegation was to validate the Company’s JORC compliant resource model and to independently sample available diamond and RC drill core held at the site. During this process the Company has been commended on a number of occasions for its open and transparent approach to sharing information with the government.

The Company has recently been informed that this technical due diligence is complete, and the final report is due to be made to the Cabinet. Although the Company is not privy to the Presidential delegation’s report it understands that the due diligence process has been satisfied.

Related Tanzanian Developments

The recent conclusion of the Barrick Gold Corp (Barrick) negotiations in January 2020, has also cleared the path for the SML to be granted. The Company has been informed that the terms of the agreement between Barrick and the Tanzanian Government will form the blueprint for all future SML’s, something that the Company welcomes. The granting of the pending SMLs is important to the Tanzanian Government as they are viewed as signalling a new beginning for the country’s mining industry after

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the legislation changes announced in July 2017. The future will see mining companies working in partnership with the government to share equally in the economic benefits.

The Tanzanian government is also in the process of implementing a number of additional legislative changes to further encourage investment in the country. The first piece of legislation, The Arbitration Act, was signed by the President and gazetted on the 21st of February 2020. The Act allows for International arbitration to take place, provided the venue for the arbitration is held in Tanzania. Further proposed legislative changes proposed to be tabled in parliament in the near future include an update to the Investment Act, and a new Business Facilitation Act (bill), which will amend a number of current acts to improve the general business environment. The Company is encouraged by the stakeholder engagement that the government has undertaken while drafting these pieces of legislation and is confident they will assist in the implementation of the Ngualla Rare Earth project.

Coronavirus

Like most, if not all countries in the world the Coronavirus is having an impact in Tanzania. Fortunately, at this time the number of confirmed cases in the country are minimal and the government has been able to act early to slow the spread of the virus. Current measures implemented include the closing of schools, quarantining international visitors, restriction on travel and the implementation of social distancing. Previous threats such as the Ebola outbreaks over recent years in neighbouring countries has meant the country is well prepared for a possible epidemic. In order to keep essential processes progressing, the government is also moving to teleconferencing rather than face to face meetings which should allow for the SML application process to continue.

The Company's operations in the country remain largely unaffected as the Ngualla site is currently closed for the wet season.

This announcement has been authorised for release by the Company's Board of Directors.

Rocky Smith

Chief Executive Officer