

East Kimberley Project Update

- **Agreement to acquire 100% of Eastman (E80/4990) tenement**
- **First pass reconnaissance rock sampling program completed across the Eastman tenement to validate new high priority gold target areas defined from integrated historical data and newly acquired Worldview-3 datasets**

Peako Limited (ASX: PKO) is pleased to advise that it has executed a Binding Heads of Agreement with Sandrib Pty Ltd to increase its total interest in the Eastman tenement (E80/4990 (Figure1)) to 100%. Having earned a 60% interest in the tenement under a Farmin and Joint Venture Agreement, Peako has agreed to buy the remaining 40% interest in the tenement from Sandrib Pty Ltd for consideration comprising payment of \$90,000, issue of 2,647,059 shares in Peako and grant of a 0.10% (one tenth of a percent) net smelter royalty capped at \$500,000. Formal documentation to effect the acquisition is being prepared.

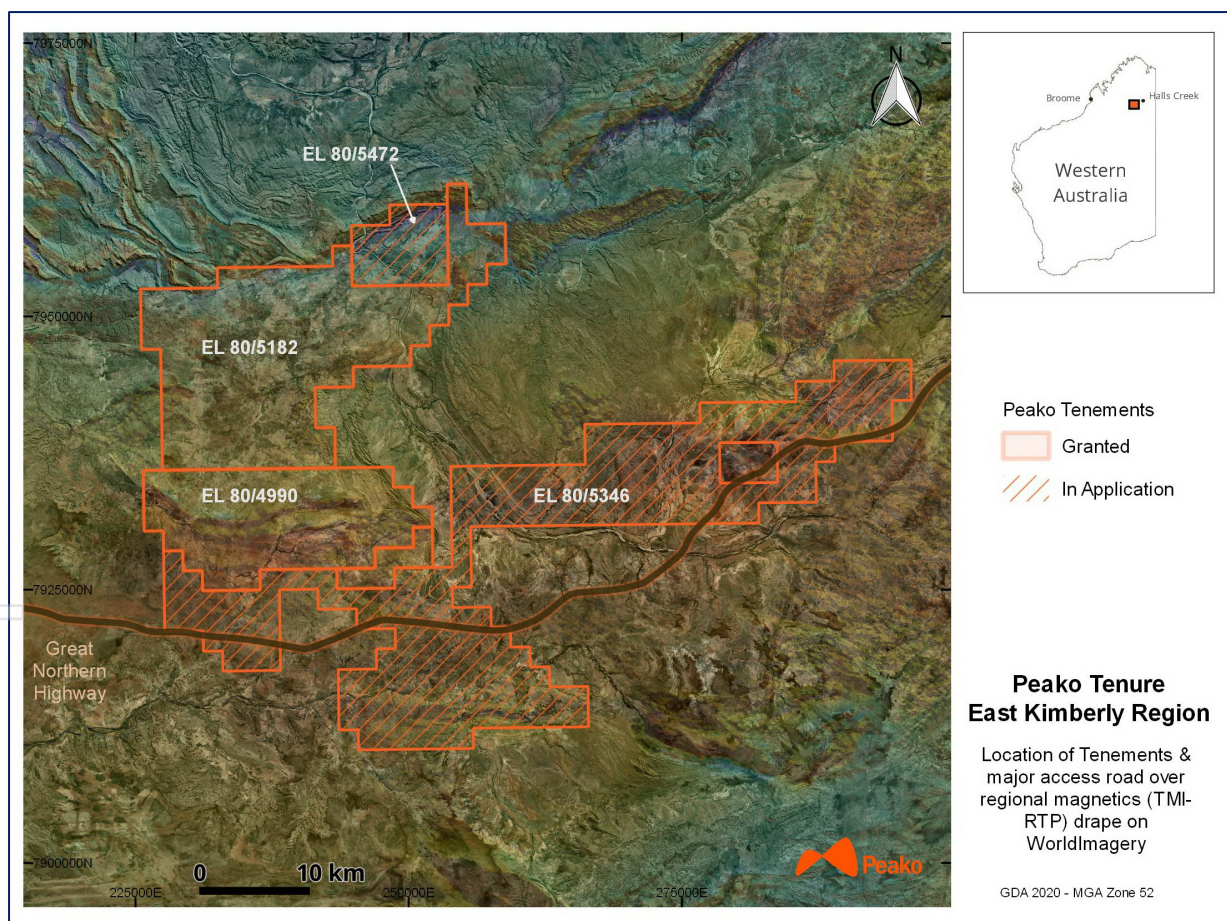


Figure 1 Peako's East Kimberley tenement portfolio

Ongoing work by Peako has identified latent gold potential across the Eastman tenement (Figure 2), largely overlooked by past explorers. Data compilations have identified that exploration for gold has largely formed a peripheral focus to the exploration for base metal sulphides, including 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 grade up to 11.7g/t Au. Petrology results from 2019 RC samples at Landrigan also define at least some of the gold to occur as free grains hosted by deformed quartz veins.

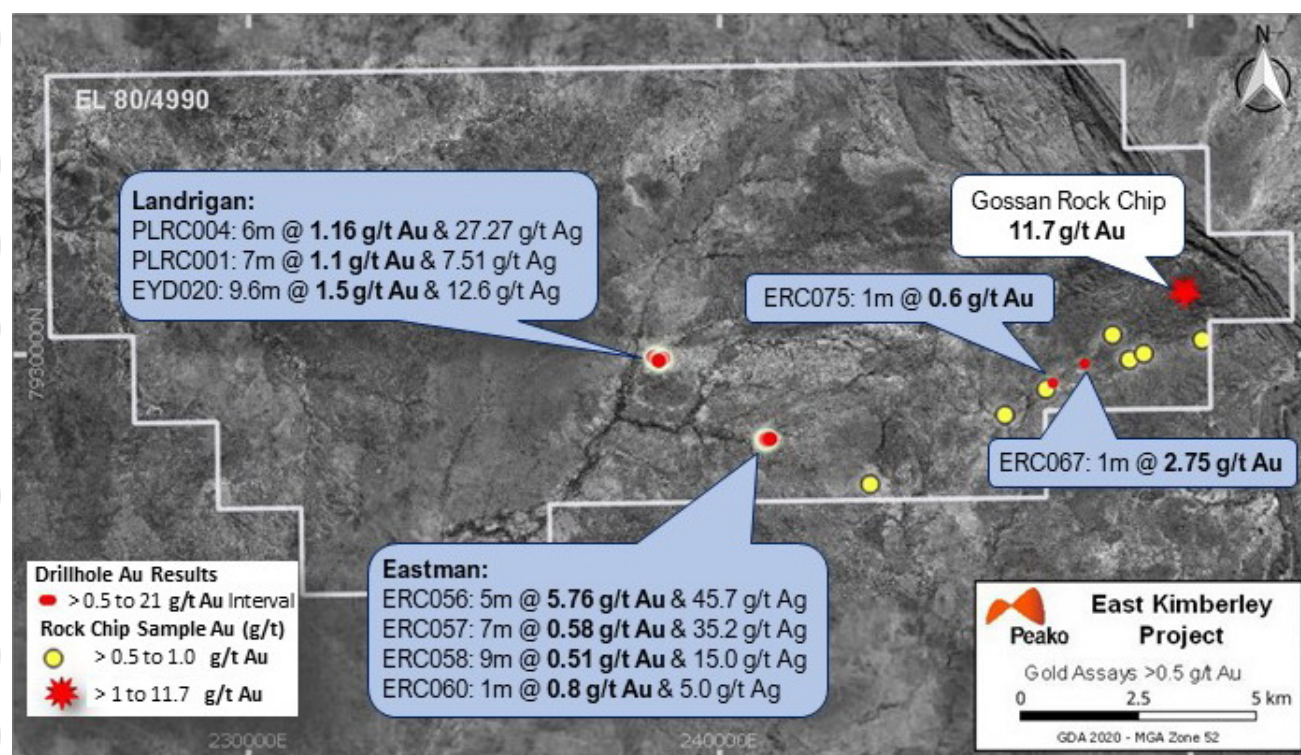


Figure 2 Location of anomalous gold responses > 0.5 g/t Au in Rock Chip and drilling.

Recent high-resolution Worldview-3 satellite imagery completed on E80/4990 was integrated with Peako's library of captured historical exploration data resulting in the definition of an array of high priority target areas (Figure 3) with potential for gold, copper, zinc, nickel and PGE mineralisation.

First pass reconnaissance field validation of priority target areas in the Eastman tenement commenced in September and was successfully concluded in early October. Rock chip sampling of key outcrops derived from Worldview-3 in conjunction with encouraging geological features including SWIR alteration, gossans, 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 3). The field programme utilised Western Australia based personnel and resulted in the collection of samples across each high priority target area. The highly focussed intensive field program was implemented smoothly and rapidly in response to the short time window available prior to onset of the wet season. High-resolution Worldview-3 derived base maps enabled optimal navigation to areas and advanced target definition, resulting in highly targeted sampling and expanded coverage in the short window available.

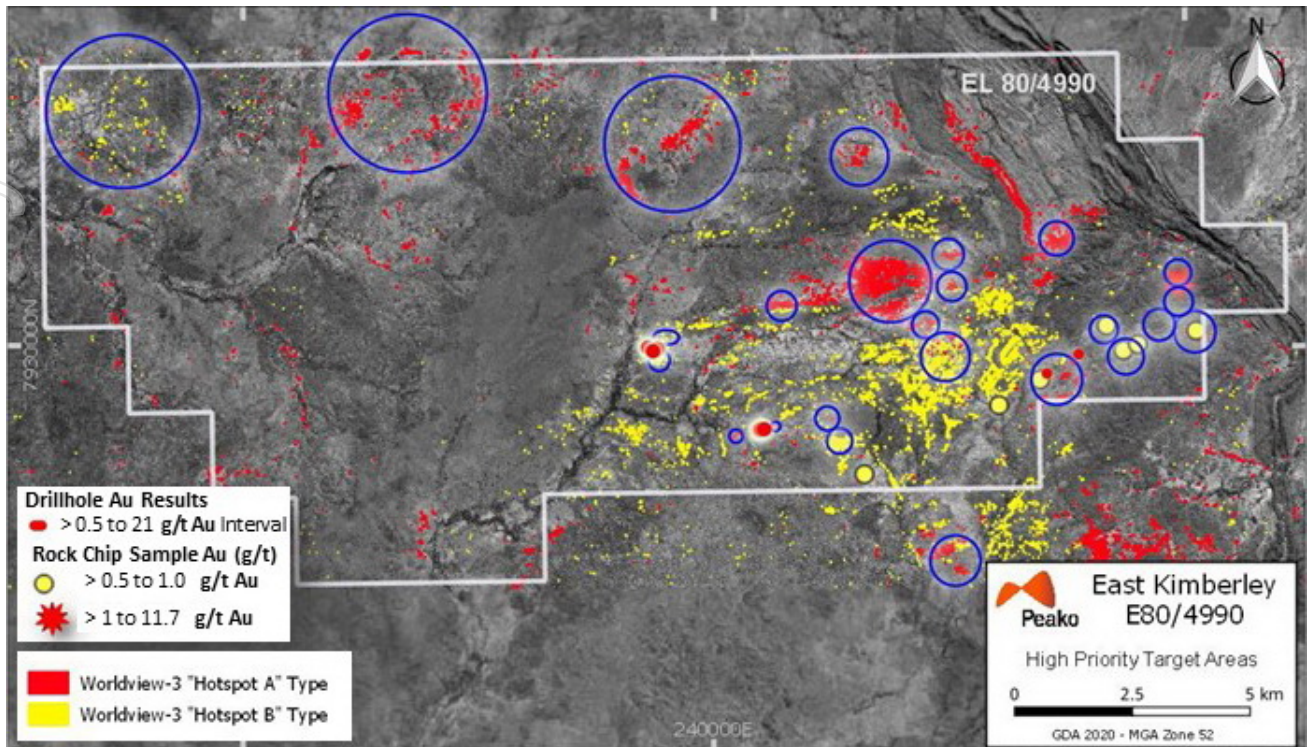


Figure 3 Location of high priority geology and Worldview “Hotspot” alteration target areas for field validation and rock chip sampling. Location of anomalous gold responses > 0.5 g/t Au in Rock Chip and drilling indicated.

Samples of country rock, quartz vein and vein stockwork and gossan material collected across the target areas have been submitted for assay and results are anticipated in early November. Field mapping and sampling results are being integrated to existing datasets. Some examples of encouraging features are demonstrated in Figure 4 including stockwork quartz vein in silica-sericite altered porphyry, feldspathic porphyry and gossanous Cu-oxide developments.



Figure 4 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).

Peako Chairman, Mr Geoff Albers, commented “we are excited about the potential of our East Kimberley projects and delighted to have been able to secure a 100% interest in the Eastman tenement”.

References

Further details relating to the information provided in this release can be found in the following Peako ASX announcements:

20 August 2020	East Kimberley Exploration Update
30 April 2020	Quarterly Reports – 31 March 2020
30 January 2020	Infill RC Sample Results
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 and Historical Exploration 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.

For more information

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