



24 November 2016

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**Chairman's Address  
2016 Annual General Meeting**

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I regard 2015/16 as a watershed year for the Company. A number of necessary initiatives were undertaken and implemented in order to put the Company on a sound footing.

We commenced the year with the completion of the sale of our indirect minority interest in the South Block A Production Sharing Contract in Indonesia. This sale was approved by members following our negative assessment of underlying prospectivity following the acquisition and interpretation of new 2D seismic carried out in 2014/2015. The Company's debt, which was otherwise due for repayment in June 2016, and which had largely been provided to Peako to fund our share of this 2D seismic, was partially paid out and subsequently satisfied during the year.

The Company's name was changed to Peako Limited in November 2015, reflecting the more general nature of the Company's resource-based activities. In May 2016 the Company completed a non-renounceable rights issue of 340,127,000 new shares and pursuant to which it raised \$340,127 before costs.

Tenement applications made in 2008 and 2009 with respect to the Rudall River Province Projects in Western Australia, were advanced during the year. One of these applications has now been granted following execution of a Native Title Agreement. The Rudall River and adjacent Patterson province are active areas of exploration for base and other minerals.

The Company's multifaceted involvement in the Cadlao oil field offshore The Philippines continued to be mired in dispute throughout the year. During the year, separately from the stalled arbitration efforts, new mediation efforts were commenced with a third party mediator in an attempt to reach agreement with all of the participants and claimants in respect to the Service Contract. These efforts were unsuccessful and the Company continues to fully impair its Cadlao interests in the enclosed accounts as a reflection of the extreme level of uncertainty surrounding these interests.

As part of its renewal, shareholders are about to be asked to approve the consolidation of the Company's share capital on a 1 for 20 basis in order to make the Company's share structure a more workable and attractive investment vehicle. If

approved the number of issued shares will reduce from 1,020,380,247 to 51,019,012.

Recent years have been difficult ones for junior resource companies, and Peakco has been no exception. However, there are signs of change, with Peakco positioned to test the potential of its minerals exploration interests, as well as its intention to review other opportunities.

EG Albers  
Chairman  
Melbourne  
24 November 2016