

Quarterly Activities Report

30 June 2020



HIGHLIGHTS

- \$150,000 award under WA's Drilling Incentive Scheme for the East Kimberley Copper-Gold Project
- Extrapolation of Landrigan and Eastman tectonic framework across the E80/4990 tenement integrating results from ongoing digitization of extensive historic data
- Purchase of 262 km² high resolution WorldView-3 satellite imagery
- Planned field program using WA-based personnel to validate high priority targets

PROJECTS

East Kimberley Copper-Gold Project

Peako's primary focus is its large consolidated ground-holding across four contiguous exploration tenements over a 1,350 km² area in the East Kimberley region of Western Australia (refer Figure 1) comprising two granted tenements (E80/4990 and E80/5182) and two further areas under application (E80/5346 and E80/5472).

Systematic exploration across this southern part of the East Kimberley region has lagged behind that of most of Australia's Proterozoic provinces and has been characterised by sporadic campaigns by numerous explorers over more than 50 years across multiple commodities. Historical exploration was primarily guided by occurrences of surface gossan and geochemical anomalies that provided consistent encouragement of the area's economic potential, but was hindered by cover sequences, deep weathering, complex stratigraphy and structure, and non-contiguous tenements. Despite favourable host rock, structure and known mineralisation, the district's poorly constrained geological framework and lack of understanding of key controls on mineralisation defocused historical exploration efforts. Peako's exploration strategy is underpinned by the application of data-driven science to define and prioritise high quality robust targets for efficient field testing programs that result in economic discovery.

The Landrigan and Eastman prospects within E80/4990 formed the focus of Peako's activities during 2018 and 2019, with completion of Induced Polarisation (IP) surveys in 2018 that defined targets for VHMS-style mineralisation. These VHMS targets were tested by a maiden RC drill program in 2019 supported by a Round 19 Exploration Incentive Scheme co-funded drilling grant from the Western Australian government. Drilling in 2019 incorporated a total of 15 holes for 2,398m and VHMS-style mineralisation was confirmed at Landrigan with assay intercepts including: 6m at 6.52% Cu 27.27g/t Ag and 1.16g/t Au (PLRC004), and 15m at 1.04% Cu, 8.88g/t Ag and 0.38 g/t Au including 6m at 1.61% Cu, 7.23g/t Ag and 0.62g/t Au (PLRC011). Results from the 2019 RC drill program confirmed the presence of an endowed mineralized structure with Cu-Au-Ag mineralisation defined over a 200m strike that is open in strike and down dip. Integration of historical datasets at both Landrigan and Eastman has identified folded carbonate and calc-silicate rocks overlapping with areas of anomalous soil geochemistry and Mg-rich alteration in both RAB geochemistry and surface mapping.

Our new geological interpretation at both Landrigan and Eastman identifies mineralisation affiliated with key carbonate marker horizons either coincident with isoclinal fold hinges or northern fold limb extensions, both of which present untested drill target strike extensions to mineralisation subject to field validation.

The 2019 drilling results underpin an improved geological and structural understanding of Landrigan and Eastman prospects that has been lacking across the wider tenement. As a result, Peako's interim focus to digitally capture and integrate more than five decades of historical data is resulting in the development of a

robust and consistent geochemically-constrained stratigraphic and structural framework for the E80/4990 tenement. The overarching objective is to utilise the litho-tectonic framework to define and assess high quality, multi-commodity mineralisation targets so as to drive exploration programs resulting in discovery.

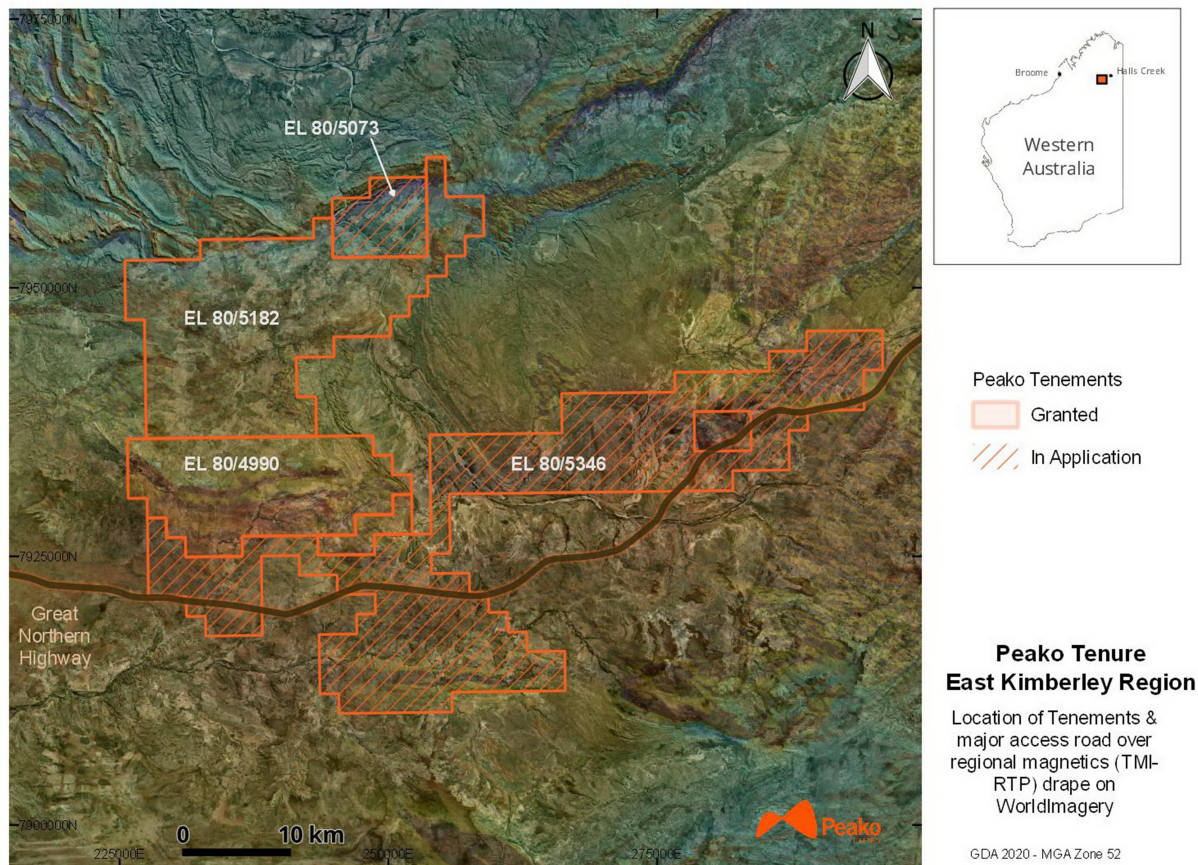


Figure 1 Peako's East Kimberley tenements (spelling on map)

Activity during the quarter

Planned field activities for the April to June 2020 quarter continued to be postponed due to ongoing risks posed by the Covid-19 pandemic and to protect the health and welfare of the Kimberley community. Ongoing Western Australia travel restrictions have meant that Peako's personnel, situated in eastern Australian states, were unable to undertake planned field work during the quarter. A shortened field program of work engaging WA-based personnel is scheduled for next quarter. However, Peako will continue to review and adjust its planning as new information is available.

Integration of digitised historic datasets

The delay of the 2020 field program has provided opportunity to continue desktop digital data-capture programs and integrate extensive non-digital multi-faceted historical datasets including geological mapping, soil and rock geochemistry to our new and developing stratigraphic and structural framework stemming from 2019 RC drilling at Landrigan and Eastman prospects. Expansive historical datasets incorporate some 50 years of exploration by more than 11 exploration companies exploring for both VHMS and Ni-Cu-PGE mineralisation. To date, the desktop compilation has enabled the extrapolation of stratigraphy units across the E80/4990 tenement, tightened the structural framework, define a folded carbonate-rich marker target horizon, as well as identified an array of previously overlooked granitoid intrusions. The improved framework is a key foundation to evaluate quality, high priority targets for field validation.

WA Government Exploration Incentive Scheme grant

During the quarter, Peako was awarded a \$150,000 Western Australian Government Exploration Incentive Scheme (“EIS”) grant to co-fund further exploration drilling at its East Kimberley Copper-Gold Project. The EIS grant is for an amount of \$150,000, structured as a contribution towards 50% of direct drilling costs to be incurred during the twelve months ending 30 June 2021 and is additional to the round 20 EIS grant of \$131,931 announced on 19 November 2019. At this time, due to ongoing covid-19 related restrictions and resulting delays of 2020 field programs, Peako considers it unlikely that drilling will be conducted this field season.

WorldView-3 Imagery

In late June, Peako purchased high resolution WorldView-3 satellite imagery data over a 262.8 km² area covering the entire E80/4990 tenement with overlap area to Peako’s E80/5346 and E80/5182 tenements to the south. Satellite data was collected in July, with datapack delivery anticipated shortly. The geography, level of outcrop-to-subcrop and insitu soil profiles across the much of the collection area makes the area ideally suited for successful imagery and will provide information from visible, NIR¹ and SWIR²-bands to enable high resolution (30cm to 3m) definition of lithology and alteration styles including argillic, advanced argillic, propylitic, illite crystallinity, silica, Fe-oxide. The WorldView-3 dataset in conjunction with our newly developed lithological and structural framework and the extensive control layers derived from capture of historical map and geochemistry data, will provide Peako with an unparalleled competitive advantage to not only precisely define geology, structure and alteration, but to apply a fundamental targeting tool to define priority targets for field sampling and validation across multi-commodity mineralisation targets for not only VHMS styles of mineralisation, but intrusion-related gold, and nickel-copper-cobalt-gold magmatic systems.

Forward Work Program

WorldView-3 Imagery will be integrated to enhance our litho-tectonic framework of mineralisation and to drive target generation. Our priority is to undertake a limited first pass field sampling and ground validation program of high priority targets area. Planning for field work is advanced and will utilise Western Australia based personnel and, pending timing and logistics in relation to COVID-19 restrictions and the onset of the wet season, the first stage of field activities will incorporate field mapping, rock sampling and potentially extend to surface geochemistry specifically directed to enable drilling of validated high priority target areas as soon as feasible.

Paterson Province Projects

Peako’s Broadhurst (Sunday Creek) Project tenement is located in the Rudall River area of the Paterson Province of Western Australia (Figure 2). Peako also has three long standing applications for exploration licences located close to its Broadhurst Project tenement. Historical geological mapping indicates bedrock geology of the project area is largely carbonaceous shales and siltstones of the Broadhurst Formation, and lesser quartz sandstone and siltstone of the underlying Coolbro Sandstone Formation.

The Broadhurst tenement is under-explored and hosts an array of encouraging features that indicate the potential of the area for Nifty (Cu) or Maroochydore (Cu-Co) style mineralisation. Historic exploration has been minimal and fragmented, comprising of a ‘revolving door’ of explorers divided in commodity focus between Base Metals or Uranium. Only very limited, precursory drilling has been completed on the tenement (a total of 6 holes for 1,243m) all testing for Uranium, with base metal mineralisation targets in the Broadhurst Formation remaining untested.

¹ Near Infrared

² Short Wave Infrared

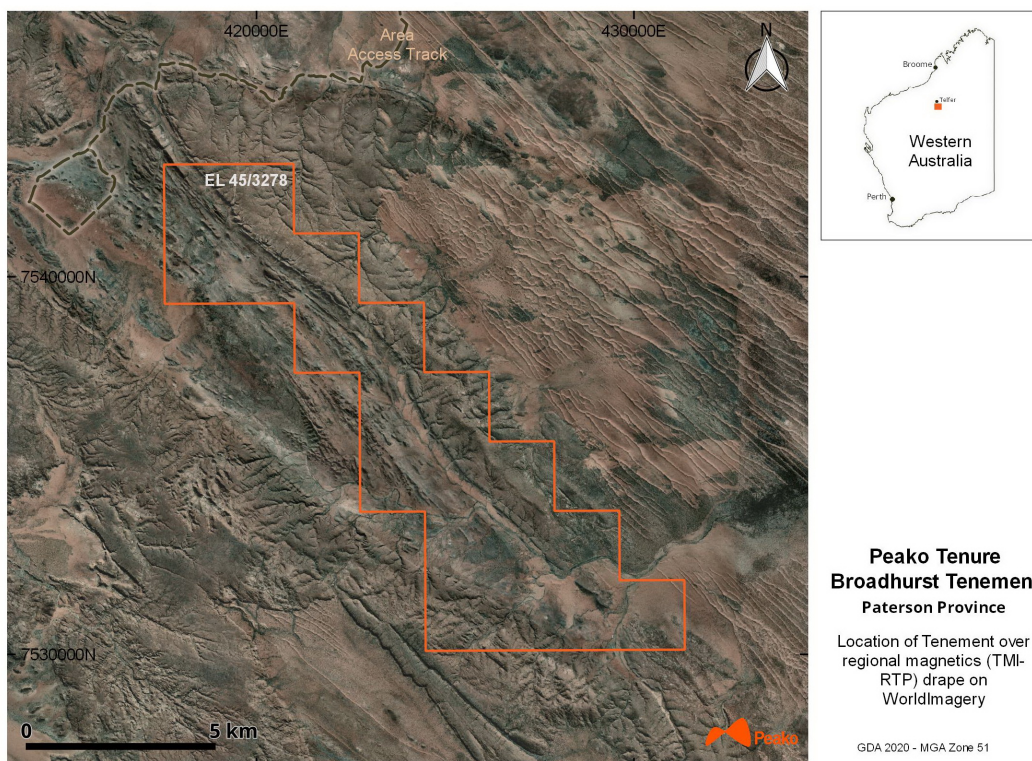


Figure 2 The Sunday Creek - Broadhurst tenement area in the Paterson Province, Western Australia.

CORPORATE

During the quarter Peako submitted an application to participate in the Federal Government's Junior Minerals Exploration Incentive (JMEI) program for the 2020/21 financial year. The JMEI program is an initiative of the Australian Federal Government to encourage investment in greenfields exploration companies. Participating explorers are allocated tax credits which may be distributed to eligible future new capital investors as a tax offset.

2,013,675 listed options were exercised during the quarter and 25,025,684 lapsed on their expiry date of 30 April 2020.

Consultant incentive options were issued during the quarter comprising of 1,000,000 options exercisable at \$0.03 and expiring on 1 May 2022 and 1,000,000 options exercisable at \$0.05 and expiring on 1 May 2025.

REFERENCES


The information in this report that relates to Exploration Results was previously reported in ASX announcements listed below. The Company is not aware of any new information or data that materially affects the information included in each relevant market announcement.

Further details can be found in the following Peako ASX announcements.

26 May 2020	Peako Awarded \$150,000 Drilling Grant
30 March 2020	Quarterly Activities Report
30 January 2020	Further Sampling Confirms Cu-Au-Ag Drill Results at Landrigan
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 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.



Rae Clark, Director
28 July 2020

Additional Information Required by Listing Rules 5.3.3 and 5.4.3

Tenements held/applied for at the end of the quarter and their location

Tenement	Peako interest	Tenement status
Western Australia (East Kimberley Region)		
E 80/4990	60%*	Granted
E 80/5182	100%	Granted
E 80/5346	100%	Application
E80/5472	100%	Application
Western Australia (Paterson Province)		
E 45/3278	100%	Granted
E 45/3345	100%	Application
E 45/3477	100%	Application
E 45/3292	100%	Application

*Earning pursuant to farm-in agreements, with potential to increase to 85%

Tenements acquired during the quarter and their location

Nil.

Tenements disposed of during the quarter and their location

Nil.

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter:

E 80/4990 - Peako is earning a 60% interest in this tenement and may elect to earn a further 25%, to take its interest to 85%.

Payments to related parties during the quarter included in Appendix 5B – Quarterly Cash Flow Report

Payments were made to directors and their associates during the quarter totalling approximately \$9,000. Payments were for salaries, superannuation and contracted services