

Simon Barcham
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Level 40, Central Park,
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25 January 2021

By Email: ListingsCompliancePerth@asx.com.au

Dear Simon,

PEAK RESOURCES LIMITED ('PEK' or 'Company'): PRICE & VOLUME QUERY

I refer to your letter dated 25 January 2021 in regard to:

- A. the change in the price of PEK's securities from a low of \$0.10 at the close of trading on 22 January 2021, to an intraday high of \$0.125 today; and
- B. the increase in the volume of PEK'S securities traded from 21 January 2021 to today.

The Company responds as follows (using your numbering and questions in bold with the Company's response in italics):

- 1. Is PEK aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market could explain the recent price and trading volume increase.

- 2. If the answer to question 1 is "yes".**

- a. **Is PEK relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PEK's securities would suggest to ASX that such information may have ceased to be confidential and therefore PEK may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.**
- b. **Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).**
- c. **If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?**

Not Applicable

- 3. If the answer to question 1 is “no”, is there any other explanation that PEK may have for the recent trading in its securities?**

The Company is aware of recent increases in rare earth prices quoted out of China, with the Chinese Domestic NdPr Oxide price rising approximately 12.4% since the beginning of the year. PEK's 100% owned Ngualla Rare Earth Project ('Project') in Tanzania is one of the largest and highest grade undeveloped rare earth deposits with approximately 90% of its projected revenue expected to be attributable to NdPr oxide. Consequently, any increase in NdPr price will therefore have a direct impact on the economics and potential returns of the Project.

Further there was a press release from Kabanga Nickel (privately owned) last week that they had negotiated a binding Framework Agreement with the Tanzanian Government with respect to their planned nickel project in Tanzania. This has led to some speculation that the Tanzanian Government may provide further approvals to other mining projects in country.

- 4. Please confirm that PEK is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

The Company is in compliance with the Listing Rules of ASX including Listing Rule 3.1.

- 5. Please confirm that PEK's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PEK with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms that the responses to the questions above have been authorised and approved by the Company's Managing Director, Bardin Davis, and the Company Secretary, Phil Rundell, officers of the Company with delegated authority from the board to respond to ASX on disclosure matters.

Yours sincerely,



Phil Rundell
Company Secretary
Peak Resources Limited



25 January 2021

Reference: 29861

Mr Philip Rundell
Company Secretary
Peak Resources Limited

By email:

Dear Mr Rundell

Peak Resources Limited ('PEK'): Price and Volume - Query

ASX refers to the following:

- A. The change in the price of PEK's securities from a low of \$0.10 at the close of trading on 22 January 2021, to an intraday high of \$0.125 today.
- B. The significant increase in the volume of PEK's securities traded from 21 January 2021 to today.

Request for information

In light of this, ASX asks PEK to respond separately to each of the following questions and requests for information:

- 1. Is PEK aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is PEK relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PEK's securities would suggest to ASX that such information may have ceased to be confidential and therefore PEK may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that PEK may have for the recent trading in its securities?
- 4. Please confirm that PEK is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that PEK's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PEK with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:00 PM AWST Monday, 25 January 2021**. You should note that if the information

requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PEK's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require PEK to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in PEK's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PEK's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PEK's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that PEK's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Simon Barcham
Adviser, Listings Compliance (Perth)