

ASX Announcement 17 September 2020

## Corporate Update

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Peak Resources Limited (“Peak” or the “Company”) continues to progress the development of its 100% owned Ngualla Rare Earth Project (the “Project”) with the following events occurring recently:

- SML application continuing to progress
- Further steps taken to reduce costs and conserve cash pending receipt of the SML
- Board changes

### Tanzania SML Process

Peak has previously advised that the Tanzanian Government’s review of the Company’s Special Mining License (“SML”) application is continuing to progress. The Tanzanian Government has advised the Company that its technical due diligence of the project and the SML application undertaken by the Ministry of Minerals Technical Committee (“MMTC”) is complete. The technical due diligence is an important step in the SML process as it was requested by the Tanzanian Government Cabinet before they would give their consent to the application.

As part of the technical due diligence process, productive meetings were held during the months of July and August to allow the Company to respond to queries the MMTC had with respect to the application. All queries were answered to the satisfaction of the MMTC. This process is now complete and the Company understands that the MMTC have finalised their Report.

The Technical Report is now awaiting submission to the Cabinet of the Tanzanian Government. With the completion of this important step, the Company is now only awaiting Cabinet approval of its SML application.

The SML is the final major regulatory requirement for the Project. Once approved, the Company will be in a position to negotiate an economic framework for the project with the Tanzanian Government, including the form and nature of the Government’s free carried interest.

The associated Teesside Refinery is already fully permitted and the land on which the refinery is to be situated is secured under an option agreement. The Company has exercised the second option in relation to the site which is valid until June 2021.

Upon receipt of the SML, the Project will be among the most advanced rare earth development projects that has a JORC Compliant Ore Reserve, completed definitive feasibility study and fully piloted process from ore to separated oxides that is permitted and ready to construct.

The Company will continue to keep the market informed as to the continuing progress of its SML application.

### Board Structure

The Board considered that while the SML is awaited that all available resources are being focused on Peak’s application for the SML, in conjunction with its focus on expenditure management and cash conservation. The Company has previously advised that there has been some reduction in headcount and, where possible, other expenditure is being reduced.

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This has resulted in some changes to the Board composition. In this regard, Mr Peter Meurer, the Chairman of the Company, has given notice of his intention to retire, effective immediately. Peter has been a director of the Company since April 2018, and has been at the forefront of the strategy to develop an integrated rare earth company based on the stand out Ngualla deposit and a strategic “outside of China” rare earth’s processing hub at Teesside in the UK.

Commenting on Mr Meurer’s retirement, the directors noted “Peter’s guidance, drive and strategic vision have been critical to the positioning of the Company as the pre-eminent, undeveloped integrated rare earths project globally. His strategic thinking and insight will be greatly missed.”

In addition, Mr Rob Sennitt has also elected to stand down from his Non-executive Director role on the Board to focus on his other roles, including his ongoing role in Australia as Senior Adviser with Appian Capital Advisory LLP..

The Company confirms that the proposed section 249D notice seeking removal of one of Peak’s non-executive directors has been withdrawn.

The Board has resolved to appoint Tony Pearson to act as Interim Chair, effective immediately, and has established a committee (comprising Mr Jonathan Murray and Mr Tony Pearson, with executive management involvement in the process) to identify and assess suitable candidates for appointment as an independent non-executive director. As part of this process, it has been agreed that the casting vote that currently resides with the Chair of the Company will not be used, subject to any statutory and fiduciary obligations.

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

**Tony Pearson**  
Interim Chairman