

ASX Announcement

5 December 2013



DEVELOPING A LOW COST RARE EARTH PROJECT

The Manager
Market Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Non-Renounceable Entitlement Issue

Peak Resources Limited (ACN 112 546 700) (**ASX:PEK**) (**Company**) advises that it intends to undertake a one (1) for five (5) pro rata non-renounceable entitlement issue (**Entitlement Issue** or **Offer**) of approximately 55,111,377 fully paid ordinary shares (**New Shares**) at an issue price of \$0.06 per New Share to raise up to approximately \$3,306,683.

The Offer will include one (1) free attaching option to acquire a Share (**New Option**) for every one (1) New Share subscribed for and issued. The New Options will be exercisable at \$0.10 each on or before 30 June 2015.

Eligible shareholders will comprise those shareholders with a registered address in Australia or New Zealand or any other shareholders in other jurisdictions to whom the Company decides to make offers.

The Company proposes to use the proceeds of the Offer as follows:

- (a) fund the completion of the Preliminary Feasibility Study and Reserve estimate on the Ngualla Rare Earth Project in Tanzania (**Project**);
- (b) continue discussions with a number of potential cornerstone investors and off take customers;
- (c) fund the commencement of a Definitive Feasibility Study (including metallurgical optimisation and environmental permitting) on the Project; and
- (d) fund the costs of the Offer and provide additional working capital.

Following completion of the Offer, the Company will have issued approximately 55,111,377 New Shares and 55,111,377 New Options resulting in total Shares on issue of approximately 330,668,263 and total options on issue of approximately 114,712,295.

The proposed timetable for the Entitlement Issue is as follows:

Event	Date
Lodgement of Prospectus with the ASIC	5 December 2013
Lodgement of Prospectus & Appendix 3B with ASX	5 December 2013

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Notice sent to Optionholders	5 December 2013
Notice sent to Shareholders	9 December 2013
Ex date	10 December 2013
Record Date for determining Entitlements	16 December 2013
Prospectus sent out to Shareholders & Company announces this has been completed	18 December 2013
Closing Date*	2.00 pm (WST) on 13 January 2014
Securities quoted on a deferred settlement basis	14 January 2014
ASX notified of under subscriptions	15 January 2014
Issue of Securities and despatch of holding statements	21 January 2014
Quotation of Securities issued under the Offer*	22 January 2014

*The timetable is indicative only. The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such the date the securities are expected to commence trading on ASX may vary.

A prospectus relating to the Entitlement Issue will be lodged with the ASX and ASIC today and will be sent to shareholders together with a personalised Entitlement and Acceptance Form.

Yours faithfully



Alastair Hunter
Executive Chairman
Peak Resources Limited

This release does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer or sale would be illegal. This release may not be distributed or released in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the securities referred to in this release in any jurisdiction outside Australia. In particular, the New Shares New Options to be offered in the Entitlement Issue have not been, and none of them will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares New Options may not be offered, directly or indirectly, to, any person in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.