

Maiden Drilling for New Zealand Gold Commenced

ASX ANNOUNCEMENT

2 DECEMBER 2020

ASX Code: NPM

Shares on Issue

4.67 Billion

Cash on Hand

\$1.85m

Market Capitalisation

A\$14.0m (at A\$0.003 per share)

Directors

Nick Mather (Non-Executive Chairman)

David Mason (Managing Director, CEO)

Brian Moller (Non-Executive Director)

Andrew Gladman (Non-Executive Director)

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HIGHLIGHTS

- **Otago Cap Burn Gold Project, New Zealand maiden drilling program commenced.**
- Alton Drilling track mounted rig mobilised and drilling on site.
- Designed to test Gold potential associated with a broad 1,000 metre by 1,000 metre surface soil Gold-Arsenic anomaly.
- Initial holes drilled before Christmas public holiday, and program continuing in the New Year of 2021 early January.
- Cap Burn transaction documents have been executed and NZ Ministry transfer approval has been submitted for processing.
- The drilling program for **Argentine Cachi Gold Project** is now scheduled to start in early January 2021 due to a COVID outbreak in Santa Cruz province, and subsequent impact on drilling contractor mobilisation.

NewPeak Metals Limited, (**Company, NewPeak, ASX:NPM**) is pleased to announce a maiden drilling program for the Cap Burn Gold Project in the Otago District of New Zealand. The program will test the main large, mineralised surface anomaly within the Cap Burn Project's East Block.

Commenting on the commencement of drilling, NewPeak Managing Director David Mason said:

"The commencement of our maiden drilling program at the Cap Burn Gold Project is an important step forward in NewPeak's Gold exploration strategy. We are more than pleased to have begun drilling in one of the World's top Gold mining jurisdictions, Otago, New Zealand. The project is early in its exploration process and the focus over the next few months is to test the mineralisation models and to discover and define other mineralised prospects."

The drilling program for NewPeak's Argentine Cachi Gold Project will now commence in January 2021 due to an outbreak of COVID in the Santa Cruz province. The outbreak occurred specifically at the Cerro Vanguardia mine where the drill rig for the Cachi project is stationed. Mobilisation has been delayed due to quarantine restrictions on the drilling contractor, and this has subsequently moved the drilling window to early January 2021.

Cap Burn Gold Project, Otago, New Zealand

NewPeak acquired a large portfolio of Gold properties in the Otago region of New Zealand, in its own right and through joint venture with MRJV (ASX Releases [12 November](#) and [7 September](#) 2020). The Cap Burn granted Exploration Permit EP60300 is part of this Otago Gold portfolio. The project consists of two separate blocks, the East Block and the West Block, with a total area of 19.5km². The maiden drilling program evaluates the large mineralised surface anomaly in the East Block.

The current geological interpretation and mineralisation model point to the Cap Burn Gold Project as having significant potential for the discovery of a large Gold system, similar to others in the region.

The NewPeak drilling program, which has already commenced, is being implemented to test this theory.

Maiden Drilling Program of the Cap Burn East Block

Three anomalous Gold-Arsenic targets have been identified within Cap Burn East Block (see **Figure 1**). The purpose of the maiden drilling program is to initially test two out of three of these targets at depth, to:

- gain a more comprehensive understanding of the relationship between these targets;
- confirm the major structures; and
- seek additional Gold mineralised targets.

Target 1 is defined as a 1,000 metre by 1,000 metre Arsenic soil anomaly with coincident Gold in soils and rock chip samples. A series of at least 12 shallow and deeper diamond drill holes (maximum depth of 200m) has been designed for a total of over 1,000m, which will test the source of the surface anomaly and the potential for the underlying schist to host economic mineralization. Detailed information about the drilling program is available in the Company's [ASX Release dated 12 November 2020](#).

Drilling has now commenced on the first drill hole as part of a several month drilling program. Five holes are planned to be drilled in December 2020 and operations will break over the Christmas-New Year public holiday period and recommence early in January 2021. The program is fully funded.

Alton Drilling is contracted to carry out the work utilizing a track mounted R37 XHD1150 drill rig. NewPeak Exploration Manager Jason McNamara is working closely with MRJV Kerry Stanaway who is currently on site to supervise the work.

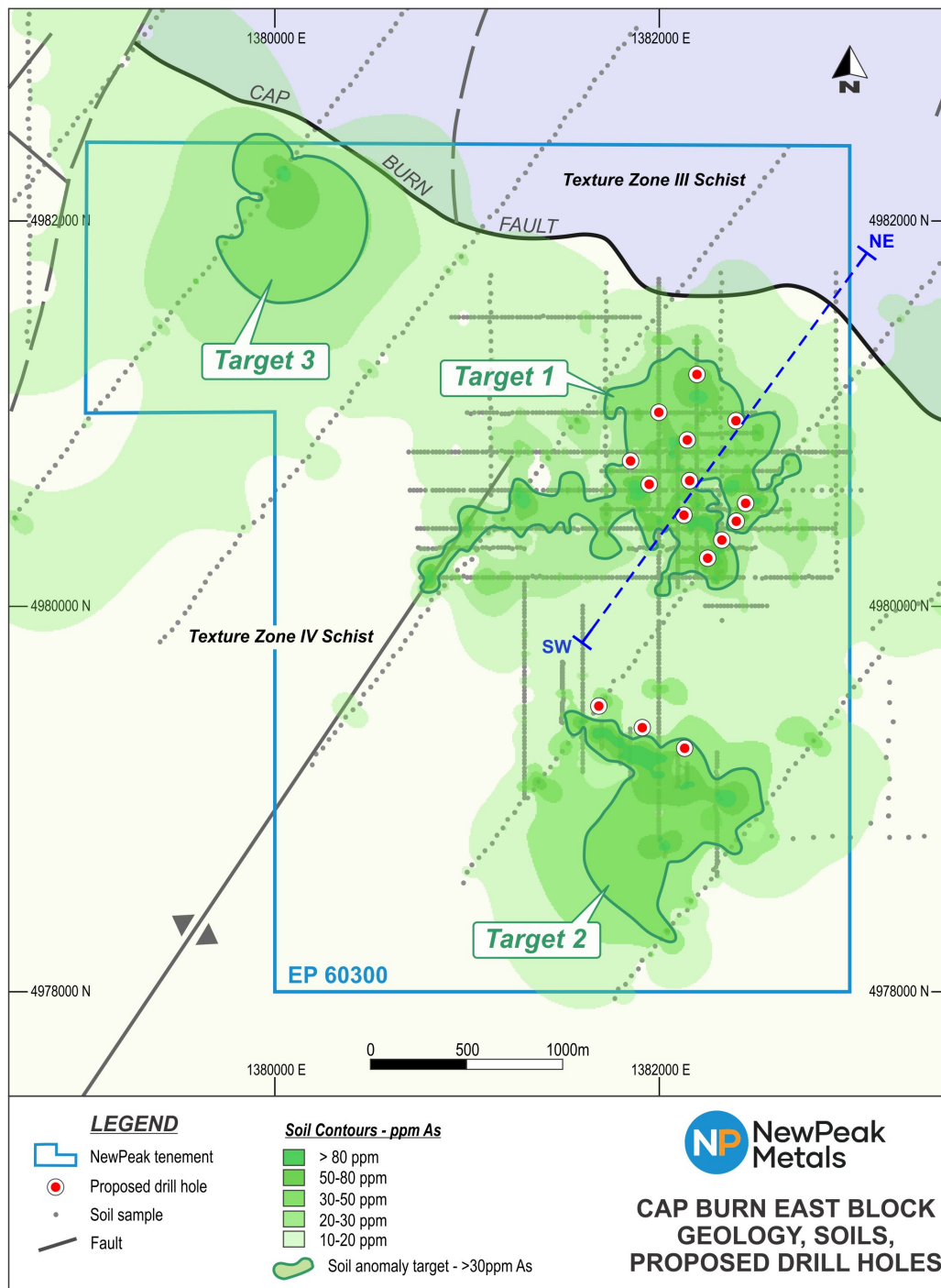


Figure 1: Cap Burn East Block planned drillhole locations shown with the arsenic anomaly defined Targets 1, 2 and 3.

Argentina Gold Maiden Drilling Program Update

The **Cachi Gold Project** drilling program in the Santa Cruz province has been delayed due to an outbreak of COVID at the Cerro Vanguardia mine. The drilling rig and crew who are contracted to carry out diamond core drilling for NewPeak, the Perforadora Santacruceña Drilling Company, are based at the Cerro Vanguardia mine. Their work was forced to cease, following standard procedure quarantine with all other mining staff at the mine. This quarantine period has shifted the drilling window available to NewPeak such that commencement is now early January 2021.

NewPeak experiences delays for the Cachi Gold Drilling Program during an extremely busy period, particularly for the high-grade Gold province of Santa Cruz. Currently there is high drill rig utilisation at existing mines in Santa Cruz (Cerro Vanguardia, Cerro Morro, Cerro Negro, etc) as well as with other explorers such as E2 Metals (ASX: E2M) who are completing a large follow-up and scout drilling program on the back of their recent Mia discovery ([ASX AGM Presentation Release 16 November 2020](#)).

The stringent quarantine requirements in the Santa Cruz province makes finding a replacement for Perforadora Santacruceña in order to drill this year unfeasible.

Finland Gold Drilling Program Update

The Finland **Tampere Gold Project** exploration permits are currently planned for drilling as soon as feasible in 2021. The permit issuing process through the government authority TUKES has been slow and rig availability very limited. NewPeak is working through these matters to ensure drilling will commence as soon as possible.

Sweden Tungsten Update

The Company is finalising a review of the exploration permits of the Sweden **Bergslagen Tungsten Project** and will undertake field examination of the prospects to perform sampling of rocks at historic prospects, pits, waste heaps and rock outcrops for assaying in the permits this month. This is part of the broader program leading to a scoping study early in 2021.

Lakes Oil Update

NewPeak owns approximately 29.7% of Lakes Oil NL (LKO) which has a diversified portfolio of petroleum assets in Victoria, Queensland, South Australia and Papua New Guinea.

In November LKO received formal confirmation from the PNG Minister for Petroleum and Energy that the term of Petroleum Prospecting Licence (PPL) 560 has been extended by three years. The tenement contains the multi-trillion cubic feet Buna prospect. LKO is presently working on plans for expedited exploration and development of the Buna prospect, including through potential farmout arrangements to fund drilling of the Prospect ([ASX release 5 November 2020](#)). Mr Richard Ash, Chairman of LKO, said “the extension of term of PPL 560 means the Company is now well placed to pursue the massive Buna prospect, one of the largest undrilled hydrocarbon structures in PNG.”

The Directors of LKO are working diligently to have the existing suspension in its ASX listing lifted.

This Announcement has been authorised by the Board of Directors

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Company Secretary

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COMPETENT PERSON'S STATEMENT

The information herein that relates to Exploration Targets and Exploration Results is based information compiled by Mr Jason McNamara, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr McNamara is a permanent employee of NewPeak Metals.

Mr McNamara has more than twenty five years experience which is relevant to the style of mineralisation and types of deposits being reported and 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, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.