22 November 2017

## Eastman Project Farmin

- **Peako to earn up to 60% of the Eastman Project Tenement in the Kimberley region of Western Australia**
- **Tenement prospective for gold and base metals in Volcanogenic Massive Sulphide (VMS) style mineralization**
- **Several previously identified prospects within tenement**
- **Year 1 exploration program to focus on delineating drill targets by Induced Polarization (IP) Survey**

Peako Limited **(ASX : PKO)** **(Peako** or **the Company)** is pleased to advise that it has executed an agreement with Sandrib Pty Ltd under which it has the right to earn a 60% interest in the Eastman Project Tenement.

Peako will be the sole manager of the Eastman Project Tenement and can earn 60% of the Tenement by satisfying staged farmin milestones with specific exploration expenditure commitments. Upon Peako earniing 60% ownership, a contributing joint venture will be established, with each party contributing in proportion to its joint venture interest.

### The Eastman Project Tenement

The Eastman Project Tenement (Exploration Lease E80/4990) covers an area of 221.2 $km^2$ and is currently held 100% by Sandrib Pty Ltd. The Eastman Project Tenement is located on Louisa Downs Station, 120 km southwest of Halls Creek, Western Australia. Access to the tenement area is via the Great Northern Highway from either Broome or from Kununurra and via station tracks. The Great Northern Highway is 5km south of the tenement (refer Figure 1).

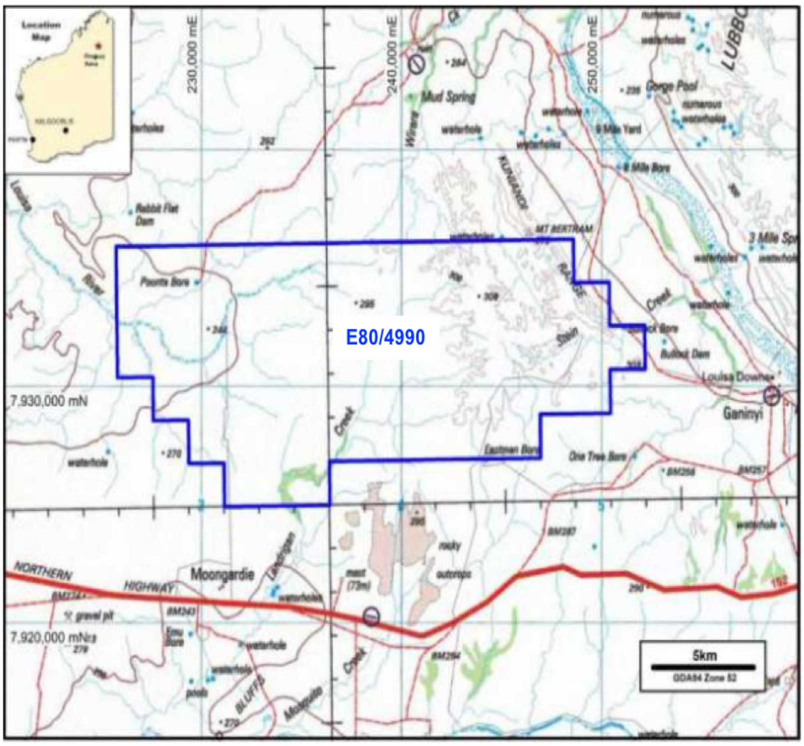


*Figure 1 Tenement Location*

## Exploration Potential

The Eastman Project Tenement contains a number of previously identified prospects. Peako considers that using modern geophysical methods there are substantial remaining exploration opportunities for the discovery of economic resources in a range of mineralisation styles within the tenement, including:

- Copper-Zinc-Lead-Silver-Gold mineralisation of the Volcanogenic Massive Sulphide (VMS) type associated with the Koongie Park Formation (Eastman and Landrigan Prospects); and
- Nickel-Copper-Platinum Group Metals mineralization associated with the mafic-ultramafic intrusions of the Lamboo Ultramafics and the Sally Downs Gabbroic Intrusions (Eastman Bore Intrusion - Eastern and Western Zones)

## Past Exploration

The first reported exploration in the Eastman project area was in 1967 with prospecting of gossanous outcrops for base metals. Since then various mining companies have explored the area for a range of mineral styles mainly targeting VMS Cu-Pb-Zn-Ag-Au, magmatic PGE deposits and magmatic Ni-Cu-PGE massive sulphide deposits.

Most of the previous exploration targeted the southeast quadrant of the tenement. Previous activities consisted of:

- Geological and geochemical surveys,
- Geophysical survey Versatile Time Electromagnetic (VTEM); and
- Reverse Circulation (RC) and diamond drilling.

The geophysical surveys defined a number of anomalies which resulted, in subsequent drilling campaigns and the discovery of strong base metals and PGE mineralisation.

## Key Commercial Terms

The key terms are:

- Peako is the sole manager of the Farm-in and Joint Venture (JV) from the commencement date
- Year 1 – Peako to spend a minimum of $68,000
- Years 2-4 – Peako to spend $600,000 to earn 60% interest.
- Upon Peako earning an interest of 60%, a contributing JV will be established with each party contributing to its JV interest
- Peako has the right to exit the Farmin and JV Agreement at two points; after spending $68,000 and after spending an aggregate $193,000.

**Exploration program**

Peako intends to undertake an IP Survey over two previously identified prospects, the Eastman and Landrigan Prospects, early in 2018 in order to delineate drill targets.

The Farmin and Joint Venture will provide Peako with access to a project with significant exploration drill results to date and potential for further exploration success.

R.L Clark
Director