



Peak Resources Limited

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Stock Exchange
Australian Stock Exchange
Symbol: **PEK**

Issued Capital
43.95 Million Shares

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Gold Projects:

Peak Hill
Doolgunna
Menzies

Nickel Projects:

Yellowdine
Lake Ballard

Uranium Projects:

Cosmo
Lake Darlot
Cogla Downs
Gabyon

Base Metal Project:

Ashburton

DIAMOND DRILLING IDENTIFIES HIGH GRADE MINERALIZATION AT MENZIES GOLD PROJECT

Highlights

- 3m @ 41.99 g/t Au returned in diamond Core at Jenny Venn prospect
- Structural controls on mineralisation redefined from diamond core
- Drilling campaign continues to build toward JORC resource.

Menzies Project

PEK's Menzies Project is located approximately 5 km north of the town on Menzies and 125km north of Kalgoorlie in Western Australia's eastern goldfield region.

The Menzies Project objective, as outlined in the Company's prospectus, is to identify an economic resource within a 12 month period with the objective of commencing mining within 12 to 18 months of the Company listing on the ASX.

To achieve the objective the Company's Menzies exploration programme initially focused upon Project areas ("Prospects") within proximity to the Granny Venn Pit including CSR Zone, Jenny Venn and within the pits themselves. Through a focused drilling programme, PEK will look to build a JORC category resource to support potential mine development at Menzies. At this time the Company would look to truck material for processing however all parameters will be reviewed following completion of drilling programmes.

Granny Venn and Auntie Nellie Pits were mined in 1999 during a low gold price environment (US \$240 per oz). This has provided the Company with an opportunity to examine the potential for development of remaining mineralisation underneath the current open pits as well as pursue.

Jenny Venn Prospect

Diamond Drilling Redefines Structural Controls on Mineralisation.

Jenny Venn is located approximately 2 kilometres south of the Granny Venn Pit, within a granted mining lease. Jenny Venn consists of a substantial gold in soil anomaly over an area underlain by felsic schists hosting an array of quartz reefs. Historically drilling was largely down plunge to the mineralised structure and considered ineffective. Peak Resources completed 4 RC holes in late 2006 to test previous drilling completed at Jenny Venn. Promising results were returned from the initial programme including:

- 4m @ 32.64 g/t Au (Jenny Venn)
- 8m @ 6.16 g/t Au EOH (Jenny Venn)

Further drilling was subsequently planned by PEK to follow-up these initial results. PEK completed 21 RC holes at Jenny Venn in early February (RC one metre split assays pending) followed up by 4 diamond holes in mid February to early March.

Diamond drilling had been planned to confirm the style and nature of the mineralisation and provide further structural information.

Due to the late arrival of the diamond rig at Jenny Venn, the bulk of the RC drilling programme was completed prior to the completion of the first two diamond holes.

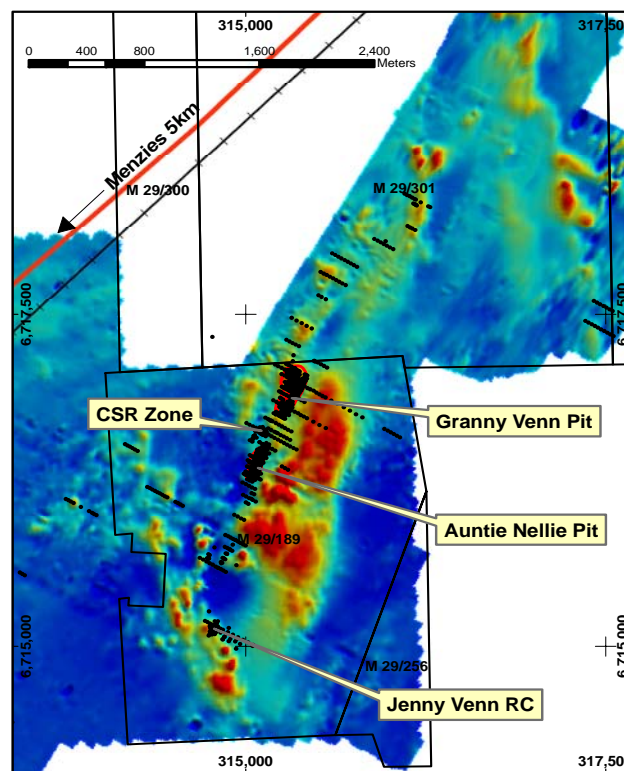
Diamond drilling has redefined the geological interpretation of the mineralised system. It was initially interpreted that mineralisation was hosted by a coarse-gold laminated quartz

***Diamond Drilling
Delivers High-Grade
and Geological
Reinterpretation of the
Mineralised System.***

3m @ 41.99 g/t Au

vein. The current drilling programmes have indicated this previous interpretation to be incorrect, with diamond drilling confirming that mineralisation is hosted by gold bearing quartz-sulphide veins dipping to the northeast associated with a NW striking fault zone. This has meant that RC drilling conducted to the north and south of the fault zone has been ineffective and that further RC drilling will be required to the Northwest and southeast along the fault zone corridor outside of the centrally drilled area that has produced high-grade intersections to date.

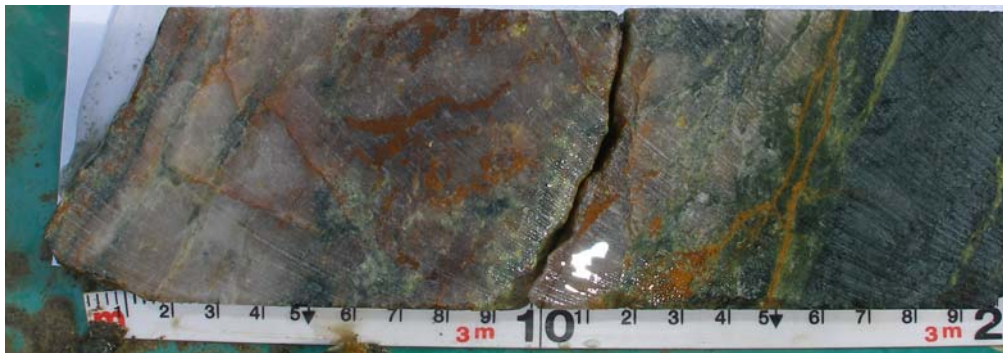
MENZIES PROSPECT LOCATIONS



SIGNIFICANT DIAMOND RESULTS — JENNY VENN

Hole	North	East	Depth	Dip/Azi	From	To	Interval	Grade (Au ppm)	Comments
MN0039RD	6715150	314780	42.8	-60/270	24	25	1	1.01	
MN0040RD	6715150	314820	86.3	-60/270	52.7	53	0.3	21.95	Recovered 30cm Within 70 cm Fault Zone
MN0044RD	6715130	314810		-60/270	36	39	3	41.99	Hole Logged to 60m

MINERALISED QUARTZ VEIN—JENNY VENN



The information in this report is based on information compiled by Mr. Kell Nielsen, a Member of the Australian Institute of Mining and Metallurgy. Mr. Nielsen is a full-time employee of Peak Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Nielsen consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.