

6 May 2011

Announcements Office
Australian Securities Exchange Limited
Sydney NSW

SHARE PLACEMENT AND SHARE PURCHASE PLAN (SPP)

- Firm commitments received for a \$3.9 million Placement to Professional and Sophisticated investors ("Placement").
- SPP to raise an additional \$2 million at the same price as the Placement.
- Funds raised will be primarily be used to conduct a Resource Definition Drilling Program designed to enable the Company to report its maiden JORC compliant resource.

Peak Resources advise that it is to raise up to \$5.9 million to fund drilling at the Company's Ngualla Project in Tanzania. The capital raising will be undertaken through a placement to institutional and sophisticated investors of approximately \$3.9 million and an SPP raising approximately \$2 million. Shares under both issues will be offered at issue price of \$0.55 per share, representing a discount of approximately 3.11% to the last close.

The Placement was strongly supported by new and existing institutional and sophisticated investors. The Board welcomes the support of a number of new investors to the register.

Shaw Corporate Finance Pty Ltd was the Lead Manager for the Placement.

The directors anticipate proceeding to allotment of securities under the placement on or before 17 May 2011. Application is being made for quotation of securities on ASX.

The directors will offer existing shareholders the opportunity to participate in the funding programme through a SPP at the same issue price and the placement.

The invitation to participate in the SPP is to be dispatched to eligible shareholders on or about 12th of May 2011 setting out the detail of the offer and the terms of this offer. Eligible shareholders will be entitled to apply for up to a maximum of 20,000 shares (\$11,000) under the SPP.



An indicative timetable is set out below

Record Date (5.00pm WST)	5 May 2011
Announcement Date of Plan	6 May 2011
Opening Date of Offer	18 May 2011
Closing Date of Offer	31 May 2011
Dispatch date for holding statements	7th June 2011

These dates are indicative only. The Company may vary the dates and times of the Offer without notice.

The exploration team has been on site at Ngualla since early April preparing for the arrival of the drilling equipment. Drilling rigs and associated equipment are expected to begin arriving at the Ngualla Project site either later today, or over the weekend and scheduled to commence drilling within a few days following arrival. The primary objective of the RC, diamond and aircore drilling programme at the Ngualla Project is the delivery of sufficient data to enable the calculation of an initial JORC compliant resource for the Ngualla Project. Funds raised under the issues will be used to meet costs associated with this work. Funds may also be applied to meet costs associated with the Company's on-going operations and exploration programmes.

Alastair Hunter
Executive Chairman