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ASX RELEASE

PEAK RESOURCES LIMITED

NGUALLA CONTINUES TO GROW ON NEW RARE EARTH RESULTS

Peak Resources Limited (Peak) is pleased to report encouraging assay results received from an additional 15 drill holes of the 2011 resource drilling program currently in progress at the Ngualla Rare Earth Project in southern Tanzania.

The latest wide intersections continue to extend the area of consistent bedrock rare earth mineralisation in the Southern Rare Earth Zone.

The new results include the widest and deepest intersection received to date in drill hole NRC053. They also include the second highest grade intersection (NRC043) returned so far, located on the extreme south west corner of the current drill pattern. The rare earth mineralisation remains open to the north, south, east, west and with depth.

Highlights include:

NRC043	**26m** at **6.56%** REO from 24m
NRC044	**92m** at **3.13% REO** from surface
NRC046	**84m** at **3.86% REO** from surface including **66m** at **4.42% REO** from 8m
NRC049	**93m** at **3.62% REO** from 32m
NRC052	**44m** at **4.81% REO** from 44m
NRC053	**161m** at **3.88% REO** from 12m to EOH including **74m** at **4.71% REO** from 20m
NRC054	**101m** at **2.86% REO** from surface including **32m** at **5.08% REO** from surface

*REO = Total Rare Earth Oxide including yttrium. See Table 1 for full drill intersection details. EOH = End of hole

Rare earth mineralisation has now been intersected from surface over an area of 600m x 660m, to a maximum drilled vertical depth of 155m (Figure 2).

Mineralisation at Ngualla is similar in style to Mt Weld (Lynas Corporation Ltd) in Western Australia, being rare earth enrichment within the deeply weathered regolith profile of a large carbonatite. Typical grades range from 3% to 7% REO from surface in the ferruginous weathered zone, which varies in thickness from zero to over 120m vertical (see cross sections, Figures 3 to 6). There is also widespread primary rare earth mineralisation extending to depth within fresh rock carbonatite beneath the weathered zone, with typical grades of 1% to 2.5% REO.

Photo1: Drilling hole NAC468, SW Alluvial Zone, August 2011.

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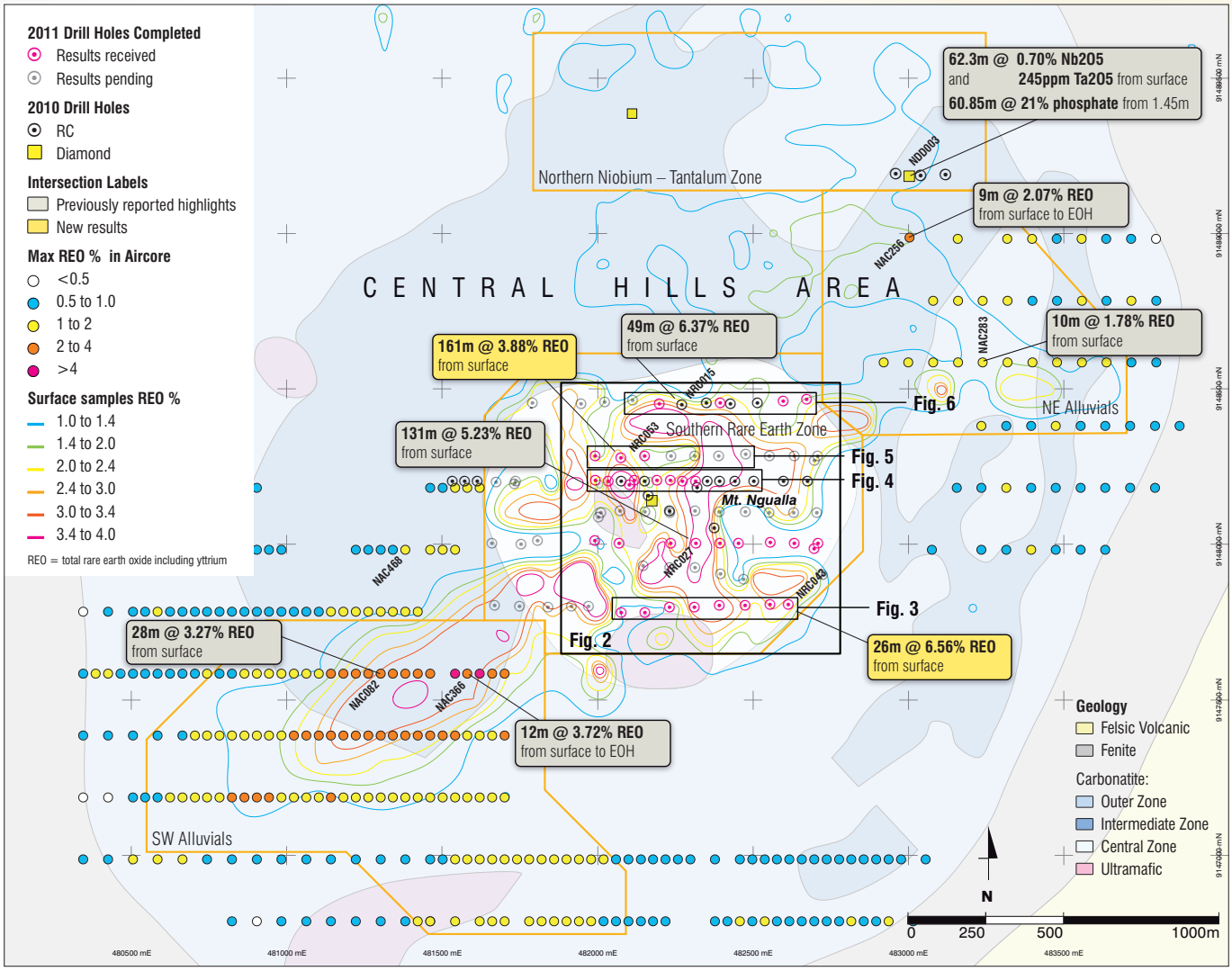


Figure 1: Location of new drilling and assay results over simplified geology map of the Ngualla Carbonatite showing areas of planned drilling with previous key intersections and surface sampling results.

Ngualla is a virgin exploration discovery by Peak, with the first holes completed in the project drilled in June 2010. The latest results continue to demonstrate that Ngualla is one of the largest and better grade new rare earth discoveries of recent years. The project also has potential to host large, near surface deposits of niobium – tantalum and phosphate. Currently Peak, as operator and manager, is earning 80% equity in the Ngualla Project by carrying Joint Venture partner Zari Exploration Ltd (Zari) through to completion of a bankable feasibility study. On 26th August 2011 Peak announced it had entered into a conditional agreement to take 100% ownership of the Ngualla Project through the acquisition of Zari.

This year's 22,000m drilling program is approaching the half-way point. Operations are continuing on site with a total of 76 RC holes for 9,588m now completed within the Southern Rare Earth Zone. Drilling also recently commenced in the South West Alluvial Zone (Figure 1) with 20 aircore holes for 533m completed to 29th August 2011.

Peak is awaiting assay results from an additional 73 completed drill holes, which will ensure a steady flow of results in the coming weeks. Several of these holes intersected deep ferruginous weathering up to 140m vertical depth in areas of known mineralisation (see Figure 2). The Company will continue to provide regular updates regarding progress and results as they come to hand.

A maiden JORC compliant rare earth resource estimate is expected to be completed by the end of the first quarter of 2012.

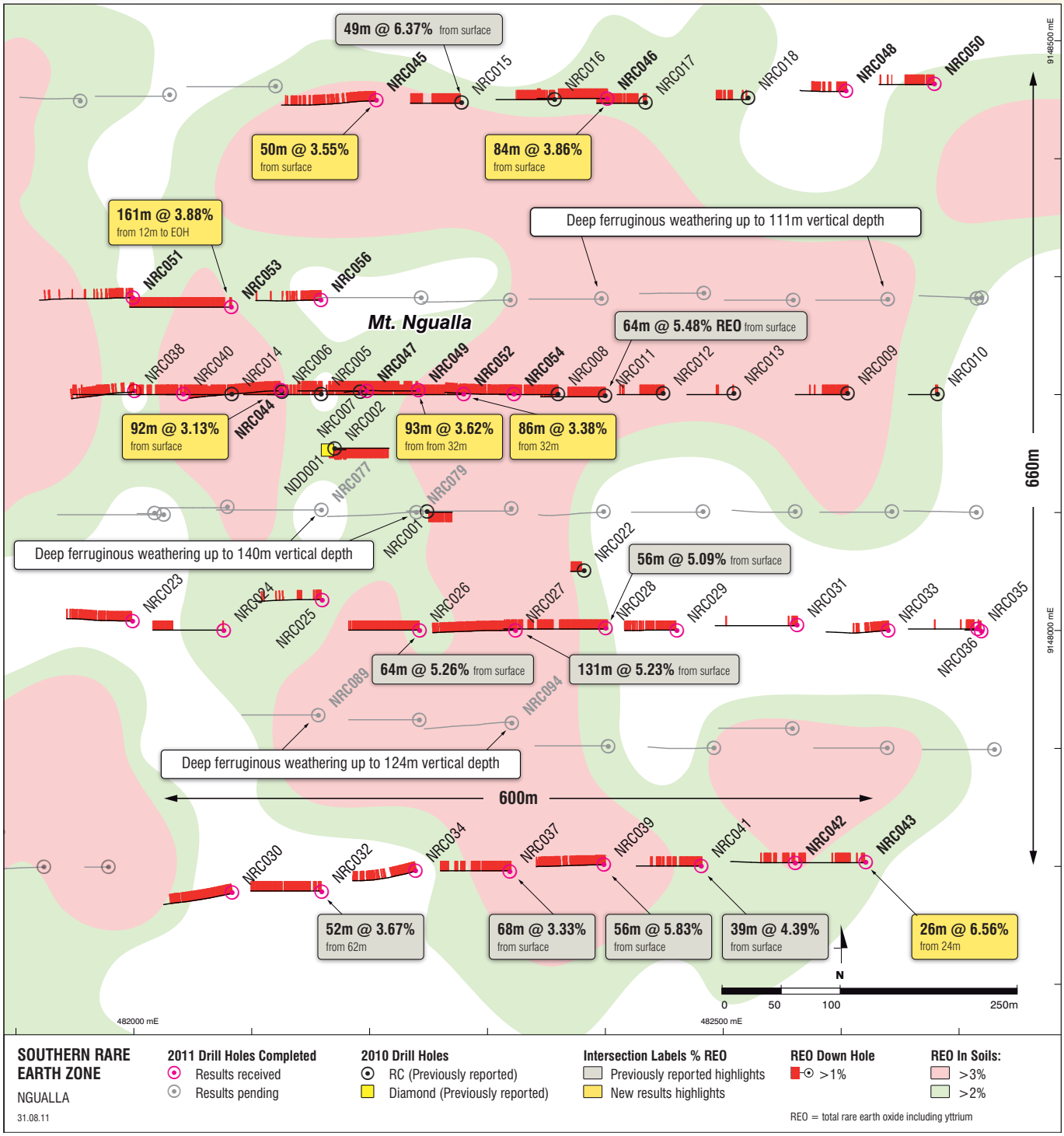
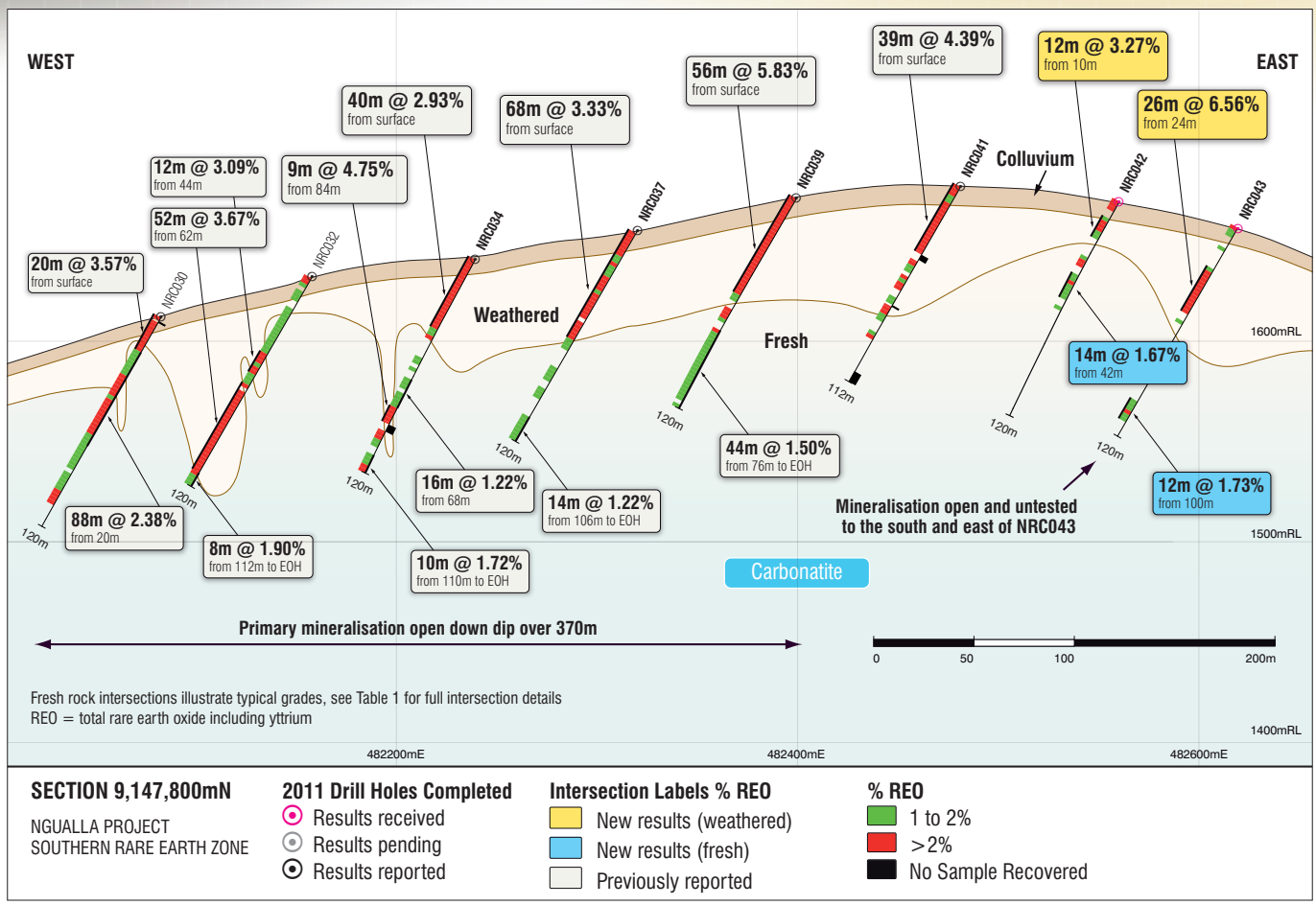


Figure 2: Plan of new rare earth intersections and RC drilling completed to date, with previous drilling, key intersections and surface sampling contours, Southern Rare Earth Zone.



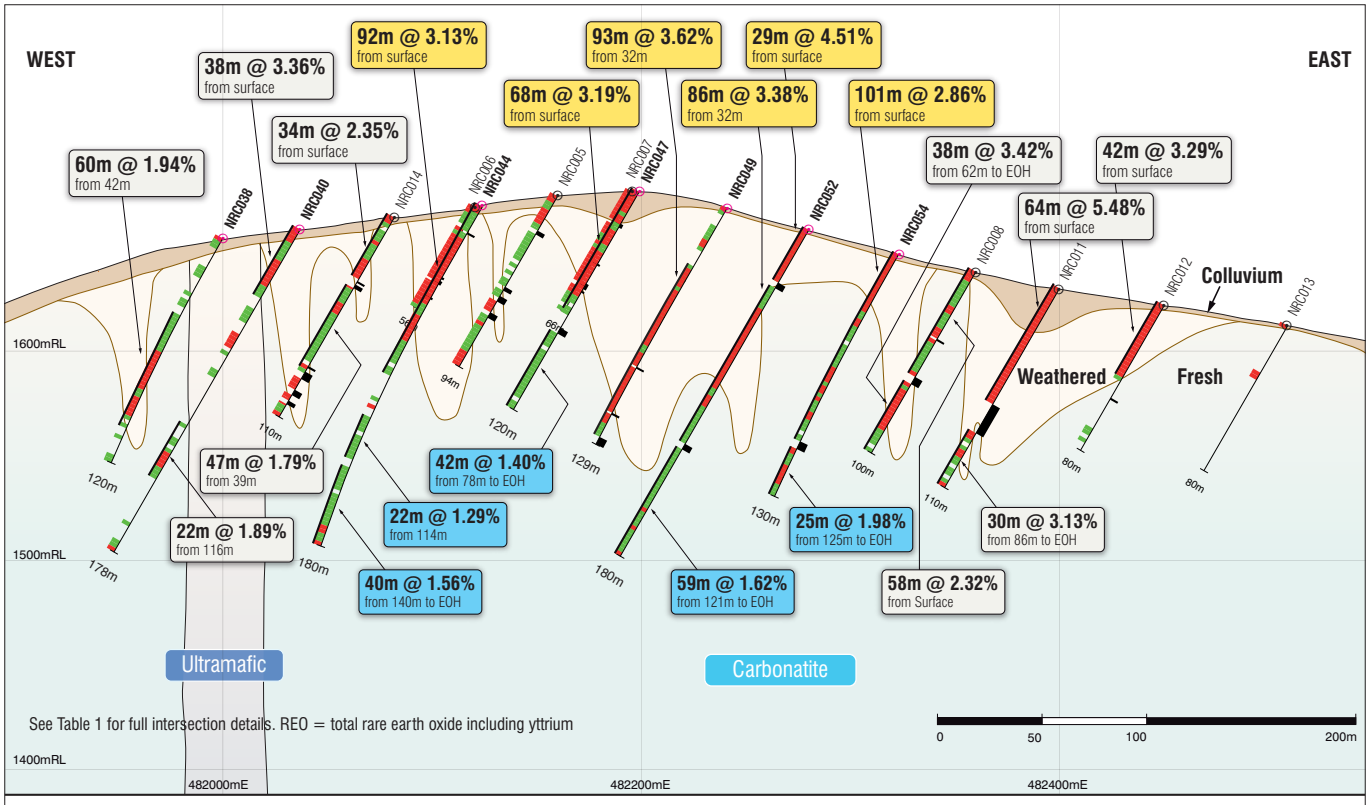
SECTION 9,147,800mN
NGUALLA PROJECT
SOUTHERN RARE EARTH ZONE

2011 Drill Holes Completed
- Results received
- Results pending
- Results reported

Intersection Labels % REO
- New results (weathered)
- New results (fresh)
- Previously reported

% REO
- 1 to 2%
- >2%
- No Sample Recovered

Figure 3: Drill hole cross section 9,147,800mN with new drill results and geology. This is the most southern drill traverse completed to date, mineralisation is open to the south, west and east.



SECTION 9,148,200mN
NGUALLA PROJECT
SOUTHERN RARE EARTH ZONE

2011 Drill Holes Completed
- Results received
- Results pending
- Results reported

Intersection Labels % REO
- New results (weathered)
- New results (fresh)
- Previously reported

% REO
- 1 to 2%
- >2%
- No Sample Recovered

Figure 4: Drill hole cross section 9,148,200mN with new drill results and geology. Rare Earth mineralisation remains open to the west.

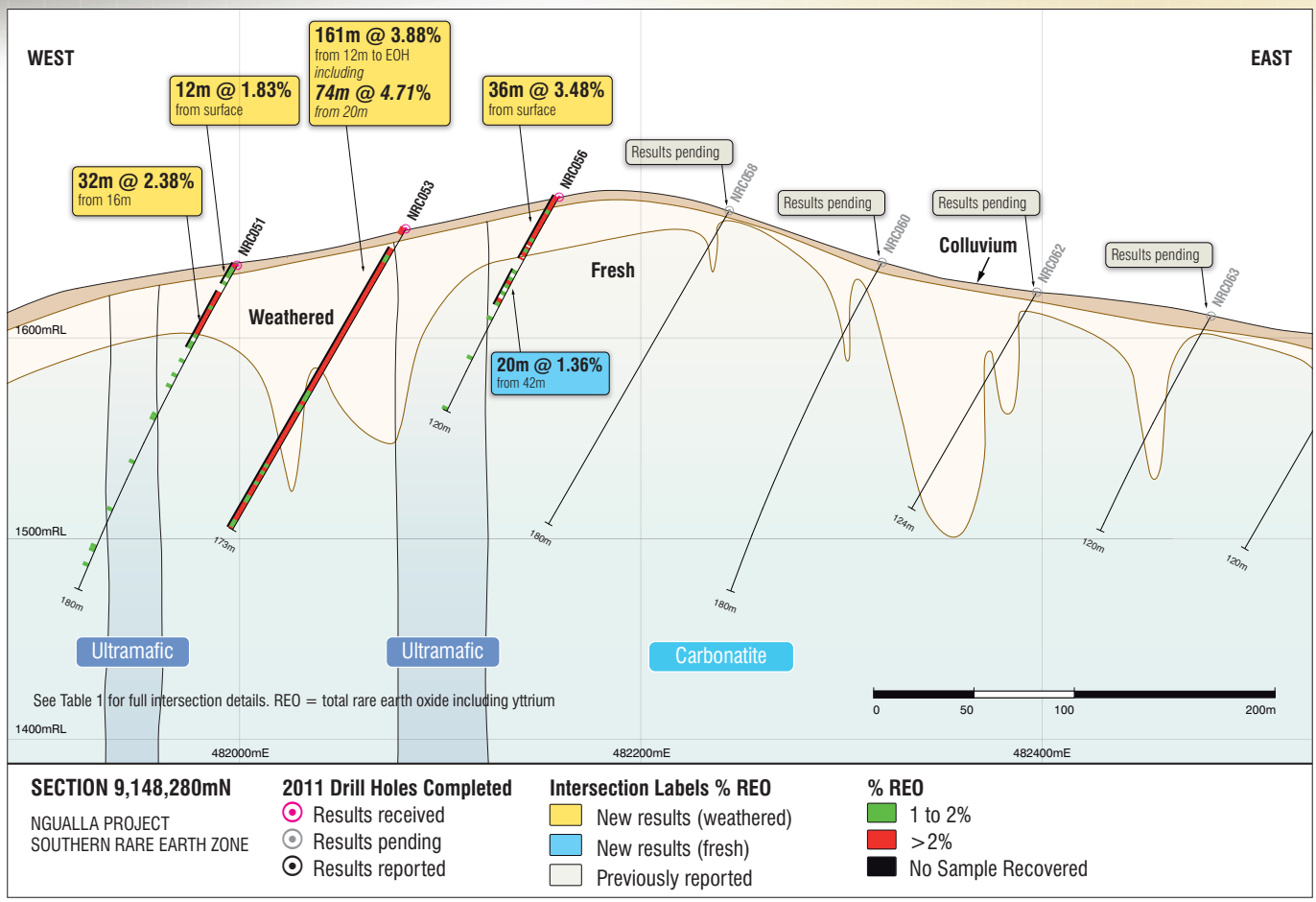


Figure 5: Drill hole cross section 9,148,280mN with new drill results and geology. Many assay results from completed holes awaited. NRC053 contains the longest and deepest intersection to date.

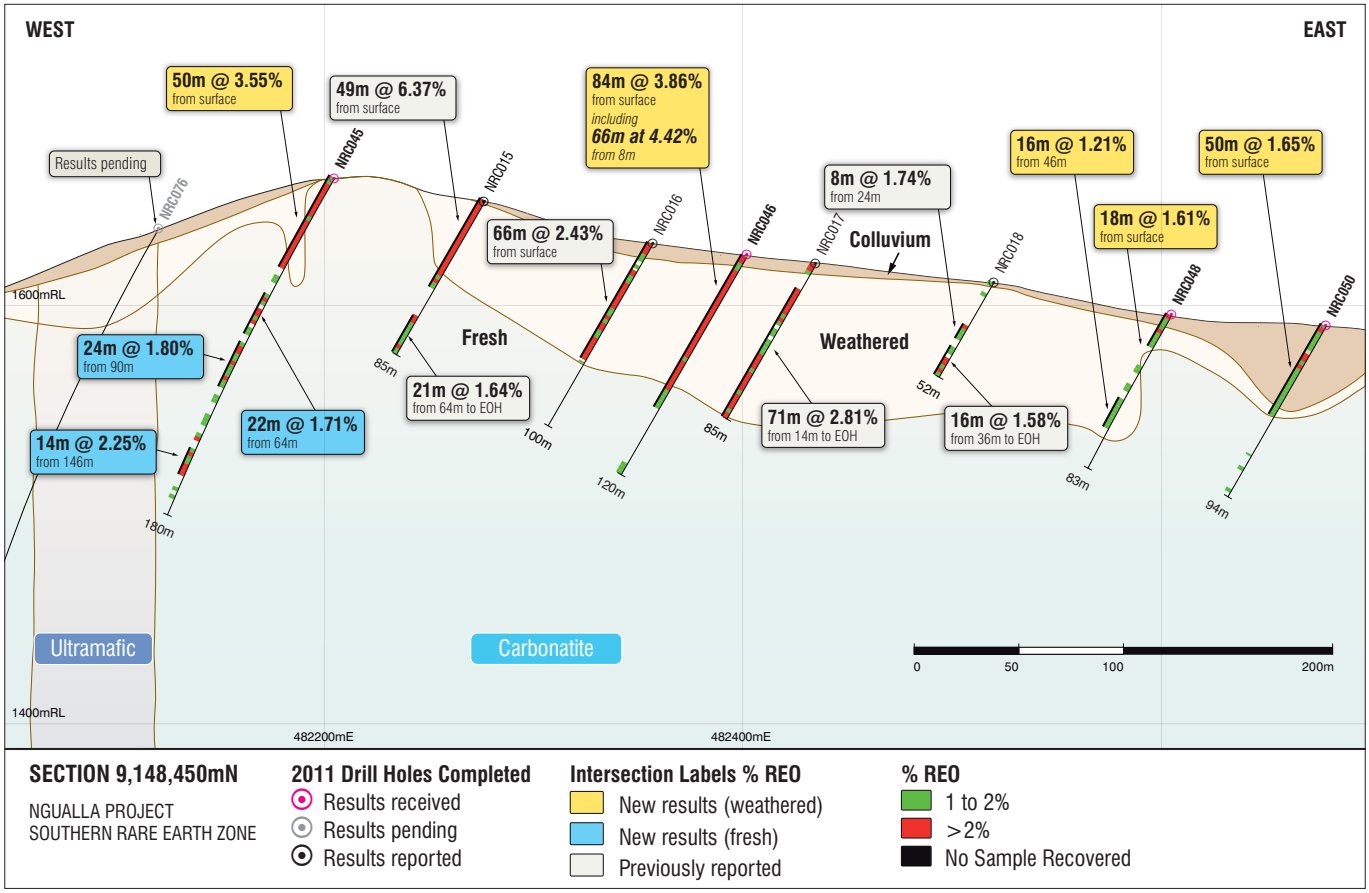


Figure 6: Drill hole cross section 9,148,450mN with new drill results and geology. This is the most northern drill traverse completed to date, mineralisation is open to the north, west and east.

Table 1: NGUALLA PROJECT RC DRILL RESULTS

CENTRAL BEDROCK ZONE - INTERSECTIONS +1% REO. SELECTED INTERSECTIONS +2% REO IN ***ITALICS***

Hole ID	East	North	Hole Depth (m)	From (m)	To (m)	Interval (m)	REO %
NRC042	482,561	9,147,803	120	0	6	6	2.85
				10	22	12	3.27
			(incl.	***12***	***18***	***6***	***5.11)***
				32	38	6	2.07
				42	56	14	1.67
				60	62	2	1.36
NRC043	482,620	9,147,803	120	0	6	6	1.94
				12	14	2	1.93
				24	**50**	**26**	**6.56**
				54	56	2	1.15
				100	112	12	1.73
NRC044	482,124	9,148,203	180	**0**	**92**	**92**	**3.13**
			(incl.	***8***	***54***	***36***	***4.59)***
				104	110	6	1.43
				114	136	22	1.29
				140	180	40*	1.56
NRC045	482,205	9,148,449	180	**0**	**50**	**50**	**3.55**
				54	58	4	1.40
				64	86	22	1.71
				90	114	24	1.80
				118	122	4	1.72
				128	134	6	1.44
				138	142	4	1.84
				146	160	14	2.25
				166	172	6	1.22
NRC046	482,402	9,148,451	120	**0**	**84**	**84**	**3.86**
			(incl.	***8***	***54***	***66***	***4.42)***
				114	120	6*	1.12
NRC047	482,199	9,148,203	120	**0**	**68**	**68**	**3.19**
			(incl.	***34***	***58***	***24***	***4.34)***
				78	120	42*	1.40
NRC048	482,605	9,148,457	83	0	18	18	1.61
				28	32	4	1.32
				38	42	4	1.31
				46	62	16	1.21
NRC049	482,241	9,148,203	129	0	4	4	1.61
				10	24	14	2.38
				32	**125**	**93**	**3.62**
			(incl.	***80***	***118***	***38***	***4.68)***
NRC050	482,679	9,148,463	94	0	50	50	1.65
				71	72	1	1.20
				78	80	2	1.00
				90	92	2	1.00
NRC051	481,999	9,148,282	180	0	12	12	1.83
				16	48	32	2.38
				54	56	2	1.02
				62	64	2	1.26
				68	70	2	1.06
				84	88	4	1.08
				110	112	2	1.77
				136	138	2	1.27
				156	160	4	1.37
				166	168	2	1.43

Table 1: NGUALLA PROJECT RC DRILL RESULTS (CONTINUED)

CENTRAL BEDROCK ZONE - INTERSECTIONS +1% REO. SELECTED INTERSECTIONS +2% REO IN ***ITALICS***

NRC052	482,280	9,148,200	180	**0**	**29**	**29**	**4.51**
				32	**118**	**86**	**3.38**
			(incl.	***44***	***88***	***44***	***4.81)***
				121	180	59*	1.62
NRC053	482,083	9,148,274	173	0	4	4	3.00
				12	**173**	**161***	**3.88**
			(incl.	***20***	***94***	***74***	***4.71)***
NRC054	482,323	9,148,200	130	**0**	**101**	**101**	**2.86**
			(incl.	***0***	***32***	***32***	***5.08)***
				105	130	25*	1.98
NRC055	481,682	9,148,198	120	0	6	6	1.50
NRC056	482,159	9,148,280	120	**0**	**36**	**36**	**3.48**
				42	62	20	1.36
				68	70	2	1.04
				90	92	2	1.00
				118	120	2*	1.53

Note: REO = Total Rare Earth Oxides including Yttrium. See Table 2 for relative distribution of individual rare earth oxides. Samples are 2m composites from angled -60° west RC drilling. Intersections calculated using 1% REO lower cut and a maximum of 2m internal dilution. Maximum 2m of no sample return (NSR) included in each intersection at a zero grade. Analysis by SGS laboratory, Perth, by 4 acid digest and ICP or XRF. Co-ordinate system is Arc 1960 UTM zone 36S.
*=hole ended in mineralisation.

Table 2: INDIVIDUAL RARE EARTH OXIDES AS A PERCENTAGE OF TOTAL RARE EARTH OXIDES

Light REO = 98.5%						Heavy REO = 1.20%									0.25%
La_2O_3	CeO_2	Pr_6O_{11}	Sc_2O_3	Nd_2O_3	Sm_2O_3	Eu_2O_3	Gd_2O_3	Tb_4O_7	Dy_2O_3	Ho_2O_3	Er_2O_3	Tm_2O_3	Yb_2O_3	Lu_2O_3	Y_2O_3
27.4	48.4	4.66	0.17	16.3	1.56	0.31	0.67	0.05	0.10	0.01	0.04	0.00	0.01	0.00	0.25

Note: Average relative REO components are calculated using individual rare earth grades in samples above 1% REO in the 50 RC holes and one diamond hole for which assays have been received in the Southern Rare Earth Zone

Alastair Hunter Executive Chairman

The information in this report that relates to Exploration Results is based on information compiled and/or reviewed by Dave Hammond who is a Member of The Australasian Institute of Mining and Metallurgy. Dave Hammond is the Technical Director of the Company. He 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". Dave Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.