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ASX RELEASE



DRILL RESULTS CONFIRM MAJOR RARE EARTH DISCOVERY AT NGUALLA

Peak Resources Limited is pleased to report the first assay results from the 2011 rare earth resource drilling program at Ngualla in southern Tanzania.

The results from eight reverse circulation (RC) holes extend the known mineralisation in the Southern Rare Earth Zone a further 390m to the south west of previous drilling (Figure 1) and include the following wide intersections of encouraging grade from surface:

Highlights from this first batch of assay results from the 2011 program include:

NRC026:	64m at 5.26% REO from surface and 32m at 5.15% REO from 88m to EOH
NRC027:	131m at 5.23% REO from surface
NRC028:	56m at 5.09% REO from surface

*REO = Total Rare Earth Oxide including yttrium. Intersections calculated at a +2% REO lower cut.

The highest grade mineralisation occurs from surface within the ferruginous weathered zone of the Ngualla Carbonatite, where grades consistently average above 5% REO. The drilling also intersected REO mineralisation in the fresh carbonatite beneath the weathered profile, which is significant in terms of additional tonnage potential. Primary mineralisation in the unweathered carbonatite typically grades from 1% to 2.5% REO (Figure 3).

Together with previous results from the Company's maiden drilling programs in 2010, these intersections confirm a major new rare earth discovery at Ngualla. Mineralisation extends from surface to depths of up to 100m vertical (the maximum depth of drilling to date) over a 750m x 400m area (Figure 2). Mineralisation still remains open to the west, north, south and with depth.



Photo 1: Drilling hole NRC047, Southern Rare Earth Zone, Mt Ngualla, June 2011.

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All 8 holes intersected +2% rare earth mineralisation. Most of the holes also intersected significant widths of higher grade including:

DRILL HOLE	INTERSECTION	DRILL HOLE	INTERSECTION
NRC023:	10m at 3.94% REO from surface	NRC029:	14m at 4.71% REO from surface and 9m at 3.41% REO from 89m to EOH
NRC026:	64m at 5.26% REO from surface and 32m at 5.15% REO from 88m to EOH	NRC030:	20m at 3.57% REO from surface and 34m at 3.52% REO from 34m
NRC027:	131m at 5.23% REO from surface and 11m at 5.05% REO from 133m to EOH	NRC032:	12m at 3.09% REO from 44m and 52m at 3.67% REO from 62m
NRC028:	56m at 5.09% REO from surface		

Full results above 2% REO are detailed in Table 1. Distribution of individual REO's shown in Table 2.

Good progress has been made with drilling on site with a total of 65 RC drill holes for 8,200m now completed of the total 22,000m 2011 drilling program (Figures 1 and 2).

Drilling will continue for several months and the Company will continue to provide regular updates regarding progress and results as they come to hand. The Directors believe that Ngualla continues to demonstrate the potential to be one of the largest and better grade new rare earth discoveries in recent years. A maiden JORC compliant rare earth resource estimate is expected to be completed by the end of the first quarter of 2012.

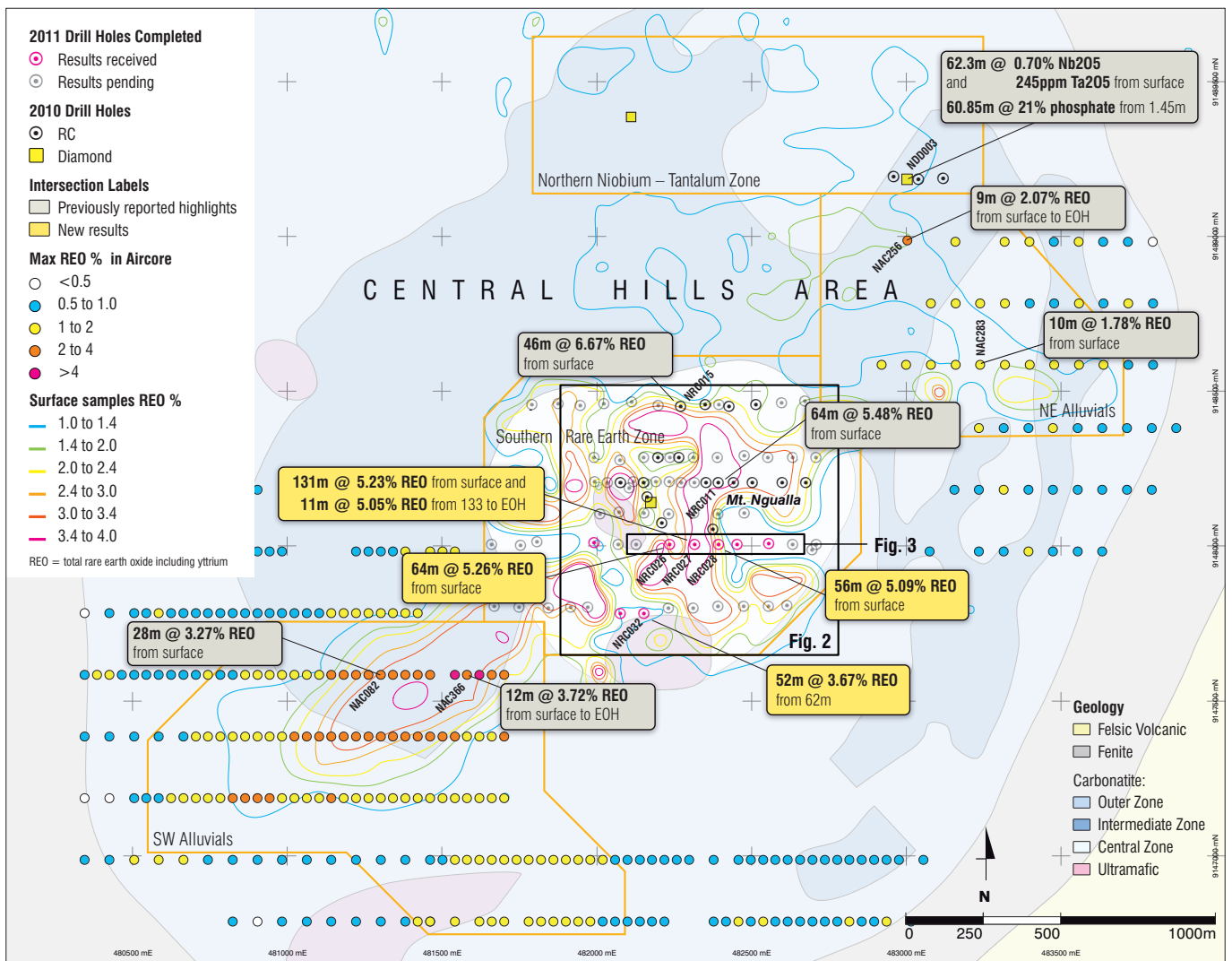


Figure 1: Location of new drilling and assay results over simplified geology map of the Ngualla Carbonatite showing areas of planned drilling with previous key intersections and surface sampling results.

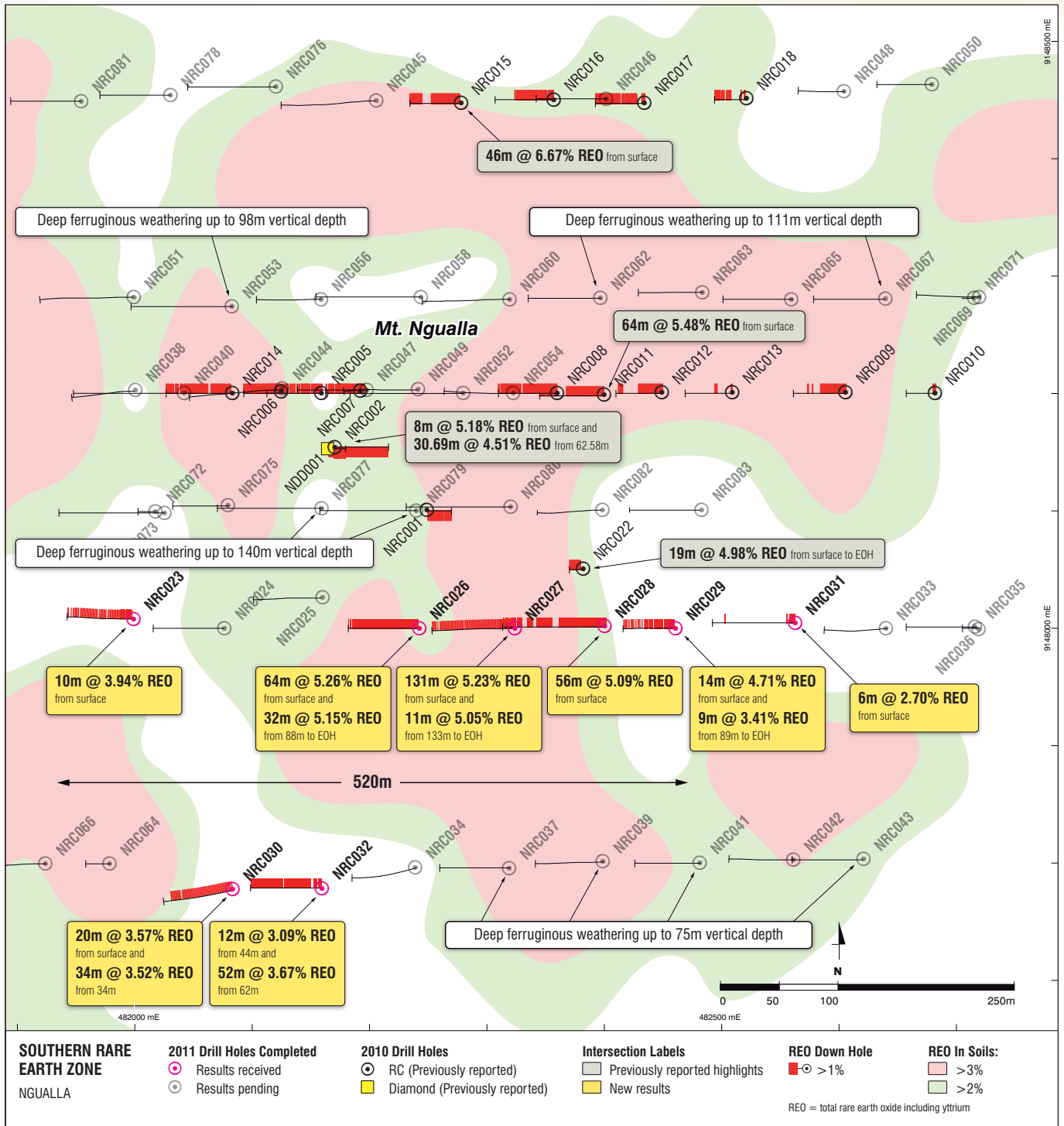


Figure 2: New rare earth intersections and RC drilling completed to date, with previous drilling, key intersections and surface sampling contours, Southern Rare Earth Zone.

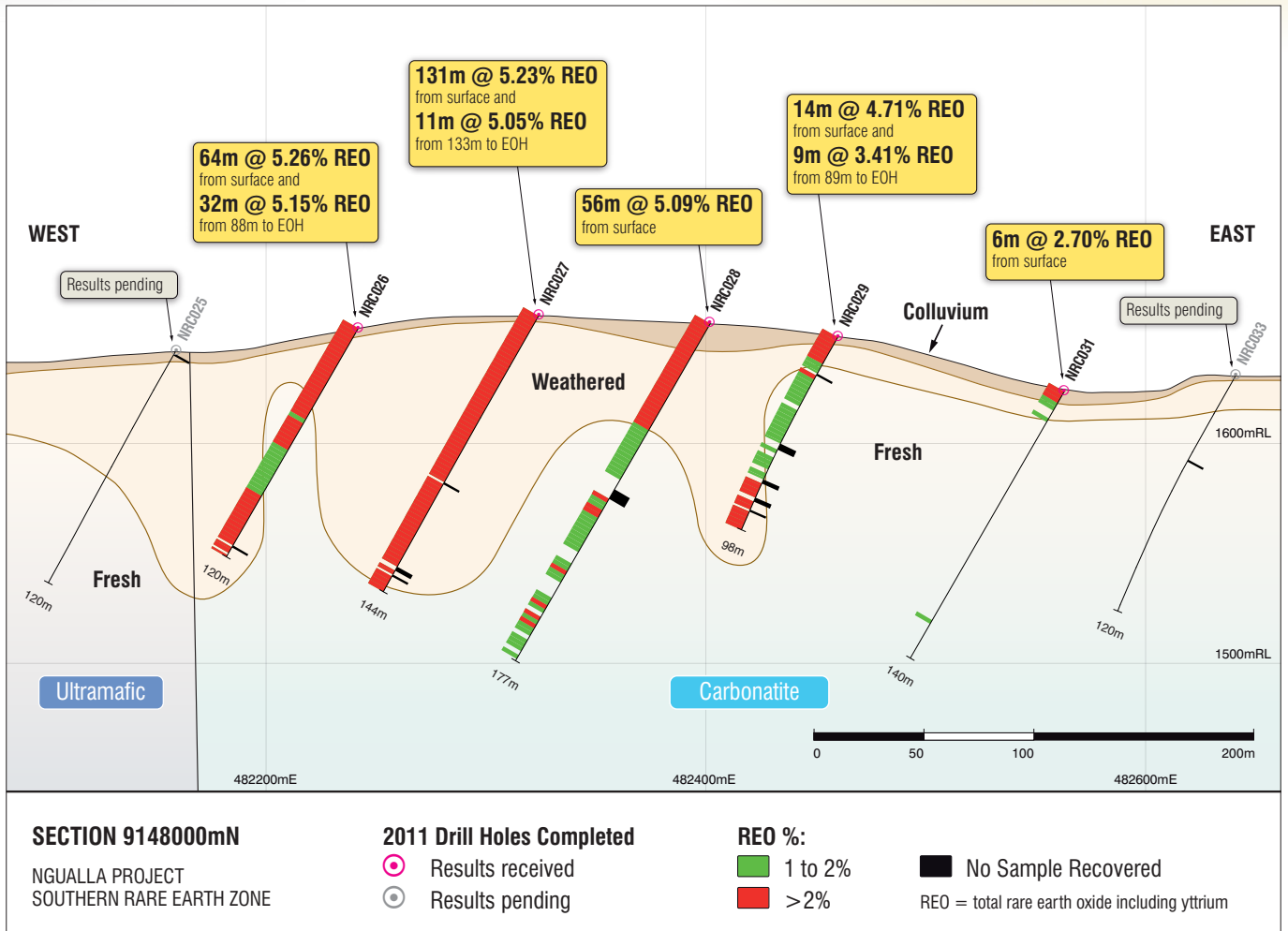


Figure 3: Drill hole cross section 9,148,000mN looking north with new drill results and geology.



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.

Table 1: NGUALLA PROJECT RC DRILL RESULTS

CENTRAL BEDROCK ZONE - INTERSECTIONS +2% REO

Hole ID	East	North	Hole Depth (m)	From (m)	To (m)	Interval (m)	REO %
NRC023	481,998	9,148,008	120	0	10	10	3.94
				22	24	2	2.66
				28	40	12	2.15
				56	58	2	2.13
				66	68	2	2.07
				76	82	6	2.14
				84	90	6	2.18
				102	108	6	2.38
NRC026	482,242	9,148,000	120	0	64	64	5.26
				88	120	32*	5.15
NRC027	482,324	9,148,000	144	0	131	131	5.23
				131	133	2	NSR
				133	144	11*	5.05
NRC028	482,402	9,148,001	177	0	56	56	5.09
				92	94	2	4.78
				98	102	4	2.29
				130	132	2	2.09
				148	150	2	2.00
				154	160	6	2.46
NRC029	482,460	9,148,000	98	0	14	14	4.71
				20	22	2	2.01
				75	88	13	2.50
				88	89	1	NSR
				89	98	9*	3.41
NRC030	482,084	9,147,777	120	0	20	20	3.57
				34	68	34	3.52
				100	108	8	2.23
NRC031	482,563	9,148,004	140	0	6	6	2.70
NRC032	482,159	9,147,779	120	0	4	4	4.08
				44	56	12	3.09
				62	114	52	3.67

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 2% REO lower cut and a maximum of 2m internal dilution. Maximum 2m of no sample return 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. NSR = no sample returned during drilling.

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

Light REO = 98.6%						Heavy REO = 1.13%									0.22%
La ₂ O ₃	CeO ₂	Pr ₆ O ₁₁	Sc ₂ O ₃	Nd ₂ O ₃	Sm ₂ O ₃	Eu ₂ O ₃	Gd ₂ O ₃	Tb ₄ O ₇	Dy ₂ O ₃	Ho ₂ O ₃	Er ₂ O ₃	Tm ₂ O ₃	Yb ₂ O ₃	Lu ₂ O ₃	Y ₂ O ₃
27.0	48.5	4.6	0.15	16.8	1.61	0.30	0.64	0.05	0.09	0.01	0.03	0.00	0.01	0.00	0.22

Note: Average relative REO components are calculated using individual rare earth grades in samples above 2% REO in the 25 RC holes and one diamond hole completed in the Southern Rare Earth Zone to date.