Peak Resources Limited - June Quarterly Activity Report and Appendix 5B

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Perth, Australia (ABN Newswire) - Peak Resources Ltd. (ASX:PEK) (OTCQX:PKRLY) is pleased to report advances made during the June Quarter 2013 towards the development of the Company's 100% owned Ngualla Rare Earth Project in Tanzania. Ngualla is on schedule to become the next major rare earth supplier with high grade mineralisation and a simple, proven metallurgical process supporting a low cost operation.

Activity highlights this Quarter include:

Revised Scoping Study

An update to the December 2012 Scoping Study was released on 29th May 2013 to quantify the:

1) savings in both capital and operating costs derived from the new resource model and enhanced beneficiation ability
2) economic potential of an option to double rare earth production levels

The results of the revised study show Ngualla will be a low cost producer. At a 10,000tpa REO production rate, capital costs of US$373 million excluding contingency are also far lower than other projects.

The new and higher grade resource model offers the potential to double production rates to 20,000tpa REO, delivering an NPV10 of US$3.833 billion and IRR of 77%.

Solvent Extraction Pilot Plant, ANSTO

High purity rare earth oxide and carbonate products have been produced by ANSTO from a bulk sample of Ngualla mineralisation as part of the Solvent Extraction Pilot Plant work in progress.

Ngualla is one of the very few projects outside of China to have successfully produced a high purity separated product. The ability to produce separated high purity rare earth oxide adds significant value to the project and allows access to wider markets for Ngualla's products.

New Mineral Resource

The new and increased Mineral Resource was announced early in the Quarter on 4th April. At a 3.0% lower grade cut the Mineral Resource for the Bastnaesite Zone weathered mineralisation targeted for initial development is:
21.6 million tonnes at 4.54% REO*, for 982,000 tonnes of contained REO#.

The revised Scoping Study and economic assessment completed during the quarter incorporated the new Mineral Resource, which supports a mine life of over 50 years from the Bastnaesite Zone alone, at a grade of 5.35% REO for the first 25 years.

Corporate

During the Quarter the Company raised $2.5 million before costs through the issue of 20.8 million shares to sophisticated or professional investors.

The Company had $2.44 million cash on hand at 30 June 2013.

Discussions with a potential cornerstone investor to complete a binding agreement and provide funding for the development of the Ngualla Project are taking longer than first anticipated but continue to progress.

To view the full quarterly report, please visit:
http://media.abnnewswire.net/media/en/docs/ASX-PEK-641879.pdf

About Peak Resources Ltd.:

Listed on the Australian Stock Exchange (ASX:PEK) in November 2006 and based in Perth, Western Australia, Peak Resources Ltd. is developing the Ngualla Rare Earths Project in southern Tanzania. Peak also holds a number of gold projects comprising a mix of brownfield, greenfield and advanced exploration prospects in the highly prospective Lake Victoria Goldfields area of Tanzania.

Peak's goal is to generate shareholder value through:

- Development of the exciting new high-grade, low uranium and thorium Ngualla Rare Earth discovery into production

- Exploring for niobium-tantalum and phosphate at Ngualla to generate a pipeline of additional commodities

- Discovery of new gold deposits within its large, highly prospective portfolio of exploration projects in Tanzania

- Aggressive new project acquisition programmes in East Africa

Peak's head office is located in Perth, Western Australia with an exploration office in Mwanza, Tanzania.

Contact:

Peak Resources Ltd.
T: +61-8-9200-5360
F: +61-8-9226-3831
WWW: www.peakresources.com.au