



10 September 2020

Dear Shareholder

Rights Issue - Notification to Ineligible Foreign Shareholders

On 10 September, Peako Limited Limited (PKO) ("**Peako**" or the "**Company**") announced a non-renounceable pro rata rights issue on the basis that for every five Shares held as at the Record Date, Eligible Shareholders will have the right to subscribe for one new Share at an issue price of \$0.032 (3.2 cents) per new Share. Each subscriber will also be entitled to receive (for no additional consideration) one New Option (exercisable at a price of \$0.055 at any time on or before 30 June 2022) for every two Shares subscribed for and received under this Rights Issue.

The New Options will not be quoted and will comprise a new class of security.

The Rights Issue seeks to raise up to \$1,010,171 (before costs) to provide working capital for Peako to advance exploration at its projects, particularly its 'Golden Opportunities' East Kimberley Initiative, further acquisition of Worldview-3 satellite data over remainder of our granted East Kimberley projects and continued analysis of historical data and integration to rank targets for drilling.

This notice is to inform you about the Rights Issue and to explain why you will not be able to subscribe for new securities under the Rights Issue. This letter is not an offer to issue new securities to you, nor an invitation for you to apply for new securities. **You are not required to do anything in response to this letter.**

Documents relating to the Rights Issue were lodged with the ASX on Thursday 10 September 2020 and are being mailed to Eligible Shareholders (defined below). The Prospectus is also available on the Company's announcements platform at www.asx.com.au (ASX Code: PKO) and the company's website www.peako.com.au.

Eligibility Criteria

The Company has determined, pursuant to ASX Listing Rule 7.7 and Section 9A of the *Corporations Act 2001* (Cth), that it would be unreasonable to make offers under the Rights Issue to registered shareholders on the Record Date, being 15 September 2020, that have a registered address outside of Australia or New Zealand (**Ineligible Foreign Shareholders**), having regard to:

- a) the small number of shareholders with addresses outside these countries;
- b) the small number and value of the shares those shareholders would otherwise have been entitled; and
- c) the cost of complying with the legal requirements, and requirements of regulatory authorities in each of the countries concerned.

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Shareholders who are eligible to participate in the Rights Issue (**Eligible Shareholders**) are shareholders who:

- a) are registered as a holder of Shares as at 7.00pm (AEST) on the Record Date;
- b) as at the Record Date, have a registered address in Australia or New Zealand; and
- c) are not in the United States and are not acting for the account or benefit of a person in the United States; and
- d) are eligible under all applicable securities laws to receive an offer under the Rights Issue without any requirement for a prospectus or offer document to be lodged or registered.

All other shareholders are not eligible to participate in the Rights Issue.

Unfortunately, the Company has determined that you do not satisfy the eligibility criteria for an Eligible Shareholder stated above. Accordingly, the Company wishes to advise you that it will not be extending the Rights Issue to you and you will not be able to subscribe for new securities under the Rights Issue. You will also not be sent the Prospectus relating to the Rights Issue nor be able to subscribe for new securities under the Rights Issue.

As the Rights Issue is non-renounceable, you will not receive any payment or value for entitlements in respect of any new securities that would have been offered to you if you were eligible.

If you have any queries about the Rights Issue please contact Peako's Share Registry, Automic Pty Ltd, on +61 (0)2 9698 5414.

Yours sincerely,



Raewyn Clark
Director

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