

Drilling underway at Las Opeñas Gold Project

Highlights

- Drilling underway at NewPeak's Las Opeñas Gold Project in San Juan Province, Argentina
- A minimum 2,500m program is planned across 9 holes, with optionality to expand
- Drilling to test extension of gold and polymetallic anomalies in historic drilling
- First hole targeting area adjacent to and at greater depth than a historic hole which intercepted 115m @ 0.58g/t Au from 18m to end of hole¹

NewPeak Metals Limited (**NPM**, **NewPeak** or the **Company**) is pleased to advise that drilling has commenced at its Las Opeñas Gold Project (**Las Opeñas** or the **Project**) in San Juan Province, Argentina.

Drilling is planned to comprise of a minimum 2,500 metres across approximately 9 diamond drill holes with optionality to expand total drill metres. The program is designed to test extension of historic drill results, with the first hole testing an area near to a hole drilled in 2012, 12-LODH-03, which intercepted 115m @ 0.58g/t Au, 3.5g/t Ag, 0.24% Pb, 0.65% Zn from 18m to end of hole¹.



Figure 1: Rig setting up over first drillhole LODH-023

¹ GMD ASX Announcement dated 21 August 2014



2,500m of drilling is expected to take approximately 8 weeks. This time frame could be extended by additional metres, penetration rates and weather conditions, among other factors. Samples are planned to be sent to ALS Mendoza for assaying.

Managing Director, Mark Purcell, commented:

“After some unforeseen delays driven primarily by availability of suppliers following the demobilisation of higher-altitude projects for the winter in the nearby Vicuña district, drilling has now commenced at NewPeak’s 100% owned exploration permits at the Las Opeñas gold project.

Las Opeñas has the potential to be a large-scale, gold dominant polymetallic system situated in one of the best mining provinces not only in Argentina, but in the world, namely San Juan Province.

The drill program is designed primarily to understand scale potential by following up on encouraging historic drill results. Ecominera’s drill rig (Sandvik DE710) can reach depths of more than 700m with HQ diamond drilling, and therefore we will extend hole depths where observations are encouraging.

While the delay in receiving assay results for the 1,179m of diamond drilling at the Tansey Gold Project in southeast Queensland, which targeted high-grade gold extensions from the historic South Burnett mine, is frustrating, this appears to be a common occurrence within the industry and therefore we remain excited about the potential for those results. Our latest guidance is that we will receive results mid to late May.

NewPeak feels like it could be on the verge of not one, but two exciting gold discoveries within the next 3-5 months, and given its current market capitalisation, is extremely well placed for upside.”

Project Overview

NewPeak’s Las Opeñas Gold Project is located ~70km southeast of Barrick/Shandong’s Veladero Mine and ~110km north-northwest of Challenger Gold’s Hualilan Mine in San Juan Province, Argentina. The closest village to the project is Malimán de Abajo which is 25km southeast.

The Project features a reinterpreted 800m x 600m breccia zone which has previously been drilled to relatively shallow depths, with a selection of historical intercepts shown in Figure 3.

NewPeak intends to undertake deeper drilling across a broader zone on this breccia area, which appears to form part of a rhyolitic complex associated with phreatic breccias and strong argillic alteration. Prospectivity is enhanced given the presence of two distinct mineralisation phases, namely broad, silver-dominated mineralisation pervasive in phreatic breccias, then gold-silver-polymetallic mineralisation hosted in discrete hydrothermal breccias, which appear to strengthen downhole. The scale of the breccia mapped at surface and the regional structural setting are also encouraging ingredients for a potential gold-dominant, polymetallic breccia system.



Figure 2: Location of Las Opeñas Gold Project

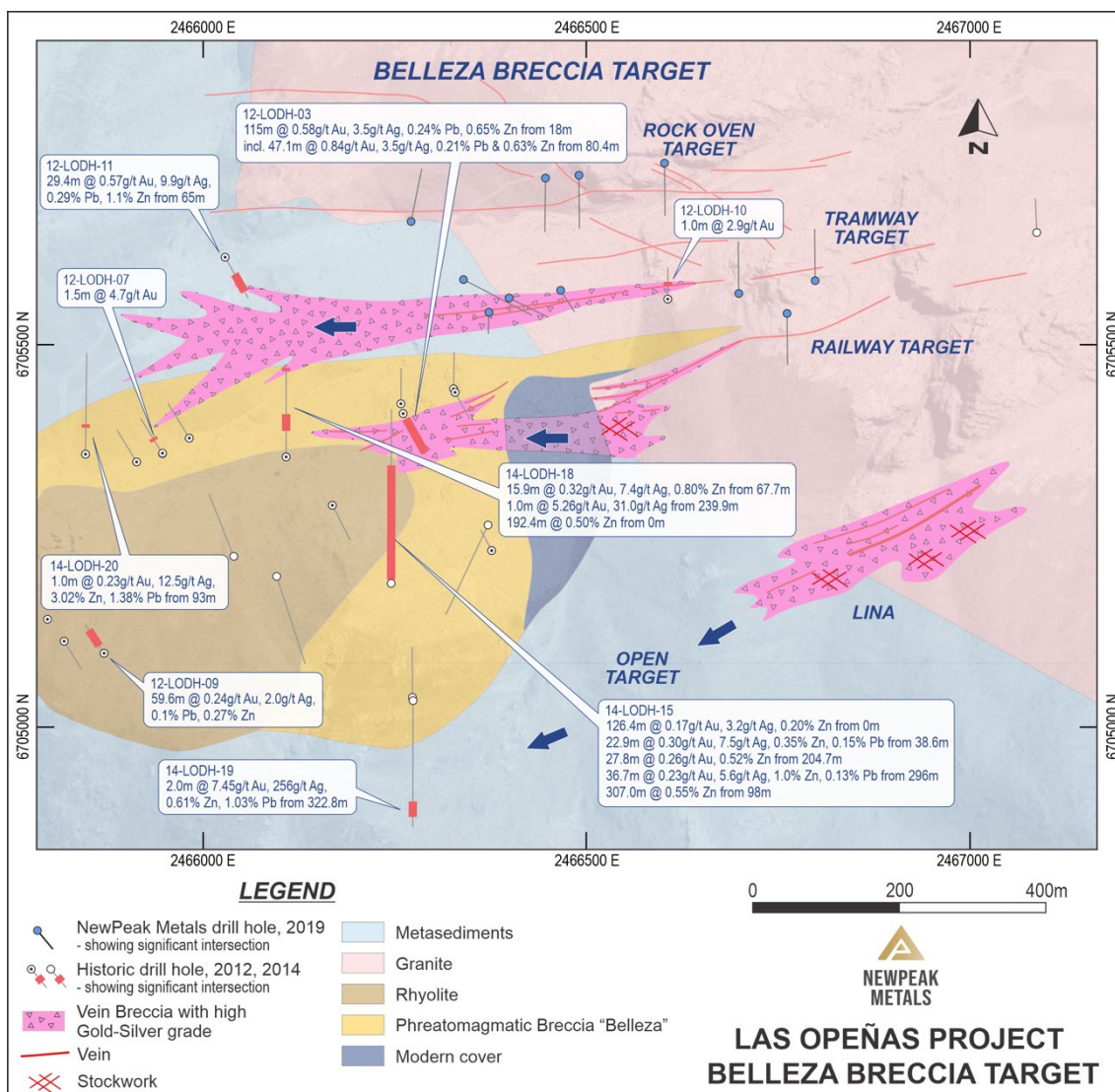


Figure 3: Historic drilling results in Belleza Breccia area at Las Opeñas²

Planned Drill Program

NewPeak is planning a minimum 2,500m diamond drill program with approximately 9 holes. Current hole locations and drillhole traces are shown in Figure 4, noting these are highly susceptible to change based on observations of drill core in the field. Additional holes have been designed and drill pads prepared should NewPeak exercise the option to drill more than 2,500m in this current round of drilling; doing so will depend on factors including drill core observations and available funding.

Drill core will be logged and sawn at NewPeak's camp near the town of Malimán de Abajo, with samples thereafter to be transported to ALS Mendoza for assaying.

² GMD ASX Announcement dated 21 August 2014



Figure 5: Project looking from east to west. Presagio is the large granite outcrop on the right-hand side; Belleza Breccia area is at the top left of the image.



Figure 6: Belleza Breccia area looking southwest. After zooming in, drill and white vehicles parked in front of the drill are visible in the middle of image.

Authorised for release by the Board.

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