



PENINSULA MINES LIMITED

ASX:PSM

## ASX ANNOUNCEMENT

31 January 2017

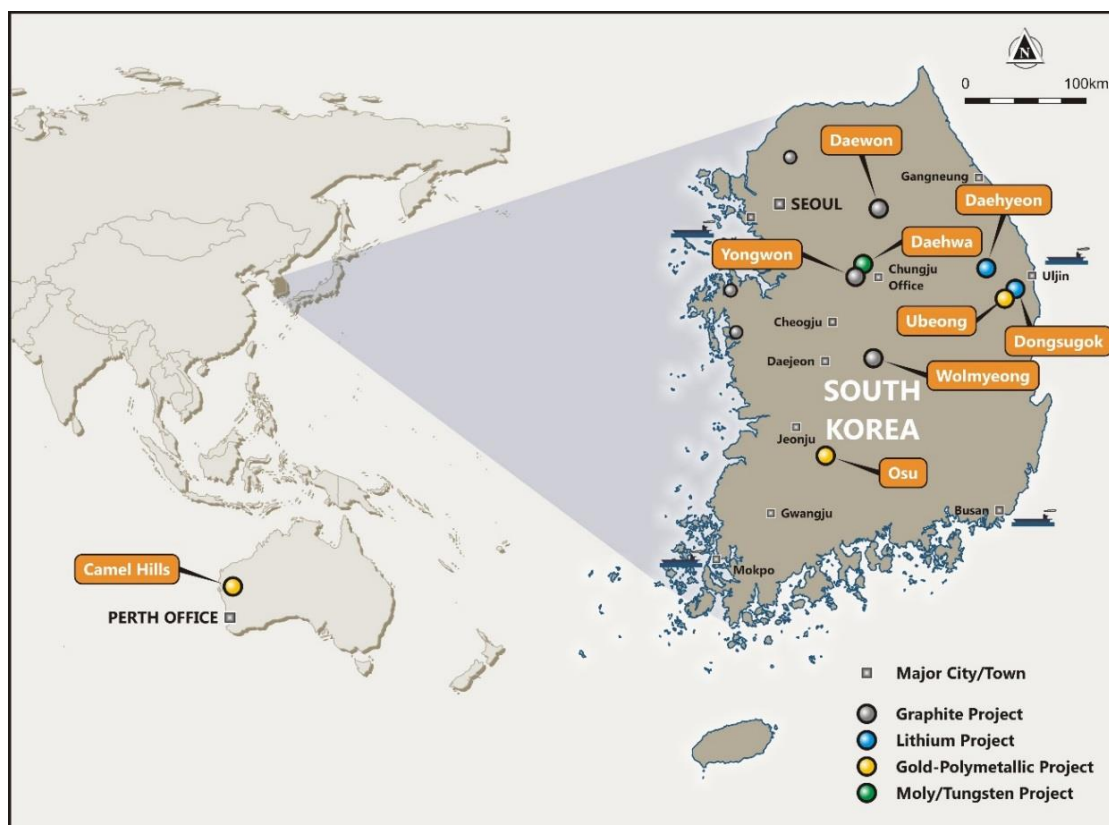
### QUARTERLY REPORT TO 31 DECEMBER 2016

- Excellent metallurgy and high-grade graphite channel results from Yongwon Project<sup>D1</sup>
- High-grade rockchip results and major zinc skarn district identified at Ubeong Project<sup>D3</sup>
- High-grade gold channel sampling results and drilling planned for Osu Project<sup>D4</sup>
- Large pegmatite corridor with highly-anomalous lithium results at Tonggo prospect<sup>D5</sup>
- Peninsula completes AUD\$1.7M placement to accelerate South Korean exploration<sup>D6</sup>

Peninsula Mines Limited ("**Peninsula**" or "**the Company**") operates a diverse, multi-element portfolio of South Korean exploration projects, encompassing graphite, lithium, gold and zinc-silver (see Figure 1, below). All commodities targeted have a positive price outlook and offtake demand in South Korea.

Peninsula made significant progress during the quarter, advancing the Yongwon Graphite Project<sup>D1</sup> and the Osu Gold Project<sup>D4</sup> to initial drill target definition, and defining a major zinc district on the Ubeong Zinc Project<sup>D3</sup>. The Company also identified a large pegmatite corridor at Tonggo (Dongsugok Project) with highly anomalous stream sediment lithium geochemistry<sup>D5</sup>.

The Company also completed a AUD\$1.7 million (pre-costs) capital raising, in October 2016<sup>D6</sup>, that will enable the Company to rapidly advance these Projects during 2017.



**Figure 1: Peninsula's South Korean Exploration Projects**

Peninsula Mines Limited (ASX: PSM)

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## Yongwon Graphite Project

Post Quarter-end, Peninsula reported excellent metallurgical results from its Yongwon Graphite Project including **high-grade concentrate averaging 97% total graphitic carbon (TGC) and 87.3% graphite recovery**. These results were produced from metallurgical testwork by IMO Project Services (IMO), in Perth, on representative samples of outcropping graphitic schist<sup>D1</sup>.

Additionally, channel sampling of re-excavated historical trenches, that cut across the outcropping graphitic schist, generated a high-grade trenching intersection of **9.7 metres (m) grading 11.7% TGC including 2.5m @ 16.9% TGC and 2.45m @ 16.1% TGC** (see Figure 2 for location). This trenching has not yet tested the entire width of the graphitic unit (estimated to be at-least 10m wide at surface), and further trenching is planned along the strike of the unit.

A moving loop electromagnetic (MLEM or EM) survey across the Yongwon graphitic unit was also conducted during the quarter, by Southern Geoscience Consultants (SGC). This EM survey successfully defined the highly conductive graphitic unit, dipping moderately to the northeast, and continuous to at-least 180m down dip and extending the strike length to over 400m, open to the east (see Figure 2).

The trenching and EM survey results have allowed the Company to produce a 3-dimensional interpretation of the graphitic unit, to be tested with planned drilling on 5 x 80m spaced drilling traverses. The programme will include 16 to 23 diamond drill holes for 1,100m to 1,500m and, depending on the continuity of thickness and grade of the graphitic unit, this is expected to be adequate drilling density to define a maiden Indicated Resource for the Yongwon Graphite Project<sup>D1</sup>.

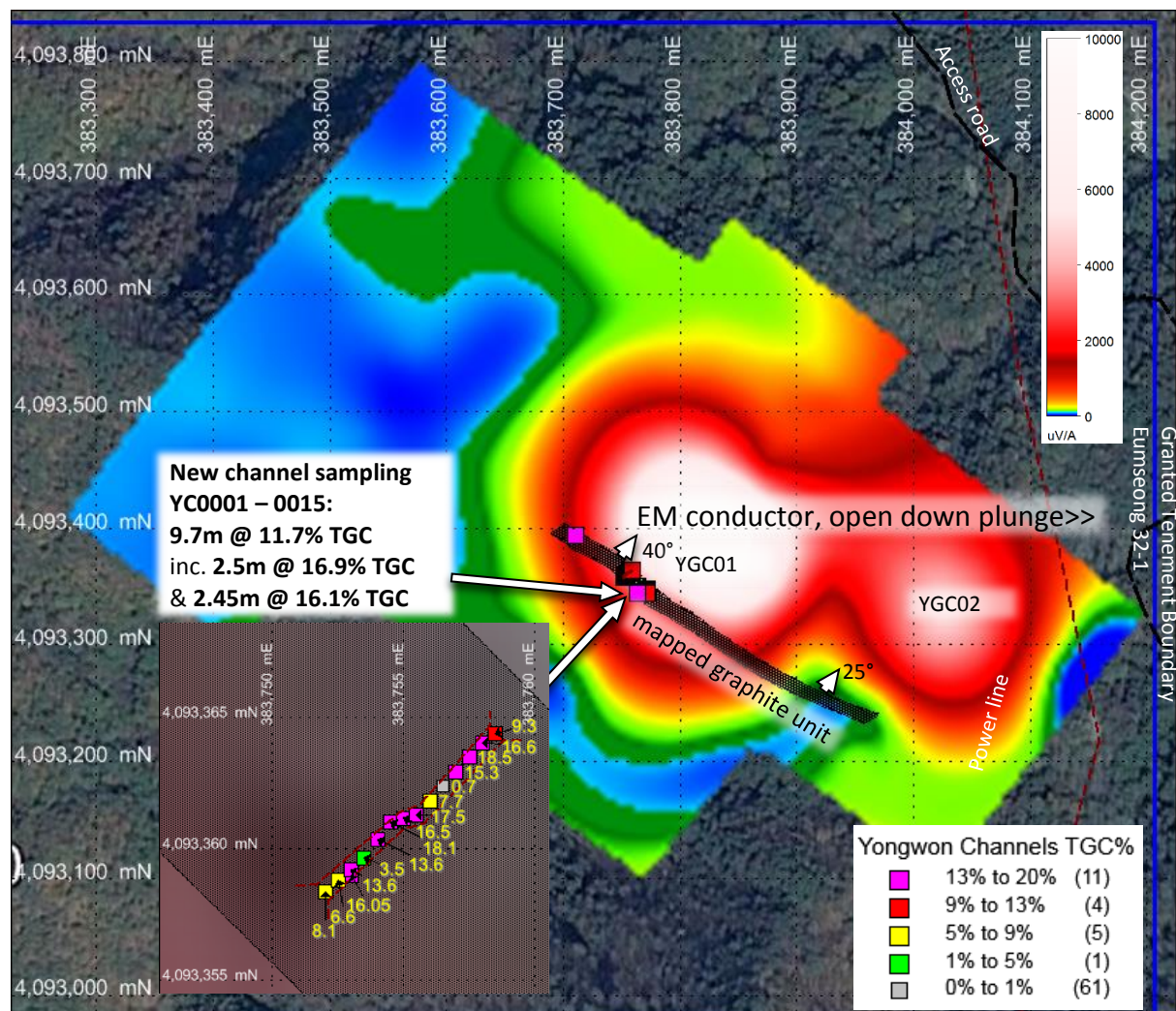


Figure 2: Yongwon Graphite Project, mapped graphitic unit, new channel sampling results and EM conductor



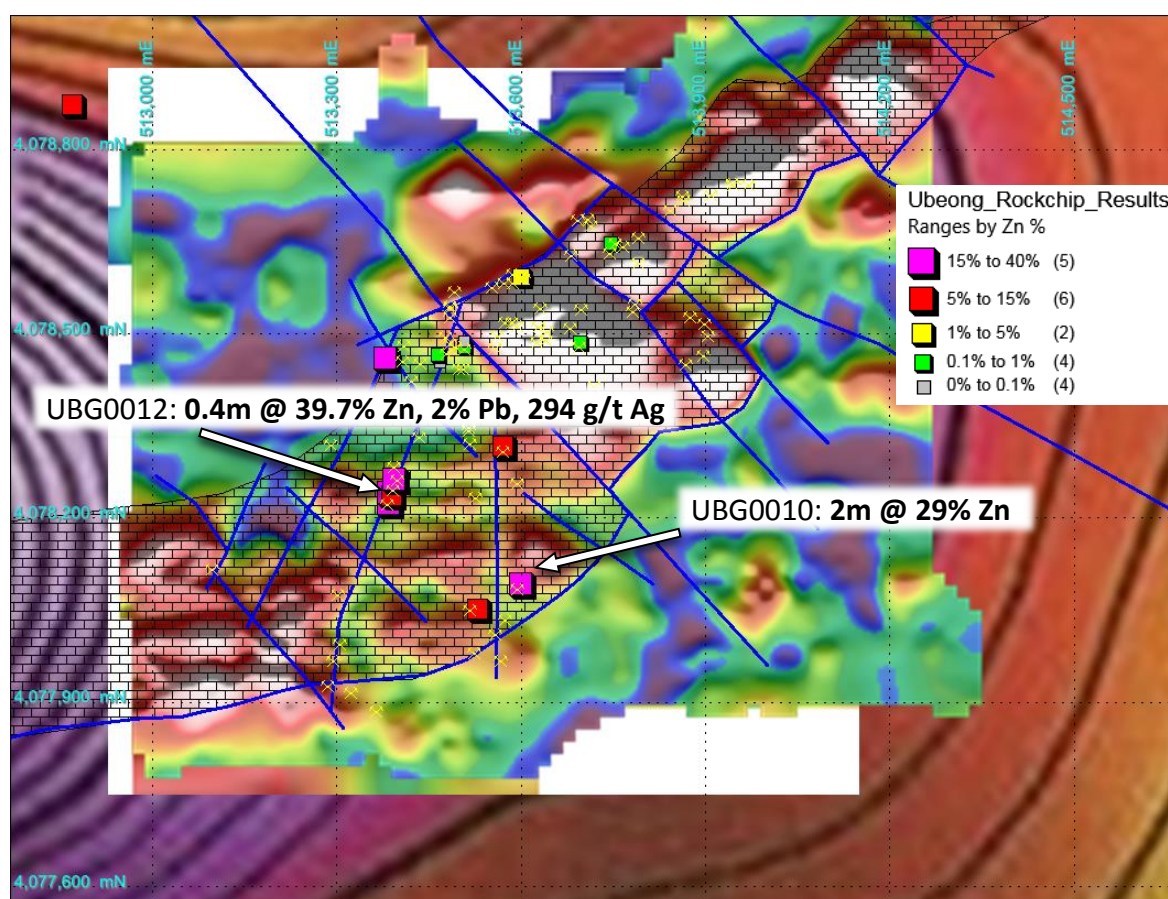
## Ubeong Zinc-Silver Project

Late last Quarter the Company secured a 10km strike length of tenement applications over a highly prospective zinc-silver-lead-copper skarn unit near Ubeong in northeast Korea (see Figure 1, location).

Sampling of extensive mine workings associated with the historical Kumho mine, at the eastern end of the project, produced further exceptionally high-grade results, including **0.4m @ 39.7% Zn, 2.0% Pb, 294 g/t Ag<sup>D2</sup>**, from remnant ore on the edge of a 20m long stope area, and **2.0m @ 29% Zn<sup>D3</sup>**, from gossanous lode material in another historically stope area (see Figure 3).

The Chilbo mine workings occur over a 2km x 2km area and high-grade zinc-silver (+/- Pb, Cu) mineralisation is associated with mineralised structures intersecting the skarnified limestone unit. Surface mapping by experienced contract field geologist, Malcolm Forbes (FAusIMM), confirmed the presence of a major zinc skarn district at Ubeong<sup>D3</sup>.

Detailed ground magnetics completed over the Chilbo workings area by SGC and Company field staff, in November 2016, has highlighted several strongly magnetic zones associated with magnetite bearing skarn alteration in the limestone unit and distinct offsets and magnetic disruptions associated with mapped workings and the high-grade zinc-silver rock-chip results<sup>D3</sup> (see Figure 3).



**Figure 3: Ubeong Project, Chilbo Mine-workings area, TMI image of ground magnetics, skarn-limestone unit (pattern) and structure (blue lines) interpretation, with workings (yellow) and results to date (squares)**

In order to define the extent of mineralisation, a soil sampling programme has commenced, and will be conducted along the 100m spaced magnetics lines with the objective of defining anomalies associated with the mineralised trends.

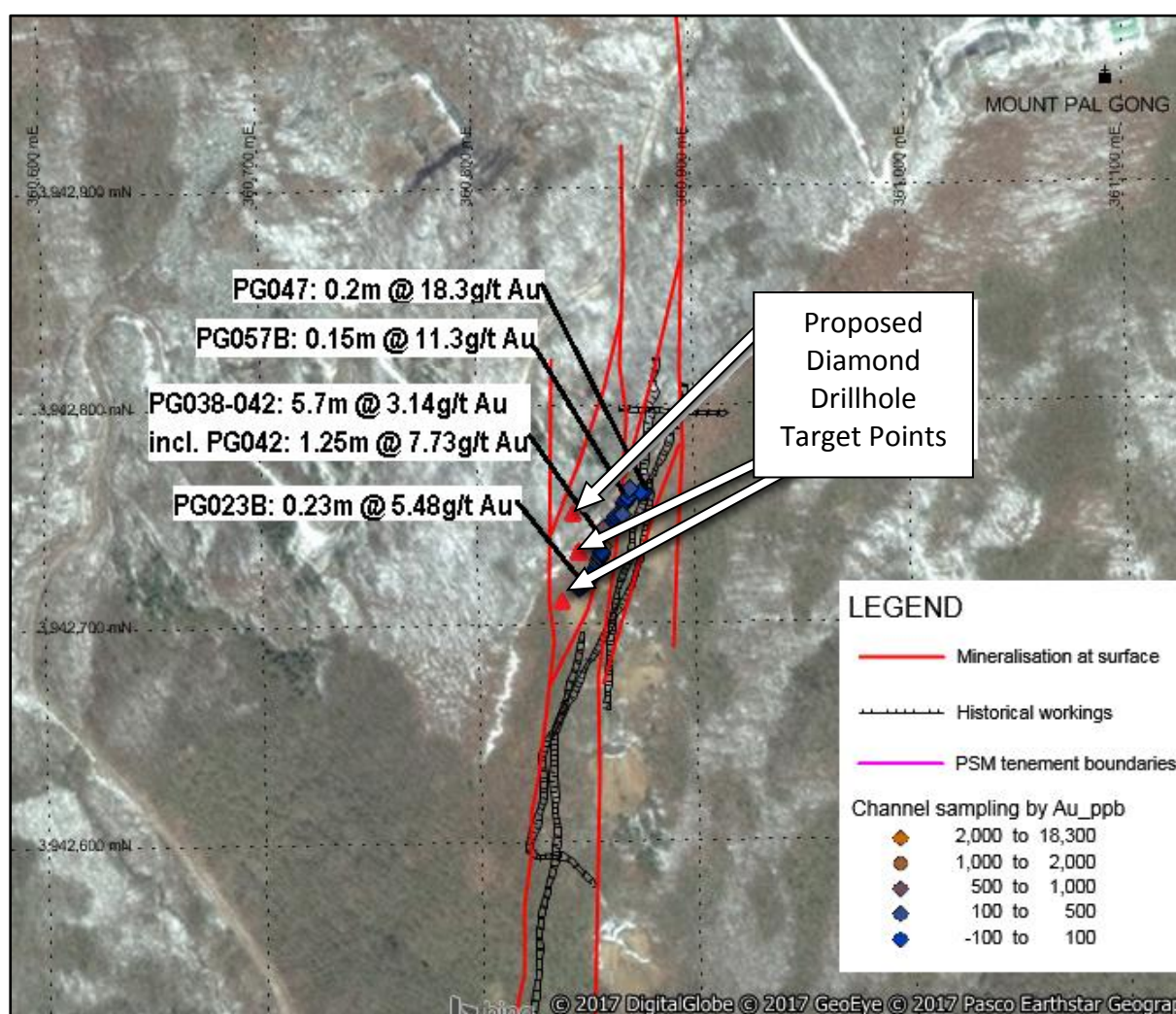
Once the mapping and soil sampling work is completed in the next quarter, drilling targets for high-grade massive sulphide mineralisation may be defined.

## Osu Gold Project

The 100% owned Osu Gold Project (see Figure 1 for location) comprises the granted Osu 23 tenement and three tenement applications that cover historical workings and underground mines on high-grade, near-vertical, polymetallic veins trending north-south along the western flank of Mount Pal Gong, in South Korea. These veins had been intermittently exploited in underground workings up until the 1970's.

During the Quarter, channel sampling was conducted across a 30m wide zone of generally steeply dipping, north-south trending, mineralised veins and shear zones using a hand-held rock-saw and sampling a 10cm wide horizontal cut "channel" (see Figure 4 for location and results).

Anomalous results were produced across the entire 30m sampled zone, and several high-grade intersections were produced across individual veins and shear zones, including sample **PG047: 0.2m @ 18.3 g/t Au, 224 g/t Ag** above a historical stope at the eastern end of the sampled zone, and **PG042: 1.25m @ 7.73 g/t Au**, part of a 5.7m intersection grading 3.14 g/t Au, including a 0.5m interval (0.0 g/t Au applied) not sampled due to scree and rubble obscuring outcrop (see Figure 4).



**Figure 4: Osu Channel Sampling in relation polymetallic veins and historical stoping near the peak of Mt Pal Gong. Proposed drill holes are designed to intersect high-grade mineralisation at depth<sup>D4</sup>**

A proposed diamond drilling programme of 3 holes for approximately 500m has been planned to target the projected high-grade veins/shoots vertically and down plunge below the channel sampled veined zones. The new drilling targets will be tested as soon as possible during the 2017 field season, subject to access permission from the Central Government Forestry Department<sup>D4</sup>.





### **Lithium Projects**

Infill stream sediment sampling results from the Tonggo Lithium Prospect (Dongsugok Project – see figure 1 for location) have confirmed a continuous 2km to 3km strike length<sup>D7</sup>, northeast-southwest trending zone of anomalous lithium results of up to 320 ppm Lithium (Li).

Field investigation indicates that the strongly anomalous lithium results are associated with a corridor of pegmatites approximately 100m wide and continuing for a 2km to 3km strike length, associated with a northeast-southwest trending magnetic low evident in regional KIGAM magnetics<sup>D7</sup>.

Next steps will include ridge and spur soil sampling across the anomalous pegmatite trend, with the objective of locating lithium (lepidolite/spodumene) bearing zones that may represent drilling targets.

### **Wolmyeong Graphite Project**

Five tenement application sub-blocks were granted on the Wolmyeong Project during the quarter, covering the main area of historical, high-grade, graphite mining.

Further mapping, petrography and metallurgical investigations will be carried out to optimise concentrate recovery prior to evaluation of resource potential.

### **Daewon Graphite Project**

Based on the encouraging metallurgical results for the Yongwon Graphite Project, and subject to the grant of the key tenement applications, metallurgical work will be continued at Daewon to optimise concentrate grade and recovery prior to a proposed EM survey to evaluate resource potential.

**Daehwa Molybdenum-Tungsten Project** – No further work, Company seeking partner or sale.

**Camel Hills Joint Venture (CHJV), WA – Aurora Minerals Ltd 50.6% / Peninsula 49.4%**

No additional field exploration was undertaken at Camel Hills during the Quarter.

## **CORPORATE**

Peninsula expended AUD 0.51 million during the Quarter, over two-thirds of which was direct exploration expenditure, and retained AUD 2.05 million in cash and no debt at the end of the Quarter.

The Company completed a capital raising of AUD 1.68 million (pre-costs) during the quarter<sup>D6</sup>, the majority of which came from existing major shareholders. The vast majority of funding will be dedicated to advancing the South Korean exploration projects and accelerating planned programmes.

For further information, please contact:

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### **Summary list of all previous Peninsula ASX releases referenced in this announcement:**

- D1. Excellent Metallurgy, High-Grade Trenching Results, Yongwon Graphite Project, (12 January 2017)
- D2. Further Exceptionally High-Grade Zinc-Silver Results, Ubeong Project, (31 October 2016)
- D3. Major Zinc-Skarn District Identified at Ubeong Project in South Korea (13 December 2016)
- D4. High-Grade Gold Channel Sampling Results from Osu Project, South Korea (12 December 2016)
- D5. Multiple Diamond Drill Targets across South Korean Projects (21 November 2016)
- D6. Peninsula Completes \$1.68M Placement to Accelerate South Korean Exploration (6 October 2016)
- D7. Quarterly Activities and Cashflow Report to 30 September 2016 (25 October 2016)



Other than the information reported in this report, there has been no material change to the information contained in the above releases. Full versions of all the company's releases are available for download from the company's website [www.peninsulamines.com.au](http://www.peninsulamines.com.au)

### **About Peninsula Mines**

Peninsula Mines Ltd is an Australian listed exploration/development company focused on developing the outstanding opportunities for mineral discovery within South Korea. Peninsula's strategy is to focus on mineral commodities which have a positive price outlook and offer potential for off-take or strategic partnerships in-country.

The Company has established and is growing a portfolio of highly prospective graphite, lithium, gold-silver and zinc-silver-polymetallic projects in South Korea that all offer significant exploration potential.

Full versions of all the company's releases are available for download from the Company's website [www.peninsulamines.com.au](http://www.peninsulamines.com.au)

### **Forward looking Statements**

*This report contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on Peninsula Mines Ltd's current expectations, estimates and projections about the industry in which Peninsula Mines Ltd operates, and beliefs and assumptions regarding Peninsula Mines Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Peninsula Mines Ltd, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Peninsula Mines Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Peninsula Mines Ltd only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Peninsula Mines Ltd does not undertake any obligation to report publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this report except as required by law or by any appropriate regulatory authority.*

### **Competent Persons Statement**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan is an Executive Director of the Company.*

*Mr Noonan 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

*The information in this release that relates to metallurgical test work is based on information compiled and / or reviewed by Mr Peter Adamini who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Adamini is a full-time employee of IMO Project Services. Mr Adamini consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*



**MINERAL TENEMENT INFORMATION****(as at 31 December 2016)****WESTERN AUSTRALIA**

Project	Tenement	Peninsula Holding	Title Holder or Applicant	Notes
<b>Joint Venture with Aurora Minerals</b>				
Beancounter	E09/1323	49.40%	Peninsula Mines Ltd (49.4%) and Aurora Resources Pty Ltd (50.6%)	Granted
<b>Sub Licenced from Aurora Minerals</b>			Note 1: The licences are subject of a Deed of Sub Licence with Aurora Minerals Limited, for Peninsula Mines Limited to acquire the rights to calcrete uranium on the tenements	
Glenburgh	E52/1983	Note 1	Aurora Resources Pty Ltd	Granted

**SOUTH KOREA**

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Grant/Application Date	Title Expiry	Notes
<b>Granted Tenements</b>						
Donsan	Mokgye 125	77226	100%		22-Aug-28	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Daehwa	Mokgye 126	77227	100%		22-Aug-28	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Daehwa	Mokgye 126	76166	100%		4-Jun-27	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Pal Gong & Baegun	Osu 23	200471	100%	17-Dec-14	17-Dec-21	Granted 17 December 2014. Exploring Plan lodged with the Ministry of Trade Industry and Economics 15 December 2015. Initial 3-year period to complete 50% of proposed work, then Company can apply for 3-year extension or file report with results
Wolmyeong	Cheongsan 69.2	200812	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
Wolmyeong	Cheongsan 69.4	200812	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Grant/Application Date	Title Expiry	Notes
						file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
Wolmyeong	Cheongsan 79.2	200813	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
Wolmyeong	Cheongsan 79.4	200813	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
Wolmyeong	Cheongsan 89.1	200814	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
Yongwon	Eumseong 32.1	200811	100%	20-Dec-17	19-Dec-23	The Company's wholly owned subsidiary SMCL was granted an Exploration Right over this sub-block for graphite exploration on the 20 December 2016. The Company has 1 year from this date to file a Prospecting Plan with the Local Government Office for the grant of a 6 year period for exploration over the title block.
<b>Tenement Applications</b>						
Chungju	Chungju 23	'00857	100%	28-Apr-16	25-Oct 16	Tenement allowed to lapse post the end of the quarter
Chungju	Chungju 24	'00858	100%	28-Apr-16	25-Oct-16	Tenement allowed to lapse post the end of the quarter
Chungju	Chungju 34	'00859	100%	28-Apr-16	25-Oct-16	Tenement allowed to lapse post the end of the quarter
Daewon	Yangdeokwon 40	'02401	100%	17-Jun-16	14-Dec-16	SMCL must lodge Mineral Deposit Survey (MDS) prior to expiry date to extend the tenement life up to additional 6 years
Daewon	Yangdeokwon 50	02402	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 16	01633	100%	17-Aug 16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 17	01634	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 18	01635	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 19	01636	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 20	01637	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend



Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Grant/Application Date	Title Expiry	Notes
Daehyeon	Seobyek 26	01638	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 27	01639	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 28	01640	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 29	01641	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 30	01642	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 35	01643	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 36	01644	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 37	01645	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyek 38	01646	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyek 134	01682	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyek 135	01683	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyek 143	01688	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyek 144	01689	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyek 145	01690	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Hyeondong 6	02394	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Hyeondong 7	02395	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 147	01694	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 146	01881	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 145	01964	100%	22-Sep-16	21-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Eunha	Hongseong 107	02403	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 57	01654	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 58	01655	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 60	01656	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 68	01657	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 69	01658	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyek 70	01659	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Grant/Application Date	Title Expiry	Notes
Goeseon South	Seobyek 39	01647	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 40	01648	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 46	01649	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 47	01650	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 48	01651	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 49	01652	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 50	01653	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggi	Jang giri 46	01695	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 139	00938	100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 140	00939	100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 150	00940	100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Pungdo 10	01255	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Majang	Mokgye 135	02411	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Naedeok	Seobyek 123	01675	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Naedeok	Seobyek 133	01681	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 13	01434	100%	13-Jul-16	09-Jan-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 14	01435	100%	13-Jul-16	09-Jan-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 24	01371	100%	01-Jul-16	28-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 25	01627	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 35	02396	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 36	02397	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 46	02398	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 48	01628	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 49	01629	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 58	01630	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

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Ubeong	Hyeondong 59	02485	100%	17-Aug-16	13-Feb-17	SMCL lodged a Mineral Deposit Survey (MDS) report in October 2016 and is awaiting Ministry field inspection and approval.
Ubeong	Hyeondong 60	02486	100%	17-Aug-16	13-Feb-17	SMCL lodged a Mineral Deposit Survey (MDS) report in October 2016 and is awaiting Ministry field inspection and approval.
Ubeong	Hyeondong 68	02399	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 69	02487	100%	17-Aug-16	13-Feb-17	SMCL lodged a Mineral Deposit Survey (MDS) report in October 2016 and is awaiting Ministry field inspection and approval.
Ubeong	Hyeondong 70	02488	100%	18-Aug-16	14-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 78	02400	100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 79	02489	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 80	02490	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 89	02491	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 99	02492	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 100	02493	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 130	02495	100%	22-Sep-16	21-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong71	01878	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong72	01894	100%	13-Sep-16	12-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong81	01879	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong82	01895	100%	13-Sep-16	12-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong91	01880	100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong92	01896	100%	13-Sep-16	12-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong131	01962	100%	22-Sep-16	21-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong141	01963	100%	22-Sep-16	21-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 107	01667	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 108	01668	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 109	01669	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 116	01670	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 117	01671	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 118	01672	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 119	01673	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 120	01674	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 126	01676	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 127	01677	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend



Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Grant/Application Date	Title Expiry	Notes
Uguchi	Seobyeok 128	01678	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 129	01679	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 130	01680	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 137	01684	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 138	01685	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 139	01686	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 140	01687	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 147	01691	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 149	01692	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 150	01693	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 79	01660	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 80	01661	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 88	01662	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 89	01663	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 90	01664	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 98	01665	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 99	01666	100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 69		100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 70	02407	100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 79		100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 89		100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 99	02410	100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Yongwon	Eumseong 22	02404	100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Yongwon	Eumseong 32		100%	6-Dec-16	4-jun-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

\*For all tenement applications SMCL must lodge a Mineral Deposit Survey (MDS) prior to the expiry date to facilitate the grant of a 6 year exploration permit.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

PENINSULA MINES LTD

### ABN

56 123 102 974

### Quarter ended ("current quarter")

31 DECEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(349)	(594)
(b) development		
(c) production		
(d) staff costs*		
(e) administration and corporate costs	(166)	(294)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	13
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(509)</b>	<b>(875)</b>

\* The company's accounting policy allocates staff costs to activities and are accordingly included in items 1.2 (a) and 1.2 (e).

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(33)	(4)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(33)</b>	<b>(34)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,522	1,678
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(92)	(92)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,430</b>	<b>1,586</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,160	1,371
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(509)	(875)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(33)	(34)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,430	1,586
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,048</b>	<b>2,048</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	122	285
5.2 Call deposits	1,926	875
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,048</b>	<b>1,160</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
73
-

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

## Mining exploration entity and oil and gas exploration entity quarterly report

8.	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1	Loan facilities		
8.2	Credit standby arrangements		
8.3	Other (please specify)		
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9.	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Exploration and evaluation	445
9.2	Development	
9.3	Production	
9.4	Staff costs	
9.5	Administration and corporate costs	150
9.6	Other (provide details if material)	
9.7	<b>Total estimated cash outflows</b>	<b>595</b>

10.	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Beancounter: E09/1323	Peninsula Mines Ltd diluting in JV with Aurora Resources Pty Ltd	49.75	49.40
10.2	Interests in mining tenements and petroleum tenements acquired or increased <b>Tenements Granted:</b>	Wolmyeong: Cheongsan 69.2 Cheongsan 69.4 Cheongsan 79.2 Cheongsan 79.4 Yongwon: Eumseong 32.1	100% via subsidiary, Suyeon Mining Company Ltd (SMCL)	Application	100%

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:  
(Company secretary)

Date: 31 January 2017

Print name: Eric Moore

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.