



PENINSULA MINES LIMITED



## PENINSULA MINES LTD INVESTOR PRESENTATION

***FOCUSED ON HIGH-VALUE DISCOVERY IN SOUTH KOREA***

February 2017 (ASX:PSM)

# COMPETENT PERSONS STATEMENT & DISCLAIMER

The information in this presentation that relates to Exploration Targets is based on information compiled by Mr Daniel Noonan, a Member of The Australian Institute of Mining and Metallurgy. Mr Noonan is engaged as a full time consultant to the Company providing exploration managerial services for the Company's Korean operations. 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 Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the Prospectus of information compiled and interpreted by him in the form and context in which it now appears.

The background information on the location and history of the Company's key projects has not materially changed since they were first described in earlier ASX releases of the Company following the adoption by the Company of the reporting practices outlined in the 2012 edition JORC code.

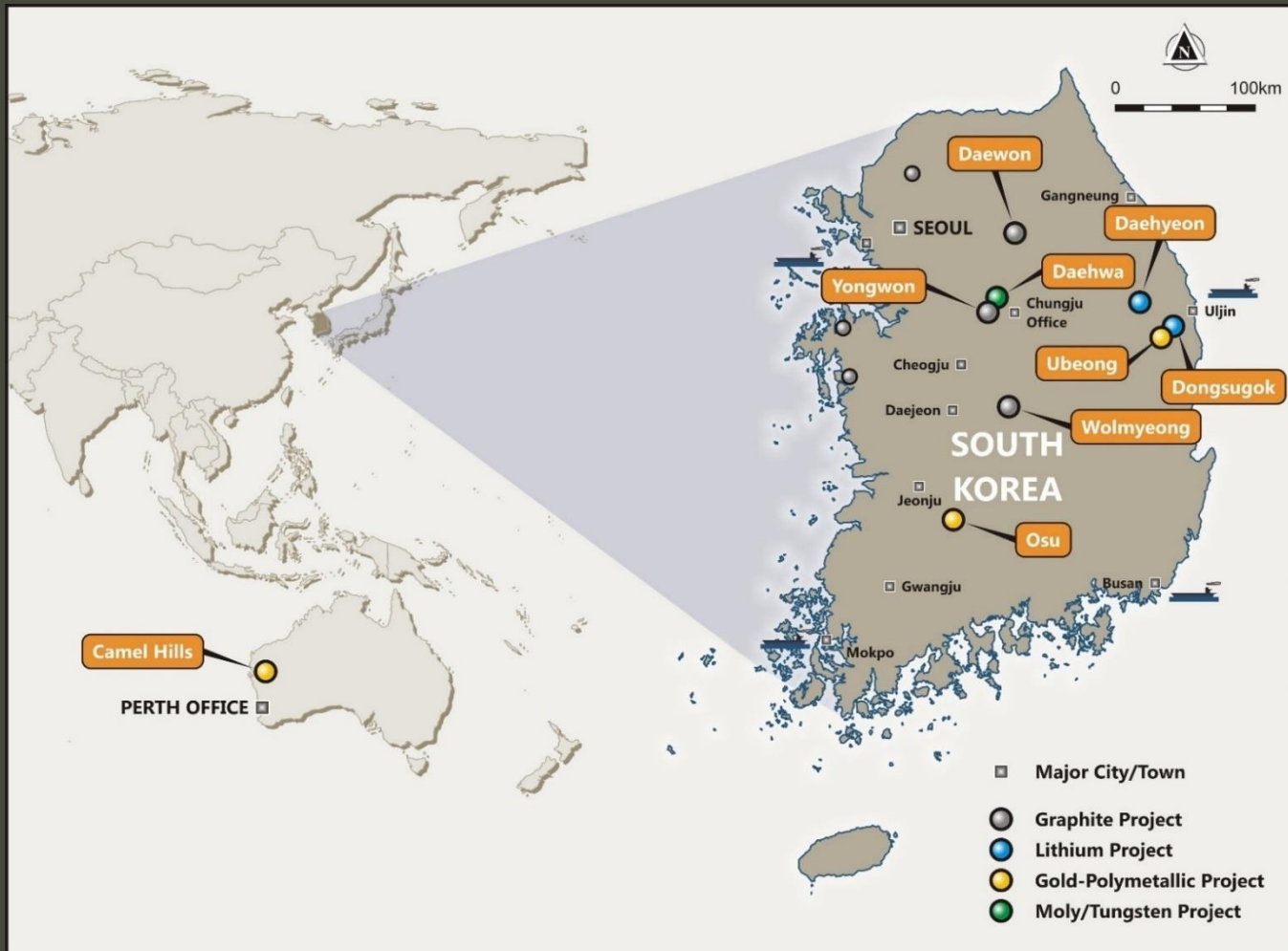
The Company's website is located at ([www.peninsulamines.com.au](http://www.peninsulamines.com.au)). The website contains information on the Company's projects, project maps, a list of the Company's announcements to ASX, information on Native Title (including the tenement grant process and heritage surveys), legislative environments under which the Company operates, Corporate Governance, a section on risks, many of which are common to exploration companies and other useful information. All the information presented in this investor update has been released to the market in previous Company announcements and no new exploration results are presented in this presentation. A list of the Company's announcements is also obtainable from the Australian Securities Exchange.

Forward-Looking Statements are included herein, regarding the future ability to finance projects and other statements that express management's expectations, or estimates regarding the timing of completion of various aspects of the projects' development or of our future performance and thereby constitute "forward-looking statements". The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "aims", "intends", "continue", "budget", "estimate", "may", "will", "schedule", and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

In particular, announcements and presentations by Peninsula Mines Limited include many such forward-looking statements and such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Peninsula Mines Limited to be materially different from its estimated future results, performance or achievements expressed or implied by those forward-looking statements and its forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors are included in the Risks section of the Company's website and ASX announcements available on the company's websites. Peninsula Mines Limited expressly disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except where required by law.



# FOCUSED ON SOUTH KOREA AND THE HOTTEST COMMODITIES



## Key Projects

### Graphite:

- Yongwon
- Daewon
- Wolmyeong

### Lithium:

- Tonggo
- Daehyeon

### Gold

- Osu (Au-Ag)

### Zinc-Silver:

- Ubeong (Zn-Ag)

*Large and growing portfolio of projects in highly prospective South Korea*



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# COMPANY HIGHLIGHTS

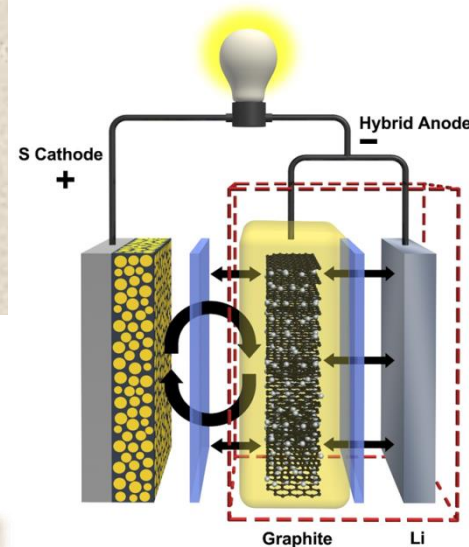
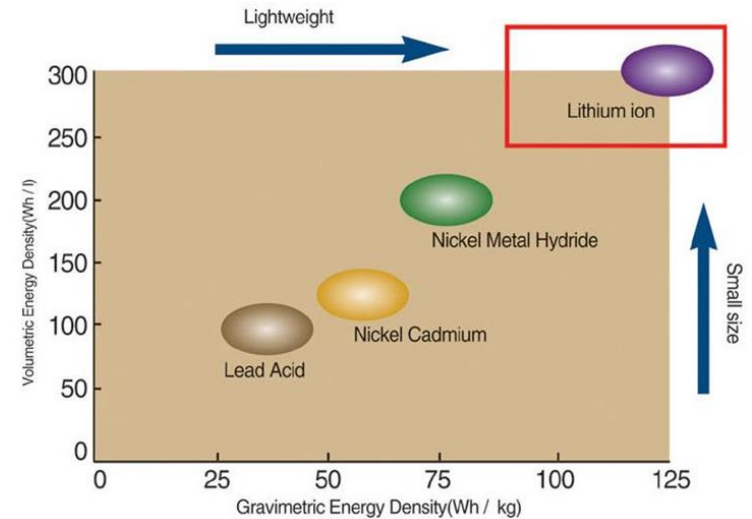
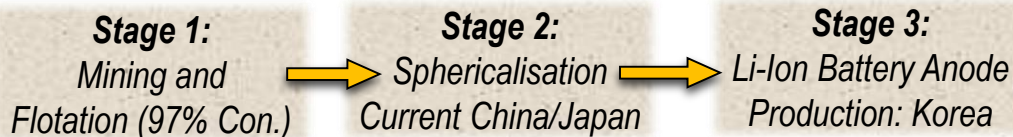
- **Established** and **focussed** on mineral discovery in highly-prospective **South Korea**
- **South Korea** is a stable first world economy with fantastic infrastructure, a major end user of e.g. Graphite and Lithium (and Zinc, Copper) and worlds leading manufacturer of Li-Ion (Graphite) Batteries – and we are well placed to take advantage of this opportunity
- Board & Executive has **>90 years combined experience** in discovery, mine geology, financial/corporate
- Large and growing portfolio in **Graphite** and **Lithium, Gold** and new **Zinc-Silver** projects that fit with strategy for mineral commodities with good price outlook and off-take in-Country
- High-grade **Graphite** at surface in three key project areas with large graphite flakes identified in two areas and excellent metallurgy and drilling planned for the Yongwon Graphite Project
- Highly-anomalous **Lithium** results indicate a new lithium-pegmatite trend may have been identified
- Drilling planned at **Osu Gold Project** in the near future, to test the high-grade gold target
- High-grade **Ubeong Zinc** system in tenements over a 10km skarn-limestone trend, near operating mine
- Aggressive programme to advance key projects to drilling and resource discovery
- **Enterprise Value of ~\$11 million (@ 2.6 cps) provides strong upside to exploration success**



# GRAPHITE AND LITHIUM

- **South Korea is the world's largest Li-ion battery market** and leading manufacturer
- **Graphite** and **Lithium** are the key components of this cutting-edge and leading re-chargeable battery technology and the feed for this manufacturing base comes almost entirely from outside South Korea
- South Korea is highly prospective for these two key commodities and the Company has established substantial tenement holdings over **Graphite** and **Lithium** Projects
- A high-impact exploration program is underway across the **Graphite** and **Lithium** portfolio and we are well placed to capitalise on strong demand for these key technological commodities in-Country

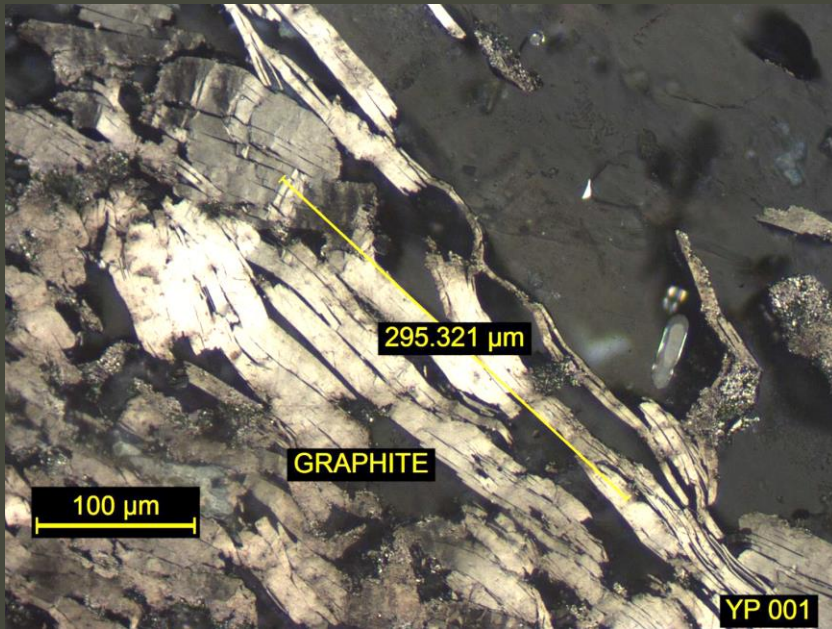
**Outstanding strategic opportunity to discover and develop graphite and/or lithium production to feed the worlds leading market for these commodities on our doorstep**



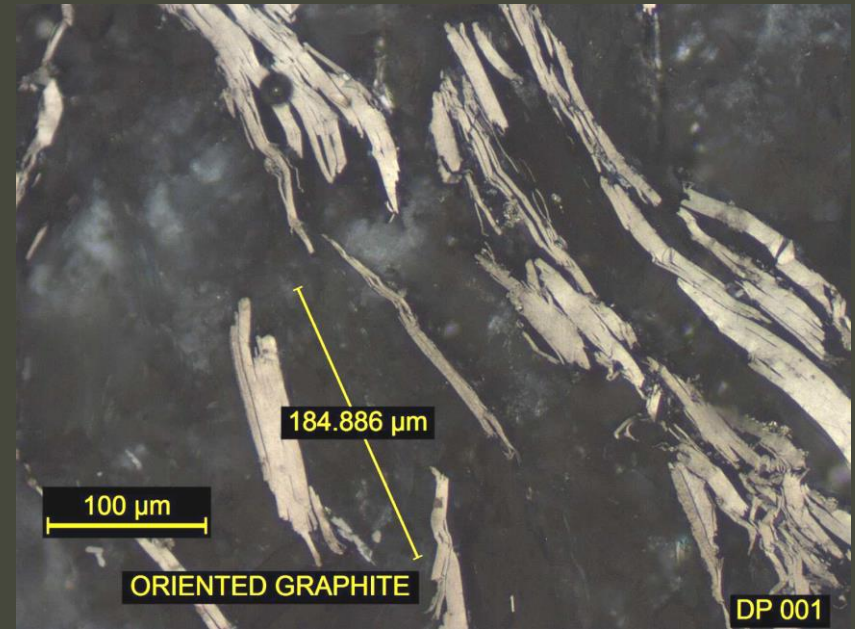
*Lithium and Graphite contributing to major improvements in battery power and storage capacity*



# LARGE TO “JUMBO” GRAPHITE FLAKES IN PETROGRAPHY



**Yongwon:** “Jumbo”, >300µm flakes in petrography

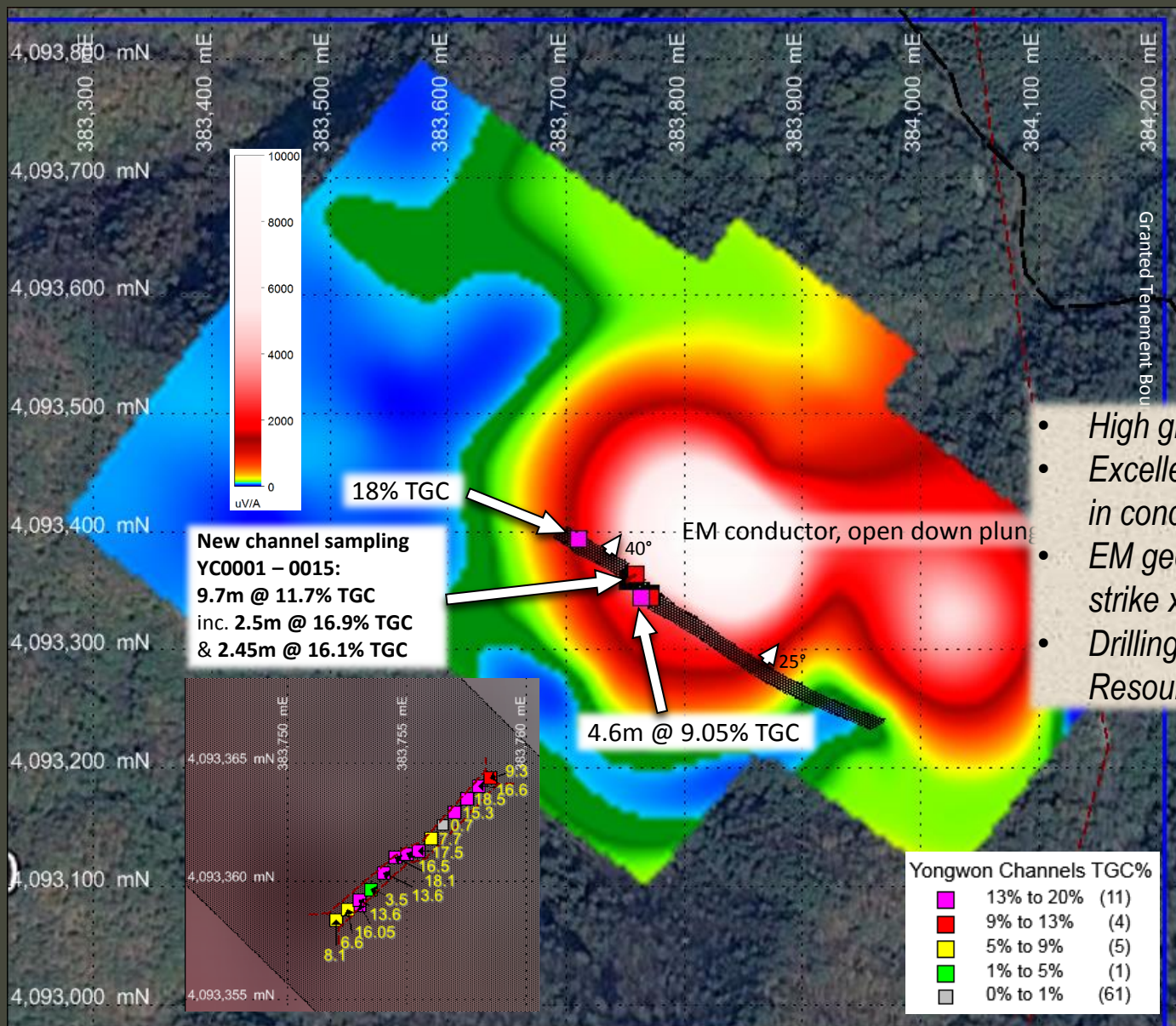


**Daewon:** large, >180µm flakes in petrography

- Petrography identifies large to “jumbo” graphite flakes in the Yongwon and Daewon Projects
- Metallurgical test-work aimed at optimising grade of flake graphite concentrate(s) for high-end technology applications e.g. sphericalisation for Li-ion batteries, has confirmed concentrate grade of 97% Total Graphitic Carbon (TGC) and 87% recovery for the Yongwon Project

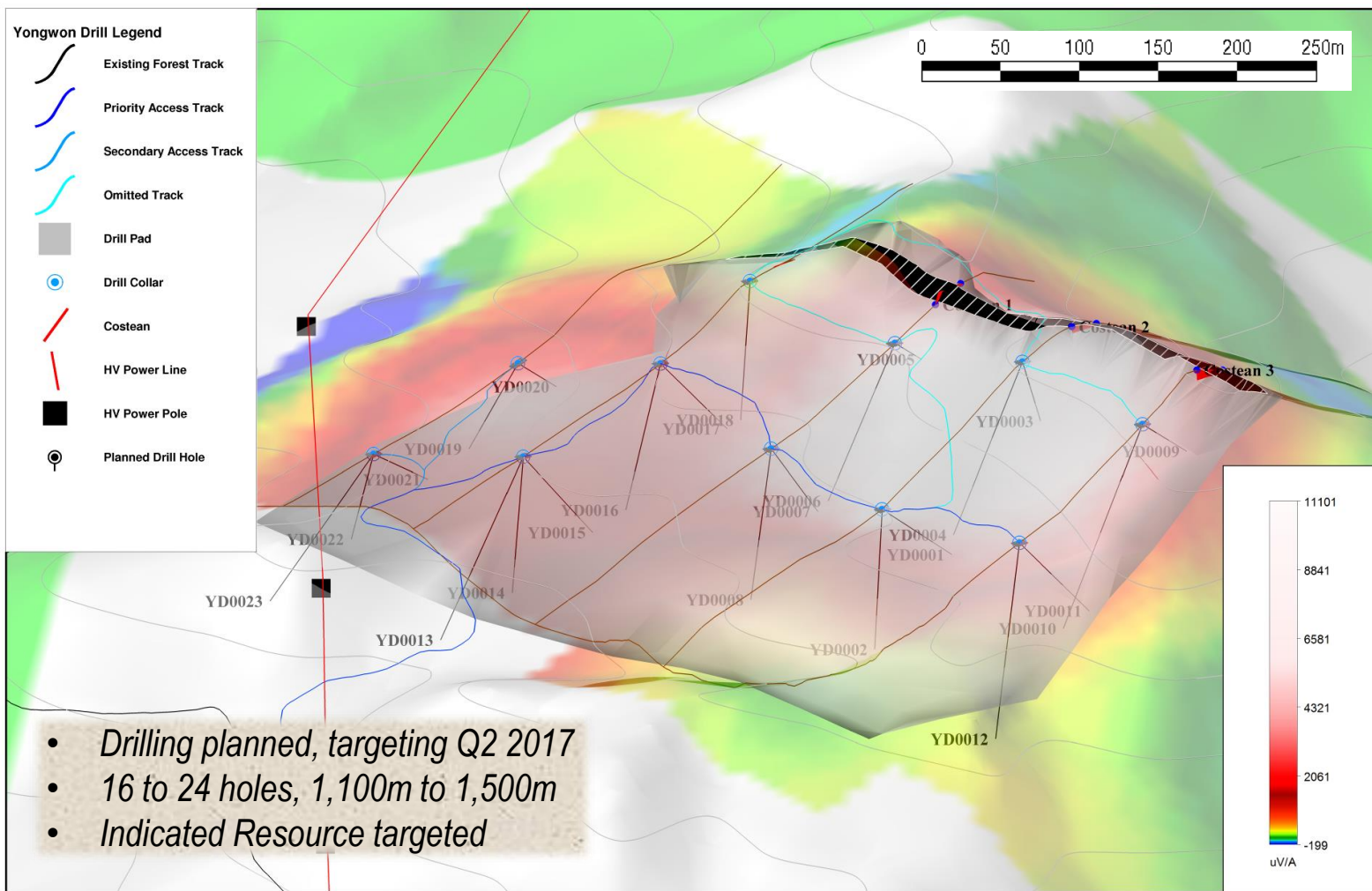



# YONGWON GRAPHITE PROJECT



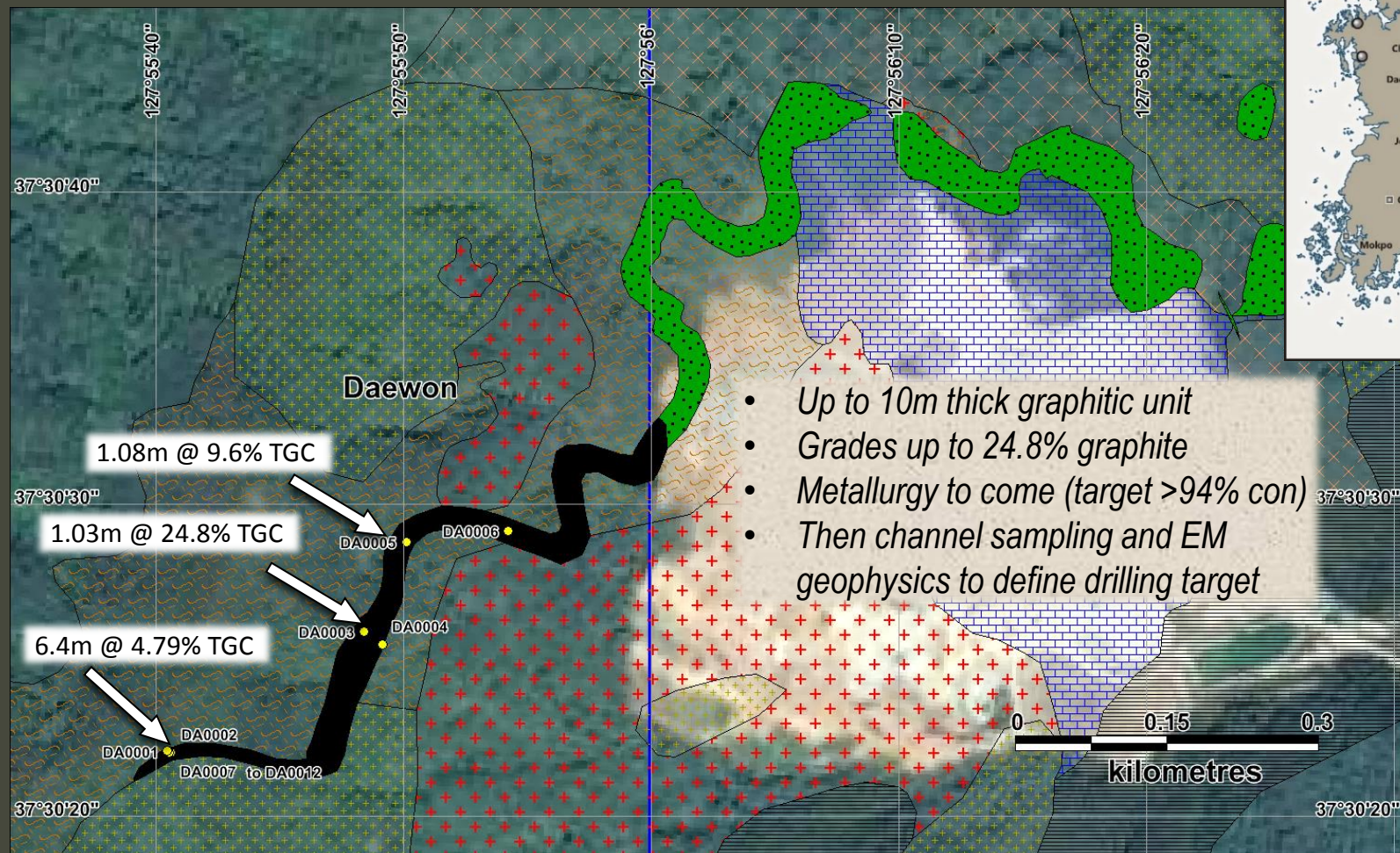
- High grades at surface
- Excellent metallurgy, 97% graphite in concentrate, 87% recovery
- EM geophysics defines >400m strike x >200m deep graphitic unit
- Drilling planned to define Indicated Resource targeting Q2

# YONGWON GRAPHITE PROJECT: DRILLING PLANNED



	Modelled Yongwon Graphitic Schist in grey Surface Expression of the Yongwon Schist in Black Proposed Access Tracks Blue	Yongwon Drill Holes on EM View looking Southeast	Scale 1:1500 Plot Date 28-Dec-2016 Plot File: Vizex Sheet 1 of 1 20 0 20m	Isometric View of Yongwon	Sueyong Mining Co. Ltd.
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# DAEWON GRAPHITE PROJECT



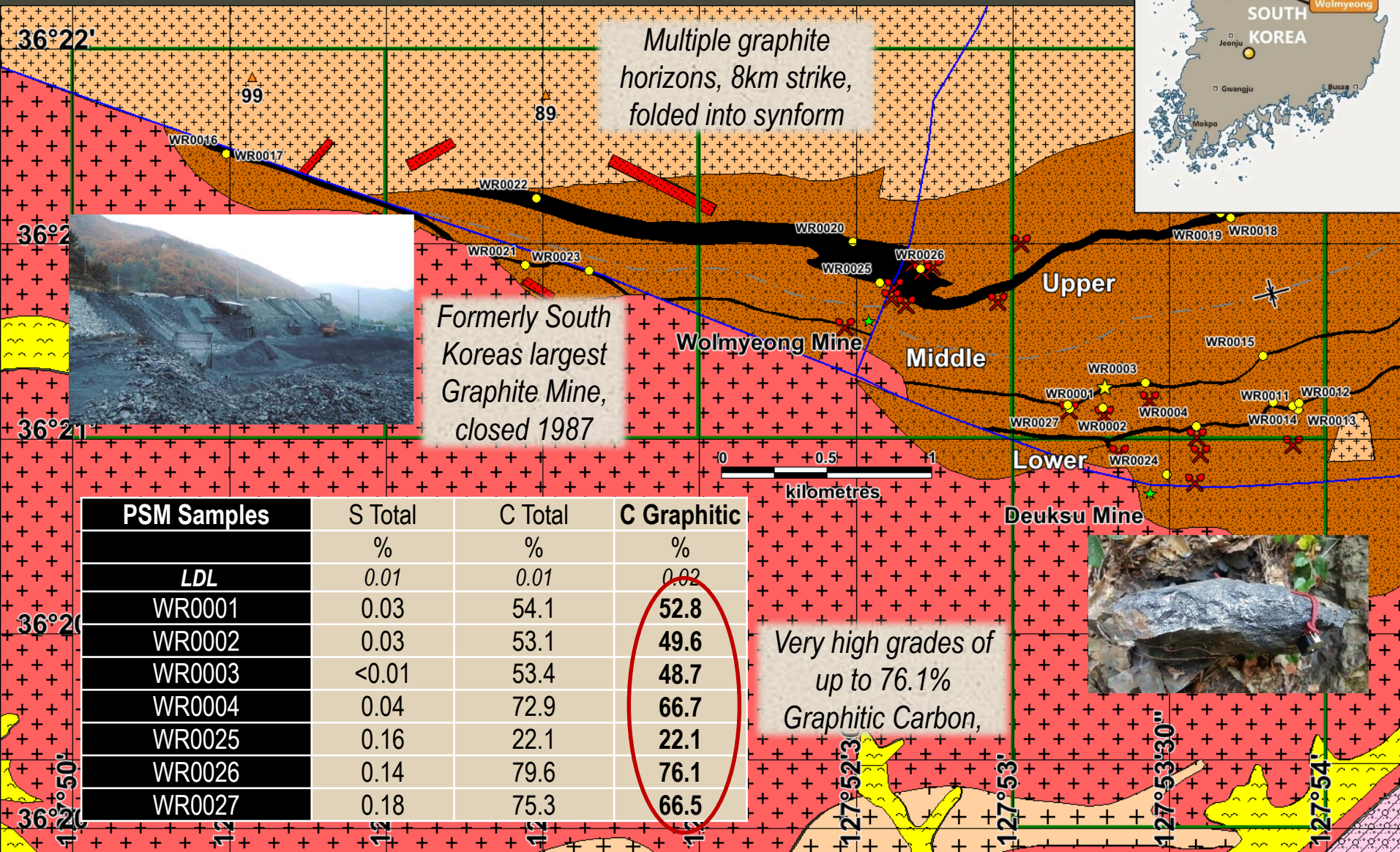
- Up to 10m thick graphitic unit
- Grades up to 24.8% graphite
- Metallurgy to come (target >94% con)
- Then channel sampling and EM geophysics to define drilling target

*Daewon Graphite Project, >400m strike length graphitic unit (black), shallow dip, high grades at surface*

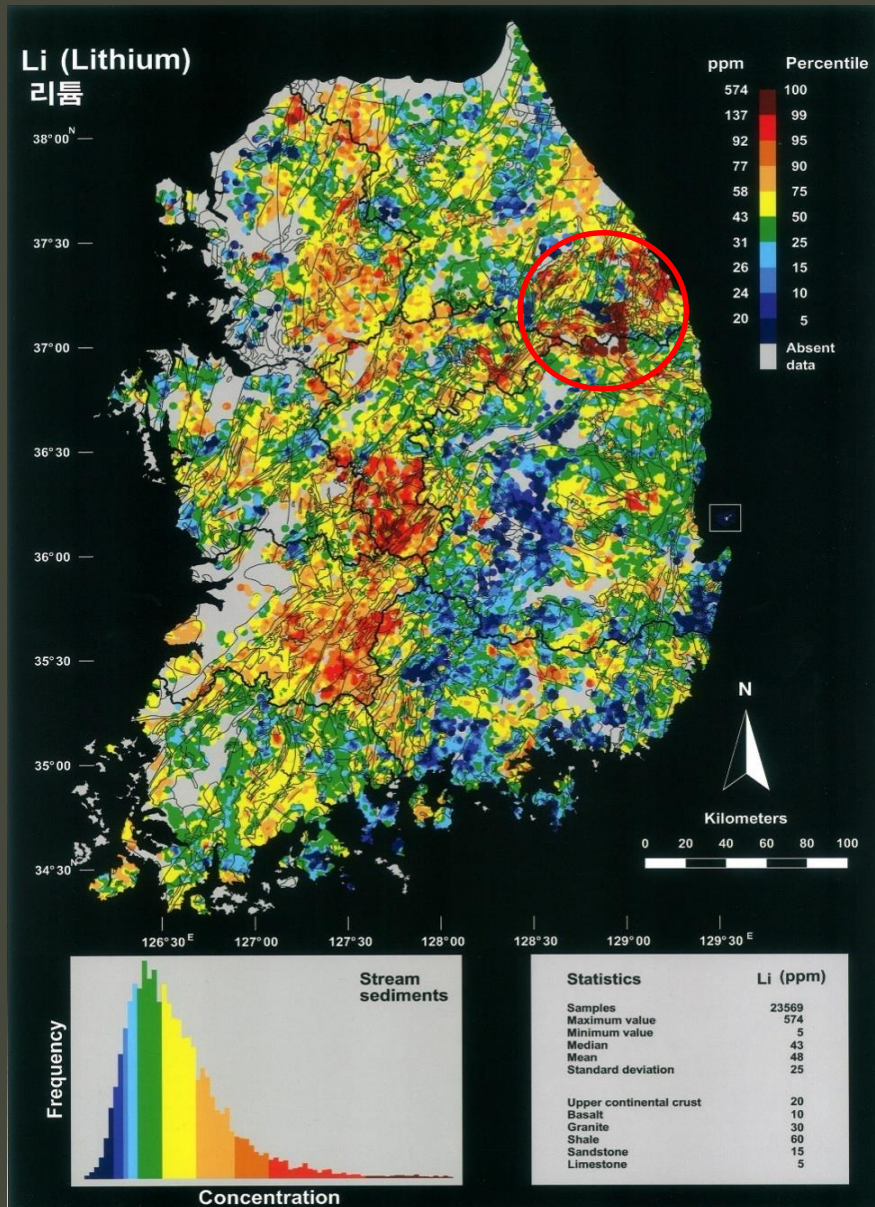


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# WOLMYEONG HIGH-GRADE GRAPHITE PROJECT

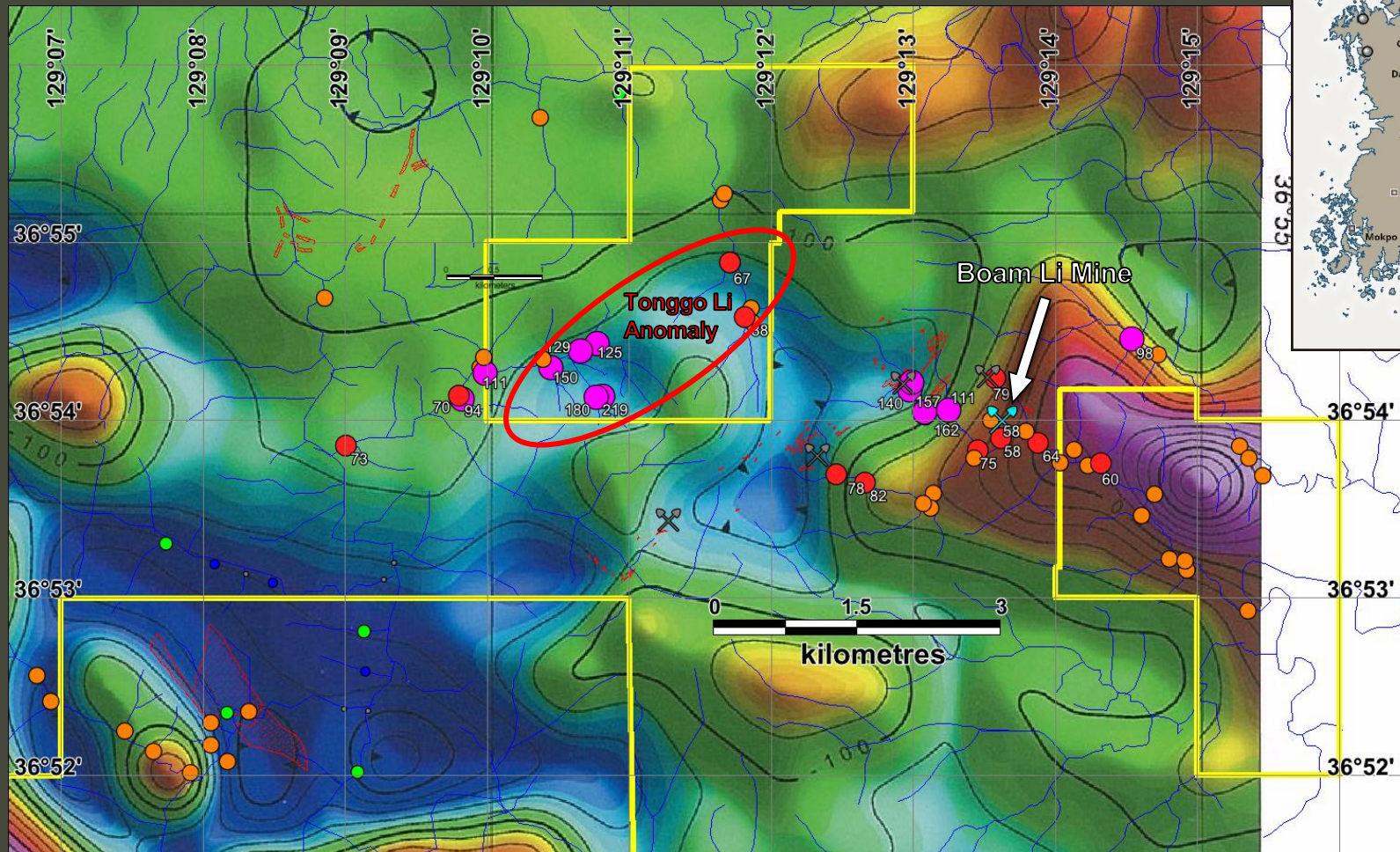


# LITHIUM PROJECTS



- Country-wide government stream sediment survey highlighted strong lithium anomaly in east of Country
- Two substantial tenement areas applied for at Daehyeon (61 tenement applications) & Dongsugok (29 applications)
- Dongsugok includes mapped pegmatites in vicinity of the Boam Lithium Mine (pegmatite exposure above)
- Tonggo anomaly 2km to 3km with up to 320ppb Li

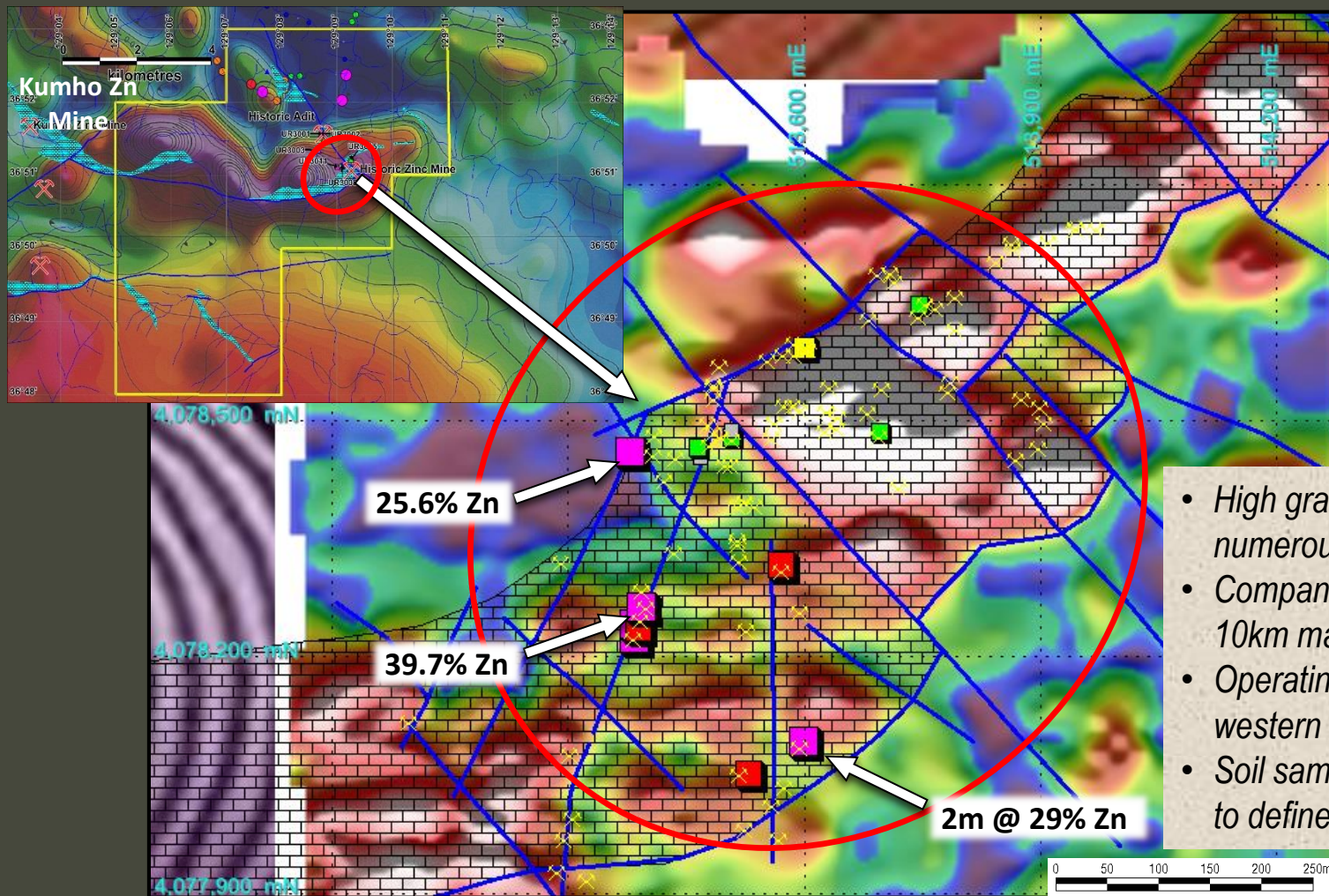
# DONGSUGOK: TONGGO LITHIUM ANOMALY



- Tonggo – very strong anomaly, 3km corridor parallel to Sn-Li pegmatite trend
- Follow up streams and ridge-spur soils and rockchips to locate pegmatite / vein(s)



# UBEONG ZINC-SILVER SKARN CORRIDOR ON MAGNETICS



- High grade Zinc-Silver from numerous workings (Chilbo)
- Company has applied for 10km magnetic skarn corridor
- Operating Kumho Zinc Mine at western end of corridor
- Soil sampling and geophysics to define drilling targets

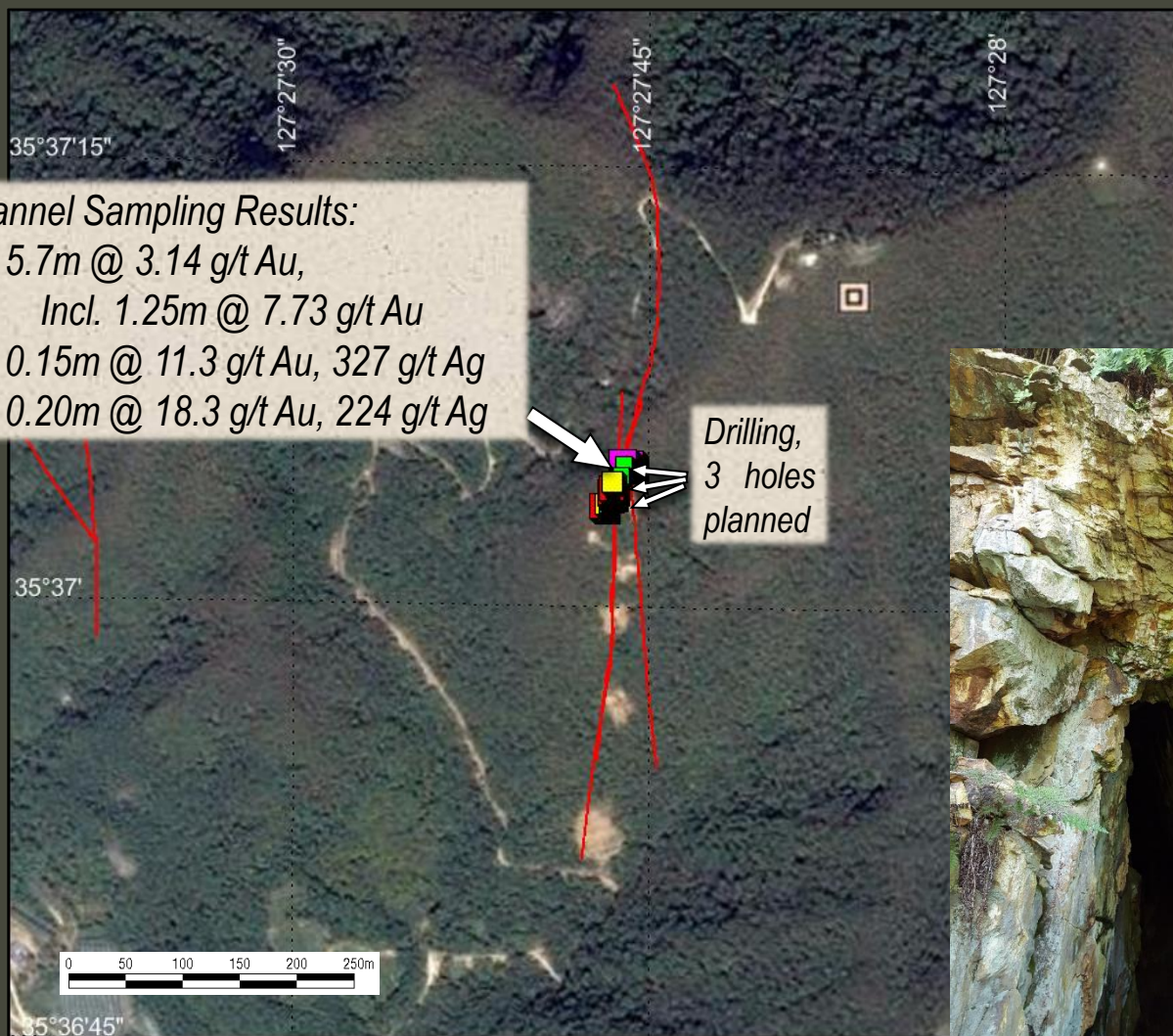
*Ubeong Project, Chilbo Mine-workings area, TMI image of ground magnetics, skarn-limestone unit (pattern) and structure (blue lines) interpretation, with workings (yellow) and results to date (squares)*



# OSU GOLD-SILVER PROJECT

## Channel Sampling Results:

- 5.7m @ 3.14 g/t Au,  
Incl. 1.25m @ 7.73 g/t Au
- 0.15m @ 11.3 g/t Au, 327 g/t Ag
- 0.20m @ 18.3 g/t Au, 224 g/t Ag



Drilling,  
3 holes  
planned



- High-grade shears in broader 30m to 40m channel sampled zone
- Drilling planned (3 holes) to test high-grade zone down plunge – Q1/2 2017



# NEWS-FLOW FROM AGGRESSIVE FIELD PROGRAMS 2017

## - Objective: drill-test 2 to 3 projects and define Resources (Discovery)

- **Osu Gold Project:** Drilling High-Grade Target, 3 holes, 650m Q1/2 17
- **Yongwon Graphite Project:** Drill-out Indicated Resource Target, >16 holes for 1,100m Q1/2 17
- **Ubeong Zinc Project:** Rock-chip and Channel Sampling of high-grade workings, detailed Soil Sampling, Q1/2 2017, then Geophysics, EM and IP to define drilling targets for possible testing Q3
- **Tonggo Lithium Project:** Soil Sampling of 2km to 3km Lithium bearing Pegmatite Trend, Q1/2 17
- **Daewon Graphite Project:** Detailed Metallurgy, targeting >95% concentrate, then Channel Sampling, EM Geophysics and Drill-Targeting, Q2/3 17
- **Wolmyeong Graphite Project:** Mapping of exceptionally high-grade graphite units, Petrography and Metallurgical R & D for processing pathway , Q3/4 17
- **New Projects:** Continued review of opportunities, continue focus on South Korea



# CORPORATE SNAPSHOT – FOCUS ON SHAREHOLDER VALUE

## Capital Structure – February 2017

Shares	514m
Options	100m (various prices)
Market Capitalisation	\$13m (at 2.6cps)
Cash	\$2m (31 Dec 2016)
Enterprise Value	~\$11m

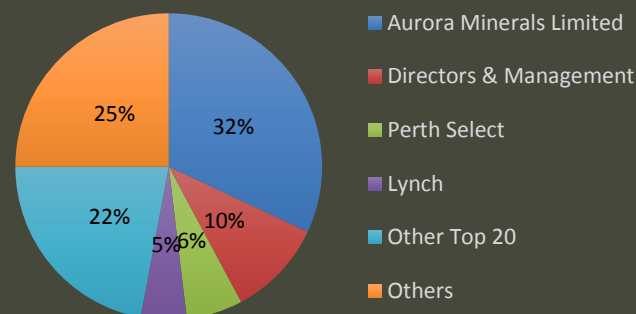
*Increased share price (up 325%) and liquidity related to project acquisition and positive newsflow in 2016/17*



## PSM Directors and Officers

Phillip Jackson	Non-Executive Chairman
<b>Jon Dugdale</b>	<b>Managing Director</b>
Daniel Noonan	Executive Director
Martin Pyle	Non-Executive Director

*Top 20 control >75% of issued capital  
Tightly held capital structure*



# PENINSULA MINES (ASX:PSM) - WHY INVEST:

## Hottest Commodities

- **Graphite** and **Lithium** Projects for high-end technology applications
- Historical high-grade **Gold** mine to be drill tested
- New **Zinc-Silver** Project with 10km of potential near operating mine

## South Korea Benefits

- Favourable operating and fiscal regime providing clear path mining to markets
- Excellent infrastructure, logistics and skilled labour market
- Supplies of graphite and lithium are highly sought after in South Korea and region

## Experienced Team

- Highly experienced Board and Management team with discovery track record
- Built reputation with South Korean government and industry since 2011

## Significant Activity Underway

- Key projects secured with focus on commodities with positive outlook
- Aggressive field program to advance key projects to drilling and resources stage
- **Graphite** projects positive metallurgy then channel sampling, geophysics and **drilling**
- **Lithium** follow up mapping and surface sampling to target new discovery
- **Zinc** high-grade rockchip and soil sampling and geophysics for **drill targeting**, strong potential for discovery within 10km zone skarn corridor
- **Gold drilling** at Osu – targeting high-grade mineralisation under historic mines

