



1 November 2017

Companies Announcement Office
Via Electronic Lodgement

PENINSULA ENERGY LIMITED QUARTERLY RESULTS WEBCAST PRESENTATION

Peninsula Energy Limited (**Peninsula**) held an investor update webcast including the attached presentation to cover the June quarter at **Midday AEST (9.00am AWST)** today.

A recording of the webcast is available on the link below:

<http://webcasting.boardroom.media/broadcast/59ed11ccb08d2638bd14f71c>

and also on Peninsula's website: <http://www.pel.net.au> under "Investor Info" subsection "Audio Broadcasts".

Yours sincerely

A handwritten signature in black ink, appearing to read "J Whyte", is positioned above the typed name of the signatory.

Jonathan Whyte
Company Secretary

For further information, please contact our office on +61 8 9380 9920
during normal business hours.

September Quarter Results 2017

Webcast | 1 November 2017



PENINSULA
ENERGY LIMITED



ASX: PEN

Disclaimer & Competent Person

This presentation is provided on the basis that the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Presentation and nothing contained in the Presentation is, or may be relied upon as, a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Presentation contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties, and may differ materially from results ultimately achieved.

The Presentation contains “forward-looking statements”. All statements other than those of historical facts included in the Presentation are forward-looking statements including estimates of resources, the listing of our securities on the NYSE MKT, the timing for completion of construction and the commencement of production. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement” to reflect events or circumstances after the date of the Presentation, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the Presentation and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Presentation nor any information contained in the Presentation or subsequently communicated to any person in connection with the Presentation is, or should be taken as, constituting the giving of investment advice to any person.

This presentation shall not constitute an offer to sell or solicitation of an offer to buy securities of the Company, and the securities of the Company may not be offered or sold in any jurisdiction in which their offer or sale would be unlawful.

Please note that in accordance with Clause 17 of the JORC (2012) Code, the potential quantity and grade of the “Exploration Target” in this presentation must be considered conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Please note that Production Targets within this presentation are based on a proportion of inferred resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resource or that the production target itself will be realised.

Competent Person Statement

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves at Peninsula’s Lance Projects is based on information compiled by Mr. Jim Guilinger. Mr. Guilinger is a Member of a Recognised Overseas Professional Organisation included in a list promulgated by the ASX (Member of Mining and Metallurgy Society of America and SME Registered Member of the Society of Mining, Metallurgy and Exploration Inc). Mr. Guilinger is Principal of independent consultants World Industrial Minerals. Mr. Guilinger has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking 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. Guilinger consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The information in this presentation that relates to Exploration Results, Mineral Resources or Ore Reserves at Peninsula’s Karoo projects is based on information compiled by Mr. George van der Walt. Mr van der Walt is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and the South African Council for Natural Scientific Professions (SACNASP)). Mr van der Walt is a Geological Consultant and Director of Geoconsult International (Pty) Ltd. Mr van der Walt has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking as Competent Persons as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr. van der Walt consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

- **Quarterly Highlights**

1. **Headline News Flow**
2. **Lance Production Results**
3. **Realising the Potential at Lance**
4. **Karoo Project**
5. **Costs & Cash Flow Analysis**
6. **Uranium Market**
7. **Investment Highlights**



**Plant Connection to Wellfield Trunklines
Upgrade – September 2017**

Mr Wayne Heili – Managing Director & CEO

Mr David Coyne – Finance Director & CFO

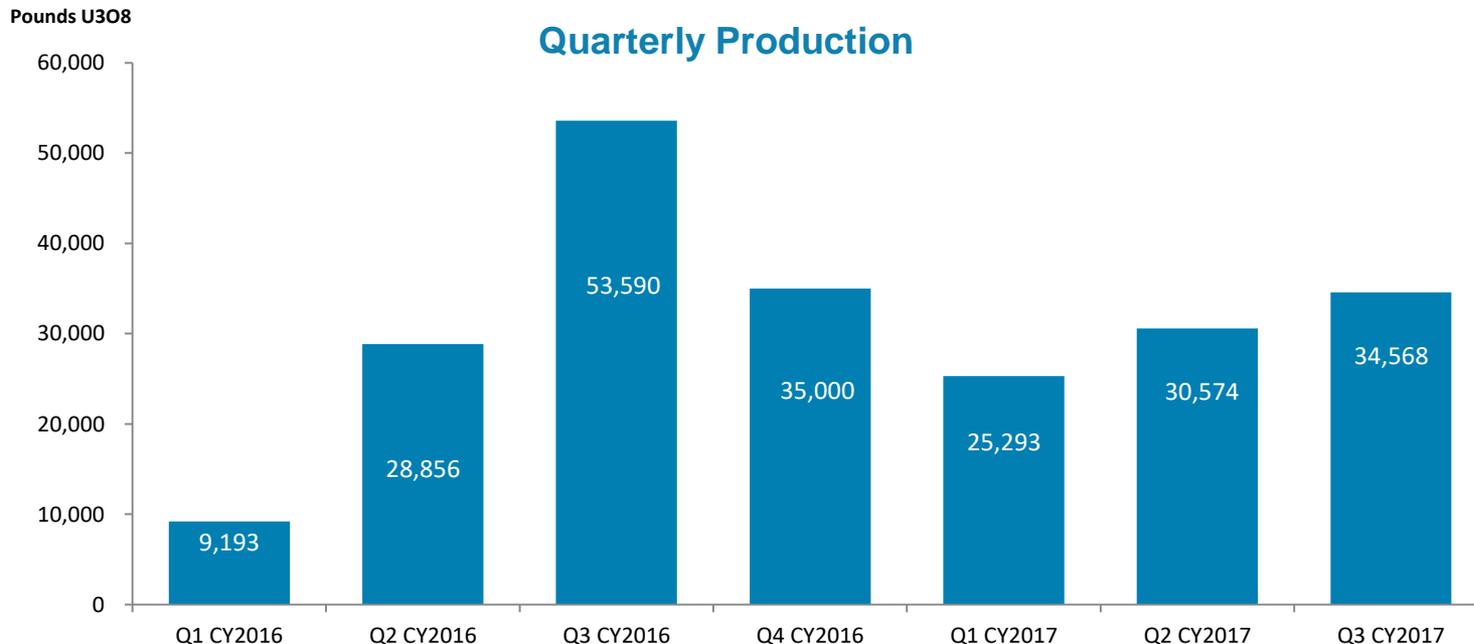
- **Lance Projects – Project Transformation Initiative**
 - Lab tests indicate that using a low pH solution could transform the operating performance and cost profile
- **Karoo Divestment**
 - Formal process is underway
 - Targeting an outcome by the end of CY'17
- **Sales & Marketing**
 - **US\$6.6 million** cash receipts during the quarter
 - Sales during the quarter totalled 132,934 pounds at an average **US\$50** per pound
 - 92,934 pounds from Lance
 - 40,000 pounds from market purchases

- **13% Increase on prior Quarter Production**

- 34,568 lbs produced in the quarter
- 42,665 lbs dried & drummed in the quarter

- **Quarterly Activities**

- 5-day scheduled shutdown to upgrade trunk line connection to process plant
- Header house #8 commenced uranium production
- Header house #9 construction completed during the quarter



High Potential

- ✓ Lance Project holds a 53.5 million pound JORC compliant resource¹
- ✓ Potential to transform the performance and cost profile using low pH ISR process

Short Timeline

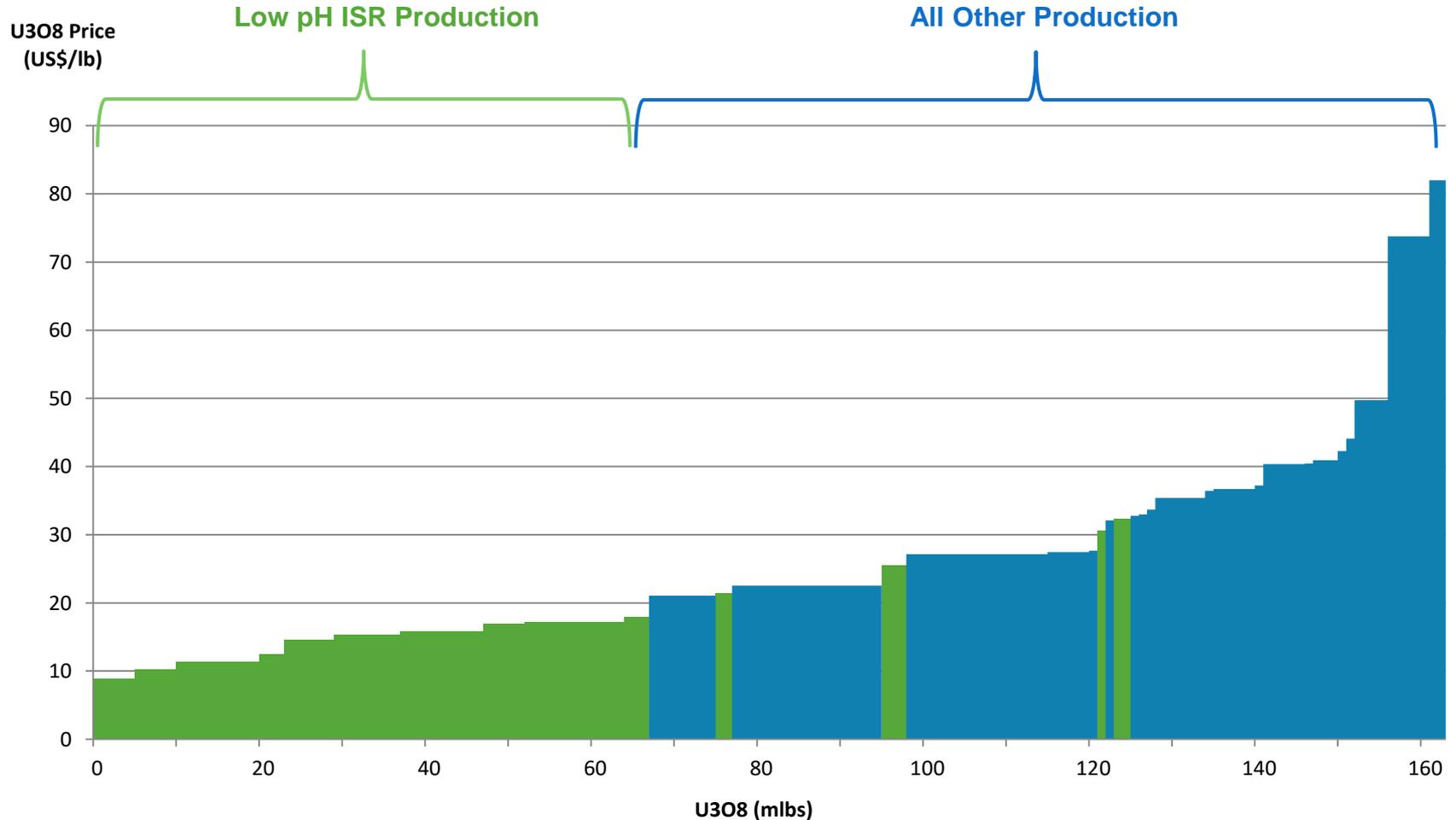
- ✓ Permit and licence amendments in under two years
- ✓ Continued alkaline ISR operations until permitted

Low Capital Cost

- ✓ CAPEX for minor modifications = Minimal
- ✓ Funded by production and sales contracts

Low pH ISR = Low Production Cost

- Low pH ISR has the potential to place the Lance Project in the first quartile of the global uranium production cost curve



Source: UxC

Timeline for Low pH ISR Transformation



- **Highly valuable resource with a significant amount of data available**

Large Resource

- ✓ 56.9 million pounds eU3O8 (23.3mt at 1,108 ppm) JORC (2012) compliant resource²

Internal PFS Completed

- ✓ Significant work in the way of technical studies have been completed for the project

Mineral Tenure

- ✓ A combination of Prospecting Rights, Mining Right Applications and Prospecting Right Applications
- ✓ Ownership: Peninsula 74% and BEE Partners 26%

Divestment Status

- ✓ Formal process underway
- ✓ Targeting an outcome by end of CY-2017

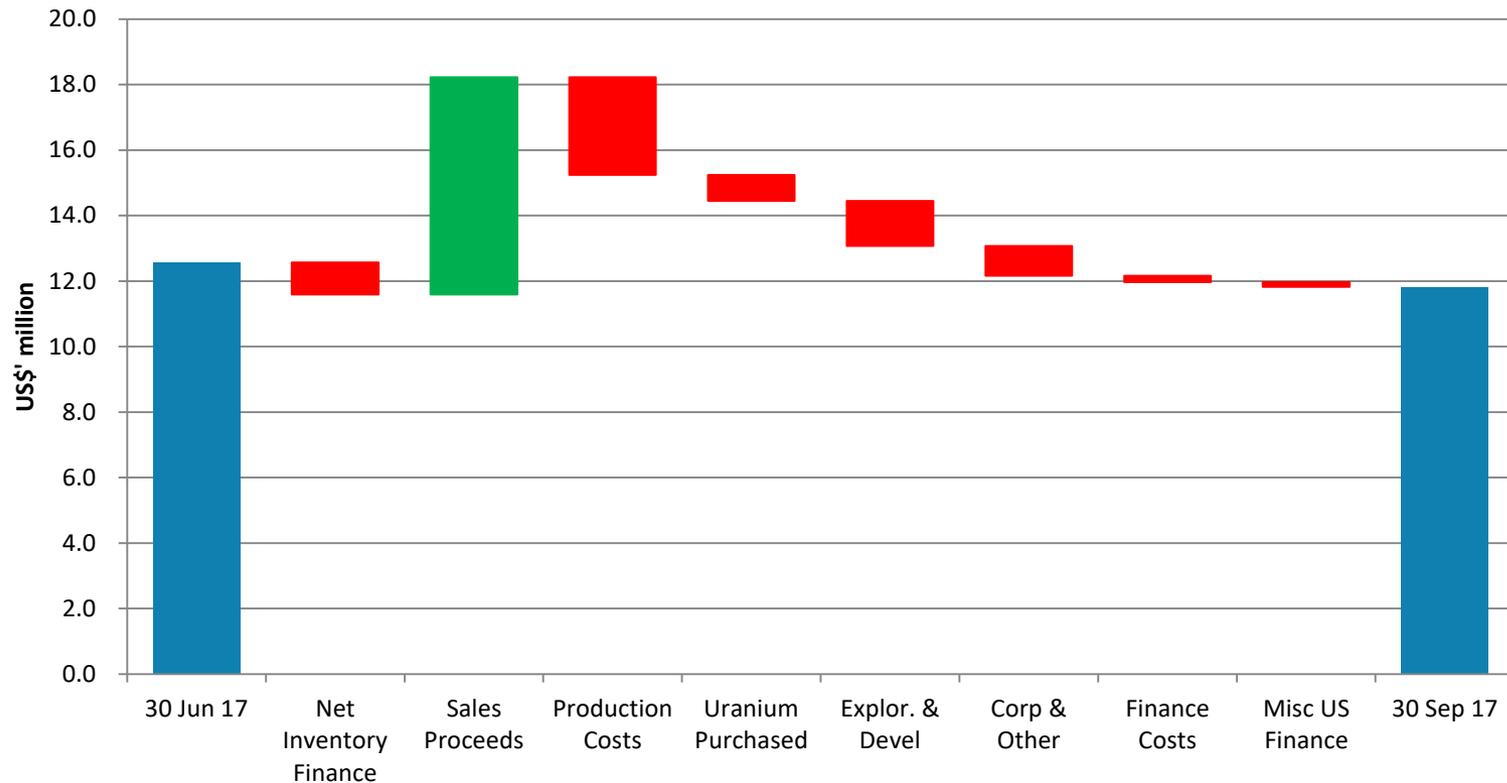
Quarter over Quarter Cost Reductions

- Committed to continued sustainable cost reductions

Payments for: (US\$'000)	Actual Mar Qtr CY17	Actual Jun Qtr CY17	Actual Sep Qtr CY17	F'cast Dec Qtr CY17
Exploration & Evaluation	285	213	270	350
Development & PPE	1,435	2,258	1,106	450
Production	4,130	3,149	2,983	2,900
Sales, Admin & Corporate ⁽¹⁾	1,486	227	626	300
Staff (Corporate)	207	289	279	300
	7,543	6,136	5,264	4,300

(1) Sales, Admin & Corporate adversely impacted in March Quarter by costs associated with staff reduction and MD/CEO change

Cash Balances and Movement



- \$6.6 million cash received from U₃O₈ sales made in September quarter
- 40,000 pounds of uranium purchased during the quarter
- \$1.1million collateral increase for R&R following commissioning of additional header houses
- Discussions commenced with Con Note holders and Investec for extension of facilities



Source: The Ux Consulting Company, LLC

- **Uranium Market Correction**
 - Market currently oversupplied
 - Term price has been flat
 - Spot price is becoming range bound
 - Production restraint is occurring
 - Future utility demand projections remain positive
- **Long term contracts that supported excess production are falling off**

- *Continued Improvement in Quarter over Quarter Results*

Large
Uranium
Resource

- ✓ Long life flagship project advanced into production stage

Long Term
Revenue

- ✓ Sales agreements extending out to 2030 with above market pricing structures
- ✓ Strong committed cash margins for near term sales

Spending
Discipline

- ✓ Divestment of second tier Karoo project
- ✓ On-going meaningful results on cost reduction efforts

Unlocking
Value

- ✓ Lance Project transformation process initiative
- ✓ Positioning to capitalize on anticipated market rebound

Contact Details

REGISTERED OFFICE

Unit 32/33, Level 3, 22 Railway Road
Subiaco, Western Australia 6008
Australia

www.pel.net.au
info@pel.net.au

FURTHER INFORMATION

Wayne Heili Managing Director +61 8 9380 9920

Appendix 1 - Lance JORC Resource

Classification	Tonnes (million)	U3O8(kg)	Grade (ppm U3O8)	U3O8(lbs)
Measured	3.7	2.0	489	4.3
Indicated	10.0	5.1	466	12.7
Inferred	37	17.5	463	36.5
Total	50.7	24.6	473	53.5

ISR Reserves are determined after well field development drilling

1JORC Table 1 included in an announcement to the ASX released on 27th March 2014: "Company Presentation – Mines and Money Hong Kong". Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 2 - Karoo JORC Resource

JORC Compliant Resource March 2014

Classification	Cut-off: eU3O8(ppm)	Tonnes (million)	eU3O8 (ppm)	eU3O8 (million lbs)
Indicated	600	8.0	1,242	21.9
Inferred	600	15.3	1,038	35
Total	600	23.3	1,108	56.9

Classification	Sector	Cut-Off: eU3O8 (ppm)	Tonnes (million)	eU3O8 (ppm)	eU3O8 (million lbs)
Indicated	Eastern	600	7.1	1,206	18.7
	Western	600	0.9	1,657	3.2
Inferred	Eastern	600	11.8	1,046	27.2
	Western	600	3.5	1,019	7.8
Total		600	23.3	1,108	56.9

Large resource potential: 100+ year mine life

Note: Totals may not sum exactly due to rounding

*2*JORC Table 1 included in announcement to the ASX released on 11th March 2014 :”13% Resource Expansion and Upgrade at Karoo Projects”. Peninsula confirms that it is not aware of any new information or data that materially affects the information included in this presentation and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.