

7 May 2018

PENINSULA TO PRESENT AT INVESTOR BRIEFINGS

“Downstream high-purity graphite for South Korea’s battery industry”

Peninsula Mines Ltd Managing Director, Jon Dugdale, will present at Proactive Investors’ CEO Investor Sessions in Melbourne and Sydney on the 7th and 8th May 2018:

Sydney – 7th May from 12-noon to 2pm

Radisson Blu Hotel, Marble Room (Cnr. Pitt and O’Connell Street, Sydney)

Melbourne – 8th May from 12-noon to 2pm

CQ Melbourne, Events Room 1 (113 Queen Street, Melbourne)

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About Peninsula Mines

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

The Company is primarily focused on advancing a series of flake-graphite projects that offer potential for development to supply high-technology, Lithium-Ion battery and/or expandable graphite applications in South Korea. In addition, the Company is drilling a series of highly prospective zinc-lead-silver and copper-gold targets at Ubeong in eastern South Korea.

For full versions of the Company’s releases see Peninsula’s website www.peninsulamines.com.au



PENINSULA MINES
LIMITED

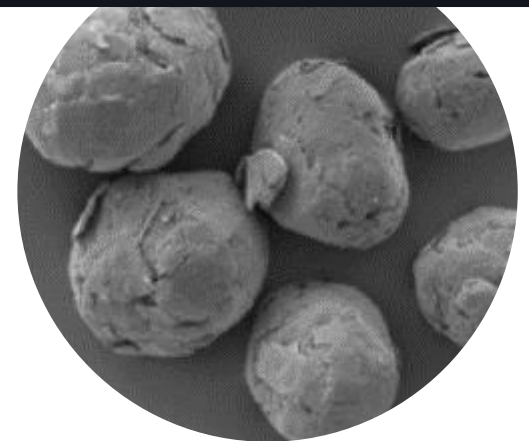
discovery.



development.



delivery.



**“Downstream high-purity graphite
for South Korea’s battery industry.”**

PENINSULA MINES LTD (ASX:PSM)

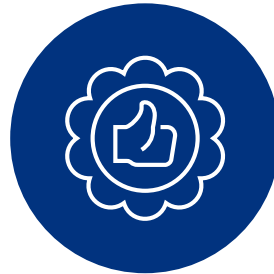
“SPI” opportunity

to produce high-purity graphite in Korea



SECURITY of graphite supply for Korean high-tech industries

- Korea is a major global manufacturer of Lithium-Ion (Graphite) Batteries.
- Depends entirely on high-cost imports of critical, downstream, Spherical Graphite, from China.
- Historically a major graphite producer until the 1980s with flake-graphite potential not exploited.



PURITY of concentrate and spherical graphite

- Concerns of End-Users over the variable quality and purity of imported Chinese Spherical Graphite.
- China’s environmentally unsustainable HF acid processing to produce Spherical Graphite.
- Korea focused on sustainable high-tech. industries and high-purity renewable energy inputs.

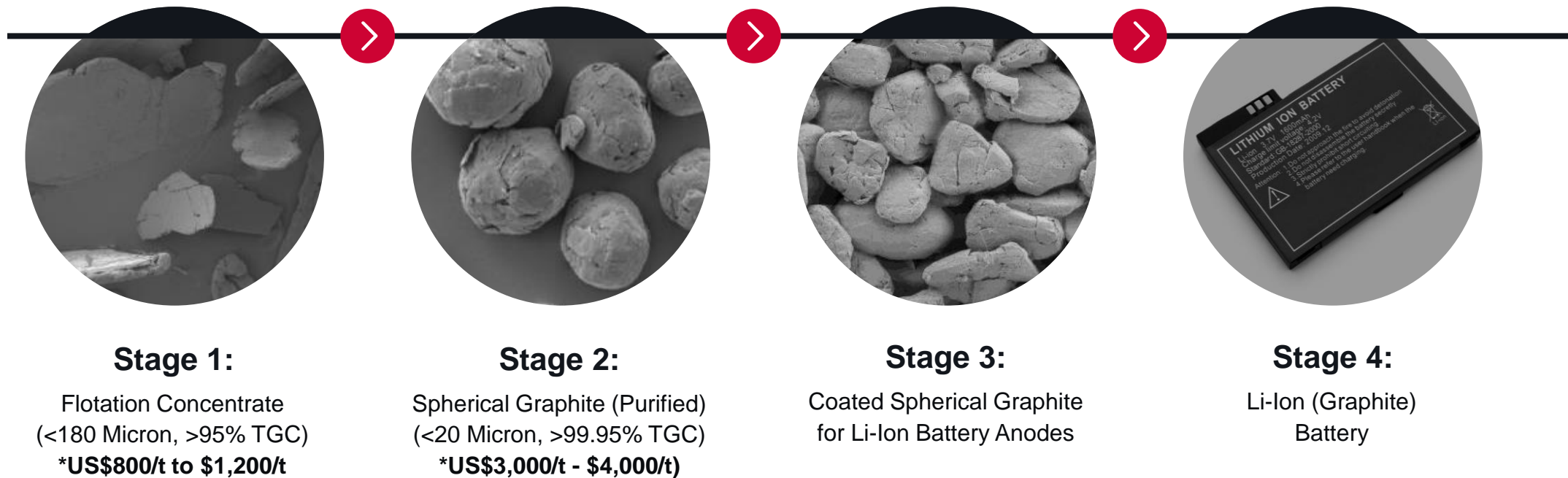


INGENUITY to provide sustainable downstream graphite for the Li-Ion battery industry

- Apply modern exploration methods to discover/delineate Korean flake-graphite deposits.
- Develop high-tech. sustainable graphite production and downstream processing in Korea.
- Supply high-purity Spherical Graphite directly to the Korean Battery Industry.

securing the graphite supply chain from mine to battery

graphite production and downstream processing value-add



*Pricing from Benchmark Mineral Intelligence monthly reports 2018

Now: Mining and processing to value-added Spherical Graphite in China - Coating and Anodes produced in Korea.
Future: Mining and Processing of graphite in Korea to secure entire supply and value-chain.

why South Korea?



Global leader in High-Tech Manufacturing:

- stable first world economy with excellent infrastructure.
- major end user of high-tech commodities – Graphite, Lithium, Zinc, Copper.
- leading manufacturer of Li-Ion (Graphite) batteries and epi-centre of renewable energy industries.
- historically major graphite producer with no modern exploration for flake-graphite or lithium.



Underexplored Flake-Graphite deposits as well as **Lithium, Zinc-Lead-Copper** potential linked with a positive commodity price outlook and strong in-Country off-take demand.



Relationships with key Korean end-users of Flake-Graphite products and other high-tech minerals.



Opportunity to drill and develop high-grade graphite discoveries at surface and extensions defined by already identified strong EM anomalies in four key project areas.



Proven metallurgical testing on three projects has produced **>97% graphite concentrate** with high recovery, potentially suitable for spherical graphite production for Li-Ion (Graphite) battery anodes.



Supply agreement opportunities with high grade graphite developers/producers outside Korea.



Highly-anomalous **Lithium** results and new lithium-pegmatite potential.



Drilling in progress for **Zinc-Silver / Copper-Gold** in a porphyry-skarn system.

applying modern exploration to an underexplored high-tech. country

Flake Graphite:

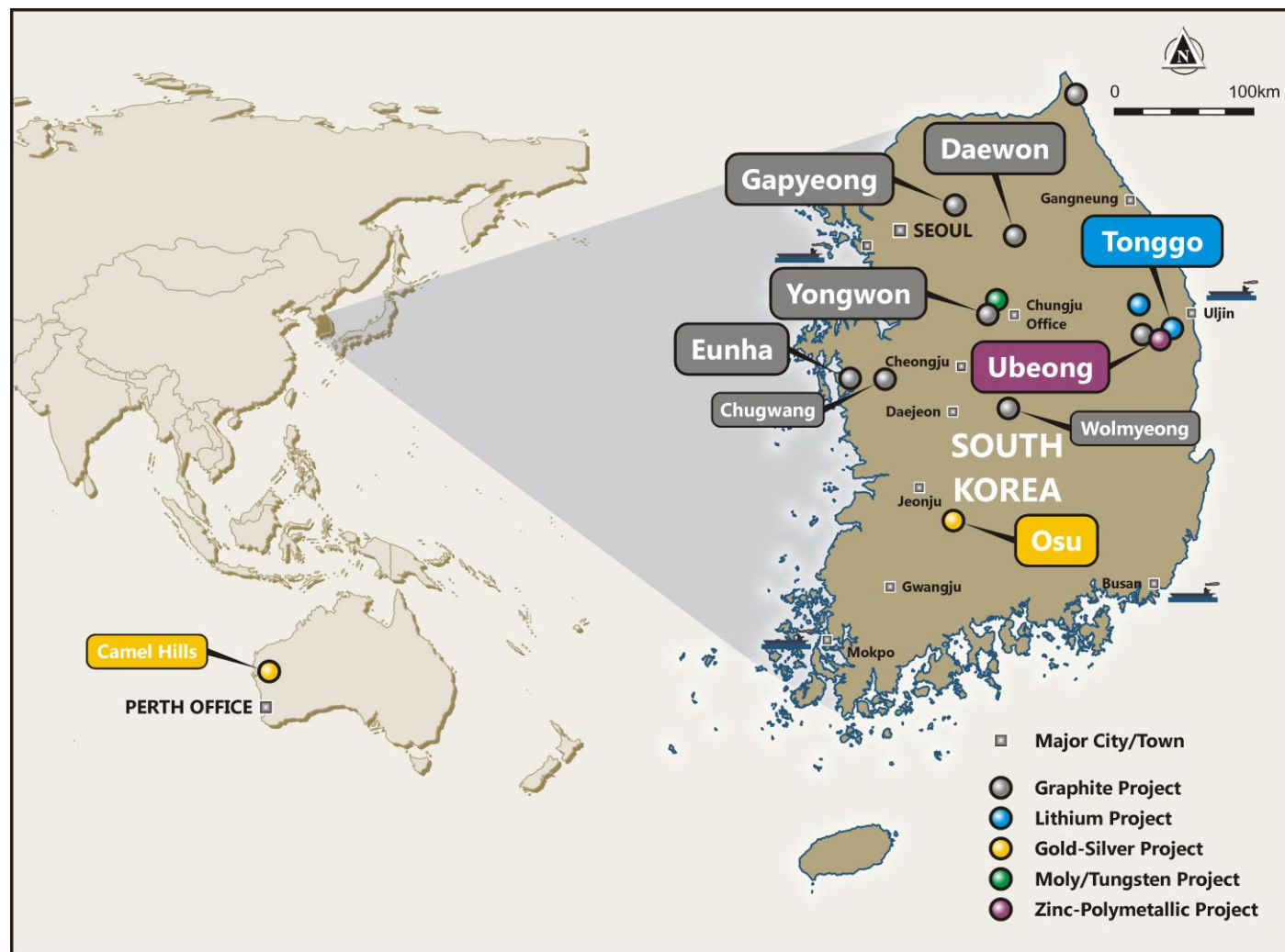
- Yongwon
 - High grade, Metallurgy, EM
- Daewon
 - High grade, Metallurgy, EM
- Eunha
 - Jumbo flakes, EM, Metallurgy
- Gapyeong
 - High grade, EM, Met. next

Tonggo Lithium:

- Large pegmatite, ↑ Lithium

Polymetallics:

- Ubeong, Drilling Targets:
 - Zinc – Lead-Silver
 - Porphyry Cu-Au
- Osu Gold – Silver Targets



value-add milestones

discovery to downstream processing

Stage 1a:

Establish Graphite Projects, drilling to target resource potential

Stage 1b:

Establish offtake and development partnerships for downstream processing:

- 20kt to 60kt con. demand,
- 12 to 36ktpa spherical graphite

Stage 1c:

Metallurgical Testing to establish high-purity (99.95% TGC) spherical graphite flow-sheet

Stage 2a:

Resource drilling, targeting up to 10m tonnes @ 8 - 12% TGC for development

Stage 2b:

Feasibility Study for a processing facility to produce 20 to 60ktpa concentrate then 12 to 36ktpa spherical graphite

Stage 2c:

Fund KGCL to develop graphite production and partner with end-users for downstream processing

Stage 3a:

Develop production delivering 20 to 60ktpa (>95% TGC) concentrate

Stage 3b:

Construct processing facility to produce 12 to 36ktpa spherical graphite (high-purity, >99.95% TGC)

Stage 3c:

Fund and potentially list KGCL on Korean Stock Exchange

stage 1

discovery and
delineation of flake -
graphite resources

1a: Establish Graphite Projects and resource potential for up to 10m tonnes @ 8 - 12% TGC

- Tenure, community support and access – four targets for sampling and two drilling access
- Mapping, sampling, petrography, targeting high-grade flake graphite – four targets defined
- Metallurgical Testing – targeting >97% graphitic carbon – achieved three targets, one testing
- Electromagnetics (EM) for graphitic units continuity along strike and at depth – four targets
- Channel sampling – excavations and rocksaw channel sampling – in progress
- Drilling to establish high-grade flake graphite Indicated Resources - commencing at Eunha

1b: Establish offtake and development partnerships for downstream processing:

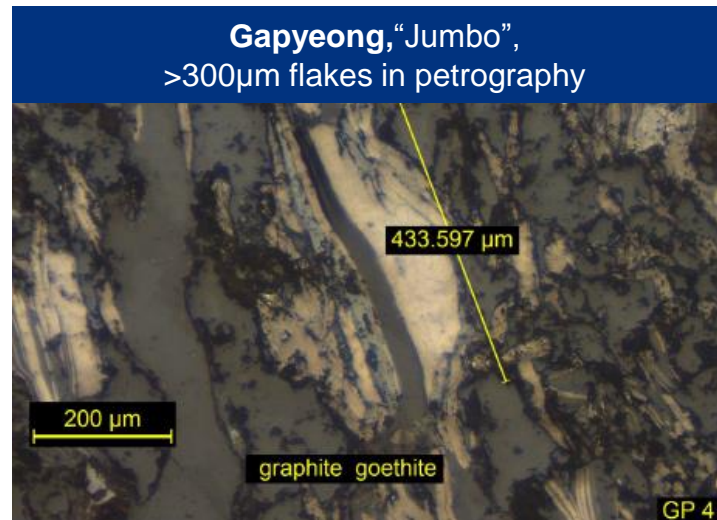
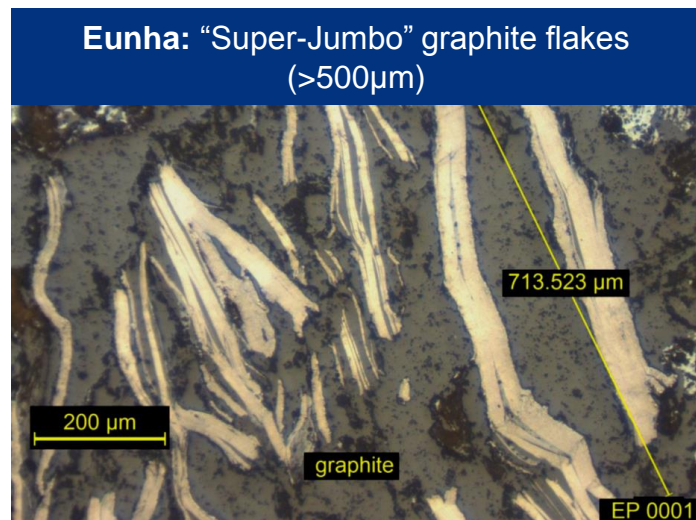
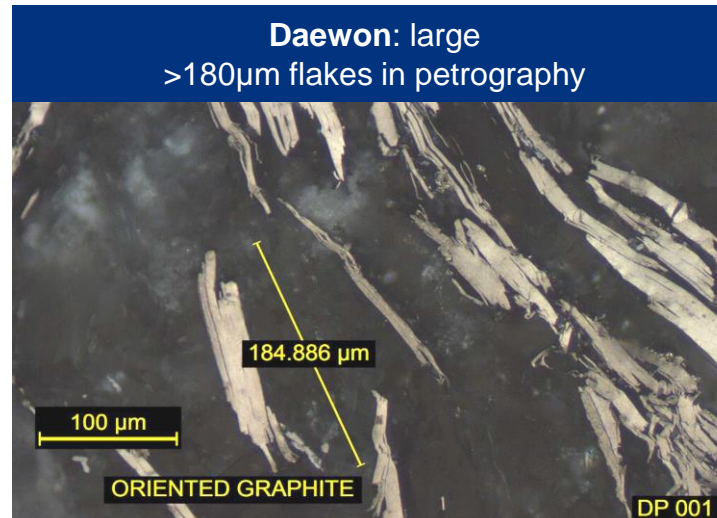
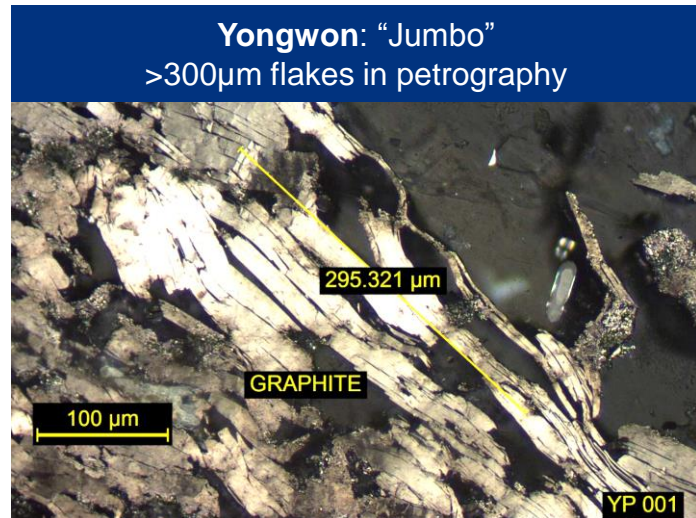
- Offtake MOU with burgeoning Expandable Graphite producer Graphene Korea (large-flake)
- Supply agreement for up to 24k tpa large-flake graphite from Madagascar via DNI
- Discussions with end-users to establish offtake agreements for specific graphite products

1c: Downstream metallurgical testing to establish high-purity spherical graphite flow-sheet

Flake-graphite

the right product for the new technologies

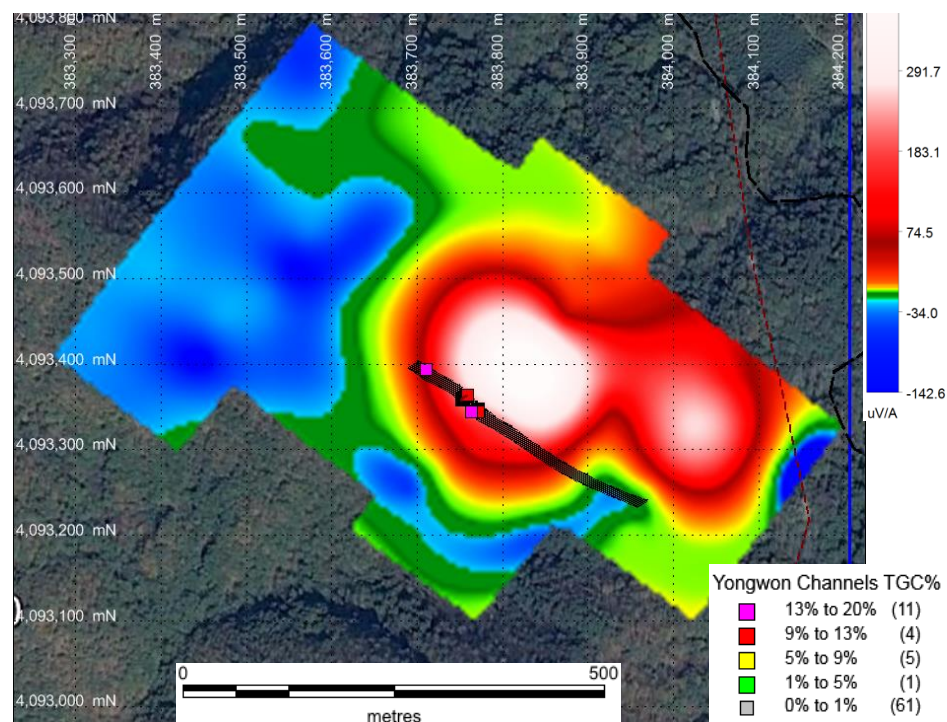
Peninsula's petrography has identified flake – graphite at multiple sites in South Korea, including:



targeting resource potential for development

surface sampling and EM defines potential tonnes + grade, with high-purity concentrate in metallurgy critical

Yongwon Graphite:
400m x 180m x 10m thick x 10% TGC



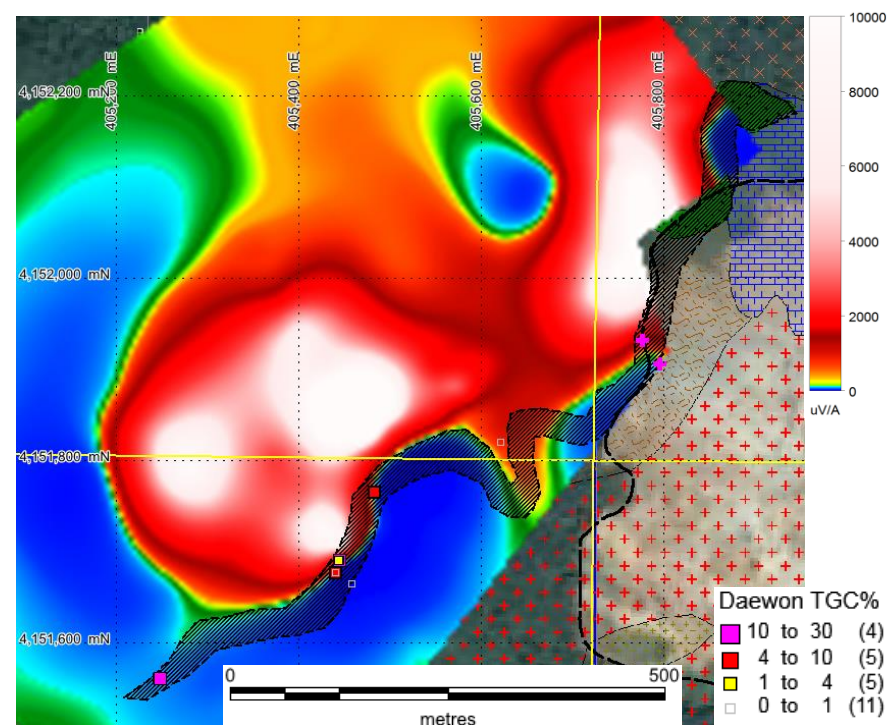
Size Fraction	Mass	Total Carbon	*LOI 1000°C	TGC Recovery
µm	%	%	%	%
>106	8.2%	97.6	97.9	
>75	13.7%	97.8	98.2	
<75	78.1%	96.6	96.7	
Calc. Head	100.0%	96.8	97.0	87.3%

targeting resource potential for development

surface sampling and EM defines potential tonnes + grade, with high-purity concentrate in metallurgy critical

Daewon Graphite:

800m x 200m x 6m thick x 6 - 10% TGC



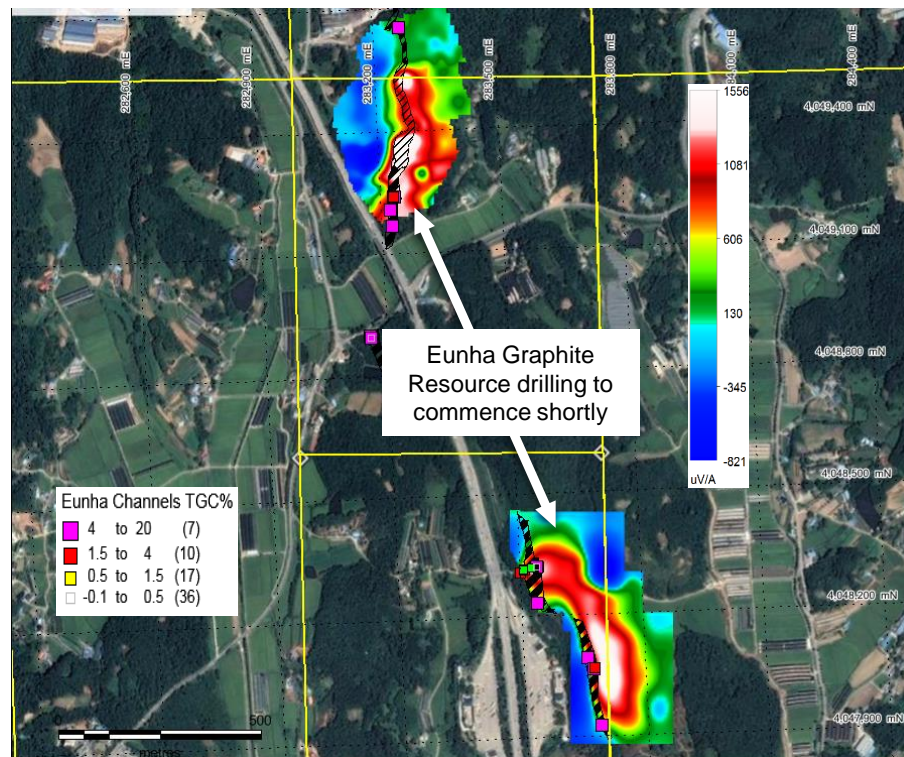
Size Fraction	Mass	Total Carbon	*LOI 1000°C	TGC Recovery
µm	%	%	%	%
>106	6.7%	97.0	97.1	
>75	11.4%	97.5	97.7	
<75	81.9%	96.5	96.6	
Calc. Head	100.0%	96.6	96.7	81.8%

targeting resource potential for development

key new targets
now channel sampling,
with high-purity (>97%)
metallurgy then drilling
to define resources

Eunha Graphite:

2 x 400m x 120m x 5m x 4 - 11% TGC

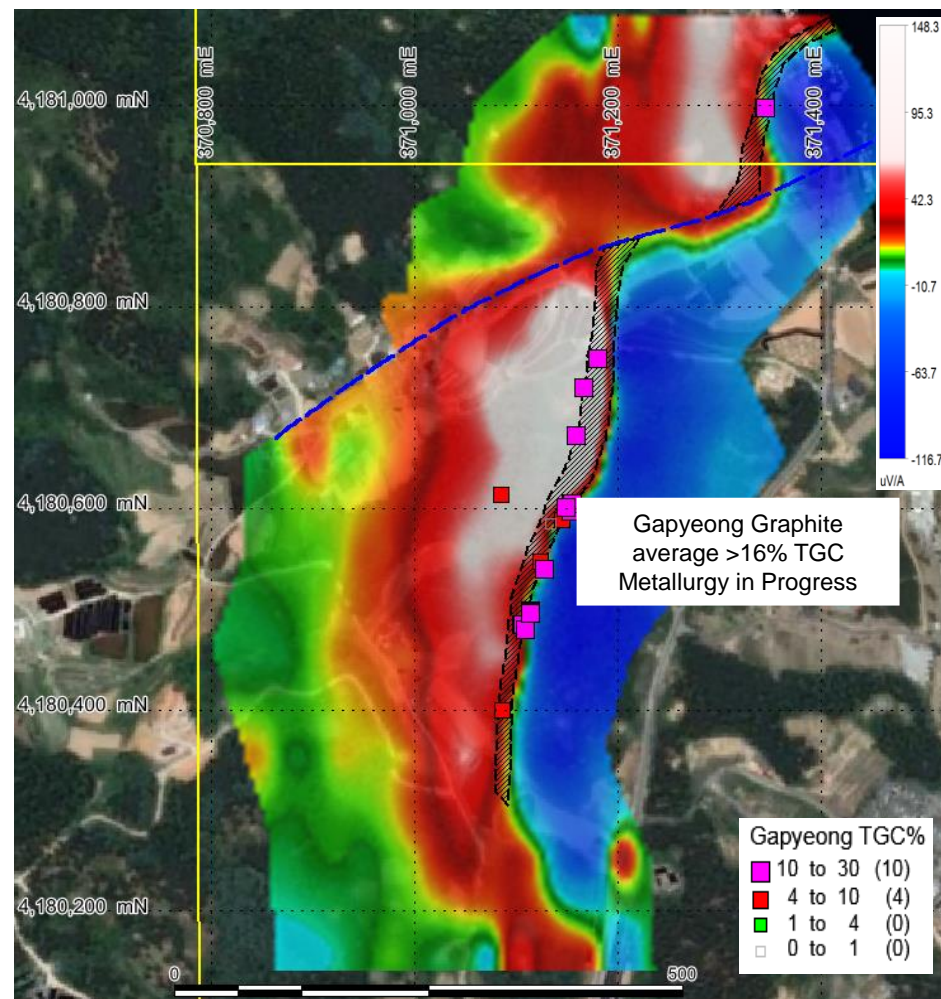


Size Fraction	Mass	Total Carbon	LOI 1000°C
µm	%	%	%
>106	17.4	98.7	98.1
>75	14.9	98.5	98.5
<75	67.7	97.1	97.0
Calc. Head	100.0	97.6	97.5

targeting resource potential for development

key new target, planned channel sampling, then metallurgy and drilling to define resources

Gapyeong Graphite:
800m x 200m x 8m x 16% TGC



key opportunity – value-added spherical graphite processing in Korea

three stage processing
test work underway:



1

Generate >5kg, high-purity (>97% TGC), concentrate from Eunha and other projects (e.g. Gapyeong) for spherical graphite testing.



2

High-purity graphite concentrate samples to Germany for Micronisation and Spheroidisation of flake graphite then,



3

Purification of spherical graphite – targeting >99.95% TGC purity, followed by electrochemical (battery) testing of purified spherical graphite, by German firm, in collaboration with CSIRO.

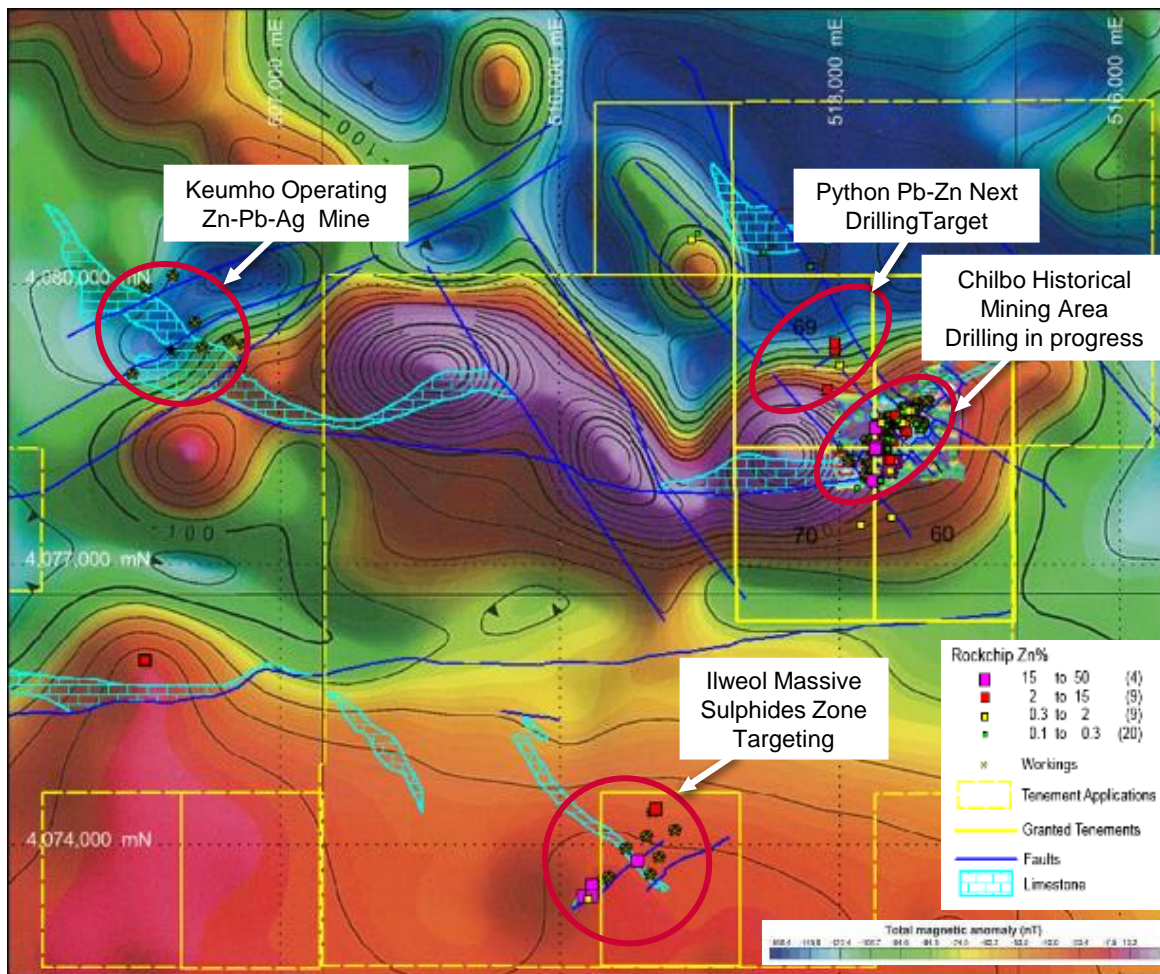


Next steps: Scoping then Feasibility Study into in-country processing to non HF, high-purity spherical graphite (99.95% TGC).

other discovery and development opportunities in Korea

Ubeong zinc – polymetallic project, drilling in progress:

- first application of modern exploration to major mineralized Zn-Pb-Cu system



- **Large 100% owned zinc and copper project (Ubeong)** covering 10km along two mineralised skarn-limestone trends with historical workings and operating mining in district
- **Drilling currently testing the Chilbo prospect at Ubeong** and further work establishing drilling targets for massive and disseminated zinc - lead - copper sulphide deposits at **Python** and **Ilweol**
- **Producing mine offers immediate processing (and corporate?) potential and offtake in-country available** e.g. Korea Zinc smelting within 30km with excellent transport infrastructure

news flow – discovery, development, delivery



Aggressive Field Program - advancing key projects through channel sampling, geophysics (EM, magnetics) and continuous drilling of key targets and resource definition,



Four key Graphite Projects – drilling to target resource potential of up to 10mt @ 8 – 12 % TGC at:

- Eunha Graphite Project: channel sampling and drilling of two graphitic units defined by EM
- Gapyeong Graphite Project: metallurgy then channel sampling and drilling of high-grade graphite
- Daewon and Yongwon Graphite Projects: drilling, subject to access



Downstream **spherical graphite testing programme** then Scoping Study for in-country processing



Advance relationships with Korean graphite end-users to MOU then binding **offtake agreements**



Madagascar – supply of large-flake graphite to Korea Graphite Co. (PSM subsidiary) by DNI Metals for Korean end-users



Ubeong Zinc-Lead-Copper Project: systematically drill key targets defined by sampling, geophysics



Tonggo Lithium: Complete soil sampling of lithium-bearing pegmatite then channel sampling



Osu Gold-Silver: Potential to drill high grade targets

strong leadership with track record of delivery



Jon Dugdale – Managing Director

BSc (Hons), FAusIMM, MAICD

- 32 years experience including 20 years geology and 12 years corporate/investment
- Proven track record of discovery, project development and funding
- Extensive international network within the Asian region



Danny Noonan – Executive Director

BSc (Hons), MAusIMM

- Extensive International geology experience
- Very experienced mining and resources development geologist
- Generated the Korean projects and focussed on resources and development



Phillip Jackson – Non-Executive Chairman

BJuris LLB MBA FAICD

- 25 years International resources experience
- Legal and contracts agreements expertise
- Commercial and contract law focus

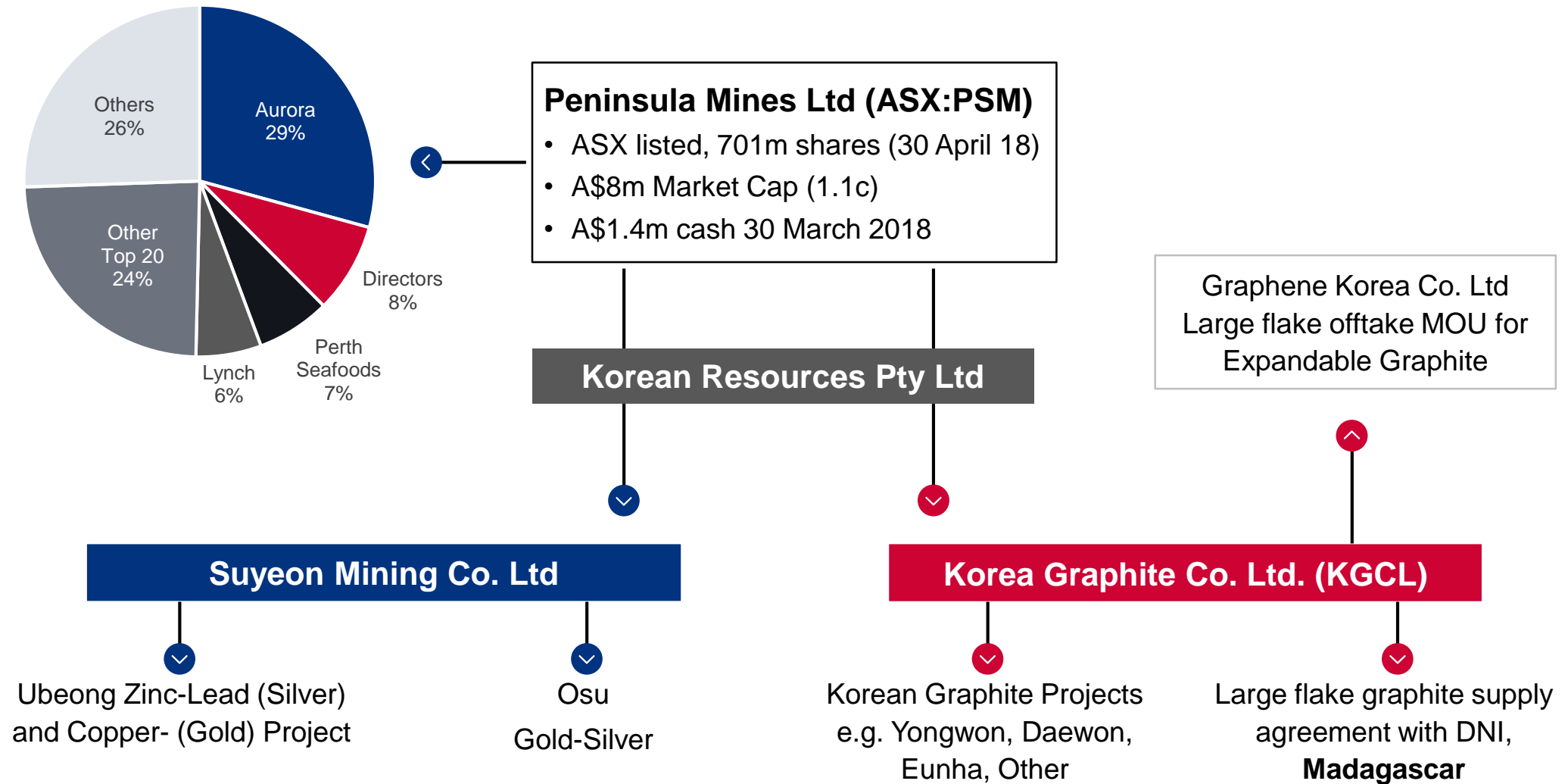


Martin Pyle – Non-Executive Director

BSc (Hons), MBA

- >30 years of geology and corporate experience
- Strong network in financing and investment sector
- Track record of financing and experienced director

tightly held register, corporate structure set-up for investment



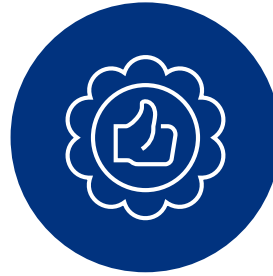
*Korea Graphite Co. Ltd incorporated, graphite projects to be transferred

Peninsula Mines Ltd (ASX:PSM) - why invest?



Established niche in South Korea - solving the graphite supply chain **SECURITY** challenge

- Established in South Korea since 2011 and developed network with key end-users and government.
- Advancing local flake - graphite projects to ensure security of supply of suitable graphite product.
- Secured agreement for supply of high-quality graphite from Madagascar, to kick start graphite business.
- Strategy to produce value-added product to directly supply end-users demand to replace outside supply.



To produce high **PURITY** downstream graphite for high tech. industry

- Focused on high-purity value-added local production to feed this major lithium-ion battery industry.
- Applying low environmental impact flake graphite development and downstream processing techniques.
- Plan for early cash-flow from staged development and modular processing plant – to grow with market.



Applying our **INGENUITY** to develop and supply battery minerals in South Korea

- Excellent local infrastructure, logistics and can-do culture with focus on innovative high-tech. products.
- Applying modern, sustainable, exploration and development approach to Korean deposits.
- Disrupting traditional graphite supply-chain to provide the missing link to the Korean battery industry.
- Other upside opportunities for discovery by applying modern techniques to mineralised areas.

for further information



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competent persons statement and 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 this presentation of information compiled and interpreted by him in the form and context in which it now 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.

The information in this release that relates to Geophysical Results and Interpretations is based on information compiled by Mr William Peters, a Consulting Geophysicist (Crosmin Pty Ltd) at Southern Geoscience Consultants. Mr Peters is a Fellow of the Australasian Institute of Mining and Metallurgy and Chartered Professional (Geology) and 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 Peters consents to the inclusion in the release of the matters based on this information in the form and context in which it 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). 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.