



PENINSULA MINES LIMITED

Diversified Minerals Explorer

PENINSULA MINES LIMITED

Minerals Exploration for the New Millennium

Feb 2016



(ASX:PSM)



Competent Person's Statement & Disclaimer

The information in this report that relates to Exploration Targets and Exploration Results 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 Daehwa Mo-W Project has not materially changed since it was first described in earlier ASX releases of the Company that were issued prior to the adoption by the Company of the reporting practices outlined in the 2012 edition JORC code. Information on the location and history of the Osu Au-Ag Project has not materially changed since it was 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 statements included herein, including regarding 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, 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.



CORPORATE SNAPSHOT

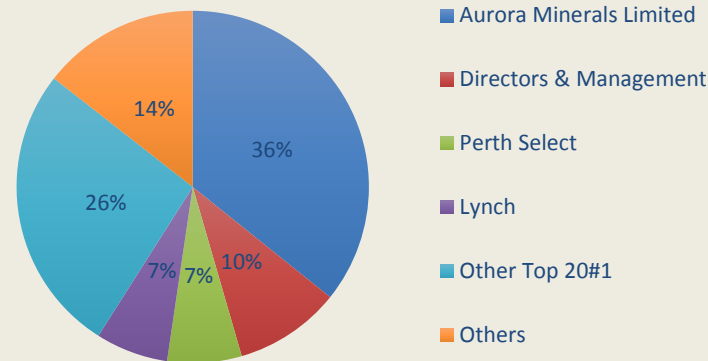
PSM Board of Directors

Phillip Jackson	Non-Exec Chairman
Martin Pyle	Executive Director
Chris Rashleigh	Non-Exec. Director

ASX Code	PSM
Shares on Issue	300M
Market Capitalisation at \$0.018c	\$5.4M
Cash	\$0.35M
Debt	\$0.50M^{#1}

SMCL Wholly Owned Subsidiary of PSM

Martin Pyle	Representative Director
Chris Rashleigh	Representative Director
Daniel Noonan	Representative Director & Exploration Manager
Kim Byong Wook	Legal Representative
Mi-Jung Lee	Office and Accounts Manager
Sung Il Han	Geologist & Project Manager

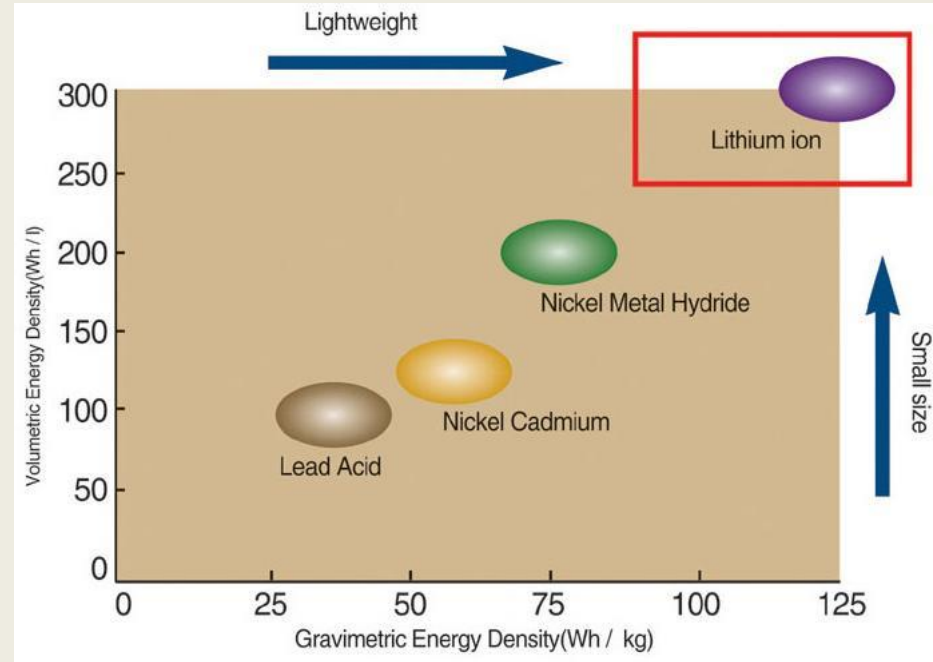
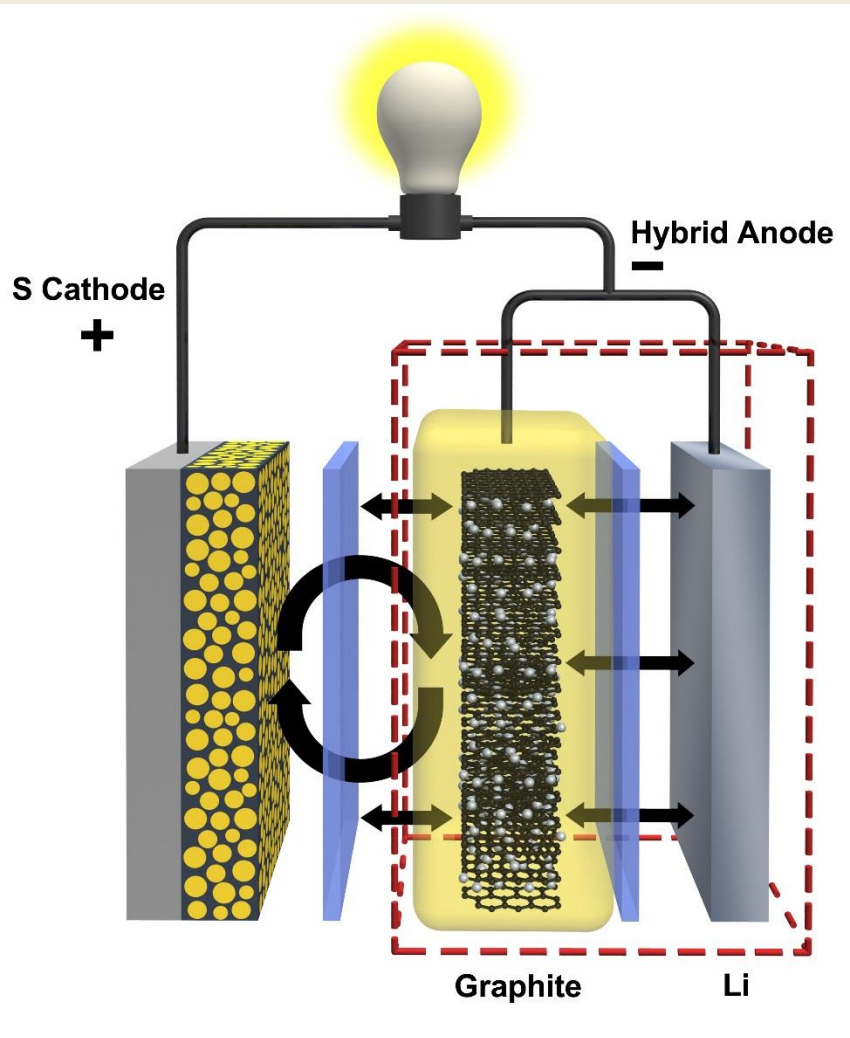


*Top 20 control >85% of issued capital
Tightly held capital structure*

^{#1} Pursuant to working capital loan from parent Aurora Minerals as at 30 Dec 2015



Exploring for Commodities for the 21st century



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



Focussed in South Korea

GRAPHITE PROSPECTS

- Historic mines & Prospects – South Korea formerly a major world producer
- Five Projects
- Several with previous drilling results

LITHIUM PROSPECT

- Dongsugok prospect lies 700m along strike to the east of the Boam mine.
- lithium at Boam occurs as brecciated quartz and lepidolite mica and quartz lepidolite veins associated with pegmatite and aplite dykes

OSU PORPHYRY COPPER-GOLD TARGET

- Historic Baegun and Pal Gong Gold-Silver & Base Metal mines
- Historical high grade production
- Magnetic anomaly suggests porphyry target

DAEHWA MOLYBDENUM-TUNGSTEN

- Historic Daehwa and Donsan molybdenum & tungsten mines



Minerals for a High Tech Economy



Graphite Prospects



- 9 tenement applications over 5 historic graphite prospects
- Several of the prospects were active mines at some point prior to 1980. The Company is in the process of looking for the historic production records and any KORES resource data that may be available for any of the projects.
- Daewon prospect includes an application for two tenement blocks with high grade graphitic schists
- Deokseung prospect is a single tenement application over graphitic structures hosted within gneissic basement.

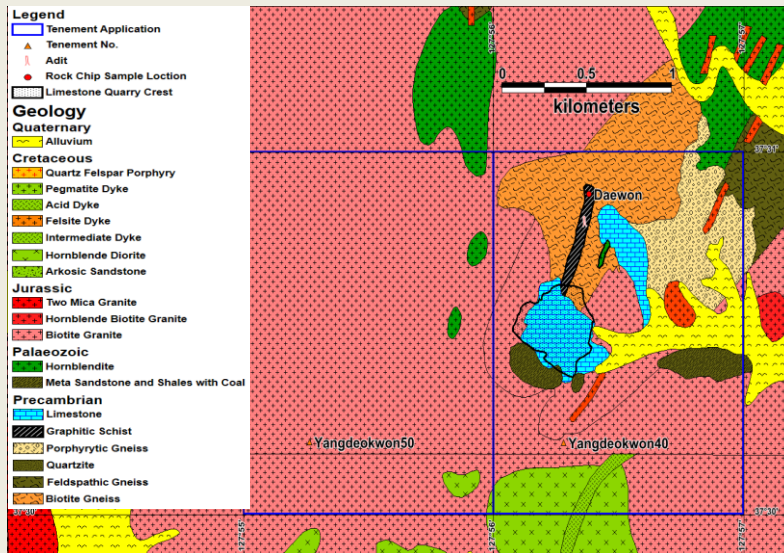


Graphite Prospects *continued*



- Eunha Prospect application again covers a single tenement block where graphitic structures are hosted in granitic gneisses
- Yongwon and Yongwon West prospects are located on adjoining tenement blocks. The graphite bearing structures are hosted within PreCambrian biotitic gneisses. A total of 5 adjoining applications have been filed over these two prospects

Daewon Graphite Project

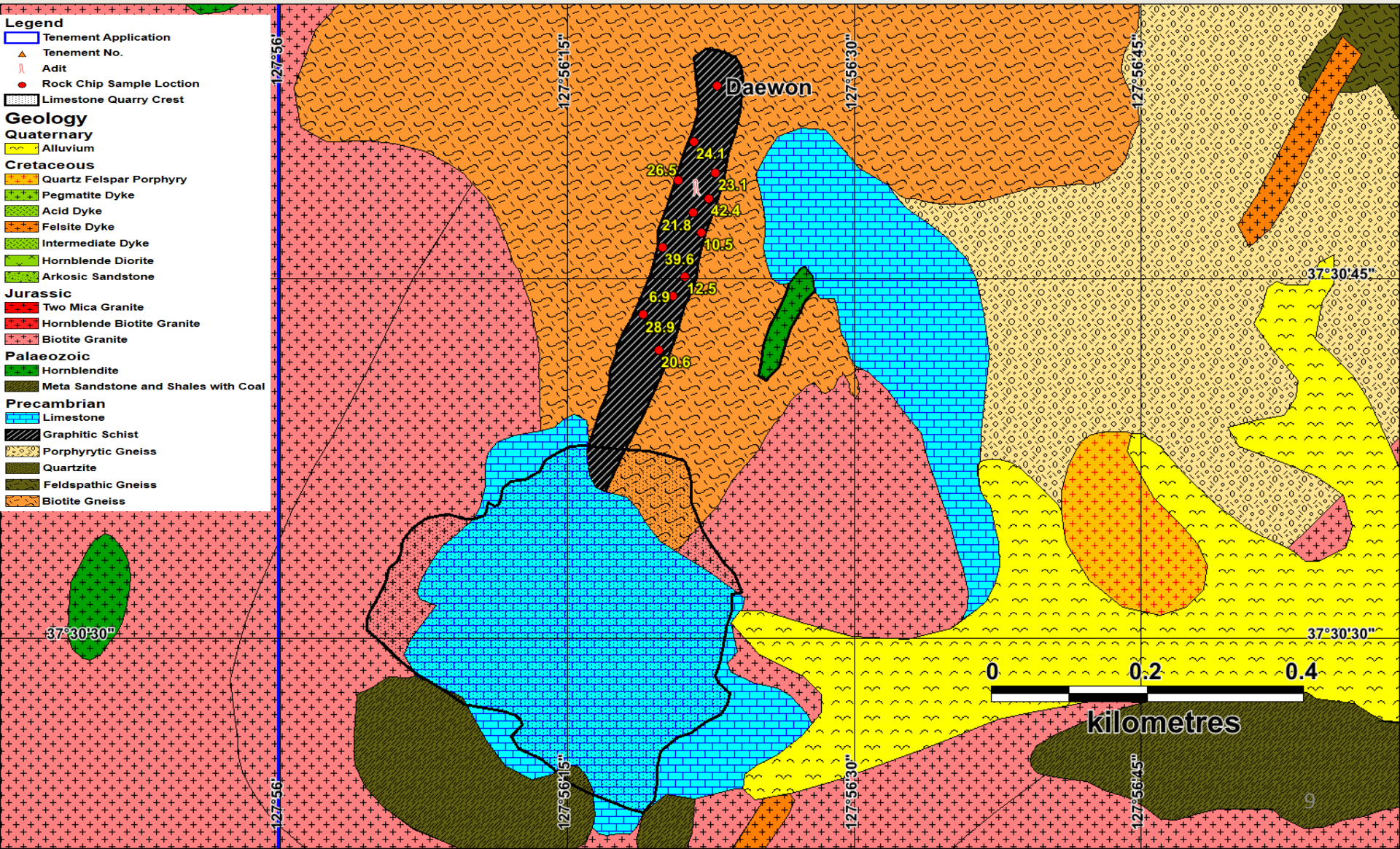


- Rock chip sampling in 1978 by KORES identified flake graphite grades ranging from 6.9 to 42.4% Total Graphitic Carbon (TGC)
- The graphite schist horizon that hosts the Daewon graphite prospect has been mapped over a strike length of more than 500m and a width of 60m. The graphitic horizon dips shallowly 35-40° to the west.
- A small adit was developed at the site
- In the metamorphosed limestone adjacent to the Daewon prospect, there is an active limestone quarry and an in-pit crushing facility
- The Daewon prospect is located close to major road and rail infrastructure and has readily available grid power nearby

SampleID	Water%	Volatiles	Ash%	TGC%
GDW-01	1.21	5.28	84.2	10.5
GDW-02	0.78	5.65	72.6	21.8
GDW-03	1.13	5.36	68.1	26.5
GDW-04	1.46	4.51	71.4	24.1
GDW-05	0.96	3.9	73	23.1
GDW-06	1.23	4.57	53	42.4
GDW-07	0.88	5.73	54.7	39.6
GDW-08	0.45	10.1	77.4	12.5
GDW-09	0.44	11.3	81.8	6.9
GDW-10	1.85	9.34	61.8	28.9
GDW-11	0.87	5.88	73.5	20.6



Plan showing the location of the 11 KMPC 1978 rock chip samples and TGC% assay results. The irregular stippled polygon to south of the graphitic schist horizon is the active limestone quarry.





143 m

© 2016 Google
Image © 2016 CNES / Astrium
Image Landsat
Image © 2016 DigitalGlobe

Google earth



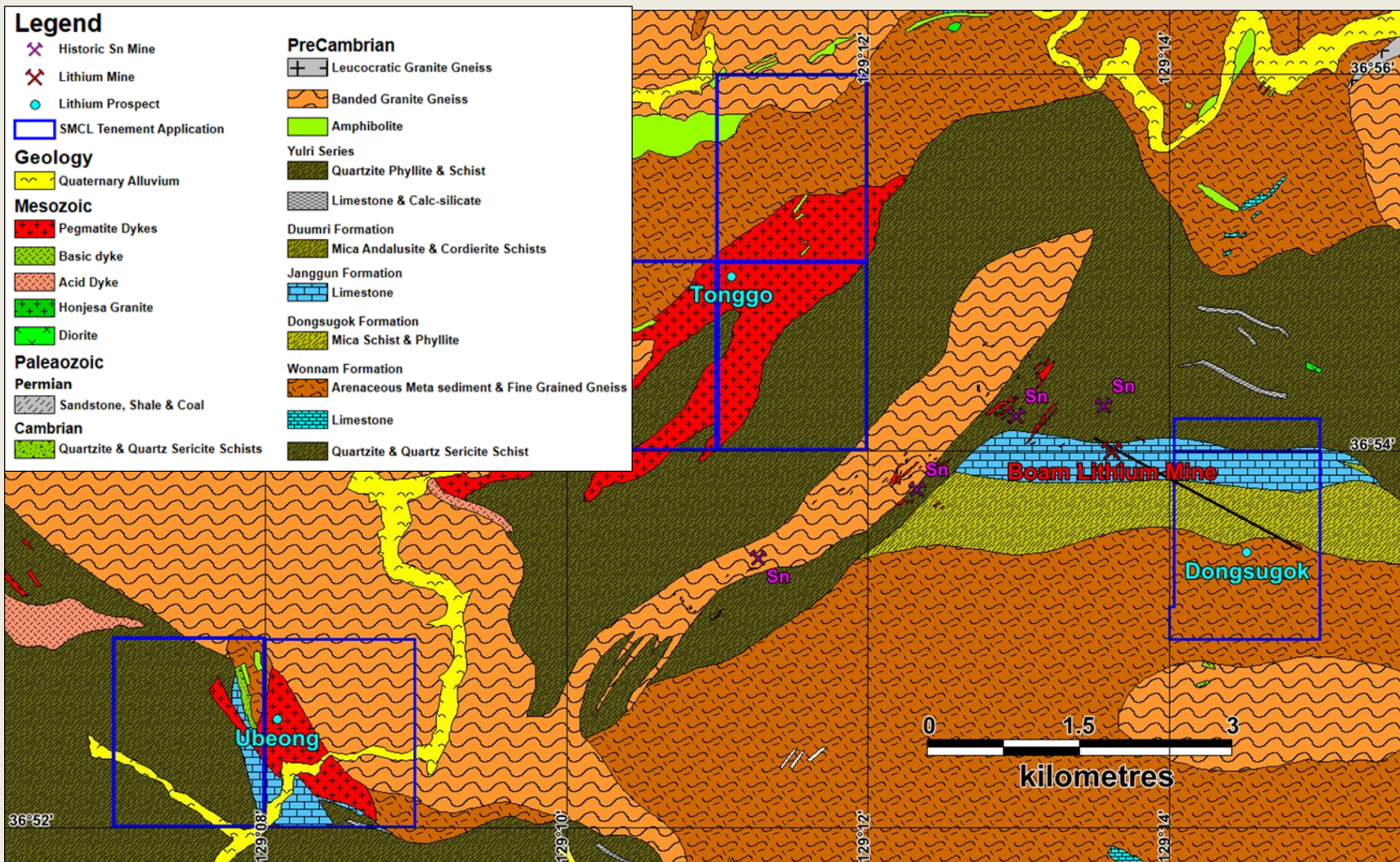
Lithium Prospects



- Tenement applications over blocks adjacent to the Boam Lithium Mine and additional applications over pegmatites considered prospective for lithium and tin mineralisation in the Boam mine district
- Greisen style mineralisation associated with a blind intrusive body. The lithium at Boam occurs as brecciated quartz and lepidolite mica and quartz lepidolite veins associated with pegmatite and aplite dykes
- Dongsugok prospect lies 700m along strike of Boam Mine
- Tonggo prospect includes 3 tenements centred over a pegmatite dyke swarm that intrudes Precambrian basement gneisses and amphibolites
- Ubeong prospect includes 2 applications centred over an intrusive pegmatite that cuts a basement sequence dominated by Precambrian gneisses, limestone and amphibolite.



Lithium Tenement Applications on KIGAM Samgeunri 1:50,000 geology

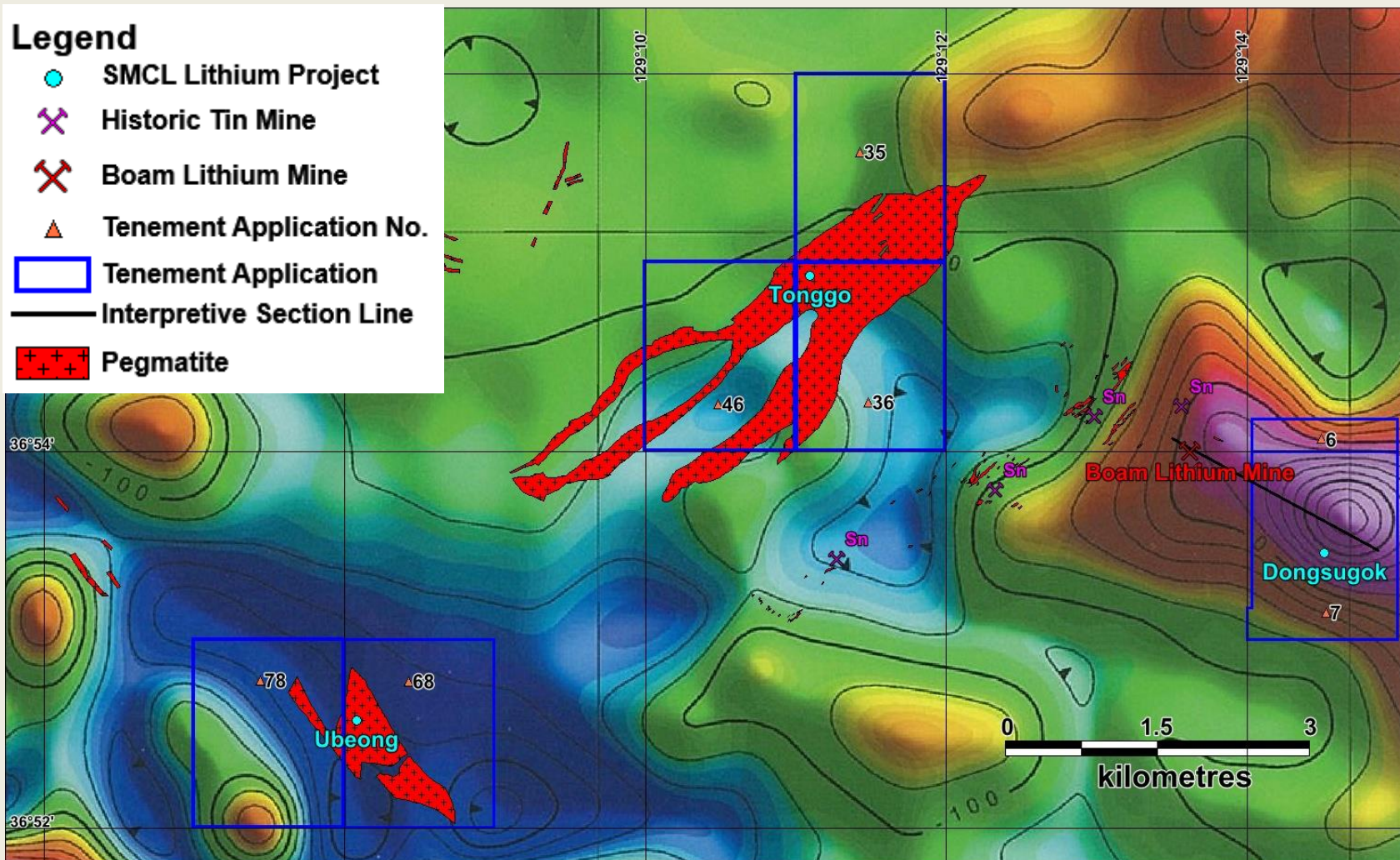




Lithium Projects on the KIGAM 1:100,000 Socheon magnetic image

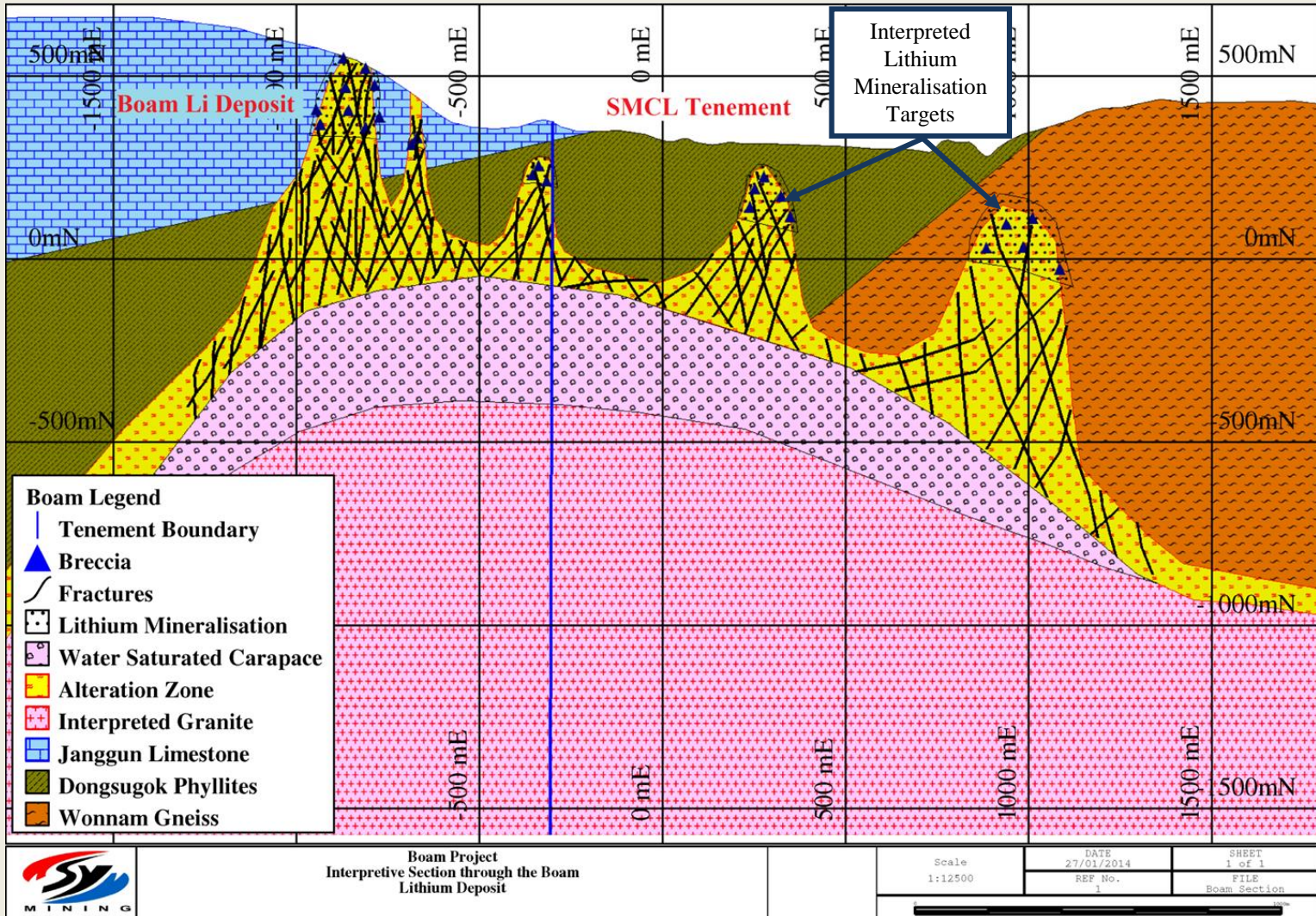
Legend

- SMCL Lithium Project
- ✕ Historic Tin Mine
- ✕ Boam Lithium Mine
- ▲ Tenement Application No.
- Tenement Application
- Interpretive Section Line
- Pegmatite





Interpretive model for the lithium mineralisation at Boam





Daehwa Molybdenum/Tungsten Project



- 100km SE of Seoul in the Chungcheongbuk-do province
- Historic Daehwa and Donsan molybdenum & tungsten mines
- Historic production reported until 1979 was 2,022t of MoS_2 in a 95% concentrate and 793t of WO_3 in a 65-70% concentrate
- High grade, narrow vein mineralisation developed for over 1 kilometre of strike extent along the main footwall Mo lodes
- Historic hangingwall mining initially focussed on W production until 1938 when mining efforts were refocussed onto the development of the Mo lodes
- Over 20 lodes were explored historically with production efforts focussing mainly on the 3 main footwall Mo lodes and 6 hangingwall Mo and W lodes



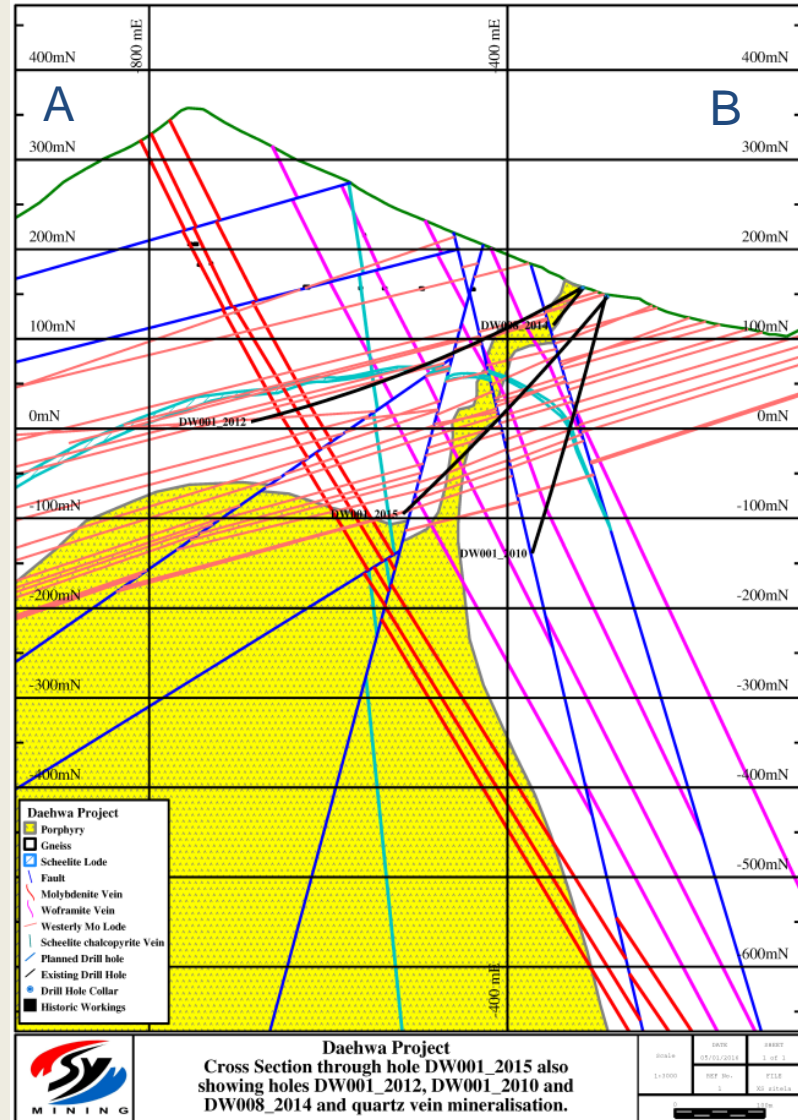
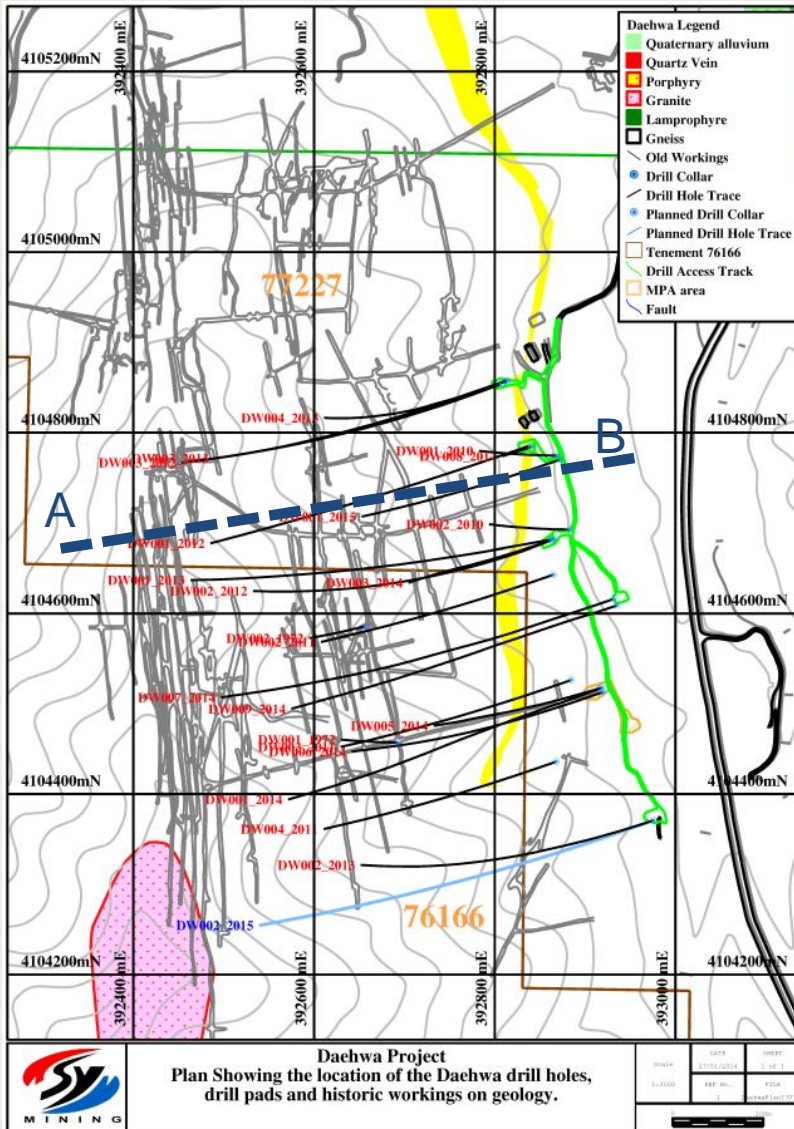
Daehwa Molybdenum and Tungsten Project



- SMCL acquired the Daehwa and Donsan Project in May 2012.
- Since 2012, with the invaluable support of KORES, the Company has been able to complete 14 diamond drill holes and a total of 6570m of drilling across 5 drill sections nominally spaced at 80m in the core central area of the Daehwa deposit.
- Focussed drilling efforts in the central area of the deposit with the aim of completing a sufficient number of holes to generate an Inferred Mineral Resource.



Daehwa Drilling- Plan and Section





Daehwa Activity

- Aim to complete the drill out of the core central area of the deposit.
- This work would complete 15 holes across 5 nominally 80m spaced sections, allowing the design of an underground drill drive and associated bulk sampling works from the refurbished southern adit.
- Preliminary resource estimation
- Scoping Study





Osu Porphyry Copper Target



- Located 40 km southeast of Jeongju
- Includes the historic polymetallic Baegun and Pal Gong mines on the Osu 23 tenement
- The Company has filed an additional application for the adjacent Osu 24 tenement. The two titles are centred over a magnetic high
- Serviced by motorways and major arterial roads
- KIGAM airborne magnetic imagery. Significant magnetic high indicating deep seated blind porphyry potential
- Sampling programme completed over Pal Gong and Baegun mine dumps
- Resamples from Historic dumps yielded grades of over 17g/t Au, 570g/t Ag & 1.4% Cu
- High grade mineralisation from surface rock chips



Osu Project-High Grade Au, Ag & Base Metal Assay Results from Channel & Grab sampling

Significant assay results from the channel sampling of the lode structures at surface included:

- 0.1m @ 18.5 g/t Au, 318 g/t Ag & 0.37% Cu, 2.5% Pb, 0.09% Zn, 0.63% W &
- 0.05m @ 20.7 g/t Au, 126 g/t Ag, 0.11% Cu, 2.5% Pb, 0.09% Zn, 0.03% W &
- 0.09m @ 9.17 g/t Au, 509 g/t Ag, 0.43% Cu, 0.7% Pb, 0.03% Zn &
- 0.09m @ 9.9 g/t Au, 97 g/t Ag, 0.05% Cu, 0.35% Pb, 0.1% Zn &
- 0.14m @ 20.3 g/t Au, 153 g/t Ag, 0.07% Cu, 1.9% Pb, 0.03% Zn

The grade of the historic dump grab samples include:

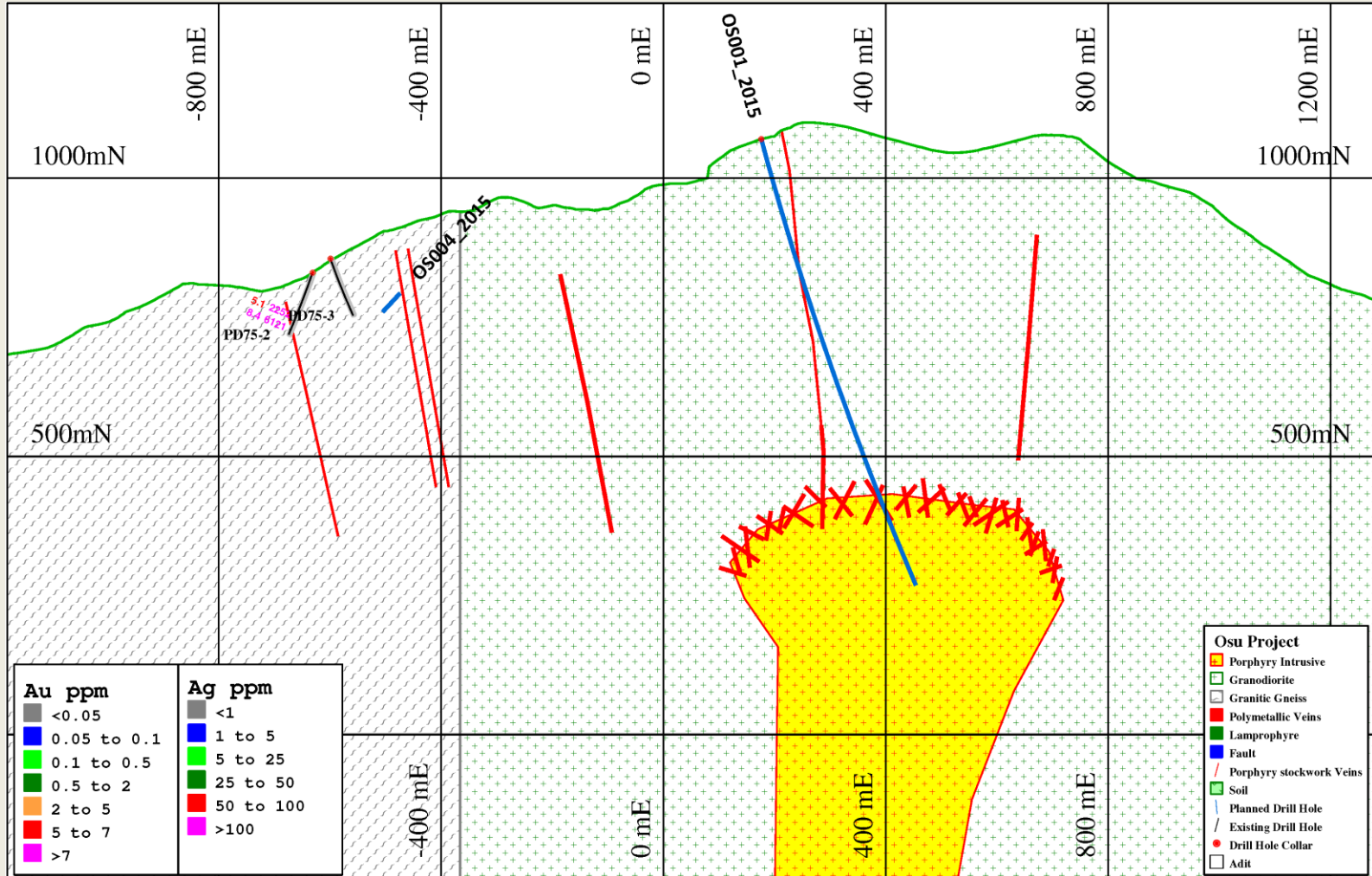
- Au grades up to 17.5 g/t
- Ag grades up to 579 g/t
- Cu grades up to 1.4%
- Pb grades up to 3.3%
- Zn grades up to 2.4%





Osu Porphyry Target Copper, Gold & Silver

Proposed Drilling of Blind Porphyry Target



- Osu Project**
- Porphyry Intrusive
 - Granodiorite
 - Granitic Gneiss
 - Polymetallic Veins
 - Lamprophyre
 - Fault
 - Porphyry stockwork Veins
 - Soil
 - Planned Drill Hole
 - Existing Drill Hole
 - Drill Hole Collar
 - Adit



OSU PROJECT
Section along hole OS001_2015 designed to test
the interpreted deep seated porphyry intrusive

Scale
1:6000

DATE
31/05/2014

SHEET
1 of 1

FILE
XS_OsuSecl



Why South Korea?

- First World Economy
- World leader in high tech applications for graphite and lithium
- Superb infrastructure and logistics
- Local markets for moly/tungsten concentrates – smelters located close by
- Skilled labour
- Heavy industry – plant fabrication and construction at costs well below most western world equivalent cost
- Strong Government support to re-build mining industry
- PSM subsidiary operating in country since 2012
- Good support from KORES
- Attractive Fiscal Regime
- Potential large local industrial partners





Planned Work Programmes

Lithium and Graphite

- Exploration will commence with historical data review, mapping and sampling followed possibly by geophysics and drilling on the prospects deemed most prospective

Daehwa Project

- Complete the detailed logging of all 2014/2015 drill core
- On receipt of assays, model the main Mo and W lodes and generate an Inferred Mineral Resource for the core central area of the deposit

Osu Project

- Diamond Core Drilling





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