



PENINSULA MINES LIMITED

ABN 56 123 102 974

Peninsula Mines Limited

ABN 56 123 102 974

Notice of General Meeting

TIME: 11.00 am

DATE: 28 April 2016

PLACE: Suite 2, Level 2, 20 Kings Park Road,
West Perth, Western Australia

This Notice of General Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting. Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6143 1840

Notice of Meeting to Shareholders

A General Meeting of Shareholders of Peninsula Mines Limited (the **Company**) will be held at the Company's office at Suite 2, Level 2, 20 Kings Park Road, West Perth, Western Australia on Thursday 28 April 2016 at 11.00 am (WST).

The Explanatory Memorandum that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered.

Please note terms contained in this Notice of Meeting have the same meaning as set out in Schedule 1 of the Explanatory Memorandum accompanying this Notice of Meeting.

1. Resolution 1 - Approval of Placement Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 12,469,275 Shares on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Approval for Issue of Shares to Related Party

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue up to 31,650,000 Shares to Aurora Minerals Limited (ACN 106 304 787) on such terms and conditions referred to in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Aurora Minerals Limited and any of their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. Resolution 3 - Approval of Grant of Hartleys Options

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to grant 15,000,000 Options to Zenix Nominees Pty Ltd (ACN 107 391 908), a wholly owned subsidiary of Hartleys Limited (ACN 104 195 057), on the terms described in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Zenix Nominees Pty Ltd and Hartleys Limited and any of their associates and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed. However, the Company need not disregard a vote if the vote is cast as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form, or, by the Chair of the meeting in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Issue of Shares to a Related Party

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue up to 4,687,500 Shares to Phillip Jackson (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Phillip Jackson (or his nominee) and any associates of such persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy forms to vote as the proxy decides.

5. Resolution 5 – Issue of Shares to a Related Party

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue up to 4,687,500 Shares to Martin Pyle (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Martin Pyle (or his nominee) and any associates of such persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy forms to vote as the proxy decides.

6. Resolution 6 – Issue of Shares to a Related Party

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval be given for the Company to issue up to 2,000,000 Shares to Christopher Rashleigh (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Christopher Rashleigh (or his nominee) and any associates of such persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or, it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy forms to vote as the proxy decides.

7. Resolution 7 – Grant of Options to a Related Party

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, approval is given for the Company to grant 1,500,000 Options to Director Daniel Noonan (or his nominee), on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Daniel Noonan (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote as the proxy decides.

Voting Prohibition Statements:

In accordance with section 224 of the Corporations Act, the Company will disregard any votes cast on the Resolution by Daniel Noonan and any of his associates. However, the Company need not disregard a vote if: (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and (b) it is not cast on behalf of Daniel Noonan or an associate of Daniel Noonan.

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

(i) a member of the Key Management Personnel; or

(ii) a Closely Related Party of such a member; and

the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(a) the proxy is the Chair; and

(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. Resolution 8– Ratification of the Peninsula Mines Limited Share Placement

To consider and if thought fit, pass the following resolution as an **ordinary resolution**:

"That, pursuant to ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 75,093,225 Shares on 17 March 2016 on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement: the Company will disregard any votes cast on this Resolution by any person who participated in the issue and any associates of such persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy forms to vote as the proxy decides.

BY ORDER OF THE BOARD



E G MOORE

COMPANY SECRETARY

DATED: 16 March 2016

Information for voting shareholders

Voting Entitlements

For the purpose of determining a person's entitlement to vote at the General Meeting, and in accordance with regulation 7.11.37 and 7.11.38 of the *Corporations Regulations 2011* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at **5.00 pm (WST) on 26 April 2016**.

On a poll, Shareholders have one vote for every Share held.

How to vote

Shareholders can vote by either:

- attending the meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, by fax or as an email attachment.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the Company's share register and attendance recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

Voting by proxy

In accordance with section 249L of the Corporations Act, members (i.e. Shareholders) are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Each proxy will have the right to vote on a poll and also to speak at the meeting.

The proxy can be either an individual or a body corporate.

Any instrument appointing a proxy must in accordance with clause 10.34 of the Company's Constitution be received by the Company not less than 48 hours before the time for the meeting (i.e. it must be received by no later than 11.00 am (WST) on 26 April 2016).

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with its constituent documents and the laws of that corporation's place of incorporation. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, or as an email attachment and by no later than 11.00 am (WST) on 26 April 2016. If facsimile transmission or email together with an attachment is used, the power of attorney must be certified.

Directed Proxies

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and

- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed if a poll is demanded.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the Chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

A proxy form is attached to this Notice of Meeting.

Undirected Proxies

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit subject to any restrictions at law or under the Listing Rules.

Should any resolution, other than those specified in this Notice of Meeting, be proposed at the General Meeting, a proxy may vote on that resolution as they think fit subject to any restrictions at law or under the Listing Rules.

If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on a poll called in relation to a Resolution and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, that do not contain a direction how to vote will be used where possible to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting prohibition or exclusion laws or rules which apply to some of the proposed Resolutions (if any). These laws and rules (if any) are explained in this Notice.

Corporate Representatives

Any corporation which is a Shareholder may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair of the General Meeting) a natural person to act as its representative at the General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed.

Explanatory Memorandum

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of Peninsula Mines Limited (**Peninsula or the Company**) in relation to business to be conducted at the General Meeting to be held at the Company's office at Suite 2, Level 2, 20 Kings Park Road, West Perth, Western Australia at 11.00 am on Thursday 28 April 2016.

Purpose of Explanatory Memorandum

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. Accordingly, it should not be relied on solely in determining how to vote on the Resolutions and Shareholders should seek their own financial or legal advice.

Notice to persons outside of Australia

This Explanatory Memorandum has been prepared in accordance with the Corporations Act and the Listing Rules, disclosure requirements and Accounting Standards. These laws, disclosure requirements and accounting standards may be different to those in other countries.

Forward looking statements

Certain statements in this Explanatory Memorandum relate to the future. These statements reflect views only as of the date of this Explanatory Memorandum. While Peninsula believes that the expectations reflected in the forward looking statements are reasonable, neither Peninsula nor any other person gives any representation, assurance or guarantee that the occurrence of an event expressed or implied in any forward looking statements in this Explanatory Memorandum will actually occur.

Disclaimer

No person is authorised to give any information or make any representation in connection with the proposed transactions which is not contained in this Explanatory Memorandum. Any information which is not contained in this Explanatory Memorandum may not be relied on as having been authorised by Peninsula or the Board in connection with the proposed transactions.

Responsibility for information

The information contained in this Explanatory Memorandum has been prepared by Peninsula and is the responsibility of Peninsula.

ASX

A copy of the Notice of Meeting and Explanatory Memorandum has been lodged with ASX pursuant to the Listing Rules. Neither ASX nor any of its officers take any responsibility for the contents of the Notice and Explanatory Memorandum.

Definitions

Many capitalised terms used in this Explanatory Memorandum are defined in the Glossary in Schedule 1 unless the context otherwise requires.

Enquiries

All enquiries in relation to the contents of the Notice of Meeting or Explanatory Memorandum should be directed to the Company's Company Secretary, Mr Eric Moore, telephone: +61 8 6143 1840.

1. Resolution 1 – Placement – Shares

1.1 General

On 10 March 2016 the Company announced to ASX a placement of 98,937,500 Shares at \$0.016 per Share under two tranches (**Capital Raising**).

Tranche 1 of the Capital Raising, being 75,053,225 Shares, is anticipated to be issued under the Company's placement capacities under ASX Listing Rules 7.1 and 7.1A on or about 17 March 2016.

Tranche 2 of the Capital Raising, being 23,844,275 Shares will be issued subject to Shareholder approval under Resolution 1 and Resolutions 4 to 6.

Resolution 1 seeks Shareholder approval for the issue of up to 12,469,275 Shares to unrelated parties of the Company at an issue price of \$0.016 per Share to raise up to \$199,508.40 (**Placement**).

The balance of tranche 2 of the Capital Raising, being 11,375,000 Shares, will be issued to the Directors, subject to Shareholder approval of Resolutions 4 to 6.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 12,469,275;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same day;
- (c) the issue price will be \$0.016 per Share;
- (d) the Shares will be issued to sophisticated and professional investors determined by the Board, none of whom will be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement towards exploration of the Company's lithium and graphite projects in South Korea and for general working capital.

2. Resolution 2 – Approval for Issue of Shares to a Related Party

2.1 General

In November 2014, the Company and Aurora entered into a Loan Agreement (**Agreement**) whereby Aurora agreed to advance the Company funds to be applied by the Company towards the cost of any future capital raisings and for general working capital purposes.

As at the date of this Explanatory Memorandum, the loan amount owing by the Company to Aurora, including interest, will be approximately \$501,000.

The Company and Aurora have agreed that, subject to Shareholder Approval, Aurora will subscribe for up to 31,650,000 Shares at 1.6 cents per Share (which is the same price at which Shares are issued to unrelated party participants under the Capital Raising) and that Aurora's obligation to pay for the Shares will be offset by a reduction in the amount owing under the loan (both principal and interest) that equals the subscription price.

Accordingly, pursuant to Resolution 2 the Company is seeking Shareholder approval for the issue to Aurora Minerals Limited (**Aurora**) of up to 31,650,000 Shares at a deemed issue price of 1.6 cents per Share (**Related Party Issue**).

Upon completion of the Related Party Issue, the Company's loan from Aurora plus interest will be deemed to have been repaid in full.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of Shares to Aurora will constitute giving a financial benefit and Aurora is a related party of the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Related Party Issue because the Shares will be deemed to be issued to Aurora at the same issue price at which Shares will be issued to non-related party participants in the Capital Raising and as such, the Directors consider that the giving of the financial benefit is on arm's length terms.

ASX Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies.

As the Related Party Issue involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that none of the exceptions set out in ASX Listing Rule 10.12 apply in the current circumstances.

2.2 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the Related Party Issue:

- (a) the Shares will be issued to Aurora Minerals Limited;
- (b) Aurora is a related party of the Company as:
 - (i) two of Aurora's directors, Mr Phillip Jackson and Mr Martin Pyle, are also directors of Peninsula Mines Limited; and
 - (ii) Aurora holds approximately 35.8% of the fully paid ordinary shares on issue in the capital of Peninsula Mines Limited;
- (c) the maximum number of Shares to be issued to Aurora is 31,650,000;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (e) the Shares will be issued at a deemed issue price of 1.6 cents per Share, being the same price as Shares are being issued under the Capital Raising;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) no funds will be raised from this issue as the subscription price will set off the estimated \$506,400 owing by the Company to Aurora under the loan (both principal and interest) as at the date of the Meeting (as described above).

Approval pursuant to Listing Rule 7.1 is not required for the Related Party Issue as approval is being obtained under Listing Rule 10.11.

3. Resolution 3 – Approval of Issue of Hartleys Options

3.1 General

The Company is being provided corporate advisory services by Perth-based stockbroking and corporate advisory firm Hartleys Limited (ACN 104 195 057) (**Hartleys**).

As announced by the Company on 10 March 2016, pursuant to the Company's mandate with Hartleys, the Company has agreed to grant Hartleys 15,000,000 Options with an exercise price of \$0.021 per Option, expiring 30 months from the date of grant (**Hartleys Options**).

The Hartley's Options will be granted to a wholly owned subsidiary of Hartleys, Zenix Nominees Pty Ltd (ACN 107 391 908).

Accordingly, Resolution 3 seeks Shareholder approval for the issue of the Hartley's Options to Zenix Nominees Pty Ltd in consideration for corporate advisory and capital raising services from Hartleys.

ASX listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 3 will be to allow the Company to grant the Hartleys Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the proposed grant of the Hartley's Options:

- (a) the maximum number of Options to be granted is 15,000,000;
- (b) the Options will be granted no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the grant of the Options will occur on the same day;
- (c) the grant price per Option is nil;
- (d) the Options will be granted to Zenix Nominees Pty Ltd (ACN 107 391 908), a wholly owned subsidiary of Hartleys. Neither company is a related party of the Company;
- (e) the Options will be granted on the terms and conditions set out in Schedule 2; and
- (f) the Options are being granted as part of remuneration for corporate advisory and capital raising services Hartleys has provided to the Company. As such, no funds will be raised from the grant of the Options.

4. Resolutions 4 to 6 – Approval for Placement of Shares to Related Parties

4.1 General

As announced to ASX on 10 March 2016 the Company announced a placement of 98,937,500 Shares at \$0.016 per Share under two tranches) (**Capital Raising**).

As set out in section 1.1 of this Explanatory Memorandum, the Directors wish to participate in the Capital Raising.

Resolutions 4 to 6 seek Shareholder approval for the issue of up to 4,687,500 Shares to Phillip Jackson (or his nominee), 4,687,500 Shares to Martin Pyle (or his nominee) and 2,000,000 Shares to Christopher Rashleigh (or his nominee) under the Capital Raising (**Related Party Capital Raising**).

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The proposed issue of Shares under the Related Party Capital Raising will constitute giving a financial benefit and as Directors, the Directors are related parties of the Company.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Related Party Capital Raising because the Shares will be

issued to on the same terms upon which Shares will be issued to non-related party participants in the Capital Raising and as such, the Directors consider that the giving of the financial benefit is on arm's length terms.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Related Party Capital Raising involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

4.2 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the participation:

- (a) the Shares will be issued to Phillip Jackson, Martin Pyle and Christopher Rashleigh (or their nominees);
- (b) the maximum number of Shares to be issued is 11,375,000;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (d) the issue price will be \$0.016 per Share, being the same as all other Shares issued under the Capital Raising;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used for the same purposes as all other funds raised under the Capital Raising as set out in section 1.2(f) of this Explanatory Memorandum, namely towards exploration of the Company's lithium and graphite projects in South Korea and for general working capital.

Approval pursuant to ASX Listing Rule 7.1 is not required for the participation as approval is being obtained under ASX Listing Rule 10.11.

5. Resolution 7 - Grant of Options to a Director of the Company

5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 1,500,000 Options (**Related Party Options**) to Mr Daniel Noonan (**Related Party**) on the terms and conditions set out below.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Options constitutes giving a financial benefit and Mr Noonan is a related party of the Company by virtue of being a Director.

ASX Listing Rule 10.11

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

It is the view of the Company that the exceptions set out in sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Options to the Related Parties.

5.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Related Party Options:

- (a) the related party is Mr Daniel Noonan and he is a related party by virtue of being a Director;
- (b) the maximum number of Related Party Options (being the nature of the financial benefit being provided) to be granted to the Related Party is 1,500,000 Related Party Options;
- (c) the Related Party Options will be granted to the Related Party no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Options will be granted on one date;
- (d) the Related Party Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Related Party Options are set out in Schedule 3;
- (f) the value of the Related Party Options and the pricing methodology is set out in Schedule 4;
- (g) the relevant interests of the Related Party in securities of the Company are set out below:

Related Party	Shares	Options
Daniel Noonan	11,004,817	5,914,000 ¹

¹ Comprising 1,000,000 Options exercisable at \$0.0457 each on or before 22 August 2016, 4,344,000 Options exercisable at \$0.005 each on or before 30 November 2017 and 570,000 Options exercisable at \$0.005 each on or before 30 September 2017.

- (h) the remuneration and emoluments from the Company to the Related Party for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Daniel Noonan	\$119,055 ¹	\$151,500 ²

Notes

1. Includes the issue of 4,344,000 options in lieu of employee remuneration valued at \$10,990 as approved by shareholders at the Company's last AGM on 30 November 2015, and the value of the options the subject of this Resolution provided approval is granted (\$12,065).

2. Includes the issue of 4,647,704 Shares under the Director and Employee Remuneration Sacrifice Share Plan, valued at \$40,500.

- (i) if the Related Party Options to be granted to the Related Party are exercised, a total of 1,500,000 Shares would be issued. This will increase the number of Shares on issue from 430,935,414 to 432,435,415 (assuming that no other Options are exercised and no Shares other than those contemplated by the Resolutions of this Notice are issued except for Resolution 9 where the number of Shares to be issued are unknown) with the effect that the shareholding of existing Shareholders would be diluted by 0.35%.

The market price for Shares during the term of the Related Party Options would normally determine whether or not the Related Party Options are exercised. If, at any time any of the Related Party Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Related Party Options, there may be a perceived cost to the Company;

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	2.5 cents	11 March 2016
Lowest	0.5 cents	20 Mar 2015, 20 August 2015, 27 August 2015
Last	2.1 cents	15 March 2016

- (k) the primary purpose of the grant of the Related Party Options to the Related Party is to provide a performance linked incentive component in the remuneration package for the Related Party to motivate and reward the performance of the Related Party in his role as a Director;
- (l) Mr Noonan declines to make a recommendation in relation to Resolution 7 due to his personal interest in the outcome of Resolution 7;
- (m) Director Mr Philip Jackson recommends that Shareholders vote in favour of Resolution 7 for the following reasons:
- (i) the Related Party is being paid well below market rates;
 - (ii) the grant of the Related Party Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Party; and
 - (iii) there are no significant opportunity costs to the Company or foregone by the Company in granting the Related Party Options upon the terms proposed;
- (n) Director Martin Pyle recommends that Shareholders vote in favour of Resolution 7 for the reasons set out in paragraph (m) above;
- (o) Director Christopher Rashleigh recommends that Shareholders vote in favour of Resolution 7 for the reasons set out in paragraph (m) above;
- (p) in forming their recommendations, each Director (other than the Related Party) considered the experience of the Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Options to be granted as well as the exercise price of 3 cents and expiry date of those Related Party Options; and

- (q) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 7.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Options to the Related Party as approval is being obtained under ASX Listing Rule 10.11.

6. Resolution 8 – Ratification of the Peninsula Mines Limited Share Placement

6.1 General

The Company intends to complete tranche 1 of the Capital Raising on or about 17 March 2016 which will comprise the issue of 75,093,225 Shares at an issue price of 1.6 cents each thereby raising \$1,201,491.60 for the Company (before expenses) (**Tranche 1**).

Tranche 1 will be made to institutional, sophisticated and professional investors under section 708 of the Corporations Act in Australia and as a consequence no prospectus or other disclosure statement was issued in relation to the Placement.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares under Tranche 1.

ASX Listing Rule 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

6.2 Technical information required by ASX Listing Rule 7.4

The following additional information in relation to the Tranche 1 Capital Raising is provided to shareholders pursuant to Listing Rule 7.5:

- (a) the maximum number of Shares to be issued under Tranche 1 of the Capital Raising was 75,093,225 as at the date of the Notice of Meeting;
- (b) the Shares are to be issued for an issue price of 1.6 cents each;
- (c) Tranche 1 of the Capital Raising will be made to institutional, sophisticated, professional or other investors, none of whom will be related parties of the Company;
- (d) the Shares to be issued will be fully paid ordinary shares ranking pari passu in all respects with all other fully paid ordinary shares in the Company on issue;
- (e) the funds to be raised under Tranche 1 will be used for exploration at the Company's South Korean lithium and graphite projects and for ongoing working capital.

Schedule 1- Glossary

In this Explanatory Memorandum, unless the context otherwise requires:

\$	Australian dollars
ABN	Australian Business Number.
ACN	Australian Company Number.
ASIC	Australian Securities and Investments Commission.
Associate	The meaning given to that term in the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	The official listing rules of ASX as amended from time to time.
Aurora	Means Aurora Minerals Limited (ACN 106 304 787).
Board	The board of Directors.
Capital Raising	has the meaning given in Section 1 of the Explanatory Memorandum.
Closely Related Party	<p>Of a member of the Key Management Personnel means:</p> <ul style="list-style-type: none">(a) A spouse or child of the member;(b) A child of the member's spouse;(c) A dependent of the member's spouse;(d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) A company the member controls; or(f) A person prescribed by the Corporations Regulations 2001 (Cth).
Company or Peninsula	Peninsula Mines Limited (ABN 56 123 102 974).
Constitution	The Constitution of the Company.
Corporations Act	The <i>Corporations Act</i> 2001 (Cth).

Director	A director of Peninsula.
Equity Securities	The meaning given to that term in the ASX Listing Rules.
Explanatory Memorandum	Explanatory Memorandum accompanying the Notice of Meeting.
Hartleys	Hartleys Limited (ACN 104 195 057).
General Meeting	General Meeting of Shareholders to be held on Thursday 28 April 2016.
Key Management Personnel	Has the same meaning as in the accounting standards issued by the Australian Accounting Standards board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company or if the Company is part of a consolidated entity, of any entity within the consolidated group.
Notice of Meeting	The notice convening the General Meeting, which accompanies this Explanatory Memorandum.
Option	Means an option to acquire a Share.
Peninsula	Peninsula Mines Limited (ABN 56 123 102 974)
Proxy Form	Proxy Form attached to the Notice of Meeting.
Related party	Means a “related party” as defined in section 228 of the Corporations Act.
Relevant Interest	The meaning given to that term in section 608 of the Corporations Act.
Resolution	Resolution in the Notice of Meeting.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	The registered holder of a Share.

Schedule 2— Terms and Conditions of Options – Hartleys Options

The Options will entitle the Option Holder to subscribe for Shares in the Company on the following terms:

(a) Issue price

Each Option is issued for nil consideration.

(b) Exercise price

Each Option shall entitle the Option Holder to acquire one fully paid ordinary share in the capital of the Company upon exercise and payment of the exercise price which will be 2.1 cents per Option ("Exercise Price").

(c) Expiry date

The Options will expire on the date which is 30 months after the date of grant of the Options unless expiry occurs earlier under these terms and conditions.

(d) Holding Statement

Upon grant a holding statement will be issued for the Options and sent to the Option Holder together with the terms and conditions of the Options and a written notice that is to be completed when exercising Options ("Exercise Notice").

(e) Options not listed

The Options will not be listed for official quotation on the ASX.

(f) Options not transferable

The Options are not transferable except with the prior written consent of the Company.

(g) Exercise

The Options may be exercised by the Option Holder by serving a duly completed Exercise Notice on the Company and payment of the Exercise Price to the Company at any time between the date of issue and the Expiry Date ("the Exercise Period"). The Options may be exercised in one or more lots, of not less than 5,000,000 Options at any one time, on different occasions during the Exercise Period. Within 5 business days of receipt of the "Exercise Notice" and payment of the "Exercise Price", the Company will allot and issue the corresponding number of fully paid ordinary shares to the Option Holder, procure the issue of a holding statement for the relevant shares issued upon exercise of the relevant Options and apply for the shares to be listed on the Official List of the Australian Securities Exchange. The shares issued as a result of exercise of the Options shall rank equally in all respects with the other issued fully paid shares in the Company.

(h) New share issue and Bonus Issues

There are no participating rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Option Holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(i) Reorganisations

In the event of any reorganisation of the issued capital of the Company, the Options will be reorganised by the Company in a manner consistent with the ASX Listing Rules and the Corporations Act 2001 (Cth).

(j) No Change in Exercise Price or number of securities

An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

(k) Dividends

The Options carry no entitlement to participate in dividends until shares are allotted pursuant to the exercise of the Options.

(l) Interpretation

In these terms and conditions the following terms will bear the following meanings unless the context otherwise requires:

“Company” means Peninsula Mines Limited;

“Exercise Period” bears the meaning ascribed in clause (g);

“Exercise Price” bears the meaning ascribed in clause (b)

“Expiry Date” bears the meaning ascribed in clause (c);

“Listing Rules” means the listing rules as amended from time to time of the ASX;

“Market Price” bears the same meaning as in Chapter 19 of the Listing Rules;

“Options” means the options governed by these terms and conditions; and

“Option Holder” means the holder of an Option.

Schedule 3— Terms and Conditions of Options – Daniel Noonan

The Options will entitle the Option Holder to subscribe for Shares in the Company on the following terms:

(a) Issue price

Each Option is issued for nil consideration.

(b) Exercise price

Each Option shall entitle the Option Holder to acquire one fully paid ordinary share in the capital of the Company upon exercise and payment of the exercise price which will be 3.0 cents per Option ("Exercise Price").

(c) Expiry date

Options will expire on the date which is 24 months after the date of grant of the Options unless expiry occurs earlier under these terms and conditions.

(d) Statement

Upon grant, a holding statement will be issued for the Options and sent to the Option Holder together with the terms and conditions of the Options and a written notice that is to be completed when exercising Options ('Exercise Notice').

(e) Options not listed

The Options will not be listed for official quotation on the ASX.

(f) Options not transferable

Subject to the Listing Rules of the ASX, the Options can be transferred to a Nominee of the Option Holders (as defined in Section (o) Interpretation), but otherwise are not transferable, without the prior written approval of the Directors.

(g) Exercise

Subject to n) below, the Options may be exercised by serving a duly completed Exercise Notice on the Company and payment of the Exercise Price to the Company at any time between the date of grant of such Options and the Expiry Date for the Options ("the Exercise Period"). The Options may be exercised in one or more lots on different occasions during the Exercise Period, provided that such lots are equal to or a multiple of 200,000 Options. Within 5 business days of receipt of the "Exercise Notice" and payment of the "Exercise Price", the Company will allot and issue the corresponding number of fully paid ordinary shares to the Option Holder, procure the issue a statement of holding for the shares and apply for the shares to be listed on the Official List of the Australian Securities Exchange. The shares issued as a result of exercise of the Options shall rank equally in all respects with the other issued fully paid shares in the Company.

(h) Method of Exercise

The Holder may exercise the Options using one of two methods:

- (i) Pay the Exercise Price in full for each lot exercised, and have the corresponding number of fully paid ordinary shares issued; or
- (ii) Elect to use the Cashless Exercise Facility as defined in Section (o) Interpretation.

(i) New share issues and bonus issues

There are no participating rights or entitlements inherent in the Options and Option Holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue

is announced. This will give Option Holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(j) Reorganisations

In the event of any reorganisation of the issued capital of the Company, the Options will be reorganised by the Company a manner consistent with the ASX Listing Rules and the Corporations Act 2001 (Cth).

(k) No change in exercise price or number securities

An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

(l) Dividends

The Options carry no entitlement to participate in dividends until shares are allotted pursuant to the exercise of the Options.

(m) Cessation of engagement or death of the Option Holder

- (i) In the event of the death of the Option Holder then all of the Options shall remain in full force and effect for the full term up until the Expiry Date and may be exercised at any time up to the Expiry Date by the a deceased Option Holder's legal personal representative.
- (ii) In the event that that the person to whom the Options were originally offered to ceases to provide services to, or be employed by, the Company following the takeover of the Company or following a Change in Control, all of the Options shall remain in full force and effect for the full term up until the Expiry Date.

(n) Directorships

For the avoidance of doubt it is recorded that the terms of the Options will not be affected in the event that in the future if an Option Holder who is a director of the Company ceases to be a director of the Company.

(o) Interpretation

In these terms and conditions the following terms will bear the following means unless the context otherwise requires:

“Cashless Exercise Facility” means to exercise a number of Options and not pay an Exercise Price, and thereby receive a lesser number of shares on exercise of the Options such that the Option Holder is allotted a number of shares with an aggregate value equivalent to the net value of the shares the Option Holder would have otherwise acquired if the option holder had paid an Exercise Price, after that Exercise price is deducted from the value of those shares.

“Change in Control” means a change in the composition of the shareholders of the Company whereby a person who does not presently control the Company within the meaning of section 50AA of the Corporations Act gains such control over the Company.

“Expiry Date” means 24 months after the date of grant.

“Listing Rules” means the listing rules as amended from time to time of the ASX.

“Nominee” means:

- (a) a spouse or de facto spouse of the Option Holder;
- (b) a child, sibling or parent of the Option Holder
- (c) a family trust associated with the Option Holder;
- (d) a superannuation fund in which the Option Holder or any of the persons referred to above is a member; or
- (e) any other nominee approved by the Company.

“Options” means an option to acquire a Share granted on the terms and conditions set out in these terms and conditions.

“Option Holder” means the holder of an Option from time to time.

Schedule 4—Value Attributed to Proposed Grant of Options

The Company has valued the Options using the Black Scholes Option Pricing Model ("**Black Scholes Model**") which is one of the most widely used and recognised models for pricing options.

The Black Scholes Model calculates the expected benefit from acquiring the Shares outright less the present value of paying the exercise price for the Options on date of expiration. This model is considered robust and sufficiently accurate as an option pricing tool where options are not expected to be exercised until the end of the option's life. The model uses historical share price volatility measures and therefore may not approximate actual share price behaviours in the future.

The following table incorporates the assumptions used in determining values for each the Options, and the results of the valuation methodology employed.

Table 1:

Assumption	Note	Daniel Noonan
Underlying Share spot price	1	2.1 cents
Exercise Price	2	3.0 cents
Dividend rate	3	Nil
Standard deviation of returns (annualised)	4	88.3%
Risk free interest rate	5	1.845%
Valuation date	6	15 March 2016
Expiry date	7	15 March 2018
Exercise period (months)	7	From the date of grant to 24 months from the date of grant
Black Scholes Valuation (per Option)	8	\$0.008
Value of Options		\$12,065

Note 1 The underlying share spot price used for the purposes of this valuation is based on the price of the Shares on the ASX at 15 March 2016.

Note 2 The exercise price for the Options will be 3.0 cents.

Note 3 As at the date of this report the Company has not forecast any future dividend payments. For the purposes of the valuation it has therefore assumed been assumed that the Company's Share price is "ex-dividend". If dividend payments were forecast, the value of the Options would be reduced.

Note 4 The anticipated standard deviation over the life of the Options is based on the Company's historical data.

Note 5 The risk free rate is the Commonwealth Government Bond rate with a maturity date approximately that of the expiration period of the Options.

Note 6 The valuation date for the purposes of this report is the last traded date prior to the date of this valuation.

Note 7 The expiration period is the difference between the issue date and expiration date in years.

Based on the valuation methodologies adopted and the assumptions made, the Company values the Options, after considering the values calculated using the Black Scholes method, to equal 0.8 cents each.

The valuation assumes that all Options have vested to the option holder and that there are no performance hurdles that must be achieved that would otherwise potentially dilute the value of the Options to the holder on the assumption that they may not vest.

PENINSULA MINES LIMITED

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PO Box 644
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Facsimile: 61 (8) 9321 4692
Email: contact@peninsulaminels.com.au
Website: www.peninsulaminels.com.au

Proxy Form

I/we (full name, block letters)

of

being a member of **Peninsula Mines Limited** hereby appoint

.....

of

or, failing him, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the company to be held at 11.00 am on Thursday 28 April 2016 and at any adjournment thereof.

CHAIR'S VOTING INTENTIONS AS PROXY HOLDER

Resolutions 1-8: The Chair of the meeting intends to vote undirected proxies FOR the resolutions to which they apply (assuming the Chair is entitled to vote the proxies – see the additional instructions below).
I/we direct my/our proxy how to vote in the following manner:

ORDINARY AND SPECIAL BUSINESS- VOTING INSTRUCTIONS

		For	Against	Abstain
Resolution 1	Approve Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approve Issue of Shares to Related Party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approve Grant of Hartley Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approve Issue of Shares to a Related Party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approve Issue of Shares to a Related Party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approve Issue of Shares to a Related Party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approve Grant of Options to a Related Party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional instructions

Important Note: Exercise of Undirected Proxy by the Chair in relation to Resolutions 4 to 7

☐

Resolutions 4 to 7: If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention above you are authorising the Chair of the Meeting to exercise the proxy in respect of resolutions 4 to 7, even though the Resolutions may be concerned directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

***This Proxy is appointed to represent _____% of my voting right, or if 2 proxies are appointed
Proxy 1 represents _____% and Proxy 2 represents _____% of my total votes
My total voting right is _____ shares***

If the shareholder(s) is an individual(s), every shareholder is to sign:

If the shareholder is a company, sign in accordance with Section 127(1) of Corporations Act or affix common seal (if required by Constitution).

Signed: _____

Director or Sole Director and Secretary

Signed: _____

Director/Secretary

Dated: _____ 2016

Dated: _____ 2016

This form is to be used in accordance with the directions overleaf.

Instructions for completing and lodging this Proxy Form

1. A shareholder who is entitled to attend and vote at a meeting is entitled to appoint a proxy (and a shareholder who is entitled to cast two or more votes may appoint not more than two proxies) to attend and vote at the meeting.
2. Where two proxies are appointed each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. Where two proxies for a shareholder are present at the meeting, neither proxy shall be entitled to vote on a show of hands, and on a poll the appointment shall be of no effect, unless each proxy is appointed to represent a specified proportion of the shareholder's voting rights, not exceeding 100% in aggregate.
3. A proxy need not himself be a shareholder of the Company.
4. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed under either the common seal of the corporation or in accordance with section 127 of the Corporations Act or by its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one of the joint shareholders, personally or by a duly authorised attorney.
5. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the company, must accompany the proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
 - (c) if the proxy is Chairman, the proxy must vote on a poll and must vote that way, and
 - (d) if the proxy is not the Chairman, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

7. The Proxy Form (and any power of attorney or other authority pursuant to which the Proxy Form has been signed) must either be:
 - (a) deposited at the registered office of the Company, Suite 2, Level 2, 20 Kings Park Road, West Perth;
 - (b) be sent by post to Peninsula Mines Limited, PO Box 644, West Perth, WA 6872;
 - (c) be sent by facsimile to Peninsula Mines Limited at (08) 9321 4692; or
 - (d) be emailed to Peninsula Mines Limited at contact@peninsulamines.com.au

so as to be received not later than 48 hours before the time fixed for the holding of the meeting

- that is to be received by 11.00 am Western Standard Time on 26 April 2016.

Change of Address

Should your address have changed please use this section to advise the Company and, if faxing your proxy form, please fax this side of the proxy form as well.

My new address is:

My email address is:_____

My phone number is:_____