



PENINSULA MINES LIMITED

ASX:PSM

ASX ANNOUNCEMENT

26 October 2016

PENINSULA MINES LIMITED QUARTERLY REPORT TO 30 SEPTEMBER 2016

- Experienced executive, Jon Dugdale, appointed as CEO during the Quarter^{D6}
- Graphite petrography shows large to jumbo graphite flakes at Yongwon and Daewon^{D5}
- Strongly anomalous lithium stream sediment results over 3km from Tonggo prospect^{D4}
- Exceptional zinc-silver grades from recently acquired project at Ubeong, South Korea^{D2}
- Channel sampling and drilling planned to test the Osu high-grade gold target^{D3}
- Successful \$1.68 million capital raising to accelerate South Korean exploration^{D1}

The appointment of experienced executive, Jon Dugdale, as the Company's CEO in early August 2016^{D6}, coincided with a strong September quarter (the Quarter) for Peninsula Mines Limited (Peninsula). Jon has been actively involved in rapidly advancing the Company's South Korean projects.

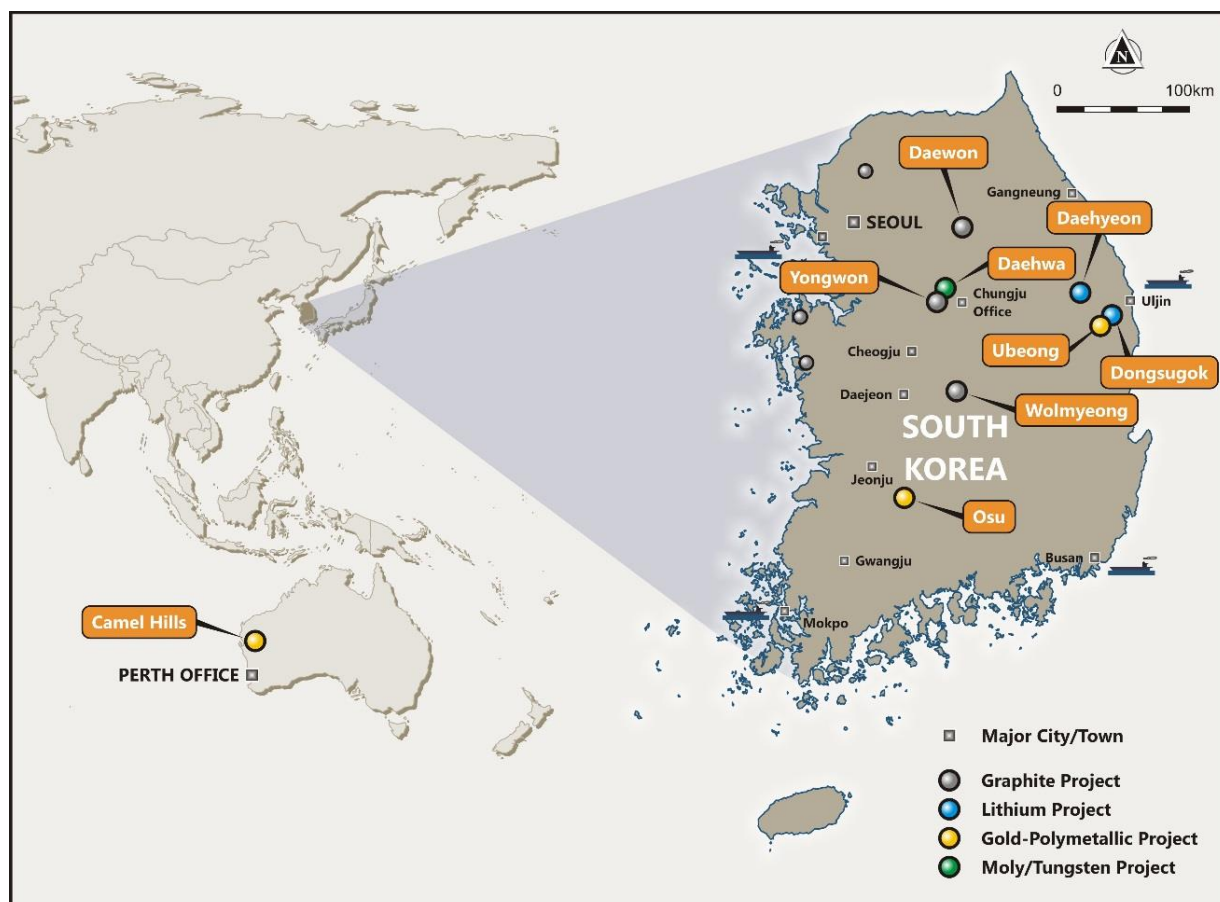


Figure 1: Peninsula's South Korean Exploration Projects

Peninsula Mines Limited (ASX: PSM)

Principal & Registered Office
Suite 2, Level 2
20, Kings Park Road
West Perth, WA 6005

www.peninsulamines.com.au

Jon Dugdale, Chief Executive Officer

Tel: +61 8 6143 1840

jdugdale@peninsulamines.com.au

Karen Oswald, Media and Investor Relations

Tel: +61 423 602 353

Ken Banks, Investor Relations

Tel: +61 402 079 999

Graphite Projects

Petrography was carried out on samples from each of Peninsula's key graphite projects in South Korea (See Figure 1 for locations). This work confirmed "jumbo" (>300um) and very large (>200um) flake sizes in samples from Yongwon and Daewon graphitic schists, where grades of up to 18% Total Graphitic Carbon (TGC) and 24.8% TGC, respectively, were recorded in outcrop sampling. Petrography indicates that graphite in samples from both Yongwon and Daewon occurs as coarse oriented flakes, as illustrated in Figures 2 and 3 below.

Metallurgical test work is in progress with the objective of optimising concentrate grades for both the Yongwon and Daewon Projects and generating concentrates suitable for commercial markets^{D5}.

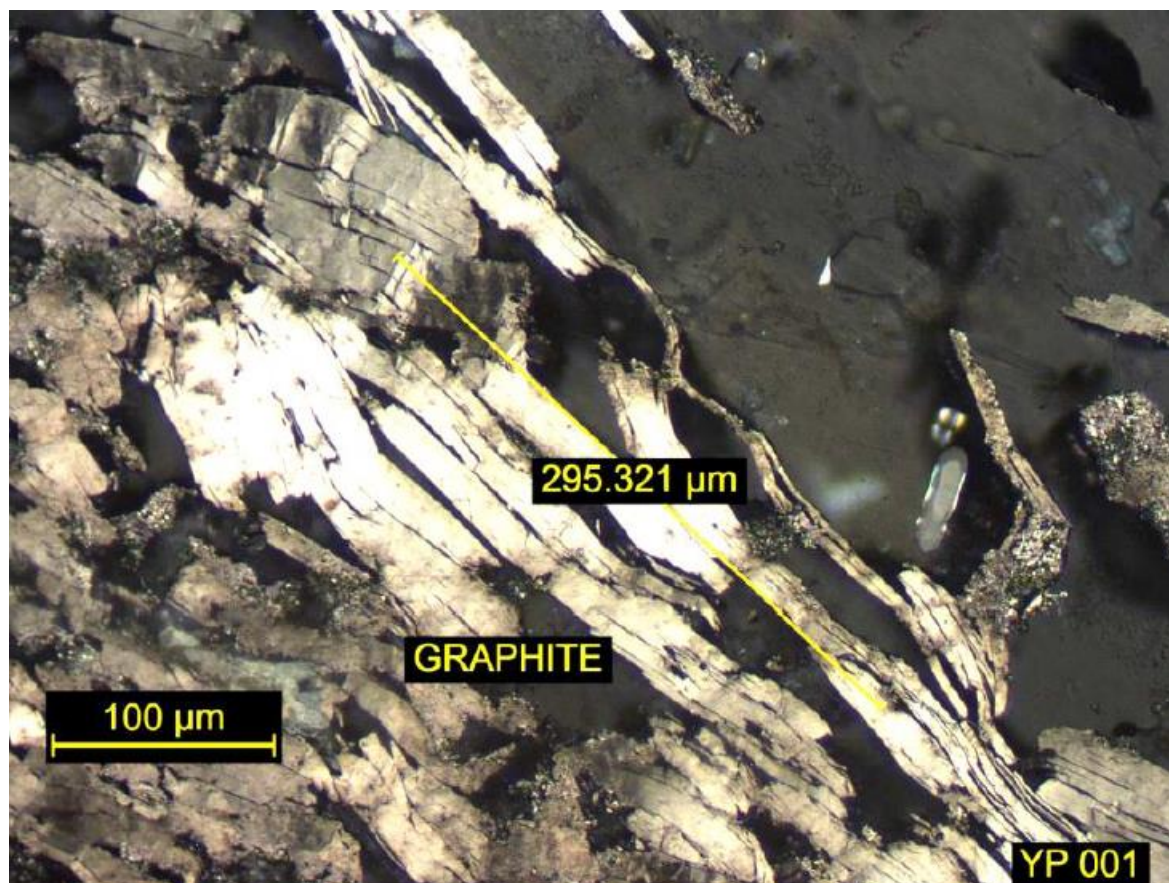


Figure 2: Photomicrograph of "jumbo" graphite flakes (>300um) from Yongwon Graphite Project

Additionally, very high grade results of up to 76% TGC were obtained from sampling of graphitic units on the Wolmyeong project (see Figure 1 for location). Petrography indicates that graphite at Wolmyeong is predominantly microcrystalline in nature, "graphite 1", interspersed with remobilised veins of coarser flake material, "graphite 2", (see Figure 4 below). The predominance of microcrystalline graphite poses challenges for metallurgical processing as test work, currently underway, indicates it is difficult to separate the two distinct graphite morphologies. This suggests that Wolmyeong graphite may be best suited to microcrystalline graphite applications, such as the steel and foundry industries^{D5}. The company will also investigate locations where flake graphite may predominate, such as where it is remobilised into fold hinges and close to granite contact zones. These zones may be detected using electromagnetic (EM) surveying.

Further work at these projects will involve mapping, trenching and channel sampling to determine the width, grade and strike extent of the deposits. Ground level geophysical exploration methods (e.g. EM) are also being considered to better define drill targets^{D5}.



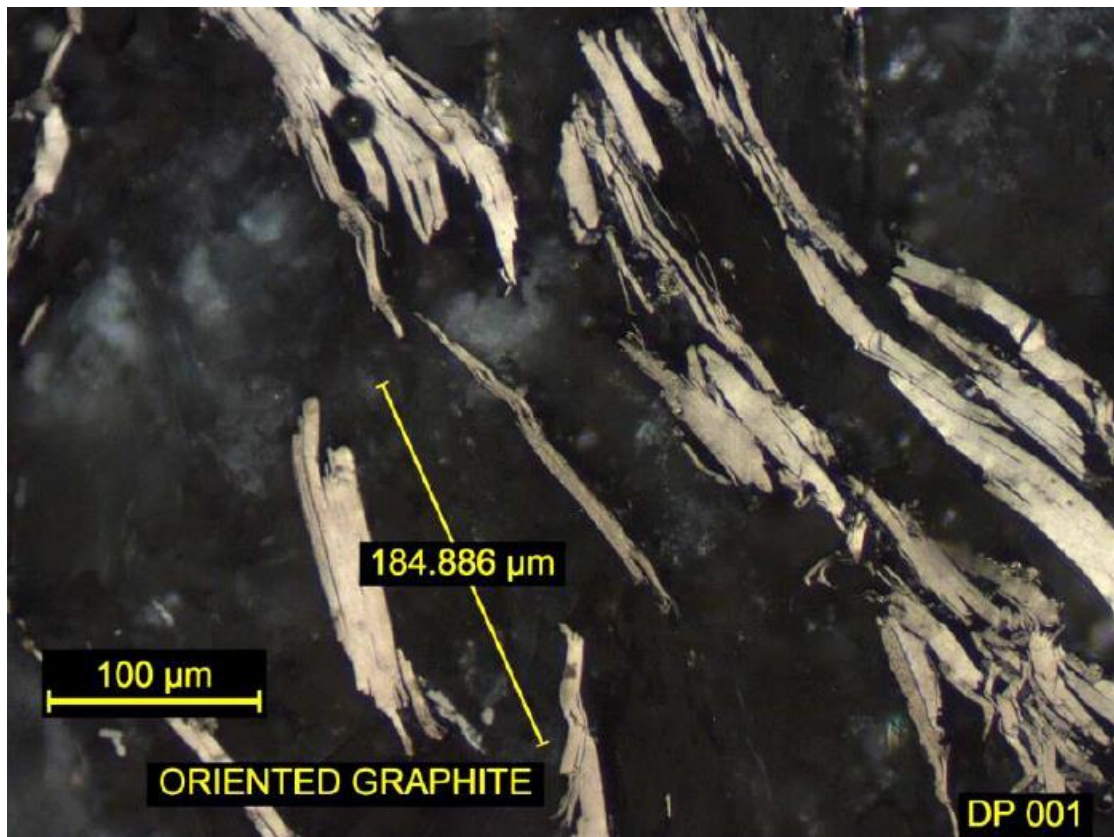


Figure 3: Photomicrograph of large flakes (>180µm) from the Daewon Graphite Project

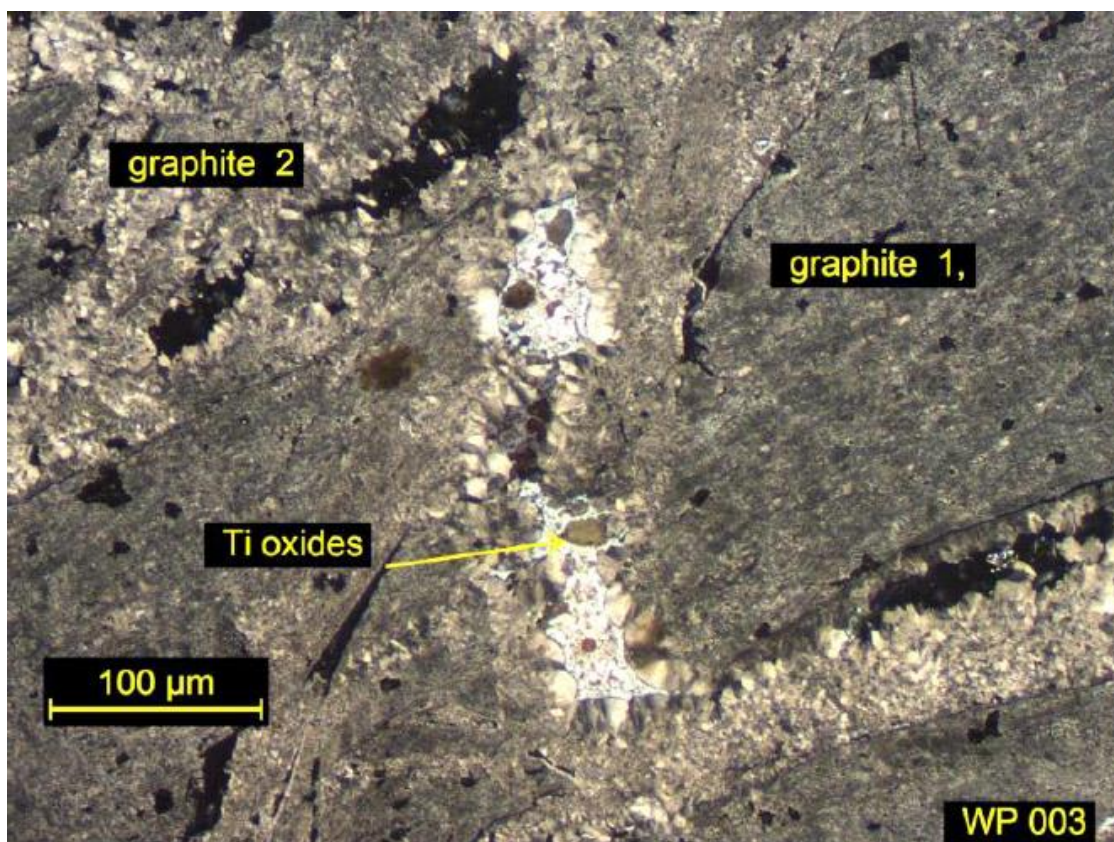


Figure 4: Photomicrograph of the two phases of graphite at Wolmyeong, Graphite 1 – microcrystalline and Graphite 2 – remobilised flake

Lithium Projects

During the Quarter, results were received from 339 stream sediment samples collected over both the Dongsugok and Daehyeon Lithium Projects (see Figure 1 for location), including an orientation survey in the vicinity of the Boam Lithium Mine (not held by Peninsula).

The stream sediment survey was designed to follow up highly anomalous regional lithium results produced from the country-wide stream sediment sampling survey by the Korea Institute of Geoscience and Mineral Resources ("KIGAM"), and to define the lithium signature of stream sediments draining from the Boam Lithium Mine. Analytical results from metallurgical samples from the Boam Lithium Mine included 2.49% Li_2O , and 1.52% Li_2O .

The stream sediment samples were analysed at Intertek laboratory in the Philippines for a suite of elements commonly associated with pegmatitic lithium deposits. The results from the vicinity of the Boam Lithium Mine have been used as a baseline reference study to establish levels of anomalism.

The results include highly anomalous lithium results from two key drainages within the sampled areas; namely the Tonggo Lithium Anomaly on the Dongsugok Project, and the Daehyeon Pegmatite Ridge, on the eastern side of the Daehyeon Project.

Strongly anomalous lithium results of up to 219ppm Li were produced from the Tonggo Prospect, Dongsugok Project (see Figure 5 below), along a 3km trend where additional stream sediment, rock chip and soil sampling programmes are underway^{D4}.

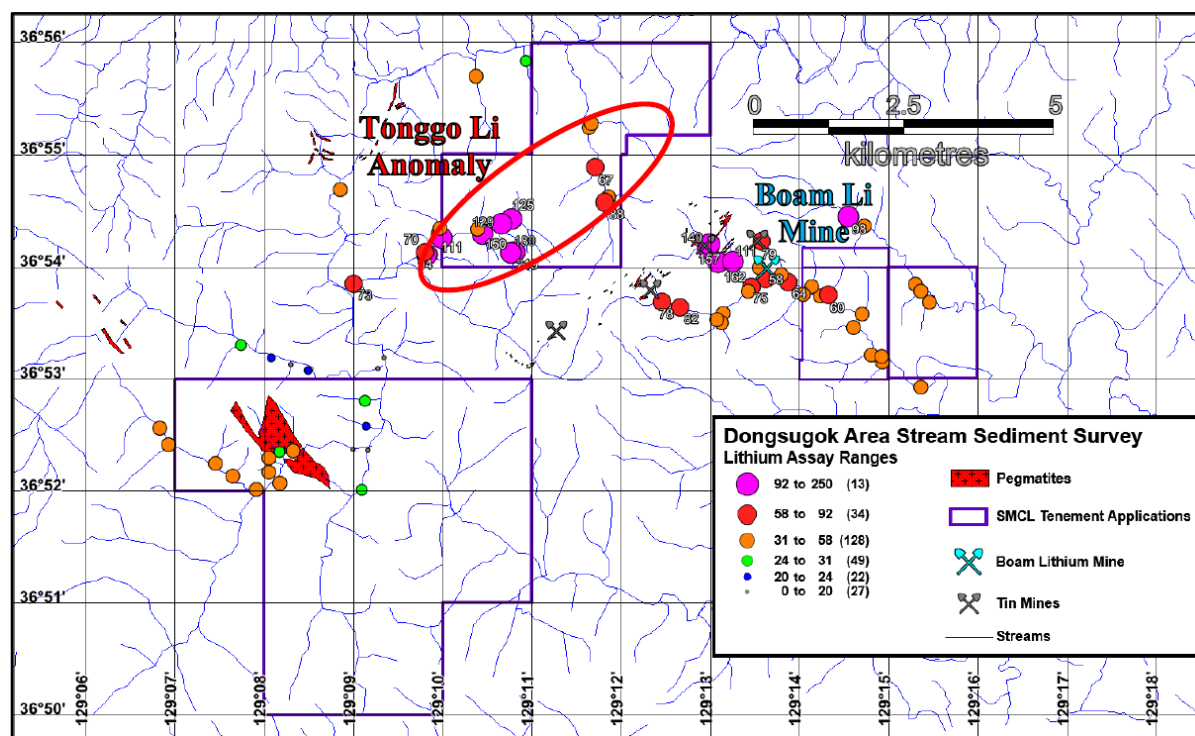


Figure 5: Dongsugok Project tenements and lithium stream sediment sample results^{D4}

At the Daehyeon Project to the north east, stream sediment anomalies of up to 124ppm Li followed the north-south trend of large, previously mapped pegmatites, where rock chip sampling is currently underway^{D4}.

Ubeong Zinc-Silver Project

During the Quarter, Peninsula was able to secure tenement applications over a highly prospective zinc-silver-lead-copper skarn project near Ubeong in northeast Korea (see Figure 1 for location).

The Company located very high-grade zinc-silver (+/- lead, copper) mineralisation, associated with extensive previous mine workings, during follow-up reconnaissance of zinc and arsenic anomalism generated from the recently completed stream sediment survey on the Company's Dongsugok lithium tenements^{D4}.

Rock chip sampling of the historical workings generated the following results, confirming the high-grade nature of the mineralisation^{D2}:

Historical Adit S#UR3001: **5.41% Zn, 200 g/t Ag, 2.31% Pb**

Historical Adit S#UR3002: **12.7% Zn, 669 g/t Ag, 19.1% Pb**

Main Zinc Mine S#UR3011: **25.6% Zn, 215 g/t Ag, 1.14% Pb**

The high-grade, massive sulphide, skarn-style mineralisation is associated with a limestone unit that has been mapped over a 12km strike length, and correlates with a prominent east-west trending magnetic feature likely to be associated with magnetite alteration in the skarn^{D2}. The operating Kumho Zinc Mine is located at the western end of this 12km magnetic trend (see Figure 6).

Following the location of the substantial historical workings, receipt of the high-grade results, and the identification of the limestone-skarn unit that links with the operating Kumho Zinc Mine, a title search identified vacant ground immediately to the west of the initial tenement applications. The Company has subsequently applied for 12 additional blocks, which combined with the previous tenement applications brings the total at the Ubeong Project to 21 blocks over the entire eastern 10 km of strike of this highly prospective, limestone-skarn unit, and the associated magnetic feature.

Additional rock chip/channel, stream sediment and ridge and spur soil sampling programmes are in progress and geophysics (magnetics and EM) is being considered – with the objective of defining drilling targets and applying for Korean Government drilling funding support through KORES.

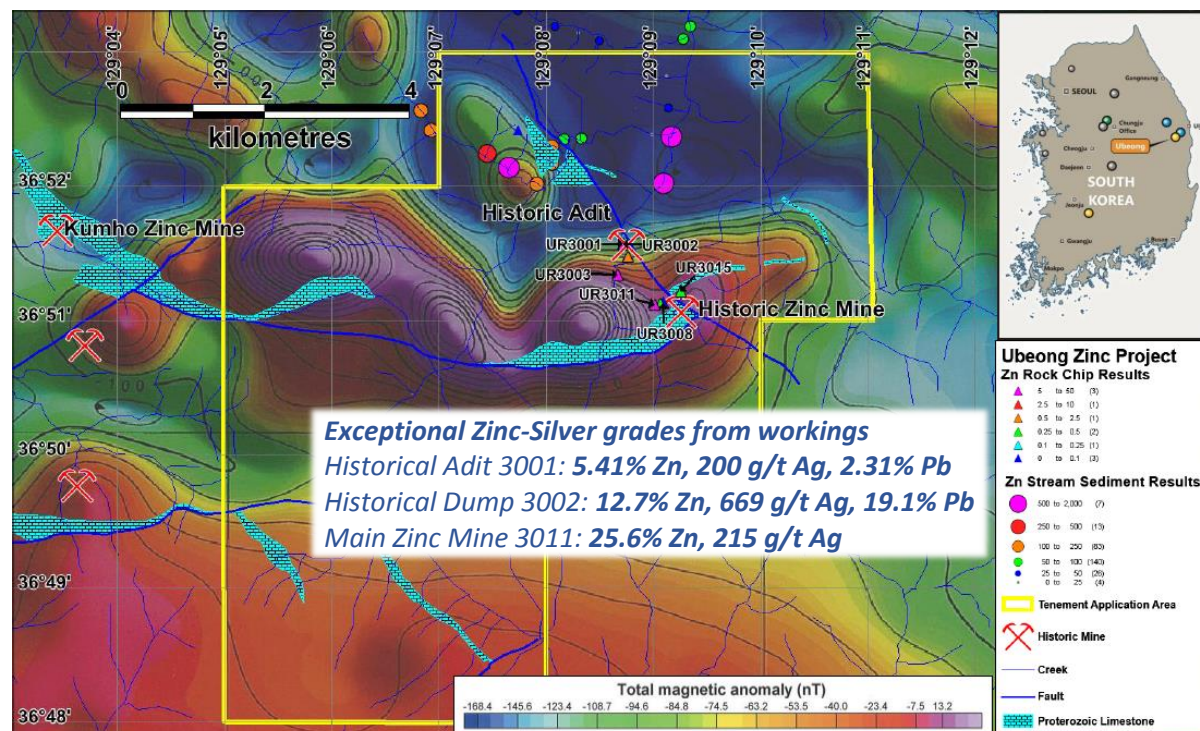


Figure 6: Ubeong Zinc-Silver Project sample locations, skarn-limestone unit and tenements on regional TMI aeromagnetic imagery^{D2}

Osu High Grade Gold Project

In August 2016, Peninsula indicated the intention to complete up to 1,000m of diamond drilling at the Osu high-grade gold Project, subject to approvals and access being granted^{D3}.

Extensive underground development over a strike length of 1.6km has historically occurred at Osu, associated with the Pal Gong East, Pal Gong West and Baegun workings (see Figure 7 below).

Previous Peninsula sampling of outcropping, narrow shear zones/veins near historical adits has generated grades of up to 20.3 g/t Au, 153 g/t Ag and 18.5 g/t Au, 318 g/t Ag^{D3}. These narrow shear zones/veins occur within a 30m to 40m wide corridor with multiple veins and underground workings that have recently been channel sampled across the entire 40m zone. Samples are currently being processed and analysed at Nagrom laboratories in Perth.

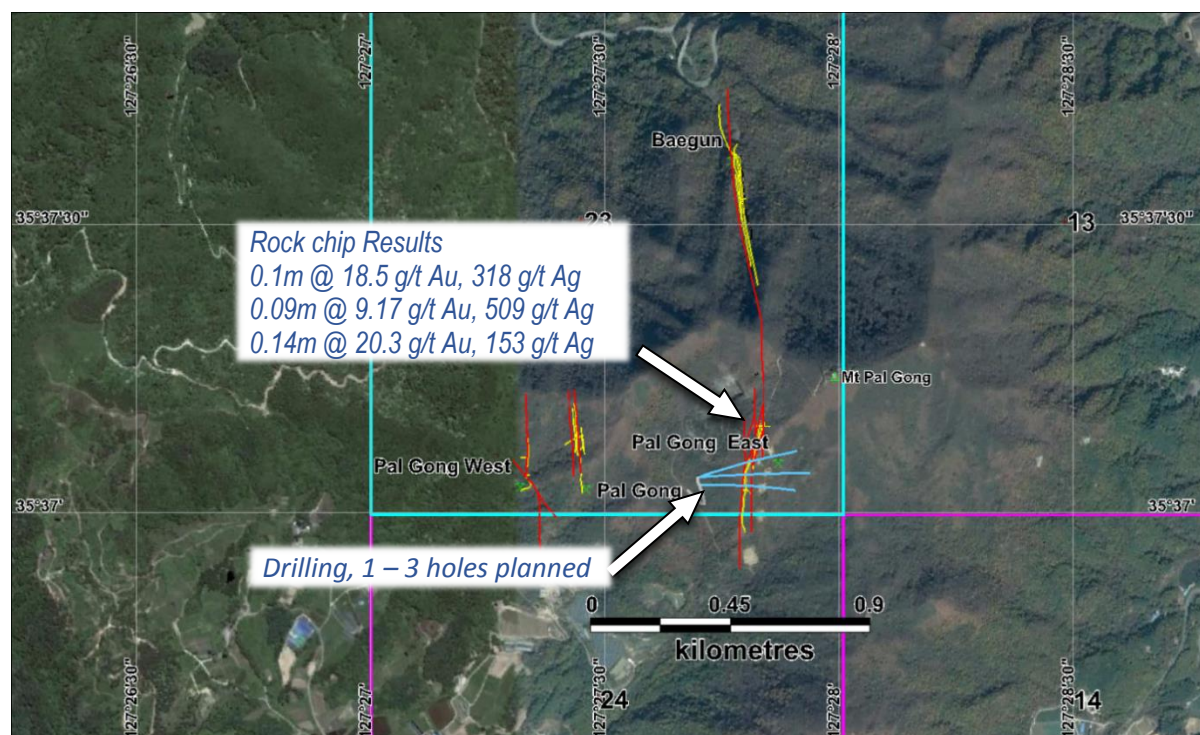


Figure 7: Osu historical underground workings and planned drill holes on Google Earth image^{D3}

The planned locations of the drill holes may be adjusted following receipt of the channel sampling results and subject to preferred land access options.

Camel Hills Joint Venture (CHJV), WA – Aurora Minerals Ltd 50.25% / Peninsula 49.75%

Limited exploration was undertaken at Camel Hills during the Quarter.

CORPORATE

Peninsula expended \$0.37 million during the Quarter, two thirds of which was direct exploration expenditure, and retained \$1.16 million in cash and no debt at the end of the Quarter.

In addition, the Company received firm commitments to raise approximately \$1.68 million through an over-subscribed placement of shares to institutional and sophisticated investors (“Placement”) during September. The initial \$1.4 million of the Placement was received by 6th October 2016 (majority received post the end of the Quarter), and an additional \$0.275 million will be received from major shareholder, Aurora Minerals Ltd (ASX:ARM), with a component from a director, subject to shareholder approval at the Company’s AGM in November^{D1}.

The success of this placement represents an unequivocal endorsement, by new and existing shareholders, of the diverse and intensive exploration programmes in progress on Peninsula’s South



Korean projects. The vast majority of funding is to be dedicated to advancing the Company's current projects and planned programmes.

For further information, please contact:

Jon Dugdale

Chief Executive Officer

Phone: +61 8 6143 1840

Email: jdugdale@peninsulamines.com.au

Summary list of all previous Peninsula ASX releases referenced in this announcement:

1. Peninsula Completes \$1.68M Placement to Accelerate South Korean Exploration (6 October 2016)
2. Exceptional Zinc-Silver Grades from Newly Acquired Project, South Korea (13 September 2016)
3. Osu Drilling Campaign High-Grade Gold Target (1 August 2016)
4. Strongly Anomalous Lithium Results (31 August 2016)
5. Jumbo and Very Large Identified at South Korean Graphite Projects (20 September 2016)
6. Appointment of CEO (9 August 2016)

Other than the information reported in this report, there has been no material change to the information contained in the above releases. Full versions of all the company's releases are available for download from the company's website www.peninsulamines.com.au

About Peninsula Mines

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

The Company has established and is growing a portfolio of highly prospective graphite, lithium, gold-silver and zinc-silver-polymetallic projects in South Korea that all offer significant exploration potential.

Full versions of all the company's releases are available for download from the Company's website www.peninsulamines.com.au

Forward looking Statements

This report contains certain forward looking statements. These forward-looking statements are not historical facts but rather are based on Peninsula Mines Ltd's current expectations, estimates and projections about the industry in which Peninsula Mines Ltd operates, and beliefs and assumptions regarding Peninsula Mines Ltd's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates" "potential" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Peninsula Mines Ltd, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Peninsula Mines Ltd cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of Peninsula Mines Ltd only as of the date of this report. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Peninsula Mines Ltd does not undertake any obligation to report publicly any



revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this report except as required by law or by any appropriate regulatory authority.

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan is an Executive Director of the Company.

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 Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



MINERAL TENEMENT INFORMATION

(as at 25 October 2016)

WESTERN AUSTRALIA

Project	Tenement	Peninsula Holding	Title Holder or Applicant	Notes
Joint Venture with Aurora Minerals				
Beancounter	E09/1323	49.40%	Peninsula Mines Ltd (50.02%) and Aurora Resources Pty Ltd (49.98%)	Granted
Sub Licenced from Aurora Minerals			The licences are subject of a Deed of Sub Licence with Aurora Minerals Limited, for Peninsula Mines Limited to acquire the rights to calcrete uranium on the tenements	
Glenburgh	E52/1983	Note 1	Aurora Resources Pty Ltd	Granted

SOUTH KOREA

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Application Date	Title Expiry	Notes
Donsan	Mokgye 125	77226	100%		22-Aug-28	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Daehwa	Mokgye 126	77227	100%		22-Aug-28	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Daehwa	Mokgye 126	76166	100%		4-Jun-27	PSM Korean subsidiary SMCL acquired 100% equity on 23 January 2014
Pal Gong & Baegun	Osu 23	200471	100%		17-Dec-21	Granted on 17 December 2014. An Exploring Plan was lodged with the Ministry of Trade Industry and Economics on 15 December 2015. The Company has an initial 3-year period in which to complete at least 50% of the proposed work, at which point the Company can either apply for a 3-year extension or file a report detailing the results
Chungju	Chungju 23		100%	28-Apr-16	25-Oct-16	Tenement allowed to lapse post the end of the quarter
Chungju	Chungju 24		100%	28-Apr-16	25-Oct-16	Tenement allowed to lapse post the end of the quarter
Chungju	Chungju 34		100%	28-Apr-16	25-Oct-16	Tenement allowed to lapse post the end of the quarter
Daewon	Yangdeokwon 40		100%	17-Jun-16	14-Dec-16	SMCL must lodge a Mineral Deposit Survey (MDS) prior to the expiry date to extend the tenement life for up to an additional 6 years
Daewon	Yangdeokwon 50		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Application Date	Title Expiry	Notes
Daehyeon	Seobyeok 16		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 17		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 18		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 19		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 20		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 26		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 27		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 28		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 29		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 30		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 35		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 36		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 37		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Daehyeon	Seobyeok 38		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyeok 134		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyeok 135		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyeok 143		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyeok 144		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Deokgu	Seobyeok 145		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Hyeondong 6		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Hyeondong 7		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 147		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 146		100%	12-Sep-16	11-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Dongsugok	Uljin 145		100%	22-Sep-16	21-Mar-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Eunha	Hongseong 107		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 57		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 58		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 60		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 68		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 69		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon North	Seobyeok 70		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyeok 39		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyeok 40		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Application Date	Title Expiry	Notes
Goeseon South	Seobyek 46		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 47		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 48		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 49		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Goeseon South	Seobyek 50		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggi	Jang giri 46		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 139		100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 140		100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Janggohang 150		100%	10-May-16	06-Nov-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Janggohang	Pungdo 10		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Majang	Mokgye 135		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Naedeok	Seobyek 123		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Naedeok	Seobyek 133		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 13		100%	13-Jul-16	09-Jan-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 14		100%	13-Jul-16	09-Jan-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Pal Gong	Osu 24		100%	01-Jul-16	28-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 25		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Tonggo	Hyeondong 35		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
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Tonggo	Hyeondong 46		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 48		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 49		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 58		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
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Ubeong	Hyeondong 69		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 70		100%	18-Aug-16	14-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 78		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 79		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 80		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 89		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 99		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

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Ubeong	Hyeondong 100		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Hyeondong 130		100%	22-Sep-16	21-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong71		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong72		100%	13-Sep-16	12-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong81		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong82		100%	13-Sep-16	12-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong91		100%	12-Sep-16	11-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong92		100%	13-Sep-16	12-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong131		100%	22-Sep-16	21-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Ubeong	Dogyedong141		100%	22-Sep-16	21-Mar-2017	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 107		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 108		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 109		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 116		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 117		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 118		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 119		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 120		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 126		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 127		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 128		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 129		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 130		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 137		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 138		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 139		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 140		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 147		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 149		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 150		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 79		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 80		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyeok 88		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

Deposit	Mine Land Ledger No.	Mining Right No.	PSM Holding %	*Application Date	Title Expiry	Notes
Uguchi	Seobyek 89		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyek 90		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyek 98		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Uguchi	Seobyek 99		100%	17-Aug-16	13-Feb-17	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 69		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 70		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 79		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 89		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Wolmyeong	Cheongsan 99		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Yongwon	Eumseong 22		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend
Yongwon	Eumseong 32		100%	17-Jun-16	14-Dec-16	Lodge Mineral Deposit Survey (MDS) prior to the expiry to extend

*For all tenement applications SMCL must lodge a Mineral Deposit Survey (MDS) prior to the expiry date to facilitate the grant of a 6 year exploration permit.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

PENINSULA MINES LTD

ABN

56 123 102 974

Quarter ended ("current quarter")

30 SEPTEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(245)	(245)
(b) development		
(c) production		
(d) staff costs*		
(e) administration and corporate costs	(128)	(128)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	7
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(366)	(366)

* The company's accounting policy allocates staff costs to activities and are accordingly included in items 1.2 (a) and 1.2 (e).

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(1)	(1)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	156	156
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	156	156

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,371	1,371
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(366)	(366)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	156	156
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,160	1,160

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	285	285
5.2 Call deposits	875	875
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,160	1,160

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
54
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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9. Estimated cash outflows for next quarter**\$A'000**

9.1 Exploration and evaluation

515

9.2 Development

9.3 Production

9.4 Staff costs

9.5 Administration and corporate costs

165

9.6 Other (provide details if material)

9.7 Total estimated cash outflows

680

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Company secretary)

Date: 26 October 2016

Print name: Eric Moore

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.