



19 July 2016

Companies Announcement Office  
Via Electronic Lodgement

## **NYSE-MKT LISTING, NON-DILUTIVE FINANCING AND KAROO STRATEGIC PARTNERING UPDATES**

Peninsula Energy Limited (Peninsula or Company) is pleased to provide the following progress update on key corporate activities.

- ***NYSE MKT Listing***
- ***Revenue Streaming Facility***
- ***Karoo Projects Strategic Partner***

### ***NYSE MKT Listing***

As previously announced, Peninsula is seeking a secondary listing of American Depositary Shares (ADS) on the NYSE MKT.

Since the last update Peninsula has continued the review process with the United States Securities and Exchange Commission ("SEC"), including the submission of a revised registration statement on Form-20-F in response to SEC queries and recent updates provided by the Company. The Company now believes it has cleared the key outstanding items received to date. A Form 20-F, once declared effective by the SEC, registers a class of securities of a foreign issuer and is a requirement for trading on a U.S. stock exchange.

Peninsula is currently well advanced in discussions with a US banking group to support the Company's planned ADS program upon the completion of the NYSE MKT listing. Subject to the Form 20-F being declared effective by the SEC and final clearance from the NYSE MKT to list, Peninsula is aiming to complete the NYSE MKT listing process in the second half of 2016.

### ***Revenue Streaming Facility***

As previously advised, Peninsula continues to work on a funding package for the Company's Stage 2 expansion and has been progressing negotiations on a revenue streaming facility as the primary component of this package.

Revenue streaming is a non-dilutive mechanism that sees a proportion of future sales revenue being exchanged for a one-off upfront cash payment that is to be used for development or expansion capital expenditure. The proportion of future sales revenue only applies for a finite time period and finite quantity of annual production.

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Technical and commercial due diligence has now been completed by the funding party, and Peninsula and this party are working together to finalise a binding agreement in the near term.

This funding package would allow for the commencement of Stage 2 development at the Lance Projects. Stage 2 of the Lance Projects comprises installing the elution, precipitation, drying and packaging processes circuits in the central processing plant (CPP) and a doubling of the ion exchange capacity. Bringing all processing in-house is expected to reduce cash operating costs by US\$4-5/lb U<sub>3</sub>O<sub>8</sub>. Ramp-up to Stage 2 production rates are expected to further reduce cash operating costs by US\$5-6 per pound U<sub>3</sub>O<sub>8</sub>. At steady state Stage 2 production revenues are forecast to double and cash margins are forecast to expand substantially.

### **Karoo Projects Strategic Partner**

While the primary focus of the Company has been on the Lance Projects ramp up, in parallel the Company has been negotiating with a number of parties to secure a strategic investment partner to accelerate the Karoo Projects in South Africa through completion of feasibility studies. It is envisaged that the majority of this funding would be provided at the project level minimising dilution to existing shareholders.

At this stage legal and technical due diligence has been completed on the Karoo Projects by two groups, one of whom has put a proposal to the Company and another is expected to lodge a proposal shortly. The Company is also continuing negotiations with a third party who previously submitted a term sheet, which is subject to ongoing finalisation of investment structure and due diligence.

Managing Director and CEO Mr. John Simpson stated *"Whilst the Company has been firmly focused on the commissioning and ramp up at Lance the corporate team and RSA management have been progressing alternative methods to advance the Karoo to be a second production centre for the Company. These efforts are bearing fruit and should be finalised by the end of the year"*.

Yours sincerely



**John (Gus) Simpson**  
**Managing Director/CEO**

For further information, please contact our office on +61 (0)89380 9920 during Normal business hours.