



17 October 2013

Companies Announcement Office
Via Electronic Lodgement

PLACEMENT TO BLACKROCK AND SOPHISTICATED INVESTORS

Peninsula Energy Limited (Peninsula) is pleased to advise that it has entered into agreements with institutional and sophisticated investors to raise \$2 million through the issue of 80 million new shares at 2.5 cents per share. Participants in the placement will receive one free attaching listed option (PENOC) exercisable at \$0.03 on or before 31 December 2015 for every two new shares subscribed in the placement (Placement).

Funds received from the Placement will be used to progress feasibility studies at the Karoo Projects in South Africa, general activities at the Lance Projects and for working capital.

During September, due to the complexities impacting the completion of the second material condition precedent (CP) of the BlackRock notes, the Company decided on an interim capital raise to continue with the allowable pre-Source Materials License construction activities at its Lance Projects in Wyoming, USA.

However, in the intervening period the second material CP allowing drawdown from the US\$22 million BlackRock debt facility has been met. Subsequently, the Company has elected to scale back the capital raise to BlackRock and other investors under the existing share subscription agreement to \$2 million. The reduced capital raising will minimise dilution to existing shareholders.

The new investors have been introduced by Hartleys Limited and Canaccord Genuity (Australia) Limited, the Joint Lead Managers to the Placement.

Peninsula Executive Chairman Gus Simpson stated, *"This Placement and the BlackRock facility allows construction activities to be accelerated at the Lance Projects and the advancement of the Karoo Projects feasibility work; both are important steps in advancing the Company towards becoming a multi-source uranium producer."*

The allotment of the Placement shares and options is not subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX LR 7.1 and additional 10% placement capacity under ASX LR 7.1A.

This is the announcement that was referred to in the Company's request for a trading halt on 8 October 2013 and voluntary suspension requests that followed.

Yours sincerely

John (Gus) Simpson
Executive Chairman

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