
PENINSULA MINERALS LIMITED

ABN 67 062 409 303

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11.00 am (WST)

DATE: 4 November 2010

PLACE: The Celtic Club
48 Ord Street
WEST PERTH WA 6005

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers 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 (08) 9380 9920.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders of Peninsula Minerals Limited which this Notice of Meeting relates to will be held at 11.00 am (WST) on Thursday, 4 November 2010 at:

The Celtic Club
48 Ord Street
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the proxy form enclosed and return it:

- (a) in person or by post to Advanced Share Registry, 150 Stirling Highway, Nedlands, Western Australia 6009; or
 - (b) by facsimile to Advanced Share Registry on facsimile number +61 8 9389 7871,
- so that it is received not later than 11.00am (WST) on 2 November 2010.

Proxy forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Peninsula Minerals Limited will be held at The Celtic Club, 48 Ord Street, West Perth at 11.00 am (WST) on 4 November 2010.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 2 November 2010.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial statements and the related Directors' report, Directors' declarations and the independent audit report of Peninsula Minerals Limited for the financial year ended 30 June 2010.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company’s annual financial report for the financial year ended 30 June 2010.”

3. RESOLUTION 2 – RE-ELECTION OF MR WARWICK GRIGOR AS A DIRECTOR

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

“That Mr Warwick Grigor, being a Director who retires by rotation in accordance with clause 11.3 of the Company’s Constitution, and being eligible for re-election, be re-elected as a Director of the Company.”

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE - SHARES AND ATTACHING OPTIONS

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 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 125,000,000 Shares at an issue price of 4 cents per Share together with 31,250,000 attaching Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE - SHARES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 8,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – PERFORMANCE SHARES

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 13,500,000 Performance Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue 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, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – SHARE PLACEMENT FACILITY

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 allot and issue up to 250,000,000 Shares at an issue price of not less than 80% of the average market price for Shares on the five trading days prior to the issue of the Shares, to institutional and professional and sophisticated investors and otherwise on the terms and conditions set out in the Explanatory Statement:

Short Explanation: Under the Listing Rules, the Company may seek Shareholder approval prior to the issue of equity securities to allow it the flexibility to make future issues of securities up to the threshold of 15% of its total ordinary securities in any one 12 month period. Please refer to the Explanatory Statement of further details.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, or any associate of that person. 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.

8. RESOLUTION 7 – CHANGE OF COMPANY NAME

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

“That, for the purposes of Listing Rule 157(1) of the Corporations Act and for all other purposes, the name of the Company be changed to “Peninsula Energy Limited” and all records of the Company to be updated accordingly.”

DATED: 1 October 2010

BY ORDER OF THE BOARD

**JONATHAN WHYTE
COMPANY SECRETARY
PENINSULA MINERALS LIMITED**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 4 November 2010 at 11.00 am (WST).

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2010 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.peninsulaminerals.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders.

The Directors' report for the financial year ended 30 June 2010 contains the remuneration report, which sets out the policy for remuneration of the Directors and senior executives of Peninsula Minerals Limited. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Shareholders attending the Annual General Meeting will be given a reasonable opportunity to ask questions regarding the remuneration report.

3. RESOLUTION 2 – RE-ELECTION OF MR WARWICK GRIGOR AS A DIRECTOR

Clause 11.3 of the Company's Constitution requires that at each annual general meeting one-third of the Directors must retire from office.

In accordance with the Constitution, Mr Warwick Grigor retires from office and offers himself for re-election as a Director.

A profile of Mr Warwick Grigor is contained in the Company's Annual Report for the financial year ended 30 June 2010.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE - SHARES AND ATTACHING OPTIONS

4.1 General

As announced to the market on 25 March 2010, the Company issued 125,000,000 Shares (**Placement Shares**) and 31,250,000 free attaching listed Options (ASX:PENOA) exercisable at 3 cents each on or before 30 June 2012 (**Placement Options**). The recipients of the Placement Shares and Placement Options were not related parties of the Company.

Resolution 3 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of the Placement Shares and Placement Options (**Placement Ratification**).

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 a 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.

4.2 Technical Information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Placement Ratification:

- (a) 125,000,000 Placement Shares and 31,250,000 Placement Options were allotted;
- (b) the Placement Shares were issued at an issue price of 4 cents per Share and the Placement Options were free attaching;
- (c) the Placement Shares and Placement Options were allotted and issued to institutional clients of Hartleys Limited on 8 April 2010;
- (d) the Placement Shares were fully paid ordinary shares in the capital of the Company and rank equally with the Company's current issued Shares;
- (e) the Placement Options were issued on the terms and conditions set out in Schedule 1;
- (f) none of the allottees were related parties of the Company; and
- (g) the funds raised from the Placement Shares were used to fund the development and exploration of the Company's uranium projects including resource and exploration drilling at the Lance Projects in Wyoming, USA (**Lance Projects**), feasibility studies at the Lance Projects

and the completion of an independent scoping study at the Karoo Projects in South Africa.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES

5.1 General

During the period between December 2009 and September 2010, the Company issued a total of 8,000,000 Shares to Messrs Tony Simpson, Jonathan Whyte, Alf Gillman and Melvin Campbell as consideration for services rendered and to provide a market-linked incentive component to their remuneration packages.

The recipients of the Shares were not related parties of the Company.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Share Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.1 above.

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.

5.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share Ratification:

- (a) a total of 8,000,000 Shares were allotted;
- (b) the Shares were issued for nil consideration;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares;
- (d) the Shares were allotted and issued to the following parties in the following proportions;

Recipient	No. Shares
Mr. Tony Simpson	2,000,000
Mr. Jonathan Whyte	1,000,000
Mr. Alf Gillman	1,500,000
Mr. Melvin Campbell	3,500,000
TOTAL	8,000,000

- (e) no funds were raised from this issue as the Shares were issued to the parties referred to above in consideration for services rendered to the Company.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – PERFORMANCE SHARES

6.1 General

On 12 April 2010 the Company issued a total of 8,500,000 Performance Shares to Mr Alf Gillman, the Company's General Manager for Project Development as consideration for services rendered and to link part of the consideration paid to Mr Gillman to certain significant performance criteria, as detailed in Schedule 2.

On 14 September 2010 the Company issued a total of 5,000,000 Performance Shares to Mr Melvin Campbell to link part of the consideration paid to Mr Campbell to certain significant performance criteria, as detailed in Schedule 2.

Messrs Gillman and Campbell are not related parties of the Company.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Performance Shares (**Performance Share Ratification**).

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.1 above.

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 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Performance Share Ratification:

- (a) a total of 13,500,000 Performance Shares were allotted;
- (b) the Performance Shares were issued for nil consideration;
- (c) the Class A, Class B and Class C Performance Shares will each be convertible into fully paid ordinary Shares upon the satisfaction of various criteria, as set out in the terms and conditions of the Performance Shares as set out in Schedule 2;
- (d) the Performance Shares were allotted and issued to Mr Alf Gillman, General Manager of Project Development at the Company, and Mr Melvin Campbell, Chief Financial Officer of the Company, as follows:

Allottee	Class A	Class B	Class C
Mr Alf Gillman	1,500,000	3,000,000	4,000,000
Mr Melvin Campbell	-	2,000,000	3,000,000
TOTAL	1,500,000	5,000,000	7,000,000

- (e) no funds were raised from this issue as the Performance Shares were issued to Messrs Gillman and Campbell as consideration for services rendered and to link part of the consideration paid to Messrs Gillman and Campbell to certain significant performance criteria, as detailed in Schedule 2.

7. RESOLUTION 6 – SHARE PLACEMENT FACILITY

7.1 General

Resolution 6 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the Directors to allot and issue up to 250,000,000 Shares under a share placement facility (**Placement Facility**).

None of the Shares the subject of the Placement Facility will be placed to related parties of the Company.

A summary of ASX Listing Rules 7.1 is set out in Section 4.1 above.

The effect of passing Resolution 6 will be to allow the Directors to issue these Shares (if required) during the period of 3 months after the Annual General Meeting (or a longer period, if allowed by ASX), without eroding the Company's annual 15% placement capacity.

As at the date of this Notice of Meeting there has been no decision by the Directors whether to utilise the Placement Facility. The Directors believe that it is prudent for the Company to have a share placement facility available so that the Company has the flexibility to raise additional equity funding without Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.3

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

- (a) the maximum number of securities to be issued is 250,000,000 Shares;
- (b) the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made or, if there is a prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;
- (c) the Shares will be allotted and issued no later than three (3) months after the date of the Annual General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) as at the date of this Notice of Meeting there has been no decision by the Directors to issue any Shares. Accordingly, the names of any allottees or proposed allottees are not known and it is not known whether any allotments will occur as a single allotment or will occur progressively;
- (e) the allottees will be identified at the Directors discretion but the Shares will not be issued to related parties of the Company;
- (f) the Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares. The Company will apply to ASX for quotation of the Shares; and
- (g) the funds raised will be used for working capital purposes with the majority of expenditure on drilling, permitting and feasibility studies at

the Lance Projects in Wyoming, USA, as well as the drill program at the Karoo Projects in South Africa.

8. RESOLUTION 7 – CHANGE OF COMPANY NAME

Resolution 7 is a special resolution pursuant to which the Company seeks Shareholder approval to effect a change in the Company's name from Peninsula Minerals Limited to Peninsula Energy Limited.

The Directors consider that the Company's existing name does not reflect either the Company's activities or future direction and focus. As such, the Director's consider that the name Peninsula Energy Limited is a more relevant, marketable and appropriate name for the Company.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day has the meaning set out in the Listing Rules.

Company means Peninsula Minerals Limited (ABN 67 062 409 303).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Notice of Meeting means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share on the terms and conditions set out in Schedule 1 of this Notice of Meeting.

Optionholder means the holder of an Option.

Proxy Form means the proxy form attached to this Notice of Meeting.

Performance Share means a Share issued on the terms and conditions set out in Schedule 2 of this Notice of Meeting.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share or a Performance Share as the context requires.

WST means Western Standard Time, Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
 - (b) The Options will expire at 5.00pm (WST) on 30 June 2012 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (c) The amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).
 - (d) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;
- (Exercise Notice).**
- (e) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Options;
 - (f) The Company will apply for official quotation of the Options by ASX;
 - (g) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (h) There are no participating rights or entitlements inherent in the Options and Optionholders 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 Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
 - (i) 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.

SCHEDULE 2 - TERMS AND CONDITIONS OF PERFORMANCE SHARES

The terms and conditions of the Performance Shares are as follows:

Rights attaching to the Performance Shares

- (a) **(Performance Shares)** Each Performance Share is a share in the capital of the Company.
- (b) **(General Meetings)** The Performance Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders. Holders have the right to attend general meetings of shareholders of the Company.
- (c) **(No Voting Rights)** The Performance Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of shareholders of the Company.
- (d) **(No Dividend Rights)** The Performance Shares do not entitle the Holder to any dividends.
- (e) **(Rights on Winding Up)** Upon winding up of the Company, the Performance Shares may participate in the surplus profits or assets of the Company only to the extent of \$0.000001 per Performance Share.
- (f) **(Transfer of Performance Shares)** The Performance Shares will not be transferable.
- (g) **(Reorganisation of Capital)** In the event that issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation.
- (h) **(Application to ASX)** The Performance Shares will not be quoted on ASX. Upon conversion of the Performance Shares into Shares in accordance with these terms, the Company must within seven (7) days after the conversion, apply for the official quotation of the Shares arising from the conversion on ASX.
- (i) **(Participation in Entitlements and Bonus Issues)** Holders of Performance Shares will not be entitled to participate in new issues of capital offered to holders of the Shares such as bonus issues and entitlement issues.
- (j) **(No Other Rights)** The Performance Shares give the Holders no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares

- (a) **(Conversion of Class A Performance Shares)**
 - (i) The Class A Performance Shares will convert into fully paid ordinary shares in the capital of the Company upon the Company identifying 7,500,000 pounds JORC inferred resource of U308 being defined at the Company's Lance Project in Wyoming USA (**Lance Project**).
 - (ii) The Class A Performance Shares shall not be capable of conversion into fully paid ordinary shares prior to 30 June 2010.

(Class A Milestones).

(b) **(Conversion of Class B Performance Shares)**

- (i) The Class B Performance Shares will convert into fully paid ordinary shares in the capital of the Company upon the Company identifying 15,000,000 pounds JORC inferred resource of U308 being defined at the Lance Project.
- (ii) The Class B Performance Shares shall not be capable of conversion into fully paid ordinary shares prior to 30 June 2011.

(Class B Milestones).

(c) **(Conversion of Class C Performance Shares)**

- (i) The Class C Performance Shares will convert into fully paid ordinary shares in the capital of the Company upon the Company deciding to commence commercial mining operations in respect of the Lance Project.
- (ii) The Class C Performance Shares shall not be capable of conversion into fully paid ordinary shares prior to 30 June 2012.

(Class C Milestones);

(the Class A Milestones, Class B Milestones and Class C Milestones are collectively, the **Milestones**)

- (d) **(Redemption if employment ceases)** In the event that a Holder ceases to be employed by the Company for whatever reason, all Performance Shares held by that Holder will be automatically redeemed by the Company for \$0.000001 per Performance Share within 10 Business Days of the cessation of employment.
- (e) **(Redemption if Milestone not Achieved)** In the event that the Class A Milestones, Class B Milestones and Class C Milestones (collectively, the **Milestones**) are not achieved prior to 30 June 2014 (**Performance Share Expiry Date**) the Performance Shares will be automatically redeemed by the Company for \$0.000001 per Performance Share within 10 Business Days of the Performance Share Expiry Date.
- (f) **(Conversion on a Change in Control Event)** If, on or prior to the Performance Share Expiry Date, a Change in Control Event (as defined below) occurs then each Performance Share will automatically convert into one Share without the requirement for notice.
- (g) **(After Conversion)** The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (WST) on the date of allotment, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.
- (h) **(Conversion Procedure)** the Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into the Shares.
- (i) **(Ranking of Shares)** The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.

Definitions

Change in Control Event means:

- (a) A takeover offer where:
 - (i) the offeror in respect of all the Shares announces that it has achieved acceptances in respect of 50.1% or more of the Shares; and
 - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
 - (i) shareholders of the Company have, at a Court convened meeting of shareholders, voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all the Shares are to be either cancelled or transferred to a third party; and
 - (ii) the Court, by order, approves the proposed scheme of arrangement; or
- (c) the announcement by the Company that the shareholders of the Company have approved a capital reduction involving a distribution of shares held by the Company in an entity (to be formed) which has rights in respect of the Lance Project, disposal of the whole or a substantial part of the assets comprising the Lance Project or any similar transaction for or in relation to the Company, its share capital or the Lance Project (as approved by ASX).

Lance Project means:

- (a) the Company's tenements located in Crook County, Wyoming, USA, on the North-Eastern side of the Powder River Basin comprising approximately 120km² of land leased by the Company; and
- (b) any other mining tenement or mining tenements which may be granted in lieu of or relate to the same ground as the tenements referred to in paragraph (a).

PROXY FORM

**APPOINTMENT OF PROXY
PENINSULA MINERALS LIMITED
ABN 67 062 409 303**

ANNUAL GENERAL MEETING

I/We

of

being a member of Peninsula Minerals Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 11.00 am (WST), on 4 November 2010 at The Celtic Club, 48 Ord Street, West Perth, Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

☐

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 3 to 6** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 3 to 6 and that votes cast by the Chair of the Annual General Meeting for Resolutions 3 to 6 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 3 to 6 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 3 to 6.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of remuneration report	☐	☐	☐
Resolution 2 – Re-election of Mr Warwick Grigor	☐	☐	☐
Resolution 3 – Ratification of Prior Issue - Shares and Attaching Options	☐	☐	☐
Resolution 4 – Ratification of Prior Issue - Shares	☐	☐	☐
Resolution 5 – Ratification of Prior Issue – Performance Shares	☐	☐	☐
Resolution 6 – Share Placement Facility	☐	☐	☐
Resolution 7 – Change of Company Name	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

Signature of Member(s):

Date: _____

Individual or Member 1

Member 2

Member 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

PENINSULA MINERALS LIMITED
ABN 67 062 409 303

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members must sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post the proxy form to Advanced Share Registry, 150 Stirling Highway, Nedlands, Western Australia 6009; or
 - (b) facsimile to Advanced Share Registry on facsimile number on +61 8 9389 7871.

so that it is received not later than 5.00 pm (WST) on 2 November 2010.

Proxy forms received later than this time will be invalid.