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Companies Announcement Office
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PENINSULA COMPLETES MAJOR REGULATORY MILESTONE

Peninsula Energy Limited (**Peninsula**) is pleased to announce that it has, through its wholly owned US subsidiary Strata Energy Inc (**Strata**), completed a major regulatory milestone with the submission of its application to the US Nuclear Regulatory Commission (**NRC**) for a Combined Source and 11e.(2) Byproduct Material License.

The December 31, 2010 application requests authorization to construct and operate an in-situ uranium recovery (**ISR**) facility at Peninsula's Ross ISR Project, located near Oshoto, in north-eastern Wyoming (**Ross Project**). The proposed facility would consist of wellfields, pipelines and a central plant to process extracted uranium into yellowcake for commercial use in nuclear power plants.

Peninsula is targeting commencement of uranium mining at the Ross Project in 2012, joining other successful uranium producers in Wyoming whose efforts are spearheading domestic energy development in the U.S. using the most environmentally benign uranium recovery process available.

The submission of the license application follows approximately 25 months of drilling, baseline testing, data analysis, resource modeling, process design, and public outreach and was prepared in accordance with relevant NRC regulations and guidance. Strata also reviewed requests for additional information (RAIs) from NRC Staff to current ISR licensees and license applicants to ensure that the information requested, where appropriate, was included in Strata's own data sets and analysis.

The process involved public outreach to interested stakeholders in the proposed Ross project area and to the broader community beyond to identify and acknowledge any public concerns and to include appropriate measures in its license application to address all of those concerns. As previously announced, in October of 2010 the NRC conducted an unprecedented on-site visit and pre-license application submission review of Strata's proposed license application to identify any major acceptance or technical/environmental review issues. Feedback from that critical review was then incorporated into the final license application package.

Peninsula's Chief Operating Officer Tony Simpson said he is pleased with the efforts of the Wyoming-based permitting team in preparing the application for submission in just one year.

"We set a very aggressive schedule for this project, and we are confident that what we are delivering to the NRC is a very comprehensive, technically complete and publicly vetted submission."

The history of uranium development in the proposed Ross project area extends back to the late 1960s, when some 5,000 exploration holes were drilled and an ISR research and development plant was constructed in the area by a joint venture between Nuclear Dynamics and Bethlehem Steel (NuBeth).

Strata purchased the complete database for the NuBeth project containing, among other things, the original electronic drill logs, permitting application and approvals, plant operating reports and plant closure reports. The information contained in the database, combined with additional data gathered and analyzed by Strata, confirms significant uranium mineralization and hydrogeological conditions conducive to the ISR method.

Building on this information, Strata has applied state-of-the-art technology to a proven uranium recovery method through the use of sophisticated geological and hydrological modelling systems.

Strata commenced an independent feasibility study in December of 2009 with the development of a 5,200+-hole, computer-based geologic model. Strata used cutting-edge well installation methods and hydrologic instrumentation systems to develop pre-operational baseline characteristics of the proposed Ross ISR site, which forms part of the total project area and the first proposed area to be permitted for production.

The comprehensive application package is available for public review at the Crook County Public Library at 414 Main Street and the Crook County Courthouse at 309 Cleveland Street in Sundance, Wyoming; and at the Wyoming Department of Environmental Quality offices at 2100 W. 5th Street in Sheridan, Wyoming and 122 W. 25th Street in Cheyenne, Wyoming.

Strata will deliver hard copies of its NRC license application to the NRC at a public meeting in Washington, DC on Tuesday, January 4. Information on this and future NRC public meetings will be posted at <http://www.nrc.gov/public-involve/public-meetings/index.cfm>. The NRC will then conduct an "acceptance review" to ensure that the application is complete. If the application is deemed complete, it will be accepted for detailed technical and environmental review.

Yours Sincerely



John (Gus) Simpson
Chairman

For further information, please contact our office on (08) 9380 9920 during normal business hours.