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Companies Announcement Office
Via Electronic Lodgement

$70 MILLION INDUSTRIAL REVENUE BOND FOR LANCE PROJECTS WINS UNANIMOUS CROOK COUNTY COMMISSION SUPPORT

Peninsula Energy Limited (**PEN**) is pleased to announce a significant step forward in project financing for its Lance Projects in Wyoming, USA.

The Crook County Board of Commissioners voted unanimously on Tuesday to provide authorization to proceed toward the issuance of the Crook County Wyoming Industrial Development Revenue Bonds in the amount of $70 million to partially fund development of the Lance Projects.

The Bond funding is allocated under the Industrial Development Projects Act (IDPA) (Wyoming Statute 15-1-7), which allows cities and counties in Wyoming to issue Bonds to promote economic growth within the state, and to create jobs for in-state residents.

The Bond program is funded up to $600 million through the state Permanent Mineral Trust Fund at an interest rate equal to the present rate of return for the Fund. The County acts as the issuing authority and has recommended purchase of the Bonds to the Wyoming Business Council (WBC), which will conduct a thorough due diligence review of the application.

Upon successful WBC review, the application will proceed to approval by the State Attorney General, State Treasurer, and ultimately the Governor.

In requesting the County's support, Strata was required to demonstrate that the Lance Projects provide a clear and factual economic benefit to the County and local communities in four key areas:

- Creating new or additional employment opportunities;
- Expanding the tax base and increasing sales, property or other tax revenues to the County;
- Maintaining and promoting a stable, balanced and diversified economy among agriculture, natural resource development, business, commerce and trade; and
- Promoting or developing use of agricultural, manufactured, commercial or natural resource products within or without the state.

The $70 million in requested Bonds represents 47% of the $148.1 million required to construct the Lance Projects Central Processing Plant, CPP expansion, Satellite Ion Exchange Plant and initial well-field development.

In addition to the Bonds above, the Company continues to advance several complimentary debt funding opportunities which are progressing on schedule and according to plan.

Yours sincerely

John (Gus) Simpson
Executive Chairman

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

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